

# Asian Income Plus - YIELDS3 Summary

Update as of: **30 September 2005**

Issue Date: **2 August 2005**

Maturity Date: **2 August 2011**

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YIELDS3 offer the potential for quarterly income and capital appreciation through exposure to a selection of high yielding large cap equities, selected from the MSCI\* AC Asia Index. YIELDS3 are linked to a Dynamic Portfolio, which provides exposure to a combination of the proprietary Asian Income Plus Trading Strategy III and the Bond Portfolio (BP), a synthetic zero coupon bond portfolio. The income generated by YIELDS3 is among other things a function of the allocation to the Strategy. YIELDS3 are 100% capital protected at maturity.

## Overview

YIELDS3 Value	30-Sep-05	31-Aug-05	2-Aug-05
ASX Bid Price (i)	<b>\$9.37</b>	\$9.66	\$9.67
ASX Last Traded Price	<b>\$9.27</b>	\$9.65	n/a

Performance Summary	MOM	Year to date	Since 2-Aug-05
YIELDS3 Total Return (ii)	<b>0.73%</b>	0.62%	0.62%
YIELDS3 Price Return (ii)	<b>-3.00%</b>	-3.10%	-3.10%
YIELDS3 Distribution % (iii)	<b>3.73%</b>	3.72%	3.72%
AUD distribution collected to date (iv)	<b>0.26 (est)</b>	0.36 (paid)	0.36 (paid)

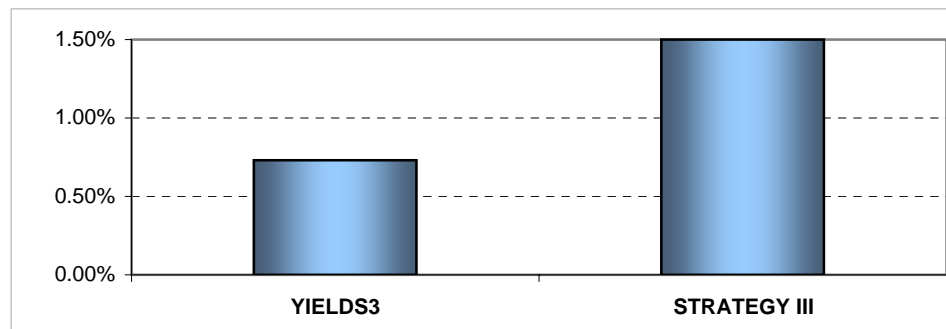
Market Data	MOM	Year to date	since 2-Aug-05
Strategy Total Return (AUD)	<b>-2.10%</b>	-2.60%	-2.60%

	30-Sep-05	31-Aug-05	2-Aug-05
AUD Interest Rate to Maturity	<b>5.60%</b>	5.30%	5.50%

Performance Attribution (v)	30-Sep-01	31-Aug-05
Strategy Monthly Change (AUD)	<b>-\$0.21</b>	-\$0.06
BP Monthly Change (AUD)	<b>\$0.00</b>	\$0.00

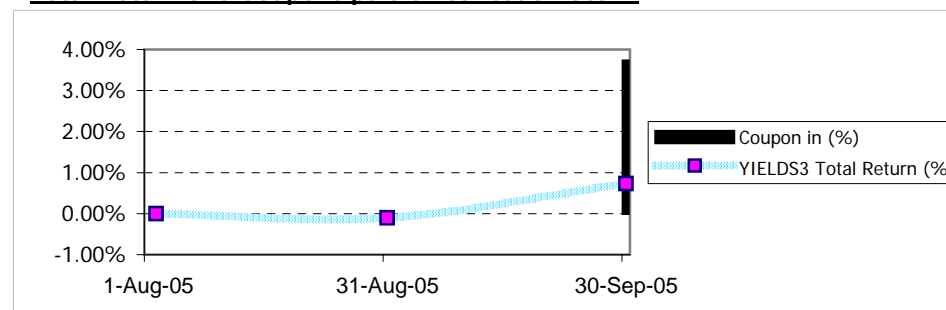
Dynamic Exposure Data	30-Sep-05	31-Aug-05	2-Aug-05
Dynamic Portfolio Reference (vi)	<b>\$9.39</b>	\$9.61	\$9.67
Allocation to Strategy	<b>100%</b>	100%	100%
Uplverage/Deleverage Event	<b>No</b>	No	No
Gap Measure (vii)	<b>19.30%</b>	20.50%	21.30%

## Total Return Since Issue Date <sup>(ii)</sup>



Past performance is not a reliable guide to future results.

## Total Return and Coupons paid since Issue Date <sup>(ii)</sup>



(i) Bid Price is the ASX market bid price of YIELDS3 (ASX code: YLDSO3) as at the respective month end. This price reflects the highest market bid in the security as at the close of trading. In the event of no higher bids this price may represent Citigroup's market bid price for YIELDS3. On the Issue Date the initial value of YIELDS3 was AUD 9.67 per unit. (ii) Price return and total return since Issue Date are calculated as a % change in price versus the YIELDS3 Value at the beginning of the reference period net of any upfront fee and other ongoing fees. Total return figures include distribution paid and assume no reinvestment over life. (iii) YIELDS3 Distribution % is calculated as the total distribution declared per unit during the period as a % of the YIELDS3 ASX bid price at the beginning of the period. % figures are not annualised. (iv) This is the AUD amount collected to date per YIELDS3 unit for the next quarterly distribution. This amount is an estimate as of month end, based on available information at the time and assumes the current allocation remaining constant. It is for indication only and may be subject to change. (v) Strategy and BP monthly change are estimates and are calculated using beginning and end of month Net Portfolio Unit NAV's and allocations to the Strategy. (vi) The Dynamic Portfolio Reference level is the indicative value of the Net Portfolio Unit NAV as at the respective month end and has been derived from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions. It is for indicative purposes only and subject change. (vii) If the Gap measure rises above 25% (of the YIELDS3 Value), an "up-leverage" event will occur; a fall of the Gap measure below 15% would lead to a "de-leverage" event. MoM means month on month change.

Figures are calculated using month end data. Charts are based on month end data.

Source: Bloomberg and Citigroup Global Markets Limited.

# AUD Asian Income Plus Strategy Performance

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The Asian Income Plus Strategy III is based on a proprietary trading model that seeks to offer income and the potential for capital appreciation through exposure to 30 of Asia's largest companies by Market capitalisation. Each year, the Strategy selects a portfolio of 30 high yielding stocks from the MSCI\* AC Asia Index. Further yield enhancement is achieved by writing quarterly covered call options on each of the stocks within the Strategy.

## Performance Table <sup>(1)</sup>

Performance Table	MoM	Year To Date	Since 2-Aug-05
Strategy Total return (AUD)	<b>1.50%</b>	1.00%	1.00%
Strategy Price Return (AUD)	<b>-2.10%</b>	-2.60%	-2.60%
Strategy Yield (AUD)	<b>3.60%</b>	3.60%	3.60%

## Regional Comparisons

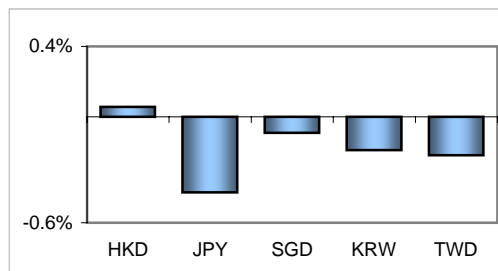
Indicies	MoM	Year To Date	Since 2-Aug-05
MSCI* Hong Kong Total Return (AUD)	<b>1.82%</b>	1.28%	1.28%
MSCI* Japan Total Return (AUD)	<b>8.94%</b>	17.34%	17.34%
MSCI* Singapore Total Return (AUD)	<b>-0.33%</b>	-4.17%	-4.17%
MSCI* Taiwan Total Return (AUD)	<b>-0.41%</b>	-5.94%	-5.94%
MSCI* Korea Total return (AUD)	<b>10.70%</b>	7.88%	7.88%

Strategy III MoM total return was 1.5%. The Asian currency impact was overall negative as SGD, KRW, JPY and TWD all strengthened against the AUD. Overall sector price performance fared better compared to last month with the Financial and Industrial sectors performing the best. The Quarterly coupon was paid on 15 Sep. This contributed to the positive MoM yield and total return. The next distribution will occur in December 2005.

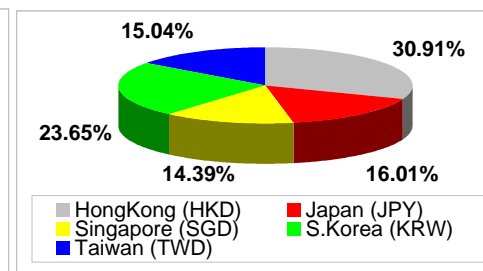
## Top Two Stocks From Each Country <sup>(4)</sup>

Company	Sector	Currency	Country
UNITED MICROELECTRONICS CORP	Technology	TWD	Taiwan
HON HAI PRECISION INDUSTRY	Industrial	TWD	Taiwan
SAMSUNG ELECTRONICS CO LTD	Technology	KRW	South Korea
POSCO	Basic Materials	KRW	South Korea
MIZUHO FINANCIAL GROUP INC	Financial	JPY	Japan
NTT DOCOMO INC	Communications	JPY	Japan
CHEUNG KONG HOLDINGS LTD	Financial	HKD	Hong Kong
PETROCHINA CO LTD-H	Energy	HKD	China
DBS GROUP HOLDINGS LTD	Financial	SGD	Singapore
SINGAPORE TELECOMMUNICATIONS	Communications	SGD	Singapore

## MoM Currency Impact within Strategy <sup>(2)</sup>

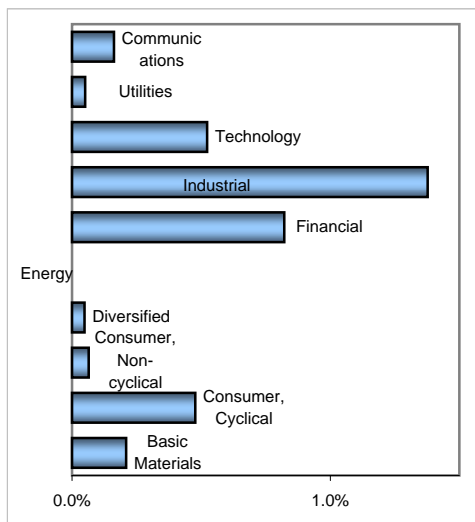


## Country/Currency Breakdown <sup>(3)</sup>

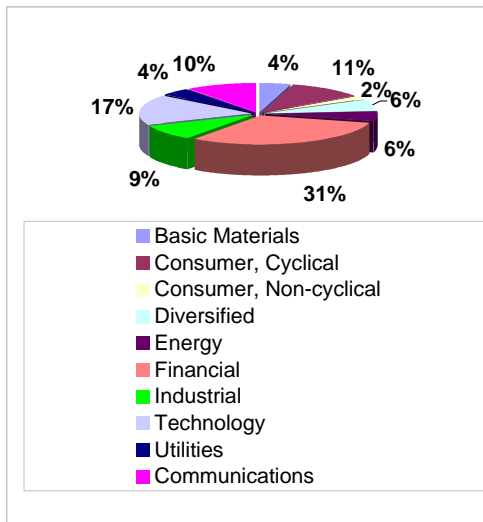


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## MoM Sector Returns within Strategy <sup>(5)</sup>



## Sector Breakdown <sup>(6)</sup>



(1) Return figures are calculated as a % change over the period, include income distributed by Strategy and assume no reinvestment over life. (N.B. The % coupon paid on a Note linked to Strategy is not the same as the % income distributed by Strategy, as a Note's coupon is among other things a function of allocation to Strategy). Yield is based on value of Strategy as of beginning of period. (2) Percentage change of each currency holdings within Strategy versus AUD over the past month, using currency weightings as of end of month. (3) Breakdown as of beginning of month using live weights and prevailing exchange rates and showing the exposure of Strategy holdings to the currencies listed. (4) Top two holdings from each country as of last rebalancing. (5) Price performance showing sector returns as measured in the stocks' respective local currencies over the past month, using live weights as of beginning of month. (6) Breakdown as of beginning of month using live weights reflecting the relative value of each stock/sector as of that time in percentage of the value of the total Strategy holdings.

## Disclaimer

Update as of: **31 August 2005**

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