



**Citigroup and Capital Guaranteed Investments launch second opportunity to invest in Citigroup's proprietary Income Plus Trading Strategy**

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**ORB International Enhanced Income - YIELDS2 opens 20 October**

**Sydney, October 20, 2004** - In response to strong demand, Citigroup Global Markets, the issuer, and Capital Guaranteed Investments, the principal distributor, are pleased to announce the launch of the ORB International Enhanced Income (ORB IEI) offer of YIELDS2. This is the second opportunity to invest in Citigroup's Income Plus Trading Strategy, a proprietary trading strategy with a target annual income of 12% paid quarterly, growth potential from exposure to 30 of the world's largest companies and a capital guarantee at maturity. These hybrid securities called YIELDS2 are expected to list on ASX on 8 December.

This launch follows the success of the initial issue of ORB IEI – YIELDS, an offer which closed on 23 July 2004 having raised \$128 million.

ORB IEI utilises a mechanism that actively allocates a notional investment exposure between two assets: Citigroup's Income Plus Trading Strategy, to provide income and capital gains, and a Bond Portfolio for capital protection. The Income Plus Trading Strategy is a non-discretionary, rules-based trading model developed by Citigroup which aims to generate a target annual income of 12% and a proportion of equity capital growth. The Strategy invests in high dividend-yielding stocks in some of the world's largest companies and derives additional income by writing "covered call" options over these stocks.

From inception on 7 July 2003 to 30 July 2004, the Income Plus Trading Strategy outperformed the price return of the Dow Jones Global Titans 50 Index by 4.63% in Australian dollar terms. The AUD strategy total return for the period was 9.38%.

Mr Michael Walker, Director and Head of Equity Structured Products at Citigroup, said “With 12 months actual performance under its belt, the Income Plus Trading Strategy has proven to be a reliable and popular investment for those looking for a high relative return and capital guarantee. We now have over US\$3 billion in capital protected products issued over the Income Plus Trading Strategy.”

Mr Ross Benson, Executive Director of Capital Guaranteed Investments Limited, said, “Australian investors continue to have an appetite for risk managed alternate investments. The attributes of the ORB IEI remain extremely attractive for Australian investors looking to invest internationally and diversify away from Australian equity markets that currently trade at all time highs.”

The offer of YIELDS2 is being made pursuant to a Product Disclosure Statement dated 24 September 2004. A copy of the PDS can be obtained by contacting Citigroup on 1300 30 70 70 or Capital Guaranteed Investments on 1800 667 672. The PDS will also be made available on the Citigroup website at [www.citiwarrants.com.au](http://www.citiwarrants.com.au). Investors must make their own assessment as to the suitability of this type of investment based on their reading of the PDS and/or seeking their own independent financial, legal and tax advice, in addition to any other advice they deem necessary in making their investment decision.

**For further information, contact:**

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Capital Guaranteed Investments Limited “CGIL” was created in response to investors needs to develop and provide investment solutions with the safety of a capital guarantee. At CGIL we believe that investors need the assurance of capital protection and preservation as the starting point in evaluating investment opportunities. The ORB family of investment products reflects this belief by providing the security of a capital guarantee with exciting growth engines. Along with a range of leading global consultants, CGIL ensure the foundations of its products lead best practice.