



Citi Instalments over iShares®

Enabling investors to gain exposure to International Markets via Citi Instalments

WHAT ARE CITI INSTALMENTS OVER ISHARES®

Citi Instalments over the iShares® are an increasingly popular and flexible investment product for those seeking leveraged exposure to international markets.

A Citi Instalment over the iShares® is like a share 'lay by'. It is based on two separate 'instalment' payments. The first payment entitles you to receive all dividends and distributions paid in relation to the underlying iShare®. In addition, because the amount you pay up-front is small, you receive an enhanced dividend yield and enjoy greater leverage to share price movements. The second and final payment is an agreed and fixed amount that you will pay in order to complete the purchase of the iShare®. This payment of the second instalment is at your discretion.

KEY BENEFITS of CITI INSTALMENTS OVER ISHARES®

- holders are entitled to all dividends and distributions (iShares® pay distributions quarterly and semi-annually)
- no on-going interest payments
- absolutely no margin calls
- the Final Instalment is a limited recourse loan, ie, the investor never has to repay the loan amount
- Citi Instalments are a liquid investment which can be bought and sold on the ASX, just like ordinary shares

WHAT ARE ISHARES®

iShares® are an Exchange Traded Fund (ETF) that seek to reflect the performance of an underlying index. An ETF can represent a particular market, country, region or group of countries, thus providing exposure to an international investment through holding a selected underlying basket of securities. All iShares® are unhedged to the Australian dollar and will benefit from a falling Australian currency. Further iShares® are also traded on the ASX.

Following, there are three distinct determinants of performance:

- The movement in prices of the underlying securities of the index
- Fluctuations in the AUD rate of foreign exchange conversion with the currency of the underlying basket of securities
- Fluctuations in the AUD / USD rate on cash distributions

CITI INSTALMENTS OVER ISHARES®

Citigroup has six Instalment Warrants issued over the iShares®. These include instalments over the US, Hong Kong, Japan, Europe, China and Emerging Market Nations indices with details as follows:

Code	Underlying iShares®	Underlying ASX Code	Maturity	Type	Loan Amount
IEMIOX	iShares® MSCI Emerging Markets	IEM	30 June 2009	Regularly Geared Instalment	\$17.00
IEUIOX	iShares® S&P Europe 350	IEU	30 June 2009	Regularly Geared Instalment	\$25.00
IHKIOX	iShares® MSCI Hong Kong	IHK	30 June 2009	Regularly Geared Instalment	\$8.00
IJPIOX	iShares® MSCI Japan	IJP	30 June 2009	Regularly Geared Instalment	\$8.00
IVVIOX	iShares® S&P 500	IVV	30 June 2009	Regularly Geared Instalment	\$85.00
IZZIOX	iShares® FTSE/XINHUA China 25	IZZ	30 June 2009	Regularly Geared Instalment	\$19.00

Investors should read the Product Disclosure Statement ("PDS") in its entirety before deciding whether to invest in warrants. The PDS is available by calling 1300 30 70 70. Alternatively, visit www.citiwarrants.com.au and download a copy of the PDS.

ARE CITI INSTALMENTS A SUITABLE INVESTMENT FOR ME?

Citi Instalments may suit investors with a positive long-term view on the underlying shares and may be a suitable investment if one or more of the following apply to you:

Are You
Looking to leverage your medium or long term view of the share market
Seeking enhanced dividend yields and franking credits
Seeking to build long-term wealth in a tax effective manner
Seeking gearing without the risk of margin call
Reluctant to sell shares and crystallize capital gains
An existing shareholder wishing to unlock cash while still maintaining exposure to those securities
A self managed super fund seeking enhanced capital appreciation, dividend yields and excess franking credits

WHO CAN APPLY FOR CITI INSTALMENTS and HOW TO APPLY

	Cash Applicant	Shareholder Application	Rollover Application
Who Can Apply?	Persons with \$2,000 or more to invest in Citi Instalments	Current holders of Securities (excluding trustees of superannuation funds) where those Securities are the same as those which make up the Underlying Shares of the Citi Instalments	Current holders of Rollover Instalments which have the same Underlying Shares as the new Series of Citi Instalments
How Do I Apply?	Complete the Cash Application Form and submit it with payment to your stockbroker, approved financial adviser or directly to Citi	Complete the Shareholder Application Form and submit it, together with the current holding statement for your existing Securities, to your stockbroker, approved financial adviser or directly to Citi	Complete the Rollover Application Form and submit it, together with payment (if any) and a copy of your holding statement to your stockbroker, approved financial adviser or directly to Citi
Minimum Investment Amount	\$2000	Sufficient that the Loan constitutes at least \$2000	No minimum
Amount Payable on Application	First Instalment	Nil	30 June 2009
Amount Received on Application	Nil	Cashback Amount equal to the amount of the Loan less the Interest Amount and Borrowing Fee	Cashback Amount where the amount of the Loan less the Interest Amount and Borrowing Fee is greater than the final instalment to be paid on the Rollover Instalments
Application Form	Cash Application Form	Shareholder Application Form	Rollover Application Form
Do I Need a Brokerage Account	No	No	No



RISKS

Subscription for or the purchase of the warrants is considered by the issuer to be suitable only for investors with experience in, or on the advice of professional advisers with experience in, derivative transactions. Potential investors should ensure they read the Product Disclosure Statement and should reach an investment decision only after carefully considering, with their advisers, the suitability of the warrants in light of their particular circumstances, taking into account the risk factors relating to the warrants set out below:

- Factors Affecting Warrant Value
- Performance by the Issuer and Guarantor of Obligations
- Possible Illiquidity of Trading Market
- General Market Risks
- Investment Decisions
- Exercise of Discretion by the Issuer
- Extraordinary Events
- Legislative Risks
- National Guarantee Fund - not a Guarantor in all cases
- Potential Conflicts of Interest
- Suspension of Warrant Trading

DISCLAIMER

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This material does not purport to identify the nature of the specific market or other risks associated with a particular transaction. Before entering into a derivative transaction, you should ensure that you fully understand the terms of the transaction, relevant risk factors, the nature and extent of your risk of loss and the nature of the contractual relationship into which you are entering. You should also carefully evaluate whether the transaction is appropriate for you in light of your experience, objectives, financial resources, and other relevant circumstances and whether you have the operational resources in place to monitor the associated risks and contractual obligations over the term of the transaction.

The ultimate decision to proceed with any transaction rests solely with you. We are not acting as your advisor or agent. Therefore prior to entering into the proposed transaction you should determine, without reliance upon us or our affiliates, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences of the transaction, and independently determine that you are able to assume these risks. In this regard, by acceptance of these materials, you acknowledge that you have been advised that (a) we are not in the business of providing legal, tax or accounting advice, (b) you understand that there may be legal, tax or accounting risks associated with the transaction, (c) you should receive legal tax and accounting advice from advisors with appropriate expertise to assess relevant risks, and (d) you should apprise senior management in your organization as to the legal, tax and accounting advice (and, if acceptable, risks) associated with this transaction and our disclaimers as to these matters. If you are acting as a financial adviser or agent, you should evaluate these considerations in light of the circumstances applicable to your principal and the scope of your authority. If you believe you need assistance in evaluating and understanding the terms or risks of a particular derivative transaction, you should consult appropriate advisers before entering into the transaction.

We and/or our affiliates (together, the "Firm") may from time to time take proprietary positions and/or make a market in instruments identical or economically related to derivative transactions entered into with you, or may have an investment banking or other commercial relationship with and access to information from the issuer(s) of financial products underlying derivative transactions entered into with you. We may also undertake proprietary activities, including hedging transactions related to the initiation or termination of a derivative transaction with you, that may adversely affect the market price, rate, index or other market factors(s) underlying a derivative transaction entered into with you and consequently the value of the transaction. This document and its contents are proprietary information and products of our firm and may not be reproduced or otherwise disseminated in whole or in part without our written consent unless required to by judicial or administrative proceeding.

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