

Important Smith Barney Disclosures

Although the statements of fact and data in this presentation have been obtained from, and are based upon, sources that the Firm believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. All opinions included in this presentation constitute the Firm's judgment as of the date of this presentation and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Past performance is not a guarantee of future results.

The charts depicted within this presentation are for illustrative purposes only and are not indicative of future performance. The data does not reflect the material differences between stocks, bonds, bills and inflation, such as fees (including sales and management fees), expenses or tax consequences. Common stocks generally provide an opportunity for more capital appreciation than fixed income investments but are also subject to greater market fluctuations. Corporate bonds, U.S. treasury bills and U.S. government bonds fluctuate in value but, if held to maturity, offer a fixed rate of return and a fixed principal value. Government securities are guaranteed as to the timely payment of interest and provide a guaranteed return of principal. The principal value and interest on treasury securities are guaranteed by the U.S. government if held to maturity. The S&P 500 Index is a market capitalization-weighted index of 500 widely held common stocks. Investors cannot directly invest in an index. Actual results may vary based on an investor's investment objectives and portfolio holdings. Investors may need to seek guidance from their legal and/or tax advisor before investing.

To the extent the investments discussed herein represent international securities, you should be aware that there may be additional risks associated with international investing involving foreign economic, political, monetary and/or legal factors. International investing may not be for everyone. Smith Barney does not provide tax or legal advice. Please consult your tax and/or legal advisor for such guidance. The securities of small-capitalization companies may be subject to higher volatility than larger, more established companies.

Smith Barney and Consulting Group are divisions of Citigroup Global Markets Inc. Smith Barney is a service mark of Citigroup Global Markets Inc. and its affiliates and is used and registered throughout the world. CITIGROUP and the Umbrella Device are trademarks and service marks of Citicorp or its affiliates and are used and registered throughout the world. Citigroup Global Markets Inc. is a member of the Securities Investor Protection Corporation (SIPC).

Ecosystem Goods and Services and the Capital Markets

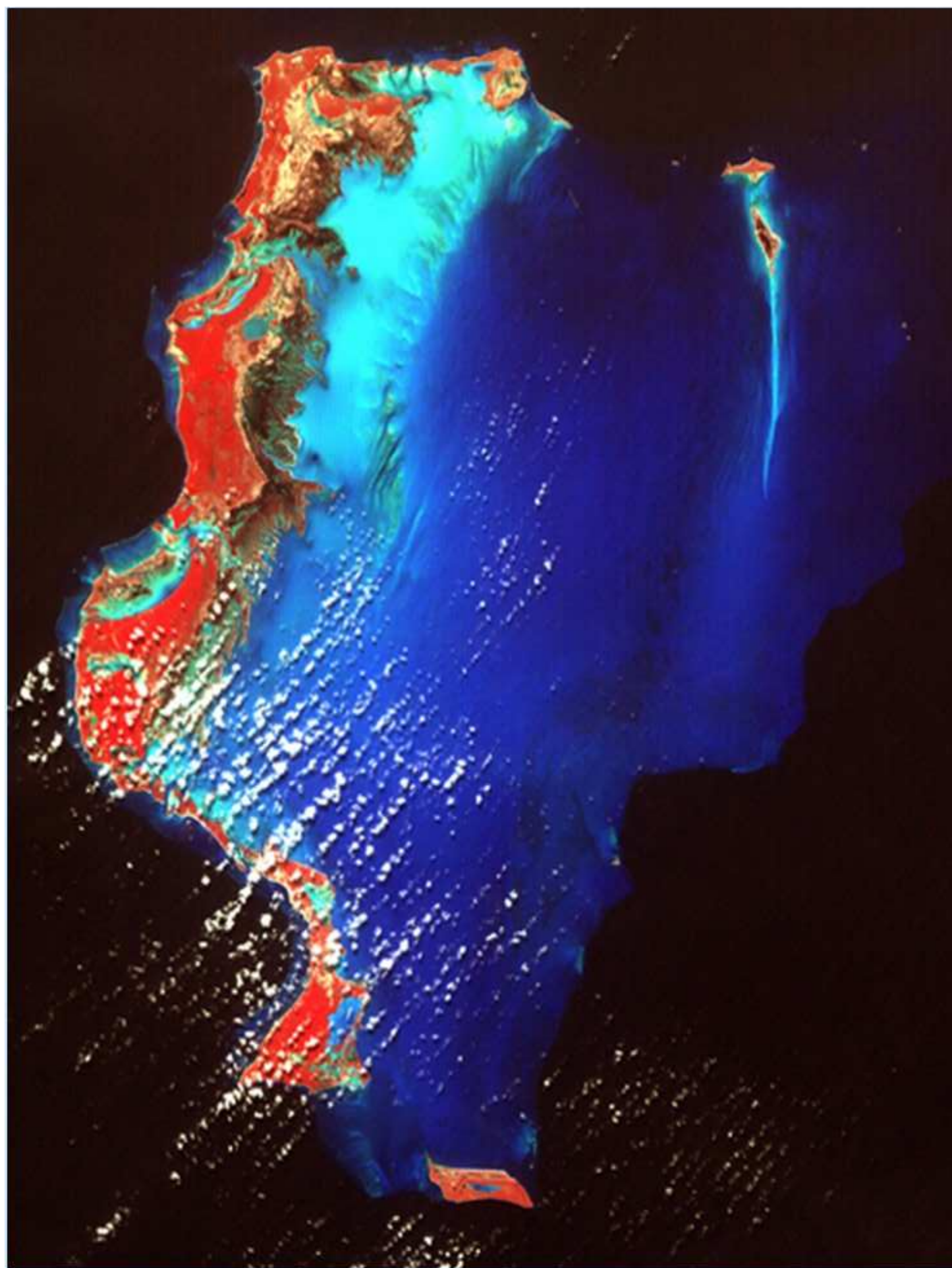
Portland Katoomba

June 9th, 2006

Bruce M. Kahn, Ph.D.

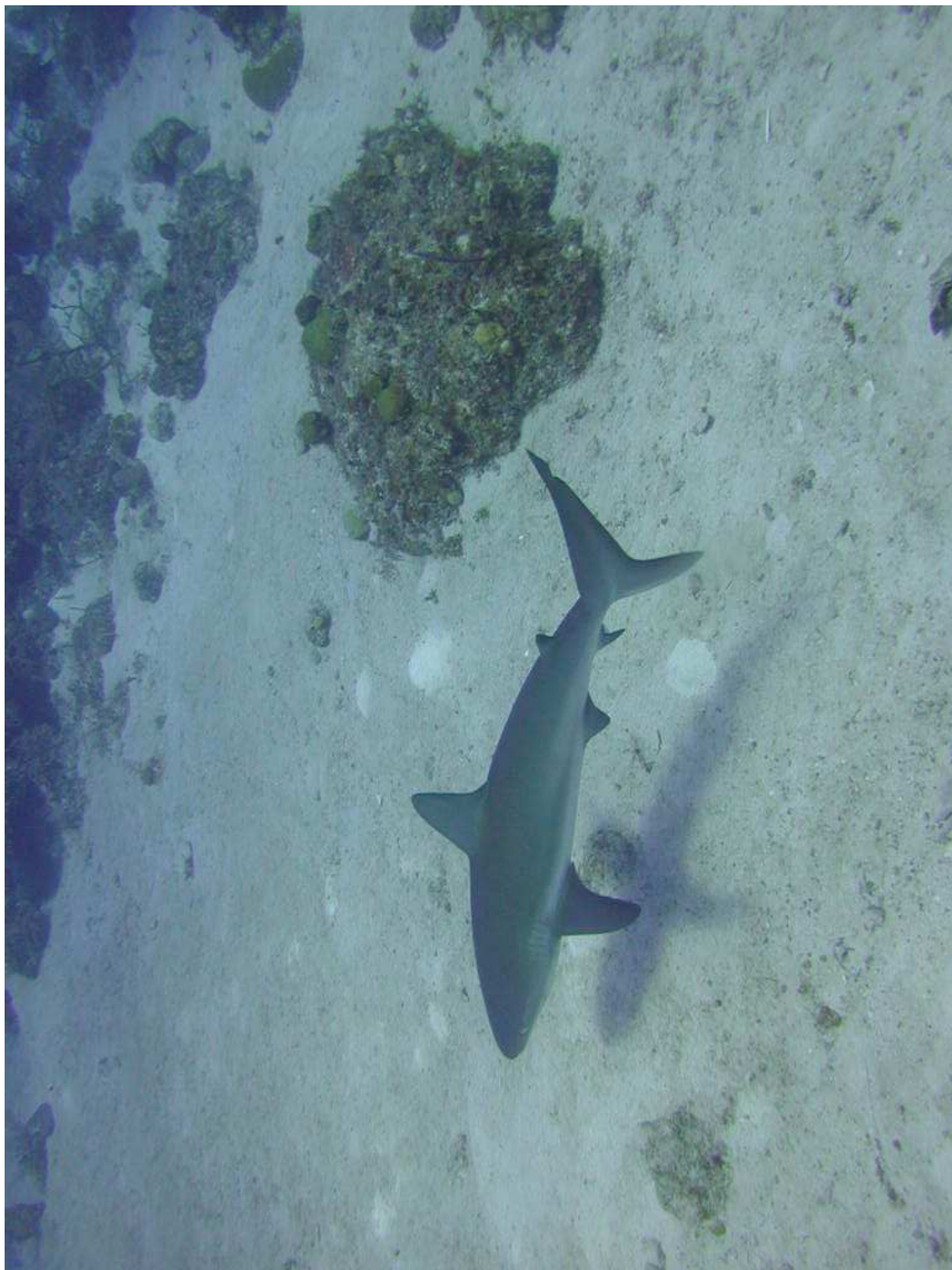
212-230-3588

fa.smithbarney.com/bkahn









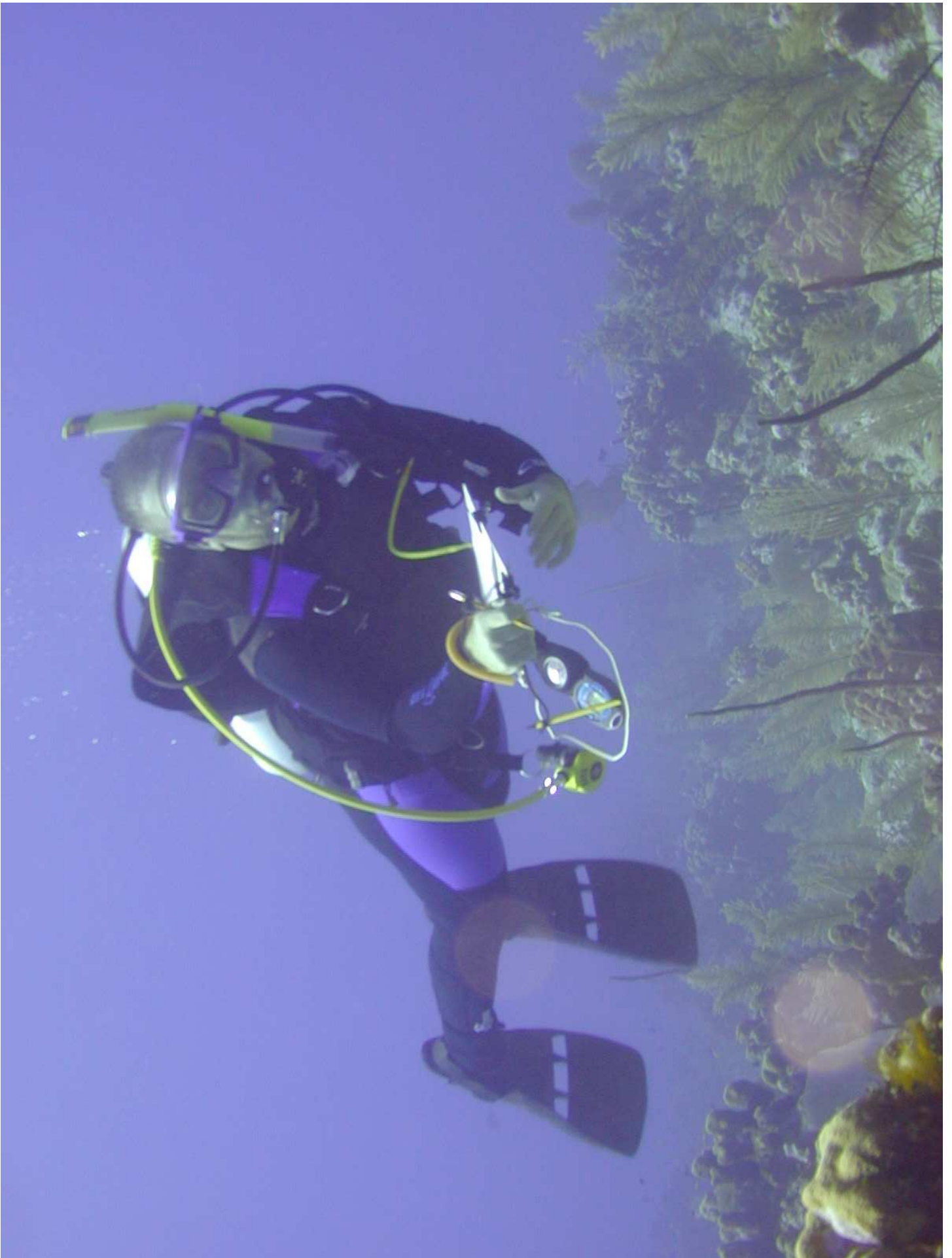
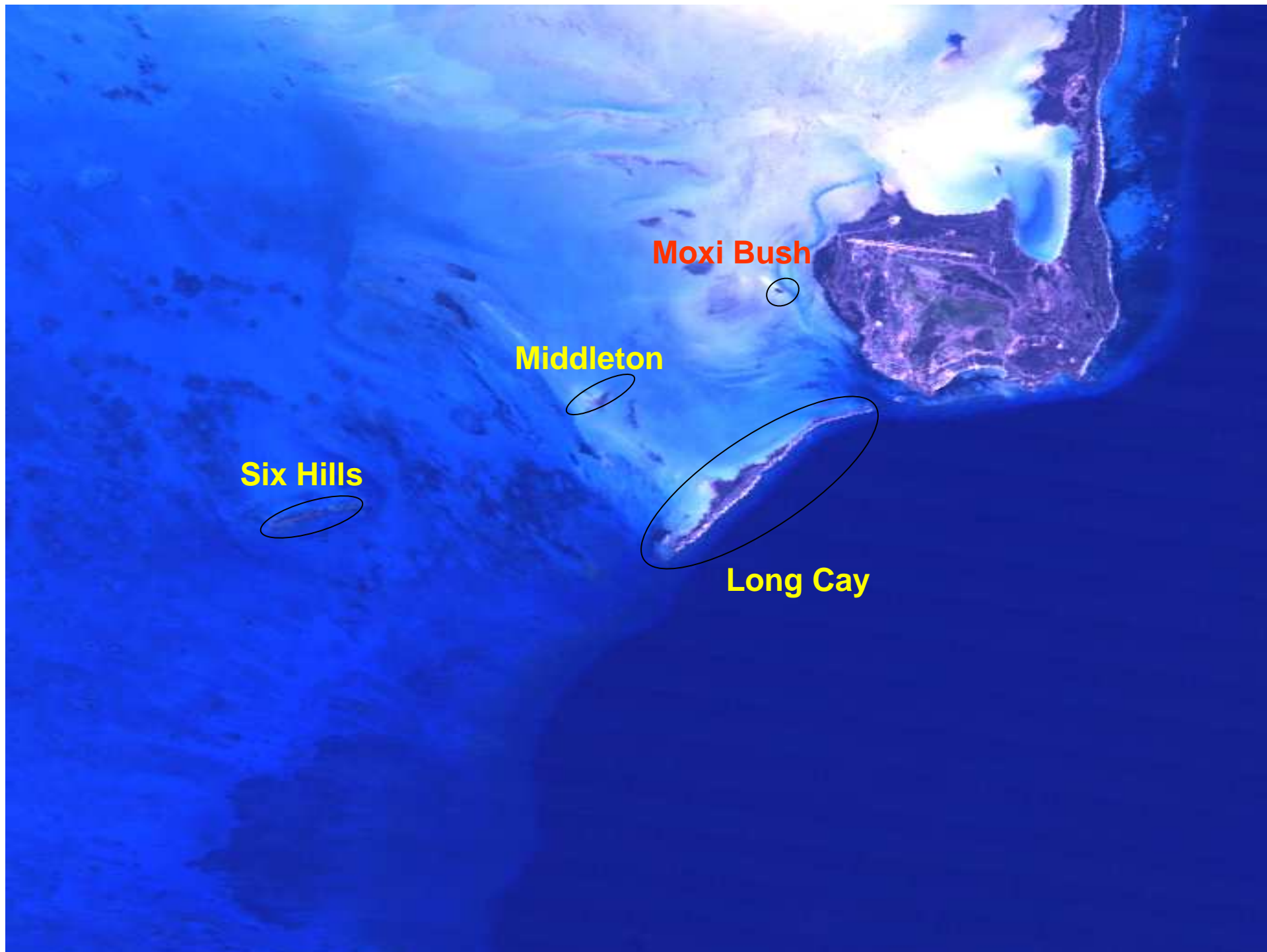






Figure 1. Marine Protected Areas of South Caicos

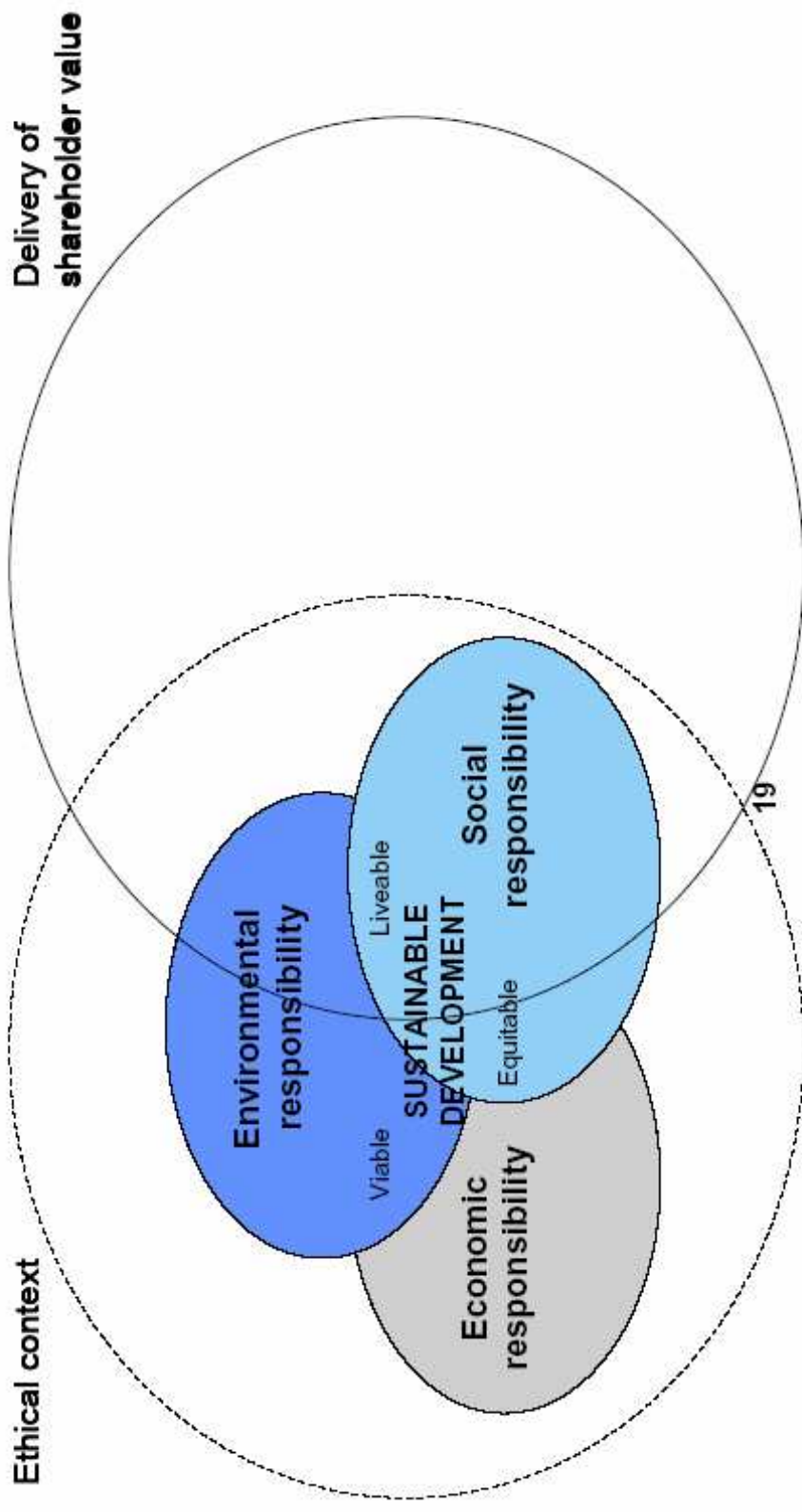








Companies in context



The “Iceberg” balance sheet

Financial Capital 30%

Four Key Intangible Value Drivers

Intangible Capital 70%

Sustainable Governance

- Strategy
- Capability/ Adaptability
- Traditional governance practices

Eco-Value

- Quality of environmental management
- Environmental risks & Eco-efficiency
- Strategic profit opportunities

Human Capital

- Recruitment retention strategies
- Employee motivation
- Labor relations
- Innovation capacity
- Knowledge Development & Dissemination
- Health & Safety
- Progressive workplace practices

Stakeholder Capital

- Regulators & Policymakers
- Local communities
- NGOs
- Customer relationships
- Alliance partners
- Supply chain
- Social benefits of products & services

EcoVALUE '21 analyzes over 60 key variables using over 20 data sources:

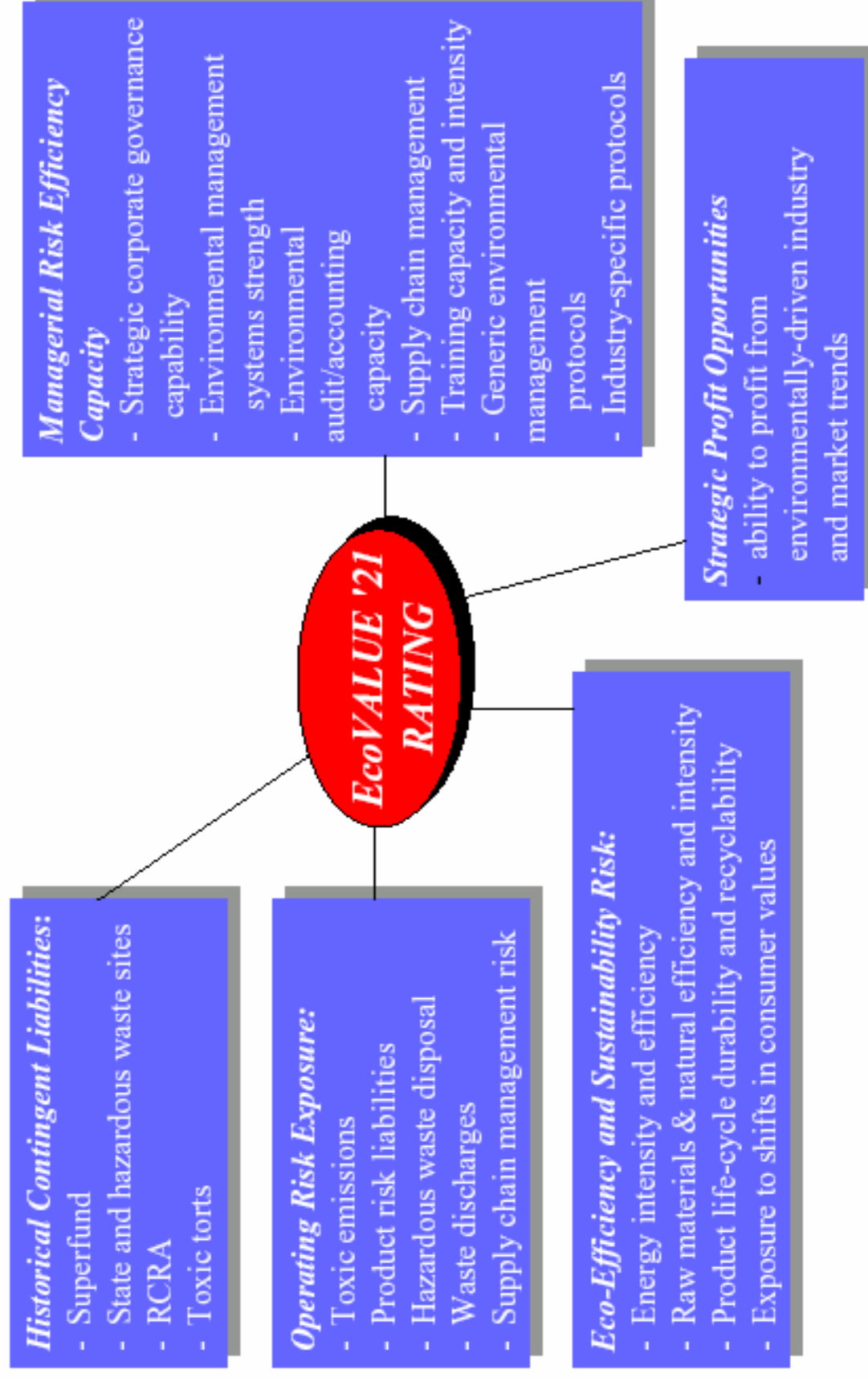
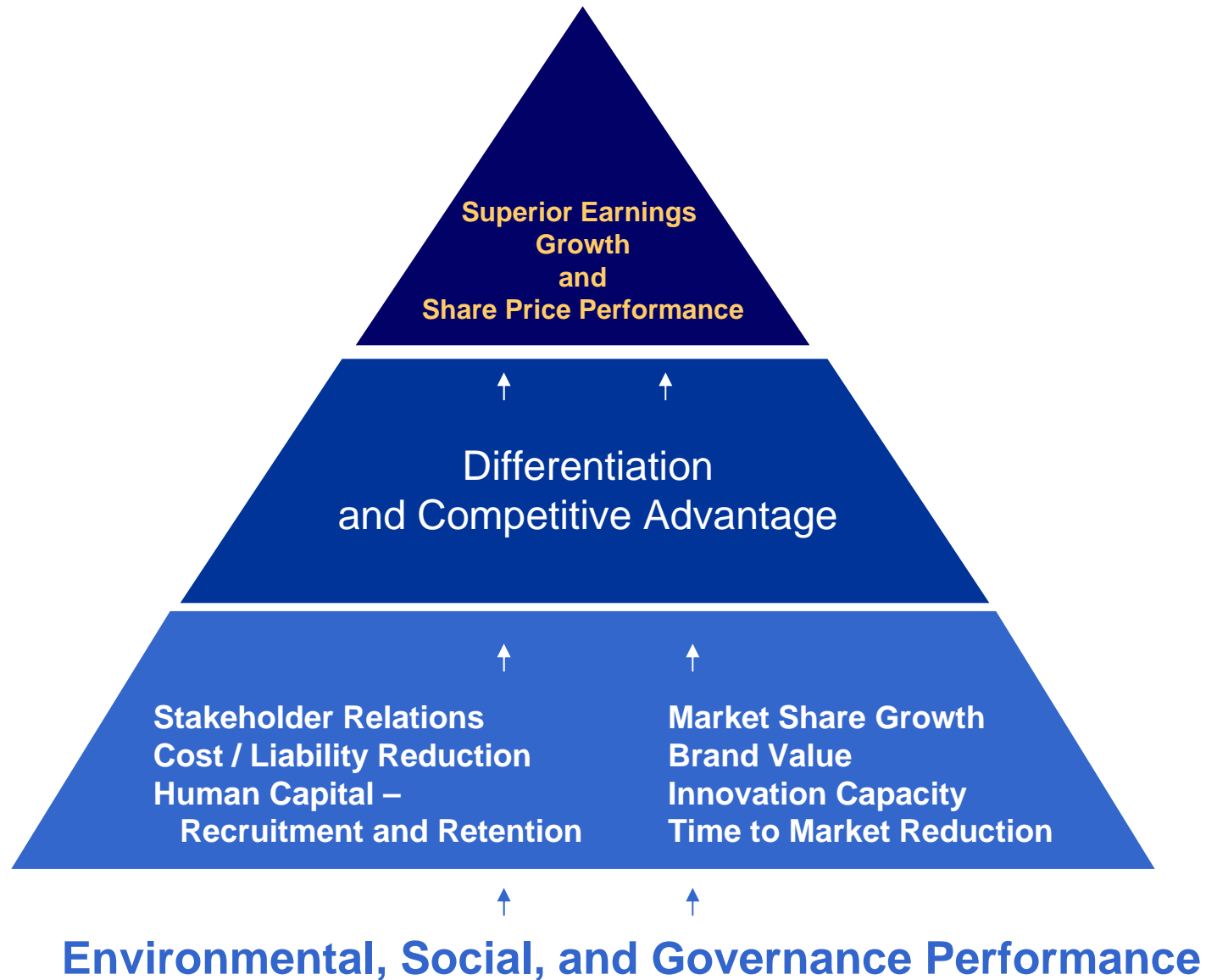


Figure B1: Schematic of Major EcoValue'21® Analysis Factors.

Source: *Innovest*



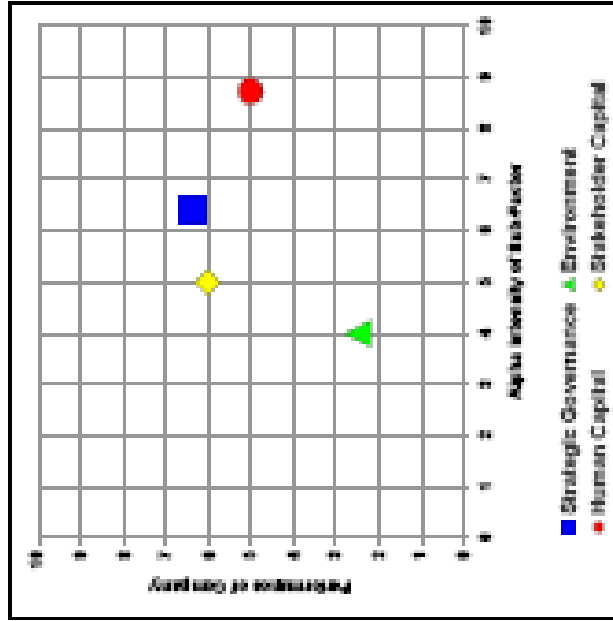
Intangible Value Assessment

Aug-05

Darden Restaurants Inc

Country:	United States
Ticker symbol:	DRI
Industrial sector:	Hotels Restaurants & Leisure
Combined IVA Rating:	BBB
Sub-Factors:	
Strategic Governance	6.3
Human Capital:	5.0
Environment:	2.5
Stakeholder Capital:	6.0

PERFORMANCE / ALPHA INTENSITY MATRIX



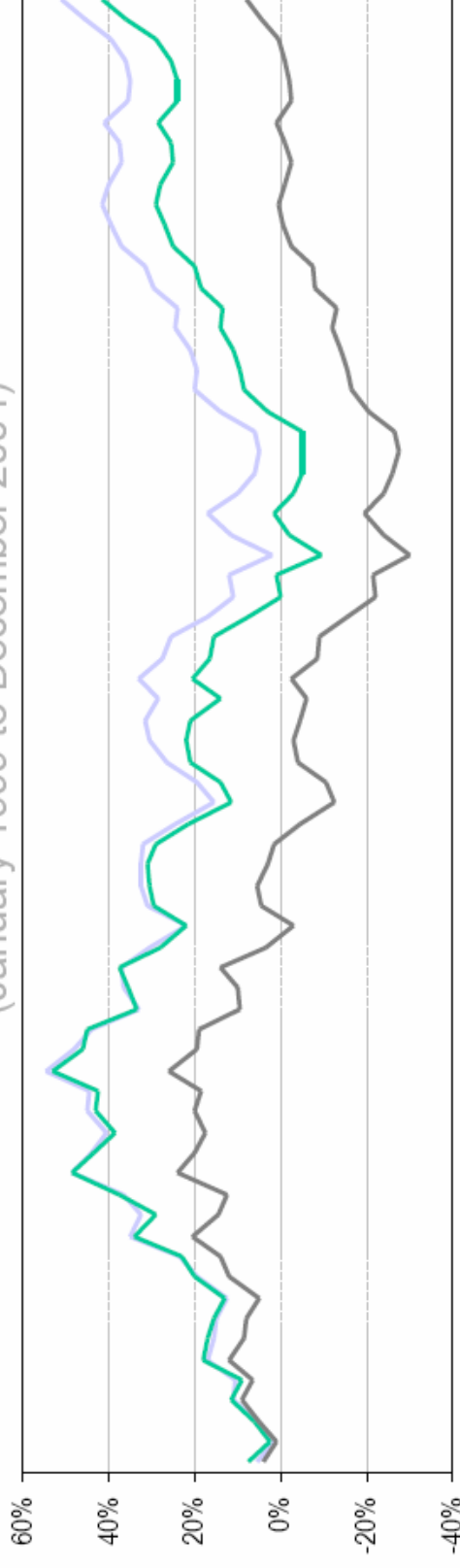
This matrix situates the four key intangible value drivers along 2 dimensions:

- How well or poorly the company performs on each of the 4 key factors.
- How much impact that particular factor has on financial performance in that industry sector, its "alpha intensity".

Over 60 Independent Studies Provide the Evidence...

Innovest

Incorporating **Sustainable Alpha™** overlay with financial inputs adds value
(January 1999 to December 2004)



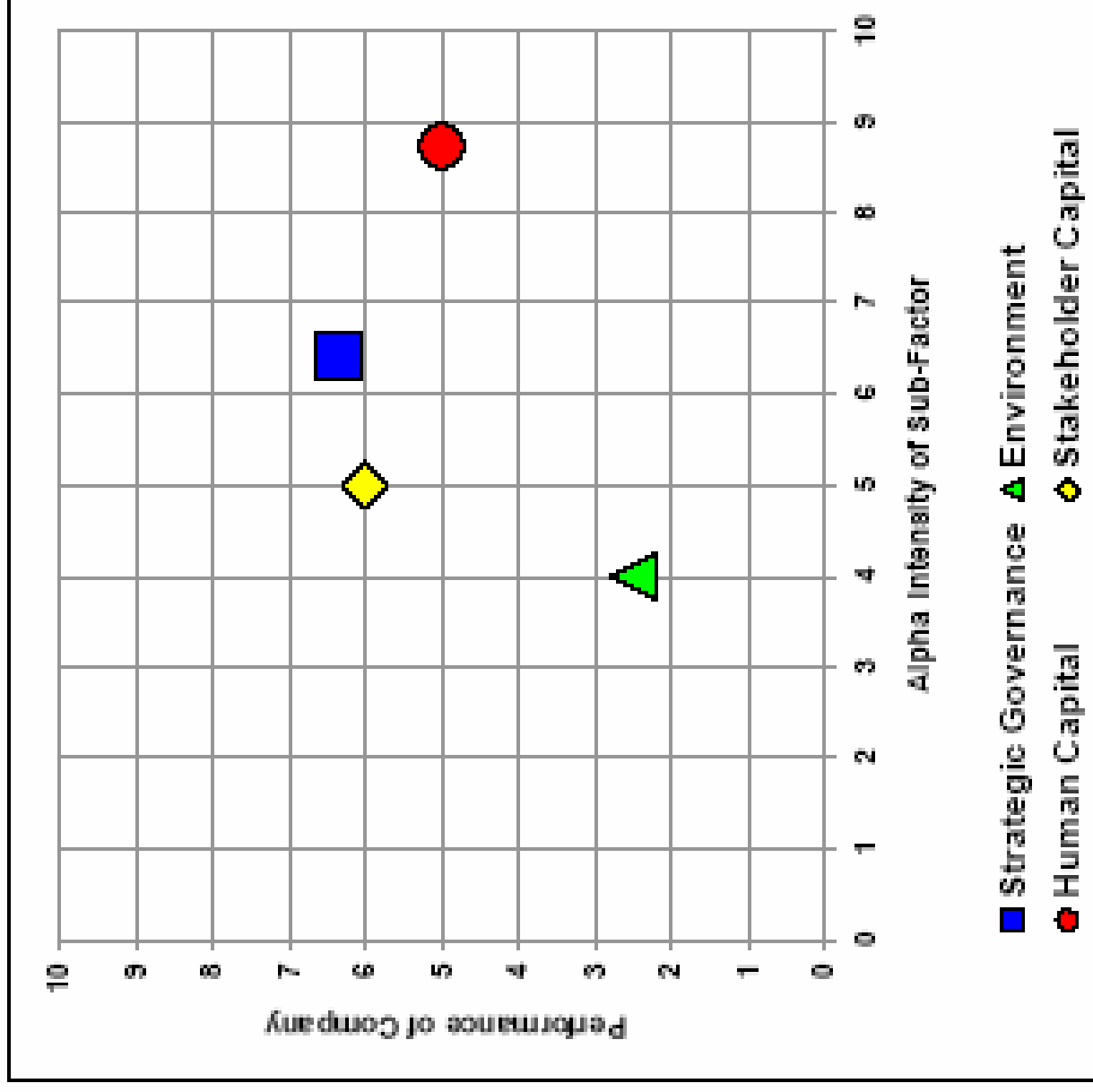
— US SAO Strategy — Baseline Strategy — S&P 500 Index

Performance Results	Cumulative Return	Annual Return	Cum Ex Return	Annual Ex Return	Tracking Error	Info Ratio	Annual Turnover
US SAO Overlay	51.21%	7.13%	43.07%	5.88%	4.81%	1.22	102%
Baseline	41.35%	5.94%	33.21%	4.69%	5.48%	0.86	102
S&P 500 Index	8.14%	1.25%					

K. Gluck and Y. Becker (2005) "The Impact of Eco-Efficiency Alphas" Journal of Asset Management. Similar results were found in an academic study by the Head of Research of ABP, one of the three largest pension funds in the world. * See Rob Bauer et al (2005) The Eco-Efficiency Premium Puzzle in the U.S. Equity Market Financial Analysts Journal.

The performance shown does not represent actual performance, but is hypothetical performance created through a back-test. The results shown do not represent the results of actual trading but were achieved by means of the retroactive application of a hypothetical model that was designed with the benefit of hindsight. These hypothetical results should not be considered indicative of the skill of the adviser. Historic performance is not necessarily indicative of future performance, which could differ substantially. The performance figures are reported on a gross basis, but net of transaction and custody charges. Additional fees, such as the advisory fee, would reduce the return. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting return would be reduced from 61% to 54%. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in U. S. dollars.

PERFORMANCE / ALPHA INTENSITY MATRIX



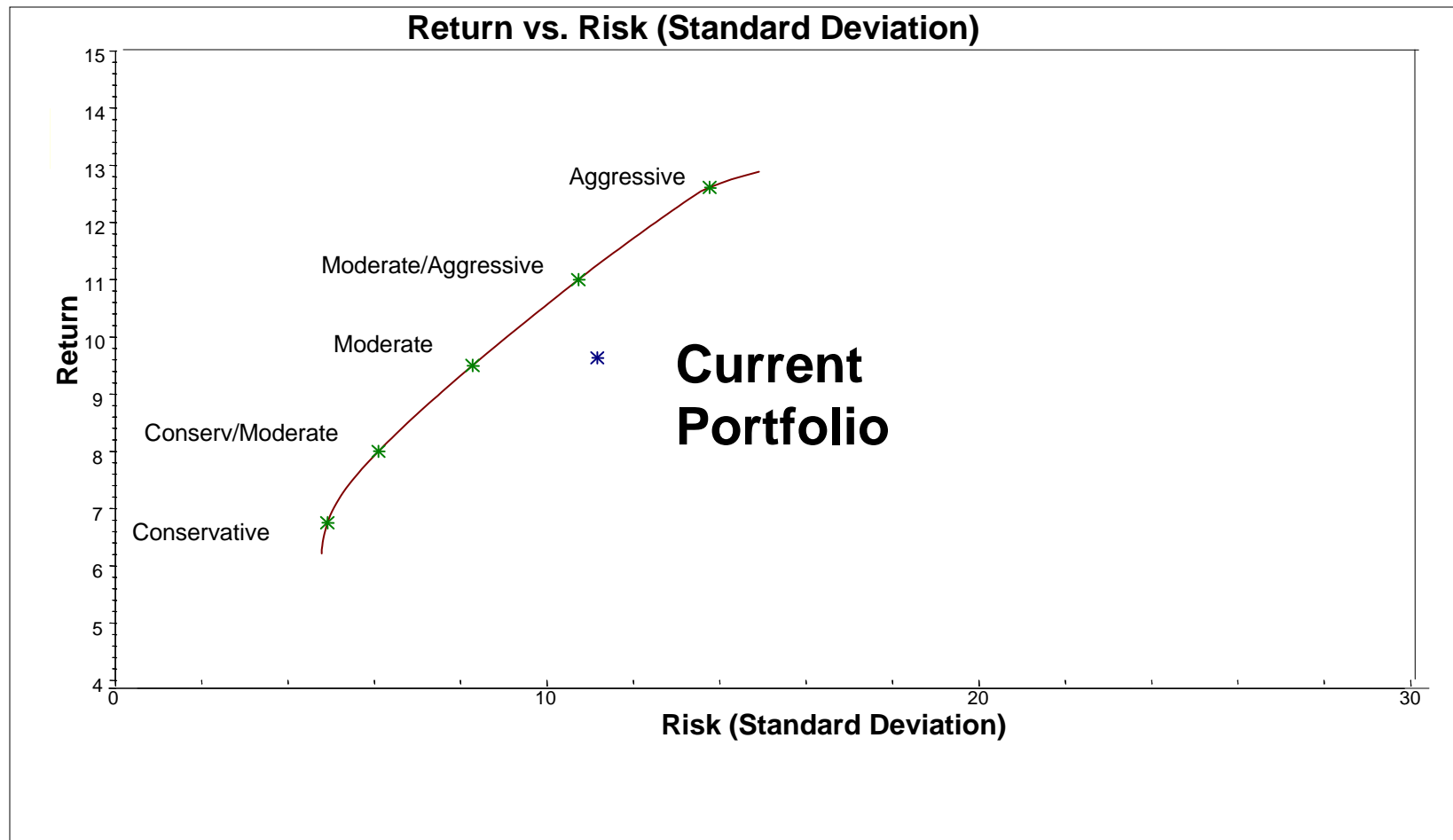




***Information for Science-Based
"Dual Return"
Conservation Investments***

An Overview of ICValue's Vision, Methods and
Environmental Performance Outcomes

Understanding Risk and Return



Source: Zephyr

Resources

- www.nyas.org
 - **Eco-Investing E-briefing**
- www.socialfunds.com
- www.socialinvest.org
- www.responsibleinvesting.org
- www.sristudies.org
- **fa.smithbarney.com/bkahn**