



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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Treasurer Lockyer Names Three California Underwriters to Head Finance Team for \$1.75 Billion Bond Sale

Wants to Increase Opportunity for Local Firms as State Expands Bond Activity

SACRAMENTO – State Treasurer Bill Lockyer today announced he has tapped three California-based companies to head the underwriting team for a \$1.75 billion bond sale, marking the first time the Treasurer’s Office has given management of such a large deal to a group of small to medium-sized California financial firms.

“With voters’ approval of \$43 billion in bonds for schools, roads, housing and other key infrastructure, we are entering an era in which public finance will help rebuild California,” said Lockyer. “California firms should have the opportunity to play a major role in making this crucial endeavor a success. These three firms rank in the industry’s upper echelon, and each has demonstrated a commitment to financing public works in our state. They will serve taxpayers well.”

The three firms Lockyer named as joint senior managers for the \$1.75 billion sale of voter-approved general obligation (GO) bonds include: Siebert Brandford Shank & Co., founded in 1996 and based in Oakland; Stone & Youngberg, founded in 1931 and based in San Francisco; and De La Rosa & Co., founded in 1989 and based in Los Angeles. Siebert Brandford and De La Rosa are small, minority-owned firms, while Stone & Youngberg is a medium-sized firm. All three specialize in municipal bonds, and are among the leading underwriters of public debt in California.

The development marks the first time the Treasurer’s Office has appointed a group of small to medium-sized, California-based underwriters to senior-manage a state bond sale of more than \$1 billion. Before it moved its headquarters from San Francisco to North Carolina in 1998, Banc of America served as senior underwriter on a number of sales that were as large or larger.

The \$1.75 billion sale likely will take place near the end of 2007. The state plans other sales before the \$1.75 billion transaction, including: a \$2.5 billion GO sale; a \$250 million stem cell bond issue, the first such sale since voters approved Proposition 71 in 2004; and a revenue anticipation note issue.

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