

Orb International Enhanced Income - YIELDS

Update as of: **31st May 2005**

Issue Date: **30th July 2004**

Maturity Date: **22th July 2010**



YIELDS offer the potential for quarterly income and capital appreciation through exposure to a selection of high yielding large cap equities, selected from the Dow Jones Global Titans 50SM (DJGT) Index. YIELDS are linked to a Dynamic Portfolio, which provides exposure to a combination of the proprietary Income Plus Trading Strategy and the Bond Portfolio (BP), a synthetic zero coupon bond portfolio. YIELDS are 100% capital protected at maturity.

Overview

YIELDS Value	31 May 05	30 Dec 04	30 Jul 04
ASX Bid Price (i)	8.72	9.25	9.64
ASX Last Traded Price	8.72	9.25	na
Performance Summary	MoM	Year to date	Since Jul 04
YIELDS Total Return (ii)	2.11%	-2.63%	-4.15%
YIELDS Price Return (ii)	2.11%	-5.73%	-9.54%
YIELDS Distribution % (iii)	0.00%	3.10%	5.39%
AUD Distrib collected to date (iv)	0.09 (est)	0.29 (paid)	0.52 (paid)

Market Data	MoM	Year to date	Since Jul 04
AUD DJGT Price Return (ii)	4.46%	1.21%	-1.13%
AUD Strategy Total Return (ii)	3.24%	0.18%	0.00%

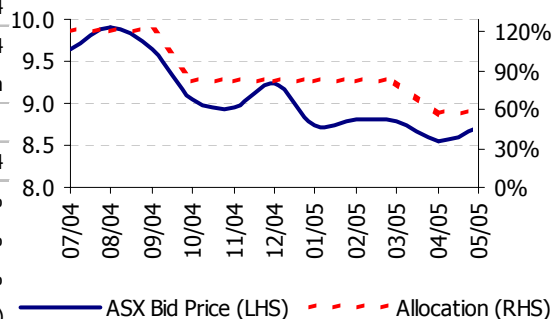
Market Data (cont)	31 May 05	30 Dec 04	30 Jul 04
AUD vs. USD	0.76	0.78	0.68
AUD Interest Rate to Maturity	5.5%	5.6%	6.1%

Performance Attribution (v)	31 May 05	29 Apr 05	31 Mar 05
Citigroup Bid Price	8.73	8.53	8.80
Strategy Monthly Change in AUD	0.15	**	0.05
BP Monthly Change in AUD	0.04	**	0.00
Bid Price Change in AUD	0.19	-0.26	0.05

** Estimated breakdown not meaningful because of leverage event intra month

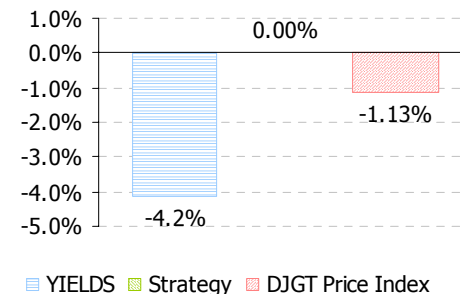
Dynamic Exposure Data	31 May 05	29 Apr 05	31 Mar 05
Dynamic Portfolio Reference (vi)	8.87	8.68	8.94
Allocation to Strategy	58%	57%	82%
Uplverage/Deleverage Event	No	Deleverage	No
Gap Measure (% of the Note Value) (vi)	20%	18%	18%

Value and Allocation



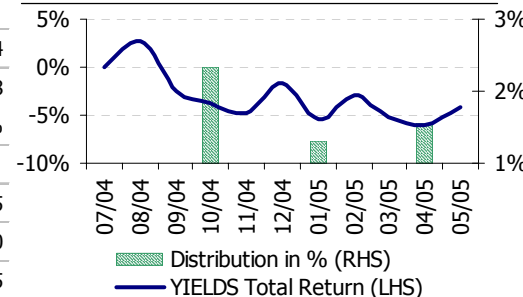
LHS/RHS means Left/Right hand side axis

Total Return since Issue Date (ii)

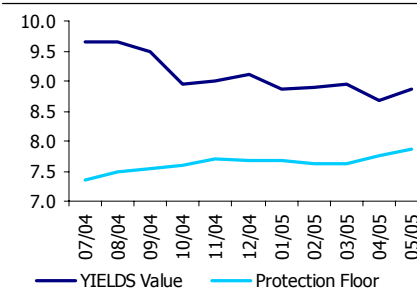


Past performance is not a reliable guide to future results.

Total Return and Distribution paid since Issue Date (ii)



Gap History (vii)



(i) Bid Price is the ASX market bid price of YIELDS (ASX code: YLDS01) 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 YIELDS. On the Issue Date the initial value of YIELDS was AUD 9.64 per unit. (ii) Price return and total return since Issue Date are calculated as a % change in price versus the YIELDS 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) YIELDS Distribution % is calculated as the total distribution declared per unit during the period as a % of the YIELDS ASX bid price at the beginning of the period. % figures are not annualised. (iv) This is the AUD amount collected to date per YIELDS 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 Citigroup bid prices 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 YIELDS 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 (DJGT Index and exchange rates) and Citigroup Global Markets Limited.



AUD Income Plus Strategy Performance

Update as of: 31st May 2005



The Income Plus Strategy is based on a proprietary trading model that seeks to offer income and the potential for capital appreciation through exposure to global equity markets. Each year, the Strategy selects a portfolio of 30 high yielding stocks from the Dow Jones Global Titans 50SM (DJGT) Index. Further yield enhancement is achieved by writing quarterly covered call options on each of the stocks within the Strategy. The call option overwriting is intended to help the Strategy outperform a direct investment in the underlying portfolio of stocks in all but strong bull market scenarios.

Performance Table⁽¹⁾

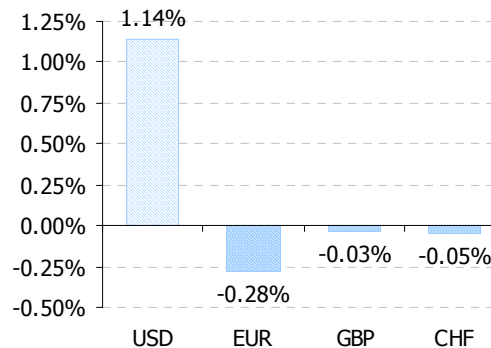
Performance Table	MoM	Year to date	Since Jul 03
AUD Strategy Price Return	3.24%	-3.62%	-6.64%
AUD Strategy Total Return	3.24%	0.18%	9.39%
AUD Strategy Yield	0.00%	3.80%	16.03%
AUD DJGT Price Return	4.46%	1.21%	3.00%

In May, the Strategy value increased leading to a positive month-on-month price performance of 3.24%. Equivalent price return for the DJGT index was 4.46% month-on-month.

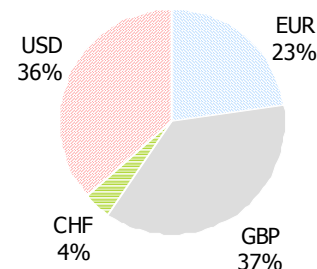
Last month, Financial, Technology, Energy and Consumer Noncyclical sectors traded up, while the Telecommunications sector experienced moderately negative performance. Most other sectors remained practically flat excluding the Healthcare sector which saw a slightly positive month. The overall effect was positive.

The USD strengthened against the AUD, while the EUR, GBP and CHF weakened. Overall, the upward movement in the USD outweighed the downward movement in the other three currencies and the impact on the Strategy was positive.

MoM Currency Impact within Strategy⁽²⁾



Currency Distribution⁽³⁾

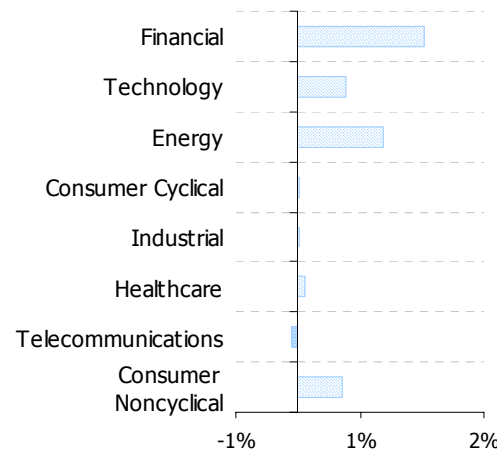


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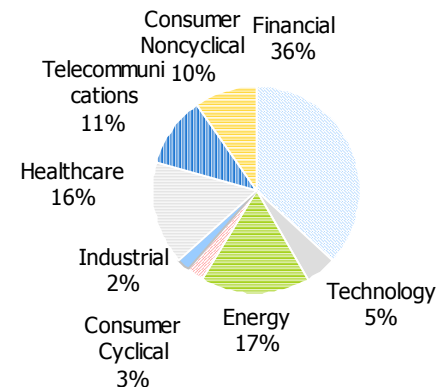
Top Ten Holdings⁽⁴⁾

Company	Sector	Currency	Country
Altria Group Inc.	Consumer Noncyclical	USD	US
Barclays	Financial	GBP	UK
DaimlerChrysler AG	Consumer Cyclical	EUR	Germany
ENI SpA	Energy	EUR	Italy
GlaxoSmithKline	Healthcare	GBP	UK
HBOS	Financial	GBP	UK
HSBC Holdings Plc	Financial	GBP	UK
ING Groep NV	Financial	EUR	NL
JP Morgan	Financial	USD	US
SBC Communications Inc.	Telecommunications	USD	US

MoM Sector Returns within Strategy⁽⁵⁾



Sector Distribution⁽⁶⁾



(1) Return figures are calculated as a % change over the period, include income distributed by the Strategy and assume no reinvestment over life. (N.B. The % coupon paid on the Note is not the same as the % income distributed by the Strategy as the coupon is among other things a function of the allocation to the 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 the Strategy holding to the currencies listed. (4) Top ten holdings shown alphabetically 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 holding.

Disclaimer

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