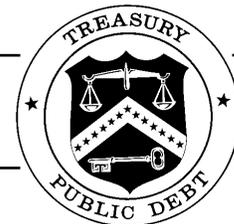

PUBLIC DEBT NEWS

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I BONDS TO EARN 4.66% WHEN BOUGHT FROM MAY THROUGH OCTOBER 2003

I BOND EARNINGS RATE 4.66%

The earnings rate for I Bonds is a combination of a fixed rate, which will apply for the life of the bond, and the inflation rate. The 4.66 percent earnings rate for I Bonds bought from May through October 2003 will apply for the first six months after their issue. The earnings rate combines the 1.10 percent fixed rate of return with the 3.54 percent annualized rate of inflation as measured by the Consumer Price Index for all Urban Consumers (CPI-U). The CPI-U increased from 181.0 to 184.2 from September 2002 to March 2003, a six-month increase of 1.77 percent.

Treasury's inflation-indexed I Bonds are designed to offer all Americans a way to save that protects the purchasing power of their investment by assuring them a real rate of return above inflation. I Bonds have features that make them attractive to many investors. They are sold at face value in denominations of \$50, \$75, \$100, \$200, \$500, \$1,000, \$5,000, and \$10,000 and earn interest for as long as 30 years. I Bond earnings are added every month and interest is compounded semiannually. They are State and local income tax exempt, and Federal income tax on I Bond earnings can be deferred until the bonds are cashed or they stop earning interest after 30 years. Investors cashing I Bonds before five years are subject to a 3-month earnings penalty.

Savers and investors can now open an on-line account to purchase I Bonds in electronic form through the website www.treasurydirect.gov. Account holders can purchase, manage, and redeem such I Bonds over the internet 24 hours a day, seven days a week. These rates also apply to electronic I Bonds.

I BOND FIXED RATE 1.10%

Series I, inflation-indexed savings bonds purchased from May 2003 through October 2003 will earn a 1.10 percent fixed rate of return above inflation. The 1.10 percent fixed rate applies for the 30-year life of I Bonds purchased during this six-month period.

EARNINGS RATES FOR ALL I BONDS

Earnings rates and actual yields for I Bonds are shown in the I Bond Earnings Report on the back of this release.

MORE INFORMATION

Information about savings bonds is available at Public Debt's website at www.treasurydirect.gov. Check out our Savings Bond Calculator to see how easy it is to find out what your bonds are worth, what they're earning, and even keep track of them. Or, download the free Savings Bond Wizard to keep track of your savings bond portfolio. An Earnings Report, which contains rate and yield information for bonds is available by mail. Send a postcard asking for "Earnings Report" to Bureau of the Public Debt, 200 Third Street, Parkersburg, WV 26106-1328.

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