

Auction announcement Treasury discount paper (Unverzinsliche Schatzanweisungen - "Bubills") of the Federal Republic of Germany

As already announced in the issue calendar for the third quarter of 2007, the Federal Government will issue Treasury discount paper ("Bubills") with a maturity of 6 months for sale by auction on 16 July 2007. An issue volume (auction allotment and amount set aside for secondary market operations) of €6 billion is envisaged. Members of the Bund Issues Auction Group are entitled to bid.

Time schedule of the auction procedure:

Date of invitation to bid: Friday, 13 July 2007

Bidding period: Monday, 16 July 2007, from 8.00 a. m. until 11.00 a. m. Frankfurt time

Value date: Wednesday, 18 July 2007

Characteristics of the Bubills:

Maturity: 16 January 2008

ISIN: DE0001115061

SIN: 111 506