

This announcement is neither an offer nor a solicitation of an offer to buy any of these securities. The offering is made only by the final official statement. The information set forth in this announcement was obtained from sources we believe to be reliable but we do not guarantee its accuracy. All such information is subject to the information in the final official statement.

Proposed New Issue

\$ 4,771,965,000 *

State of California General Obligation Refunding Bonds

Priority Period for Retail Buyers Tuesday, March 27th *

- Federal and California tax-exempt interest for California residents **
- Maturities range from 2007 to 2033 ***
- Bonds expected to be sold the week of March 26th * and delivered April 11th *
- Bonds will be available in denominations of \$5,000.

Copies of the Preliminary Official Statement for these Bonds may be obtained from the firms listed below, as well as on the California State Treasurer's website at <http://www.treasurer.ca.gov/> and from Elabra at <http://www.elabra.com/munibase/CAbonds/CAbondsPOS.pdf>

Merrill Lynch & Co.
800-967-8813

Citigroup
800-832-7648

Goldman, Sachs & Co.
212-902-6640

Siebert Brandford Shank & Co., LLC
800-334-6800

A.G. Edwards & Sons, Inc.
888-789-0555

Alamo Capital
800-362-5266

Alta Capital Group, LLC
866-607-ALTA (2582)

Backstrom McCarley Berry & Co., LLC
866-878-BMCB

Banc of America Securities LLC
800-200-1870

Bear, Stearns & Co. Inc.
866-720-4201

E.J. De La Rosa & Co., Inc.
866-361-3200

E. Wagner & Associates, Inc.
925-416-1200

First Albany Capital Inc.
800-567-8567

Great Pacific Securities
800-284-4804

Grigsby & Associates, Inc.
800-392-4877 (x237)

Henderson Capital Partners, LLC
888-427-6116

JPMorgan
888-556-3708

Lehman Brothers
800-582-4904

Loop Capital Markets, LLC
888-294-8898

M.R. Beal & Company
800-451-9702

Morgan Stanley
800-733-6526

Piper Jaffray & Co.
800-774-8488

Prager, Sealy & Co., LLC
800-336-4020

Ramirez & Co., Inc.
800-888-4086

Raymond James & Associates, Inc.
877-295-9116

RBC Dain Rauscher Inc.
800-557-8876

Roberts & Ryan Investments Inc.
800-956-3823

Stinson Securities, LLC
415-981-3380

Wachovia Securities
800-368-3793

Wells Fargo Institutional Securities, LLC
800-677-3729

Charles Schwab & Co., Inc.
800-476-BOND (2663)

City National Securities, Inc.
800-750-5471

Fidelity Capital Markets Services
800-544-5372

Pershing Trading Services
800-924-9696

Fixed Income Securities
888-455-2663 (ext 3)

* Preliminary, subject to change.

** Applies to California residents. Upon the issuance of the Bonds, Orrick, Herrington & Sutcliffe LLP, and Quateman LLP, Co-Bond Counsel, will deliver an opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes, as more fully set forth in the Official Statement. Prospective buyers should consult their own tax advisers.

*** For a more complete description of the Bonds, please contact an investment professional at one of the firms listed above.