

New York City



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**NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY SUCCESSFULLY
PRICES \$711 MILLION REFUNDING BOND SALE**

The New York City Transitional Finance Authority (the "TFA") announced today that it successfully priced \$711 million of fixed-rate Fiscal 2003 Series D tax-exempt refunding bonds, including \$448 million of Subseries D-1 bonds and \$263 million of Subseries D-2 bonds. Lehman Brothers served as book-running senior manager on today's sale with JPMorgan, Merrill Lynch & Co., and Morgan Stanley serving as co-senior managers on today's sale. The subseries D-1 bonds are senior bonds. The Subseries D-2 bonds are on a parity with outstanding TFA Recovery Bonds, and payment of the Subseries D-2 bonds is subordinate to payment of the TFA's senior bonds and operating expenses

Yields on the Subseries D-1 bonds ranged from 0.93% in the 2004 maturity to 3.77% in the 2017 maturity. The 2004 maturity was sold via sealed bid, which was won by Lehman Brothers. Yields on the Subseries D-2 bonds ranged from 2.89% in the 2011 maturity to 3.51% in the 2014 maturity.

Moody's Investors Service rates the TFA at Aa2, Standard & Poor's rates the TFA at AA+, and Fitch rates the TFA at AA+.