

Edgar Filing: BEAR STEARNS COMPANIES INC - Form 424B3

* Commencing July 8, 2004 and on each interest payment date thereafter until Maturity, the Notes may be called in whole at par at the option of the Company on five business days notice.

** Interest will accrue daily at a rate of 7.25% per annum, subject to the condition that 6 month LIBOR on each such day is within the following ranges:

from and including 7/8/03, to but excluding 7/8/08	--	0.00% to 5.00%
from and including 7/8/08, to but excluding 7/8/13	--	0.00% to 6.00%
from and including 7/8/13, to but excluding 7/8/18	--	0.00% to 7.00%

However, if the 6 month LIBOR on any day in the interest payment period is outside of the applicable range, then no interest will accrue on any such day.

Interest, with respect to each interest payment period, will be calculated at a rate of $7.25\% \times n/N$, where n = the number of days in the interest payment period where 6 Month LIBOR falls within the ranges specified above and N = the actual number of days in the interest payment period.

Interest is calculated on the basis of twelve 30-day months and a 360-day year.

*** On the 8th of each October, January, April and July, including the maturity date.

At February 28, 2003:

- o the Company had outstanding (on an unconsolidated basis) approximately \$37.4 billion of debt and other obligations, including approximately \$34.3 billion of unsecured senior debt and \$2.6 billion of unsecured inter-company debt; and
- o subsidiaries of the Company had outstanding (after elimination of inter-company items) approximately \$145.5 billion of debt and other obligations (including \$47.9 billion related to securities sold under repurchase agreements, \$52.9 billion related to payables to customers, \$26.4 billion related to financial instruments sold, but not yet purchased, and \$18.3 billion of other liabilities, including \$13.6 billion of debt).

The distribution of Notes will conform to the requirements set forth in Rule 2720 of the NASD Conduct Rules.