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**CITIGROUP GLOBAL MARKETS
INTERNATIONAL LLC
(formerly SALOMON INTERNATIONAL LLC)**

AND SUBSIDIARY UNDERTAKINGS

**Company No. 17421
Branch No. 1079**

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2003



**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

CONSOLIDATED PROFIT & LOSS ACCOUNT (Unaudited)
for the year ended 31 December 2003

	Notes	2003 \$ Million	2002 \$ Million
Net dealing income	2c	995	420
Commission income and fees	2c	1,524	1,511
Interest receivable and similar income	3	2,269	2,328
Interest payable	3	(2,290)	(2,269)
GROSS PROFIT		2,498	1,990
Net operating expenses	4	(2,438)	(2,178)
OPERATING PROFIT		60	(188)
Group profit on deemed disposal	9b	1,595	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,655	(188)
Tax on profit / (loss) on ordinary activities	6a	31	12
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		1,624	(200)
Minority interests	16	(1)	5
PROFIT / (LOSS) FOR THE YEAR	15	1,623	(195)

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES (Unaudited)
for the year ended 31 December 2003

	Notes	2003 \$ Million	2002 \$ Million
Profit / (Loss) attributable to members of the parent Company		1,623	(195)
Exchange difference on retranslation of net assets of subsidiary undertakings		-	-
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Total recognised profits / (losses) relating to the year		1,623	(195)

RECONCILIATION OF SHAREHOLDERS' FUNDS

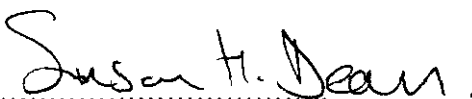
	2003 \$ Million	2002 \$ Million
Total movements during the year	1,623	(195)
Shareholders' funds at 1 January	(786)	(591)
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Shareholders' funds at 31 December	837	(786)

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

CONSOLIDATED BALANCE SHEET (Unaudited)
as at 31 December 2003

	Notes	2003 \$ Million	2003 \$ Million	2002 \$ Million	2002 \$ Million
FIXED ASSETS					
Tangible fixed assets	8		-		48
Investments	9		718		-
CURRENT ASSETS					
Debtors	10	186		92,744	
Investments	11	-		30,348	
Cash at bank and in hand	12	31		823	
			217		123,915
CREDITORS: Amounts falling due within one year	13	98		123,496	
NET CURRENT ASSETS			119		419
TOTAL ASSETS LESS CURRENT LIABILITIES			837		467
CREDITORS: Amounts falling due after more than one year	13		-		550
NET ASSET / (LIABILITIES)			837		(83)
CAPITAL AND RESERVES					
Called up share capital	14		501		501
Capital reserve	15		771		771
Profit and loss account	15		(435)		(2,058)
EQUITY SHAREHOLDERS' FUNDS			837		(786)
MINORITY NON-EQUITY INTERESTS					
	16		-		703
TOTAL CAPITAL EMPLOYED			837		(83)

The financial statements on pages 1 to 21 were approved by the Board of Managers on 31 January 2004 and were signed on their behalf by:


S.H. Dean

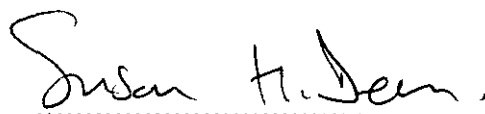
**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

PARENT COMPANY BALANCE SHEET (Unaudited)

as at 31 December 2003

	Notes	2003 \$ Million	2003 \$ Million	2002 \$ Million	2002 \$ Million
FIXED ASSETS					
Investments	9a		611		635
CURRENT ASSETS					
Debtors	10	138		101	
			138		101
CREDITORS: Amounts falling due within one year	13	48		34	
NET CURRENT ASSETS			90		67
NET ASSETS			701		702
CAPITAL AND RESERVES					
Called up share capital	14		501		501
Capital reserve	15		765		765
Profit and loss account	15		(565)		(564)
SHAREHOLDERS' FUNDS			701		702

The financial statements on pages 1 to 21 were approved by the Board of Managers on 31 January 2005 and were signed on their behalf by:


.....
S.H. Dean

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2003

1. Principal activity

Citigroup Global Markets International LLC ("the Company") was incorporated on 26 April 1993 in the State of Delaware, United States of America, and established a registered branch in England under Schedule 21A to the Companies Act 1985. Its principal activity is to act as an intermediate holding company.

2. Principal accounting policies

The principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, are set out below:

(a) Basis of presentation

The financial statements have been prepared under the historical cost convention, except for current asset investments, contractual commitments and foreign exchange transactions which are stated at fair value (as defined in Note 2(d) below) at the balance sheet date. The financial statements have been prepared in US Dollars and in accordance with accounting standards applicable in the United Kingdom. Any reference to \$ in these financial statements, unless otherwise stated, refers to US Dollars.

In accordance with the revised Financial Reporting Standard ("FRS") 1, the Group has not prepared a cash flow statement.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or up to the date on which control passed. Acquisitions are accounted for under the acquisition method and goodwill representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired was previously written off against reserves. On disposal of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal. The Company's accounting policy is to amortise goodwill on any future acquisitions over its useful life on a straight-line basis.

No profit and loss account is presented for the Company, as permitted by Section 230 of the Companies Act 1985.

(c) Net dealing income

The Group's net revenue includes trading profits and losses, including dividends, earned from dealing, market making and principal trading in marketable investments, contractual commitments and foreign exchange, the substantial majority of which have liquid markets.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

2. Principal accounting policies – continued

(c) Net dealing income - continued

Dealing securities held as trading inventory are stated at market value and profits and losses arising from this valuation are taken to the profit and loss account. This is not in accordance with Schedule 4 of the Companies Act 1985 which requires that such assets be stated at the lower of cost and net realisable value, or that if revalued any revaluation differences be taken to a revaluation reserve. The directors consider that these requirements would fail to give a true and fair view of the profit/loss for the year of a trading enterprise that holds readily marketable investments as current assets since their marketability enables decisions to be taken continually about whether to hold or sell those assets, and hence the economic measure of performance in any period is properly made by reference to market values. It is not practicable to quantify the effect on the accounts of these departures since information on original cost, being of no continuing relevance to the business, is not readily available and therefore a note of the historical cost profit or loss, as required by paragraph 26 of FRS 3, has not been presented.

Commission income and fees are derived from sales activities, underwriting activities, marketing securities owned by other group undertakings, trading services provided to other group undertakings, and corporate finance fees associated with mergers and acquisitions and other corporate finance advisory activities.

Commission revenues and expenses, are accounted for on the trade date of the related transaction. Corporate finance fees are recognised when earned.

(d) Trading inventory

Trading inventory is accounted for on a trade date basis. Long positions are described as current asset investments as outlined in Note 11. Short positions are included within creditors due within one year in Note 13 and comprise both securities sold, but not yet purchased, and options and other contractual commitments. Contractual commitments include obligations with counterparties which may extend for more than one year.

Trading inventory is recorded at fair value, which represents market value or, when market prices are not readily available, instruments are priced on a comparable basis for example by using models. Fair value includes related accrued interest or dividends. The determination of fair value considers various factors, including: closing exchange or over-the-counter market price quotations; time and volatility factors underlying options, warrants and contractual commitments; price activity for equivalent or synthetic instruments in markets located in different time zones; counterparty credit quality; and the potential impact on market prices of liquidating the Company's positions in an orderly manner over a reasonable period of time under prevailing market conditions. Further, in determining the fair value of its contractual commitments, the Company considers future maintenance costs.

(e) Repurchase and resale agreements

Repurchase and resale agreements are treated as collateralised financing transactions and are carried at the amounts at which the securities will be subsequently reacquired or resold, including accrued interest, as specified in the respective agreements.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

2. Principal accounting policies – continued

(f) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation. The cost of developed software includes directly attributable internal costs and the cost of external consultants. Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each asset on a straight-line basis over its expected economic useful life, as follows:

Premises improvements	-	lesser of the life of the lease or 10 years
Equipment and cars	-	3 to 5 years
Capitalised software	-	3 years

(g) Fixed asset investments

Fixed asset investments, including subsidiary undertakings and associates, are stated in the Company's balance sheet at cost less any write down for diminution in value regarded as permanent.

(h) Taxation

Corporation tax is recognised on taxable profits/losses at the current rate. Deferred taxation, calculated on the liability method at the rate at which the liability is likely to be paid, is provided to take account of timing differences arising from the different treatment of certain items for taxation purposes and for financial statement purposes. No deferred taxation is provided on those differences where, in the opinion of the Directors, it is probable that they will not reverse. The tax benefits arising from group relief are recognised in the financial statements.

(i) Pension costs and other Post Retirement Benefit Costs

The Company accounts for pension costs in accordance with Statement of Standard Accounting Practice 24 ('SSAP24'). The Company has made additional disclosures in accordance with FRS 17. For defined contribution benefits, the charge against profit is the amount of contributions payable in respect of the year. For defined benefit obligations, the pension cost is calculated using actuarial valuation methods which give rise to a regular pension cost that is a substantially level percentage of the current and expected future pensionable payroll. Variations from the regular cost are allocated over the average remaining service lives of current employees in the scheme.

Contributions to the Post Retirement Benefits Scheme in respect of certain employees are assessed in accordance with the advice of an independent qualified actuary and provision is being made on a similar basis to the defined benefit scheme outlined above.

(j) Foreign currency

Monetary assets and liabilities denominated in currencies other than US dollars have been translated into US dollars using the year end spot exchange rates. Non-monetary assets and liabilities, denominated in currencies other than US dollars, have been translated at the relevant historical exchange rates.

Transactions in foreign currencies are translated into US dollars at rates of exchange approximating those at the transaction date.

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

3. Interest receivable and similar income and interest payable

	2003	2002
	\$ Million	\$ Million
Interest receivable and similar income comprises:		
Interest on current asset investments, interest bearing debtors and cash assets	2,040	2,023
Interest on loans to other group undertakings	196	275
Interest on loans to associated undertakings	33	30
	2,269	2,328

Interest payable comprises:

Interest on bank loans and overdrafts	12	14
Interest on other third party borrowings	1,898	1,765
Interest on borrowing from other group undertakings	374	486
Interest on borrowing from associated undertakings	6	4
	2,290	2,269

4. Net operating expenses

	2003	2002
	\$ Million	\$ Million
Net operating expenses include:		
Employee remuneration	1,300	1,037
Social security costs	131	103
Pension costs (Note 5)	44	43
Auditors' remuneration:		
- Audit fees	1	1

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

4. Net operating expenses - continued

The Company has no employees. All employees of the Group are employed by Citigroup Global Markets Limited.

The Group employed an average of 3,616 (2002: 3,591) employees during the year.

5. Pension costs

The Citigroup Global Markets Limited Pension and Life Assurance Scheme ("the Scheme") is a funded pension scheme providing benefits on both a defined benefit and defined contribution basis. The Scheme is now closed to new entrants. The assets of the Scheme are held separately from those of the Company, in a trustee administered fund. Employees are not required to contribute to the Scheme, which is contracted out of the State Earnings Related Pension Scheme.

The Citigroup (UK) Pension Plan was established in September 2000 and provides defined contribution benefits to all new hires. The pension cost for this Plan is equal to the contributions made by the Company.

The pension cost in respect of defined benefit obligations is assessed in accordance with the advice of a qualified actuary using a defined accrued benefit method with a three year control period. The most recent full actuarial valuation on behalf of the trustees of the pension cost for the Scheme was at 5 April 2002. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions.

It was assumed that the investment return would be 7% pre-retirement, 6% post-retirement per annum, that salary increases would be 4% per annum subject to the application of limits on pensionable salary in line with statute and Company practice, that statutory required increases would apply to guaranteed minimum pensions in deferment and payment and that increases of 3% per annum would apply to the remainder of pensions in deferment (where increases are required by statute) and in payment.

Costs of the Scheme in respect of the defined benefit obligations which include both a regular pension cost and variations from the regular cost, are charged to the profit and loss account. The cost of variations are spread over 10 years, which is the average remaining service life of current employees in the Scheme. The pension charge for the year comprises \$7 million (2002: \$15 million) in respect of the defined benefit obligations and \$37 million (2002: \$28 million) in respect of the various defined contribution arrangements which represents contributions paid and payable in respect of the year.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

5. Pension costs - continued

Pension cost for 2003

	\$ Million
Regular cost	12
Variation	1
Interest cost	(7)
Pension cost	7

Prepayment at 31 December 2003

	\$ Million
Prepayment at 31 December 2002	95
Employer contributions	49
Provision	(7)
Prepayment at 31 December 2003	137

Additional disclosures required under FRS 17

Whilst the Company continues to account for pension costs in accordance with SSAP 24, under FRS 17 the following transitional disclosures are required for the Company's defined benefit scheme operated in the UK.

For this scheme, the current service costs will increase as the members of the scheme approach retirement under the Projected Unit Method.

The main financial assumptions used in calculating the defined benefit scheme liabilities as at 31 December 2003 are as follows:

	2003	2002	2001
Inflation	2.5%	2.0%	2.0%
Rate of general long-term increase in salaries	4.0%	3.5%	4.0%
Rate of increase to pensions in payment	2.5%	2.0%	2.0%
Discount rate for scheme liabilities	5.5%	5.5%	5.8%

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

5. Pension costs - continued

Expected return on assets:

	Long-term rate of return expected			Value \$ Million		
	2003	2002	2001	2003	2002	2001
Equities	7.8%	7.5%	8.0%	303	180	212
Government bonds	4.6%	4.5%	5.0%	102	-	-
Other	4.0%	4.0%	4.5%	3	100	3
Total market value of assets				408	280	215

The amount that would be charged to operating expenses under FRS 17, consisting entirely of current service cost, is \$15 million (2002: \$17 million).

Analysis of amount that would be included in interest receivable and similar income under FRS 17:

	2003 \$ Million	2002 \$ Million
Expected return on pension scheme assets	20	19
Interest on pension scheme liabilities	(20)	(14)
Net return	-	5

Additional disclosures required under FRS 17 - continued

Analysis of amount that would be recognised in Statement of Total Recognised Gains and Losses ("STRGL") under FRS 17:

	2003 \$ Million	2002 \$ Million
Actual return less expected return on pension scheme assets	27	(78)
Experience gains and losses arising on the scheme liabilities	(2)	(17)
Changes in assumptions underlying the present value of the scheme liabilities	(46)	(32)
Actuarial loss that would be recognised in STRGL	(21)	(127)

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

5. Pension costs - continued

Reconciliation to balance sheet:

	2003	2002
	\$ Million	\$ Million
Total market value of assets	408	280
Present value of scheme liabilities	(430)	(314)
Net pension deficit	(22)	(34)

	2003	2002
	\$ Million	\$ Million
Deficit in scheme at beginning of the year	(34)	(1)
Current service cost	(15)	(17)
Contributions	48	106
Other finance income	-	5
Actuarial loss	(21)	(127)
Deficit in scheme at end of year under FRS 17	(22)	(34)

History of experience gains and losses:

	2003	2002
Difference between expected and actual return on scheme assets		
• Amount (\$ Million)	27	(78)
• Percentage of scheme assets	6.6%	27.8%
Experience gains and losses on scheme liabilities:		
• Amount (\$ Million)	(2)	(17)
• Percentage of the present value of the scheme liabilities	0.5%	5.5%
Total amount that would be recognised in STRGL:		
• Amount (\$ Million)	(21)	(127)
• Percentage of the present value of the scheme liabilities	4.9%	40.6%

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

6. Tax on profit / (loss) on ordinary activities

(a) Analysis of tax charge in the year:

	2003	2002
	\$ Million	\$ Million
Current tax:		
UK corporation tax	6	11
Overseas current taxation	(45)	(39)
Adjustment in respect of corporation tax for earlier years	-	(8)
Adjustment in respect of overseas tax for earlier years	(2)	-
Total current tax (note 6(b))	(41)	(36)
Deferred tax:		
Origination and reversal of overseas timing differences	10	-
Adjustment in respect of UK deferred tax for earlier years	-	15
Adjustment in respect of overseas deferred tax for earlier years	(1)	9
Total deferred tax	9	24
Tax on profit / (loss) on ordinary activities	(32)	(12)

(b) Factors affecting tax charge for the year:

	2003	2002
	\$ Million	\$ Million
Profit / (loss) on ordinary activities before tax	1,655	(188)
Profit / (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	(497)	56
Effects of:		
Foreign tax deductions	13	-
Profit on sale of investments	-	3
Expenses not deductible for tax purposes	476	(41)
Depreciation expense in excess of capital allowances	(10)	(11)
Unpaid interest	-	(15)
Other timing differences	(93)	(20)
Utilisation of tax losses	122	39
Overseas tax in respect of European branch operations and dividends received	(45)	(39)
Tax losses carried forward	(5)	-
Adjustments to tax charge in relation to previous years	(2)	(8)
Current tax charge for year	(41)	(36)

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

7. Directors' emoluments

The Directors received no emoluments in respect of their services to the Company as directors or otherwise. The Directors received \$983,000 (2002: \$6,041,000) in respect of their services for subsidiary undertakings during the year.

8. Tangible fixed assets

The movement in tangible fixed assets for the year was as follows:

	Group
	Leasehold improvements fixtures & fittings, equipment & cars \$ Million
COST -	
Balance at 1 January 2003	152
Additions	14
Disposals	(166)
Balance at 31 December 2003	-
DEPRECIATION -	
Balance at 1 January 2003	104
Charge for the year	26
Disposals	(130)
Balance at 31 December 2003	-
Net Book Value at 31 December 2003	-
Net Book Value at 1 January 2003	48

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

9. Fixed asset investments

Company

(a) Investment in associate and subsidiary undertakings:

	2003 \$ Million	2002 \$ Million
COST		
At 1 January	635	635
Return of Capital	(22)	-
Impairment provision	(2)	-
Net Book Value at 31 December	611	635

The Company's principal subsidiary undertakings, all of which are registered in England and Wales unless otherwise specified, are set out below. A schedule of all interests in subsidiary undertakings will be attached to the Company's Annual Return to the Registrar of Companies.

Company	Class of shares	Proportion of shares held by the company	Principal activity
Cheapside Holdings (Jersey) Limited	Ordinary	100%	Holding Company (registered in Jersey)
Cheapside (SSL) Limited	Ordinary	100%	Holding Company
Citigroup Asset Management Limited	Ordinary	100%	Asset management
Salomon Brothers UK Limited	Ordinary	100%	Dormant

On 1 May 2003 Cheapside (SIL) Limited went into liquidation.

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

9. Fixed asset investments - continued

(b) Investment in associate undertaking

Group

The group's share of net assets in the associate comprises:

	2003 \$ Million
Fixed assets	7
Current assets	27,742
Liabilities due within one year	(26,715)
Liabilities due after more than one year	(316)
	718

Group	Class of shares	Proportion of shares held by the company	Principal activity
Citigroup Global Markets Europe Limited	Ordinary Preference	18.7%	Holding Company

On 30 December 2003 Citigroup Global Markets Europe Limited ('CGMEL') undertook a capital restructure and issued 353,057,478 ordinary shares of £1.00 each for a cash consideration of £1,129,305,474.14 to CFPI, and 2,000,000 preference shares of \$1.00 each for a cash consideration of \$2,000,000,000 to CGMEFL. Citigroup Global Markets International LLC ('CGMIL') did not acquire any additional shares, and as a result its shareholding reduced from 97.3% to 18.8%. The dilution of the investment in CGMEL has been treated as a deemed disposal by CGMIL and the profit of \$1,595 million arising on disposal has been taken to the group profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

10. Debtors

The following amounts are included in debtors:

	Group		Company	
	2003	2002	2003	2002
Amounts falling due within one year:	\$ Million	\$ Million	\$ Million	\$ Million
Trade debtors	11	71,203	-	-
Due from other Group undertakings	173	20,814	7	101
Due from associated undertakings	-	537	130	-
Corporation tax recoverable	2	2	1	-
Other debtors	-	84	-	-
Prepayments and accrued income	-	104	-	-
	186	92,744	138	101

Trade debtors include collateralised financing transactions with counterparties of \$nil (2002: \$60 billion). These positions are entered into to cover short trading positions and to facilitate customer financing activity. The market value of collateral securing these positions was \$nil (2002: \$60 billion).

Due from other group undertakings include collateralised financing transactions of \$nil (2002: \$15,916 million) and amounts due in respect of group relief of \$nil (2002: \$20 million). Due from other associated undertakings include collateralised financing transactions of \$nil (2002: \$526 million). The market value of collateral securing these positions was \$nil (2002: \$12,371 million).

11. Current asset investments

The current asset investments comprise marketable securities and related instruments taken into inventory as part of the Group's principal trading activities. The Group's accounting policy for such investments is explained in Note 2(d). Included within current asset investments are:

	2003	2002
	\$ Million	\$ Million
Government bonds	-	13,034
Eurobonds and other corporate bonds	-	7,168
Equities	-	787
- listed on a recognised UK exchange	-	1,638
- listed elsewhere	-	1,704
Certificates of deposit	-	6,017
Options and other contractual commitments	-	-
	-	30,348

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
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NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

12. Cash at bank and in hand

	Group	
	2003 \$ Million	2002 \$ Million
Cash held by third parties	31	661
Cash held by other group undertakings	-	162
	31	823

Included within cash held by third parties is \$nil (2002: \$298 million) that is held on behalf of clients in segregated accounts and \$nil (2002: \$20 million) which is subject to an appropriation in favour of a trust for certain employees of the Company and other group undertakings.

13. Creditors

The following amounts are included in creditors:

	Group		Company	
	2003 \$ Million	2002 \$ Million	2003 \$ Million	2002 \$ Million
Amounts falling due within one year:				
Bank loans and overdrafts	63	255	20	-
Trade creditors	-	75,352	-	-
Securities sold not yet purchased (Note 2(d))	-	13,321	-	-
Options and other contractual commitments (Note 2(d))	-	11,199	-	-
Due to other group undertakings	31	19,564	3	34
Due to associated undertakings	-	1,106	22	-
Subordinated loans	-	1,480	-	-
Other creditors and accruals	4	1,059	3	-
Social security and PAYE	-	160	-	-
	98	123,496	48	34
Amounts falling due after more than one year:				
Subordinated loans	-	550	-	-

Trade creditors primarily represent amounts payable under repurchase and stock lending agreements (secured and unsecured) and amounts due to counterparties including other financial institutions. The value of collateralised financing transactions at the balance sheet date was \$nil (2002: \$64,767 million). Security for financing transactions is provided in the form of current asset investments and securities obtained from trade debtor financing amounting to \$nil (2002: \$77,370 million).

Due to other group undertakings include collateralised financing transactions of \$nil (2002: \$10,264 million). Due to other associated undertakings include collateralised financing transactions of \$nil (2002: \$1,096 million). The market value of collateral securing these positions was \$nil (2002: \$13,138 million).

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
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NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

14. Called-Up Share Capital

The Company's share capital comprises:

	2003	2002
	Number	Number
Authorised:		
Class A Stock, without par value	1,000,000	1,000,000
Class B Stock, without par value	25,000	25,000
Class C Stock, without par value	31,327	31,327
Class D Stock, without par value	20,402	20,402
	1,076,729	1,076,729

	2003	2002
	\$ Million	\$ Million
Allotted and issued:		
980,140 Class A Stock, without par value	501	501
	501	501

15. Reserves

Group	Capital Reserve \$ Million	Profit & loss account \$ Million	Total \$ Million
Balance at 1 January 2003	771	(2,058)	(1,287)
Profit for the year	-	1,623	1,623
Balance at 31 December 2003	771	(435)	336

Company	Capital reserve \$ Million	Profit & loss account \$ Million	Total \$ Million
Balance at 1 January 2003	765	(564)	201
Loss for the year	-	(1)	(1)
Balance at 31 December 2003	765	(565)	200

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

16. Minority interests

	2003	2002
	\$ Million	\$ Million
Balance at 1 January	703	708
Appropriation of gain/(loss) for the year	1	(5)
Return of capital	(704)	-
Balance at 31 December	-	703

17. Contractual commitments and contingencies

(a) Risk Management

The Company derives revenues from trading activities that expose it to market, credit and operational risks. These risks are principally managed on a global basis. Global procedures in place to manage such risks are disclosed in the Managing Global Risk section of the consolidated accounts of Citigroup Inc. The Company undertakes local risk management procedures that are integral and consistent with those described for Citigroup Inc.

(b) Fair Values of Contractual Commitments

In the normal course of its operations, the Company enters into various contractual commitments involving forward settlement. These include futures contracts, commitments to buy and sell foreign currencies, interest rate swap, cap and floor agreements, and options or similar contractuals. As discussed in Note 2(d), the Company records all contractual commitments involving future settlement at fair value. Consequently, changes in fair values are included in the profit and loss account.

Commitments involving future settlement give rise to market risk, which represents the potential loss that can be caused by a change in the market value of a particular instrument. The Company's exposure to market risk is determined by a number of factors, including the size, composition and diversification of positions held, the absolute and relative levels of interest rates and foreign currency exchange rates as well as market volatility and liquidity. For instruments such as options and warrants, the time period during which the options or warrants may be exercised and the relationship between the current market price of the underlying instrument and the options' or warrants' strike or exercise price also affects the level of market risk. The most significant factor influencing the overall level of market risk to which the Company is exposed is its use of hedging techniques to mitigate such risk.

As discussed in Note 2(d), the balance sheet includes the fair value of options and other contractual commitments involving forward settlement.

**Citigroup Global Markets International LLC (formerly Salomon International LLC) and
Subsidiary Undertakings**

NOTES TO THE FINANCIAL STATEMENTS (Unaudited) - continued
for the year ended 31 December 2003

17. Contractual commitments and contingencies - continued

The following amounts refer to the fair value of contractual commitments.

	Assets 2003 \$ Million	Liabilities 2003 \$ Million	Assets 2002 \$ Million	Liabilities 2002 \$ Million
Swap agreements, swap options, and interest rate cap and floor agreements	-	-	3,434	7,802
Index and equity options and similar contractual commitments	-	-	1,408	2,039
Other options and contractual commitments	-	-	1,175	1,358
	-	-	6,017	11,199

(c) Letters of credit

The Group had \$nil (2002: \$352 million) of unsecured letters of credit outstanding from banks to satisfy collateral requirements under securities borrowing agreements and margin requirements.

(d) Capital commitments

There were no capital commitments at 31 December 2003 (2002: \$nil).

18. Registered charges

The Companies within the group have granted to various bankers and other entities a number of fixed and floating charges over certain holdings in securities, properties, collateral and monies held by or on behalf of such banks or other entities, including charges relating to the Group's European Settlements Office agreement with the Bank of England and the Group's participation in clearance/settlement systems.

19. Group structure

The Company's immediate parent undertaking is Citigroup Financial Products Inc, registered in the State of Delaware, United States of America. The Company's parent company and ultimate controlling party is Citigroup Inc., incorporated in the State of Delaware, United States of America.

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 Corporate Affairs, Citigroup Inc., 13th Floor, 850 Third Avenue, New York, NY 10043.