

**JHSW LIMITED**  
**(formerly J Henry Schroder & Co. Limited)**  
Registered number: 532081

**Annual Report and Financial Statements**  
**31st December 2001**



## REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 31 December 2001.

### **Change of name**

On 16 January 2001 the Company changed its name to JHSW Limited.

### **Principal activities**

As at 1 January 2001 the Company surrendered its authorisation with the Financial Services Authority and is now categorised as a Former Authorised Institution. Following that the Company did not conduct any regulated business during the year.

### **Results and business review**

The loss for the financial year of the Company amounted to £140,000 (2000: profit £161,937,000).

The Directors consider the results of the Company for the year and the financial position to be satisfactory.

### **Dividends**

There were no interim dividends paid during the year (2000: first interim dividend, £156 million; second interim dividend, £125 million; third interim dividend, £70 million). The Directors do not recommend payment of a final dividend (2000: £37 million).

### **Share Capital**

On 16 May 2001 the Companies Court approved a reduction in the share capital of the Company from £4 million to £100,000. Following this, and with the approval of the Financial Services Authority, share capital of £3.9 million was repaid to the Company's immediate holding company, Cheapside Holdings (Jersey) Limited, on 25 May 2001.

### **Subsidiary undertaking**

Subsidiary undertakings at 31 December 2001 were Schroder Salomon Smith Barney (Guernsey) Limited, which is registered in Guernsey and Schroder Salomon Smith Barney (Banking) Nominees Limited, which is registered in England.

### **Directors and Directors' interests**

The names of those Directors who held office as at 31 December 2001 were as follows:

S.H. Dean  
J.M. Wertheim  
A.M. Gaultier

Edward F Miller resigned as a Director with effect from 8 February 2001 and William M Samuel resigned as a Director with effect from 8 February 2001. Andrew M Gaultier was re-appointed as a Director with effect from 26 February 2001.

### **Directors and Directors' interests**

None of the Directors or their immediate families had, at any time during the year, any interest in the shares of or contracts with the Company or any other group undertaking which is required to be disclosed by the Companies Act 1985.

**REPORT OF THE DIRECTORS**  
(continued)

**Directors' Responsibilities**

Company law requires the Directors to prepare financial statements for each accounting reference period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period (the "financial statements"). In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Employees**


During the year the Company did not have any employees.

**Auditors**

An elective resolution to dispense with the annual appointment of the auditors pursuant to Section 386 Companies Act 1985 is in force.

PricewaterhouseCoopers tendered their resignation as auditors of the Company with effect from 30 November 2001. In accordance with section 394 of the Companies Act 1985, they confirmed that there were no circumstances connected with their ceasing to hold office as auditors that they considered should brought to the attention of members or creditors of the Company. KPMG Audit plc were appointed as auditors with effect from 1 December 2001.

By Order of the Board

  
J.M. Wertheim  
Director

29 October 2002  
120 Cheapside  
London EC2V 6DS

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
JHSW LIMITED (formerly J. Henry Schroder & Co. Limited)**

We have audited the financial statements on pages 4 to 14.

**Respective responsibilities of directors and auditors**

The Directors are responsible for preparing the Directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

**Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants and Registered Auditor  
London

29 October 2002

**JHSW Limited**  
(formerly J. Henry Schroder & Co. Limited)

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2001**

	Notes	2001 £'000	2000 £'000
Interest receivable			
Interest receivable and similar income arising from debt securities and other fixed income securities			
- Income from debt securities and shares in non-group undertakings		-	9,207
			9,207
Other interest receivable and similar income	3	531	106,303
		531	115,510
Interest payable	3	(229)	(83,016)
Net interest income (expense)		302	32,494
Dividend income			
Income from shares in group undertakings		-	397
			397
Fees and commissions receivable		-	187,518
Fees and commissions payable		-	(5,020)
			182,498
Net dealing income		-	12,636
Other operating income		516	20,071
<b>Operating income</b>		818	248,096
Administrative expenses	4	(643)	(201,209)
Depreciation		-	(1,962)
Provisions			
Specific provisions for bad and doubtful debts	5	-	200
Property provisions		-	25,185
Other provisions		-	47
Profit on sale of investments		187	-
Profit on sale of subsidiary undertakings		-	107,411
Amounts written off fixed asset investments		-	(38)
<b>Profit on ordinary activities before tax</b>	6	362	177,730
Tax on profit on ordinary activities	7	(502)	(15,793)
<b>(Loss)/Profit for the financial year</b>		(140)	161,937
Retained profit brought forward		1,879	227,942
Dividends	8	-	(388,000)
<b>Retained profit carried forward</b>	18	1,739	1,879

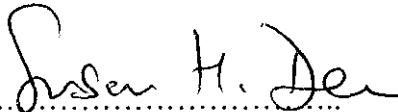
There are no recognised gains or losses other than the loss for the year and all items are derived from continuing operations. The accompanying notes on pages 6 to 14 form an integral part of this profit and loss account.

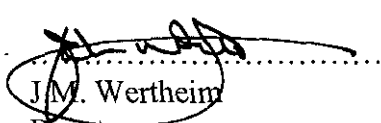
**JHSW Limited**  
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**BALANCE SHEET AT 31ST DECEMBER 2001**

	Notes	2001 £'000	2000 £'000
<b>Fixed Assets</b>			
Investment	11	10	10
<b>Current Assets:</b>			
Debtors:			
Loans and advances to banks	9	28	197,811
Equity shares	10	-	400
Derivative contracts		-	21,011
Other debtors	12	18,599	8,164
Prepayments and accrued income		-	279
<b>Total assets</b>		<u>18,637</u>	<u>227,675</u>
<b>Creditors: amounts falling due within one year</b>			
Deposits by banks	14	-	4,935
Other creditors	15	18,489	198,328
Derivative contracts		-	18,969
Accruals and deferred income		-	945
Provisions for liabilities and charges	16	-	310
<b>Total liabilities</b>		<u>18,489</u>	<u>223,487</u>
<b>Equity shareholders' funds:</b>			
Called up share capital	17	100	4,000
Capital reserves	18	(1,691)	(1,691)
Profit and loss account	18	1,739	1,879
		<u>148</u>	<u>4,188</u>
<b>Total liabilities and shareholders' funds</b>		<u>18,637</u>	<u>227,675</u>
<b>Contingent liabilities:</b>			
Guarantees and assets pledged as collateral security	19	-	69,975
		-	69,975

The financial statements on pages 4 to 14 were approved by the Directors on 29 October 2002 and were signed on their behalf by:

  
 S.H. Dean  
 Director and Chief Financial Officer

  
 J.M. Wertheim  
 Director

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Principal accounting policies**

**a) Basis of preparation**

These financial statements are prepared under the historical cost convention except as described in notes 1 (i), 1 (k) and 1 (o) below and in accordance with accounting standards applicable in the United Kingdom. Following the surrender of the Company's licence as an authorised institution with the Financial Services Authority the Company now prepares its financial statements in compliance with the Compliance Act 1985 Schedule 4.

As permitted by Financial Reporting Standard ("FRS") 1, the Company is not required to produce a cash flow statement as the consolidated statement of its ultimate parent company, Citigroup Inc. includes its cash flows.

Under the subsidiary undertakings exemption of FRS 8, the Company is not required to disclose all transactions with other group companies and investees of the group qualifying as related parties.

**b) Net interest income**

Net interest income comprises interest receivable on debt securities and other fixed income securities, loans, advances and deposits placed, and commitment commissions, less interest payable on deposits taken and debt securities in issue, credit for which is taken on an accruals basis. Interest of doubtful collectability is excluded from the profit and loss account. Interest receivable and payable relating to dealing activities are included within "Net dealing income".

**c) Dividend income**

Dividend income from shares in group undertakings is credited to the profit and loss account if dividends are paid or accrued payable in respect of the current year. Other dividend income is credited when due; capital distributions are credited against the cost of the relevant investment and any excess over cost is recognised in the profit and loss account.

**d) Fees and commissions**

Fees and commissions comprise fees for investment banking transactions and acceptance commissions, guarantee and loan related fees, other than those similar in nature to interest, all of which are credited when earned.

**e) Net dealing income**

Net dealing income comprises profits and losses from transactions in securities and foreign exchange activities and from dealing in financial instruments, including interest and dividends receivable, less associated funding costs.

**f) Administrative expenses**

Rental costs under operating leases are charged to the profit and loss account in equal amounts over the periods of the lease.

**g) Provision for bad and doubtful debts**

Specific provisions for bad and doubtful debts are made against loans and advances to reflect an assessment of likely losses and are deducted from the relevant assets.

**h) Property provisions**

Provision is made on a discounted basis for the future rent expense and related costs of leasehold property (net of estimated future rental income) where the space is currently not planned to be used for ongoing operations.

**NOTES TO THE FINANCIAL STATEMENTS**  
(continued)

**1. Principal accounting policies (continued)**

**i) Securities and negotiable instruments**

Securities and negotiable instruments are accounted for on a consistent basis according to the purpose for which they are acquired:

- i) For trading positions - at fair value in accordance with industry practice.
- ii) For securities held subject to repurchase agreements - at the agreed repurchase price.
- iii) For investment - debt securities are stated at cost adjusted for discount accretion or premium amortisation where appropriate, less any permanent diminution in value. Equity shares are stated at the lower of cost and net realisable value.
- iv) For hedging - at fair value or at cost on a basis consistent with the underlying transaction.

If no market price is available, valuations are based on appropriately conservative parameters, which are reviewed independently by the financial control and risk management departments.

**j) Securities transactions and settlement balances**

Settlement accounts arising from securities transactions, which are recognised on a trade date basis, undertaken as principal, are stated gross by counterparty. All amounts are due within three months of the balance sheet date.

**k) Derivative contracts**

Derivative contracts are included at fair value at the balance sheet date, except where they are held for hedging purposes, when they are valued on a basis consistent with the underlying transaction. Fair values represent the amount at which a derivative could be exchanged in a transaction at the balance sheet date between willing parties. If no market price is available, valuations are based on appropriately conservative parameters, which are reviewed independently by the financial control and risk management departments.

**l) Tangible fixed assets**

The cost of leasehold improvements, office equipment, computers and cars is depreciated over their useful lives on a straight line basis at rates varying between 10% and 33% per annum.

**m) Deferred tax**

Deferred tax is calculated at the current rate of taxation to take account of differences in the tax and accounting treatment of certain items. The amount provided represents the full amount in respect of these differences.

**n) Pension schemes**

Defined benefit and defined contribution schemes have been established for eligible employees of the Company with the assets held in separate trustee administered funds. During 2000, the year the Company was the principal employer participating in the Schroders Retirement Benefit Scheme (the Schroders Scheme"). Following the acquisition of the Company by Salomon Smith Barney Holdings Inc ("SSBHI") the Company was replaced as the principal employer of the Schroders Scheme on 11th November 2000. The employees of the Company continued to participate in the Schroders Scheme between 1st May 2000 and 31st October 2000, but the contributions paid to the Schroders Scheme by the Company were determined upon a basis agreed by the actuaries advising Schroders plc and SSBHI at the time of the sale. From 1st November 2000 the employees of the Company were able to join the Salomon Brothers International Pension & Life Assurance Scheme ("PLAS") with future service benefits which replicated those that they were previously entitled to under the Schroders Scheme. The Company paid contributions to PLAS for the rest of the year at the same rate as those determined at the time of the sale. Individual employees were also able to transfer their past service benefits from the Schroders Scheme to PLAS.

For defined benefit schemes the pension cost is charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees and is determined by independent qualified actuaries undertaking formal actuarial valuations at least every three years. For defined contribution schemes the cost is charged to the profit and loss account as contributions become payable.



**NOTES TO THE FINANCIAL STATEMENTS**

(continued)

**1. Principal accounting policies (continued)**

**o) Foreign currency**

Forward foreign exchange transactions, other than interest arbitrage transactions, are revalued at the forward market rates ruling at the balance sheet date. The profit or loss on interest arbitrage transactions is amortised on a straight-line basis over the life of the underlying transactions and included within "Net interest income".

The results of the Company's Korean branch are translated at the average rate of exchange ruling during the year. The assets and liabilities of the branch are translated at the rate of exchange ruling at the balance sheet date. Exchange differences, arising on the re-translation of the results of the branch, between the average rate used in the profit and loss account and the closing rate used in the balance sheet, were taken through reserves until 31st December 1999, as were exchange differences arising on the translation of capital and reserves. Subsequent to this, such exchange differences are taken through the profit and loss account. This change in accounting policy is in order to bring the Company into line with the treatment adopted in Citigroup. The amount taken through the profit and loss account was a profit of £nil (2000: £69,000). No prior year adjustment has been made on the grounds of materiality.

**2. Segmental information**

The Company's business relates to investment and merchant banking which the Directors consider to constitute one business segment. The business was principally undertaken in Europe.

**3. Interest Receivable and Similar Income and Interest Payable**

	<u>2001</u>	<u>2000</u>
	£'000	£'000
Interest receivable and similar income comprises:		
Interest on current asset investments,		
interest bearing debtors and cash assets	167	32,954
Interest on loans to other group undertakings	364	73,349
	<u>531</u>	<u>106,303</u>
Interest payable comprises:		
Interest on other third party borrowings	82	29,056
Interest on borrowings from other group undertakings	147	53,960
	<u>229</u>	<u>83,016</u>

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**4. Administrative expenses**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Staff costs		
- Salaries and other remuneration	-	(174,323)
- Social security costs	-	(520)
- Other pension costs	-	(5,741)
	-	(180,584)
Other administrative expenses	(643)	(20,625)
	(643)	(201,209)

The charge for other pension costs comprised £nil (2000: £5,689,000) contributed to defined benefit schemes and £nil (2000: £52,000) contributed to defined contribution schemes.

The average number of staff employed during the year was nil (2000: 490).

**5. Specific provisions for bad and doubtful debts**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Net movement for the year	-	61
Recovery of amounts previously written off	-	139
	-	200

**6. Profit on ordinary activities before tax**

Profit is stated after crediting (charging):

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Profits less losses on securities	-	1,957
Operating lease rentals		
- office premises	-	(4,177)
- office equipment	-	(1)
Auditors' remuneration		
- audit services	(5)	(80)
- other non-audit services	-	(190)

**7. Tax on profit on ordinary activities**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom		
Corporation tax	(468)	(9,153)
Deferred tax	(23)	(6,636)
	(491)	(15,789)
Overseas	(11)	(4)
	(502)	(15,793)

United Kingdom corporation tax and group relief have been calculated by reference to corporation tax at an effective rate of 30% (2000: 30%) and deferred tax has been calculated by reference to corporation tax at 30% (2000: 30%).

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**NOTES TO THE FINANCIAL STATEMENTS**

(continued)

**8. Dividends**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
1st interim dividend	-	(156,000)
2nd interim dividend	-	(125,000)
3rd interim dividend	-	(70,000)
Proposed final dividend	-	(37,000)
	<u>-</u>	<u>(388,000)</u>

**9. Loans and advances to banks**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Repayable on demand	28	191,604
Repayable in:		
3 months or less	-	6,207
	<u>28</u>	<u>197,811</u>

**10. Equity shares**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
<b>Book Value</b>		
Unlisted	-	400
	<u>-</u>	<u>400</u>
	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
<b>Fair value</b>		
Unlisted	-	627
	<u>-</u>	<u>627</u>

The movement on equity shares held for investment was as follows:

	<b>£'000</b>
<b>Cost:</b>	
At 1st January 2001	400
Exchange adjustment	-
Additions	-
Disposals	(400)
At 31st December 2001	<u>-</u>
<b>Provisions:</b>	
At 1st January 2001	-
Charge for the year	-
At 31st December 2001	<u>-</u>
<b>Net book value at 31st December 2001</b>	<u>-</u>
<b>Net book value at 1st January 2001</b>	<u>400</u>

**JHSW Limited**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(continued)

**11. Subsidiary undertakings**

Subsidiary undertakings at 31 December 2001 were Schroder Salomon Smith Barney (Guernsey) Limited, which is registered in Guernsey and Schroder Salomon Smith Barney (Banking) Nominees Limited, which is registered in England. There were no movements in the year.

**12. Other debtors**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Due from other group undertakings	9,295	2,288
Other	939	5,853
Deferred tax (Note 13)	-	23
Corporation tax	8,365	-
	<u>18,599</u>	<u>8,164</u>

**13. Deferred tax asset**

The movements in the deferred tax asset were as follows:

	<u>£'000</u>
At 1st January 2001	23
Current year movement	(23)
At 31st December 2001	<u>-</u>

**14. Deposits by banks**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Repayable on demand	-	378
Repayable in:		
3 months or less	-	4,557
	<u>-</u>	<u>4,935</u>

**15. Other Creditors**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Trade Creditors	339	151,414
Tax	-	4,193
Amounts due to other group undertakings	18,145	175
Proposed dividend	-	37,000
Other	5	5,546
	<u>18,489</u>	<u>198,328</u>

Amounts due to other group undertakings includes group relief of £11,206,000 (2000: £175,000).

**JHSW Limited**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
(continued)

**16. Provisions for liabilities and charges**

	<b>Property provisions £'000</b>
At 1st January 2001	310
Transfer to fellow subsidiary undertakings	(310)
As 31 <sup>st</sup> December 2001	-

**17. Called up share capital**

	<b>2001 £'000</b>	<b>2000 £'000</b>
Authorised: 4 million (2000: 4 million) ordinary shares of £1 each	4,000	4,000
<hr/>		
Allotted, called-up and fully paid: 100,000 (2000: 4 million) ordinary shares of £1 each	100	4,000

On 16 May 2001 the Companies Court approved a reduction in the share capital of the Company from £4 million to £100,000. Following this, and with the approval of the Financial Services Authority, share capital of £3.9 million was repaid to the Company's immediate holding company, Cheapside Holdings (Jersey) Limited, on 25 May 2001.

**18. Reserves**

	<b>Capital reserves £'000</b>	<b>Profit and Loss account £'000</b>	<b>Total £'000</b>
At 1st January 2001	(1,691)	1,879	188
Loss for the year	-	(140)	(140)
At 31st December 2001	(1,691)	1,739	48

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**NOTES TO THE FINANCIAL STATEMENTS**  
(continued)

**19. Contingent liabilities**

Guarantees and assets pledged as collateral security include:

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
General guarantees	-	44,267
Other		
fellow subsidiary undertakings	-	25,634
other		74
	<u>-</u>	<u>69,975</u>

**20. Other operating income**

Other operating income for 2000 includes profits arising on the disposal of leased properties.

**21. Assets and liabilities denominated in currencies other than sterling**

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Total assets	-	155,732
Shareholders funds and total liabilities	-	149,324

Due to off-balance sheet items the above cannot be considered to demonstrate the Company or Group's exposure to foreign exchange risk.

**22. Directors' emoluments**

The emoluments of the 3 (2000: 116) Directors for their services to the Company during the year were as follows:

	<u>2001</u>	<u>2000</u>
	<u>£'000</u>	<u>£'000</u>
Aggregate emoluments	-	17,429
Amounts (excluding shares) receivable in the year under long-term incentive schemes	-	3,856
Company contributions to money purchase pension schemes	-	1,795

## **22. Directors' emoluments (continued)**

No Directors (2000: 14) exercised share options of Schroders plc in the year.

No compensation for loss of office (2000: £2,164,000) to any former Directors (2000: 11) has been provided for in these accounts.

In respect of the highest paid Director for the year ended 2000, the aggregate emoluments and amounts (excluding shares) receivable under long-term incentive plans were £1,701,000. Amounts receivable in respect of long term incentives was £nil. The accrued annual pension under the Schroders Retirement Benefits Scheme was £48,000.

The 2000 figures exclude the emoluments of 6 Directors of the Company while Directors of Schroders plc as they reflect services to the wider Schroder Group, rather than to the Company itself. The 2000 figures also exclude the emoluments of 1 Director from 1st May 2000 whose services were primarily to Citigroup and other subsidiary undertakings.

## **23. Pensions**

In 2000 the Company was the principal employer participating in the Schroders Retirement Benefits Scheme (the "Schroders Scheme"), the assets of which are held in separate trustee administered funds. The pension cost of the non-contributory defined benefit scheme was determined across the membership as a whole by independent qualified actuaries and was the same as the contributions paid to the Schroders Scheme. The cost and the funding of the Schroders Scheme had been based on the most recent triennial valuation at 1st January 1997 using the projected unit value method.

Following the acquisition of the Company by Salomon Smith Barney Holdings Inc ("SSBHI") the Company was replaced as the principal employer of the Schroders Scheme on 11th November 2000. The employees of the Company continued to participate in the Schroders Scheme between 1st May 2000 and 31st October 2000, but the contributions paid to the Schroders Scheme by the Company were determined upon a basis agreed by the actuaries advising Schroders plc and SSBHI at the time of the sale. From 1st November 2000 the employees of the Company were able to join the Salomon Brothers International Pension & Life Assurance Scheme ("PLAS") with future service benefits which replicated those that they were previously entitled to under the Schroders Scheme. The Company paid contributions to PLAS for the rest of the year at the same rate as those determined at the time of the sale. Individual employees were also able to transfer their past service benefits from the Schroders Scheme to PLAS.

## **24. Group Structure**

The Company's immediate parent undertaking is Cheapside Holdings (Jersey) Limited, registered in Jersey. The Company's parent company and ultimate controlling party is Citigroup Inc., incorporated in the State of Delaware, United States of America.

The accounts of the Company are consolidated within the results of Salomon International LLC, which is incorporated in Delaware, USA. The audited consolidated financial statements of Citigroup Inc. are made available to the public annually in accordance with Securities and Exchange Commission regulations and may be obtained from Citigroup Document Services, 140 58<sup>th</sup> Street, Suite 51, Brooklyn, New York, NY 11220.