EMBARGOED UNTIL 9:00 A.M.
January 24, 2001

PUBLIC CONTACT: Office of Financing
202-691-3550

MEDIA CONTACT: Office of Public Affairs
202-622-2960

TREASURY ANNOUNCES DEBT BUYBACK OPERATION

On January 25, 2001, the Treasury will buy back up to $1,000 million par
of its outstanding callable issues with final maturity between February 2010
and November 2014. Treasury reserves the right to accept less than the
announced amount.

This debt buyback (redemption) operation will be conducted by Treasury’s
Fiscal Agent, the Federal Reserve Bank of New York, using its Open Market
operations system. Only institutions that the Federal Reserve Bank of New
York has approved to conduct Open Market transactions may submit offers on
behalf of themselves and their customers. Offers at the highest accepted
price for a particular issue may be accepted on a prorated basis, rounded up
to the next $100,000. As a result of this rounding, the Treasury may buy
back an amount slightly larger than the one announced above.

This debt buyback operation is governed by the terms and conditions set
forth in 31 CFR Part 375 and this announcement.

The debt buyback operation regulations are available on the Bureau of

Details about the operation and each of the eligible issues are given
in the attached highlights.

Attachment

For press releases, speeches, public schedules and official biographies, call our 24-hour fax line at (202) 622-2040
HIGHLIGHTS OF TREASURY DEBT BUYBACK OPERATION

January 24, 2001

Par amount to be bought back... Up to $1,000 million
Operation date ................. January 25, 2001
Operation close time ............. 11:00 a.m. eastern standard time
Settlement date ............... January 29, 2001
Minimum par offer amount ..... $100,000
Multiples of par ............. $100,000
Format for offers..... Expressed in terms of price per $100 of par with three decimals. The first two decimals represent fractional 32nds of a dollar. The third decimal represents eighths of a 32nd of a dollar, and must be a 0, 2, 4, or 6.

Delivery instructions ........ ABA Number 021001208 FRB NYC/CUST

Treasury issues eligible for debt buyback operation (in millions):

<table>
<thead>
<tr>
<th>Coupon Rate (%)</th>
<th>Maturity Date</th>
<th>CUSIP Number</th>
<th>Par Amount Outstanding*</th>
<th>Par Amount Privately Held*</th>
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</thead>
<tbody>
<tr>
<td>11.750</td>
<td>02/15/05-10</td>
<td>912810 CM 8</td>
<td>2,494</td>
<td>1,636</td>
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<tr>
<td>10.000</td>
<td>05/15/05-10</td>
<td>912810 CP 1</td>
<td>2,987</td>
<td>1,811</td>
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<td>12.750</td>
<td>11/15/05-10</td>
<td>912810 CS 5</td>
<td>4,736</td>
<td>3,476</td>
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<td>13.875</td>
<td>05/15/06-11</td>
<td>912810 CV 8</td>
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<td>3,535</td>
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<td>3,925</td>
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<td>10.375</td>
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<td>08/15/08-13</td>
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<td>13.250</td>
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<td>08/15/09-14</td>
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<td>912810 DN 5**</td>
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<td>4,811</td>
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<td>Total</td>
<td></td>
<td></td>
<td>58,906</td>
<td>45,631</td>
</tr>
</tbody>
</table>

* Par amounts are as of January 23, 2001.

** This is the only callable security eligible for the STRIPS program. As of January 22, 2001, the par amount held as STRIPS is $4,018 million.

The difference between the par amount outstanding and the par amount privately held is the par amount of those issues held by the Federal Reserve System and Federal Government accounts.