



New York City Municipal Water Finance Authority

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NEW YORK CITY MUNICIPAL WATER FINANCE AUTHORITY SELLS \$892 MILLION IN NEW MONEY AND REFUNDING BONDS IN MIXED MARKET

The New York City Municipal Water Finance Authority (“NYW”) today announced the successful sale of its \$892 million tax-exempt, fixed-rate Fiscal 2003 Series A and Series B Bonds. The yields ranged from 5 basis points lower to 20 basis points higher in the various maturities compared to the MMD Triple-A Scale, which is consistent with the historical performance of NYW.

The structure of the bond sale included serial bonds in maturities from 2003 through 2020 and term bonds in 2028, 2029 and 2034. Yields ranged from 1.55% in the 2003 maturity to 5.32% in the 2034 maturity. NYW also received retail orders of over \$60 million during the two-day retail order period prior to today’s institutional pricing. NYW only needed to increase its yields in the final pricing by 02 basis points in 2014, 2015 and 2034 following the preliminary pricing.

UBS PaineWebber Inc. was the book-running senior manager on the bonds, with First Albany Corporation, Goldman Sachs and Merrill Lynch & Co. serving as co-senior managers on today’s transaction. NYW will use \$300 million of the proceeds of today’s sale to defease outstanding commercial paper and partially fund the debt service reserve fund, and the balance will be used to refund outstanding NYW bonds. The present value savings on the \$742 million of refunding bonds is approximately \$83 million, or 11 percent of the par amount of refunding bonds. Included in today’s sale were \$150 million of refundable principal installment bonds in 2004, 2005 and 2006. These bonds were solely underwritten by Merrill Lynch & Co.

Moody’s Investors Service rates NYW at Aa2, Standard & Poor’s rates NYW at AA, and Fitch, Inc. rates NYW at AA.