

CITI EQUITY BALANCED-BETA EUROZONE FUND

SIMPLIFIED PROSPECTUS

Dated 1 February 2012

This Simplified Prospectus contains key information in relation to the Citi Equity Balanced-Beta Eurozone Fund (the Fund), a fund of CitiFirst Investments plc (the Company), an umbrella fund with segregated liability between sub-funds. The Company was incorporated on 1 February 2008 and is an umbrella open-ended investment company authorised by the Central Bank of Ireland (the Central Bank) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (the Regulations). The Company currently has eight other funds in existence, namely CitiFX Alpha Strategy 1 Fund, Citi Global Interest Rates Strategy Index Fund, Citi Global Interest Rates Strategy USD Index Fund, Citi COMET Index Fund, UK Structured Growth Fund, UK Autocall Fund, Citi CUBES Diversified Commodities Fund and Citi 80% Protected Dynamic Allocation Fund.

Potential investors are advised to read the Prospectus of the Company dated 10 May 2011 and the Supplement dated 1 February 2012 (together the Prospectus) before making an investment decision on whether or not to invest in the Fund. The rights and duties of the investor as well as the legal relationship with the Company are laid down in the Prospectus.

Capitalised terms used herein (but not defined herein) have the meanings attributed to them in the Prospectus.

The Base Currency of the Fund is Euro.

Investment objective	The investment objective of the Fund is to provide Shareholders in each Class with exposure to the performance of the Citi Volatility Balanced Beta (VIBE) Equity Eurozone Net Total Return Index (the "Index"), developed by Citigroup Global Markets Limited.
Investment policy	<p>In order to achieve the investment objective, the Company on behalf of the Fund intends to invest the net proceeds of any issue of Shares (whether on the Initial Issue Date or subsequently) in Fund Assets. Pursuant to the terms of the Investment Advisory Agreement, the Investment Advisor does not have power to take investment decisions. The Investment Advisor will advise the Manager, and the Manager will take investment decisions in respect of the Fund Assets that the Company will enter into and invest in on behalf of the Fund in order to achieve its investment objective.</p> <p>The Fund Assets (i) will include a single total return swap (the "Total Return Swap"), which will be fully funded or partially funded from the net proceeds of any issue of Shares, to obtain an exposure to the performance of the Index (and the terms "fully funded" and "partially funded" are explained in the following paragraphs); (ii) will include, where the Total Return Swap is partially funded, a single reverse repurchase agreement (the "Reverse Repurchase Agreement"), which will also be funded out of the net proceeds of any issue of Shares, to enable the Company to hold assets in a more cost-effective manner (this is generally referred to as "efficient portfolio management"); and (iii) will include one-month foreign exchange currency forward contracts (the "FX Contracts"), which will be used to smooth out the currency exposures to which the Company on behalf of the Fund will be exposed in respect of the Classes the currencies of which are not the same as the base currency of the Fund. Where the Total Return Swap is partially funded, the portion of the net proceeds of any issue of Shares which will be used to fund partially the Total Return Swap is the "TRS Funded Portion", and the remainder of the net proceeds of such issue of Shares is the "Second Portion", which will be used to fund the Reverse Repurchase Agreement.</p> <p>For full details on the Fund's investment policy, please refer to the Prospectus.</p>
Risk profile	<p>In addition to the risk factors set out in the section entitled "<i>Risk Factors</i>" in the Prospectus, the following risk factors must be considered.</p> <p>Limited Operating History</p> <p>The Index was established on the start date indicated in the Index Rules (14 June 2011). Any back-testing or similar performance analysis performed by any person in respect of the Index must be considered illustrative only and may be based on estimates or assumptions not used by the Index Calculation Agent when determining the level of the Index.</p> <p>Past performance should not be considered indicative of future performance.</p> <p>Potential Conflicts of Interest</p> <p>Citigroup Global Markets Limited and its Affiliates (together, "Citi") have various roles that may give rise to potential conflicts of interest in relation to the Shares. Citi acts as Investment Advisor, Distributor and Promoter in respect of the Shares, Index Sponsor in respect of the Index, is expected to act as TRS Counterparty and may also act as Reverse Repo Counterparty and as FX Counterparty.</p> <p>Citi entities will only have the duties and responsibilities expressly agreed to by them in their relevant capacities and will not be deemed to have other duties or responsibilities or be deemed to have a standard of care other than as expressly provided in respect of each capacity in which they act. In</p>

particular, Citi entities have no duties or responsibilities in relation to the Fund other than as set out under the Prospectus and this Supplement. Citi entities may, for their own account (including for the purpose of hedging the Approved Counterparty's obligations under the relevant Derivative Contracts) or on behalf of their customers, trade in financial instruments, including derivatives, linked to the Index. These activities may result in conflicts of interest for Citi entities and may, directly or indirectly, affect the value (either positively or negatively) of the relevant Index and in turn the Net Asset Value of the Shares of the relevant Class(es).

Citi may also from time to time act as trustee, administrator, registrar, manager, custodian, investment manager or investment adviser, representative or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Company. Each will, at all times, have regard in such event to its obligations to the Company and will endeavour to ensure that such conflicts are resolved fairly.

This risk factor should be read in conjunction with the risk factor headed "*Potential Conflicts of Interest*" in the Prospectus.

Counterparty Risk

The Company on behalf of the Fund will have exposure to the risk of a default by the TRS Counterparty (its counterparty under the Total Return Swap), the FX Counterparty (its counterparty under the FX Contracts) and, where a Reverse Repurchase Agreement is entered into, the Reverse Repo Counterparty (its counterparty under the Reverse Repurchase Agreement). The TRS Counterparty, the FX Counterparty, and, where a Reverse Repurchase Agreement is entered into, the Reverse Repo Counterparty will provide to the Company on behalf of the Fund collateral in order to mitigate this counterparty risk in accordance with the requirements of the Central Bank.

Strategy Risk

The VIBE methodology used by the Index employs a quantitative risk-weighting strategy that determines the percentage weights of the constituents on a quarterly basis such that the risk contribution of each constituent is equal. This strategy is designed with the aim of providing diversification among the selected constituents, with lower volatility, when compared to an equivalent equal-weighted or market capitalization-weighted index. However, there is no guarantee that this will be the case, especially over short periods. In particular, the benefits of the Index strategy may only become apparent over a long period and may underperform market capitalization-weighted indices during an upward trend in the investment cycle.

Volatility as a measure for risk

In determining the risk contribution of each constituent, the VIBE methodology used by the Index relies exclusively on market price volatility as a measure of risk. Although market prices may in theory reflect all available public information, this may not always be the case. Furthermore, there are many types of risk inherent in an equity investment. This does not mean that the Index is risk-free. The VIBE methodology (and therefore the Index) do not attempt to identify or quantify any specific risks which may be relevant to a stock, sector, industry, country or region, such as commercial, operational, credit, financing, macro, political, regulatory or legal risks. The reliance of the VIBE methodology (and therefore the Index) solely on volatility as a measure of risk may fail to accurately identify and account for specific risks or fail to adjust for overall risk in line with the objectives of the Index.

Limitations of the VIBE methodology

The performance of the Index is dependent on the pre-defined rules-based VIBE methodology set out in the Index Rules. There is no assurance that other methodologies for calculating equal risk-contribution would not result in better performance than the VIBE methodology.

The weights assigned to the constituents are equally dependent on the percentage weights which the VIBE methodology (and its optimization model), used by the Index determine would achieve (i) an equal implied risk contribution for each constituent, and (ii) an equal trend-following risk contribution for each constituent. There can be no assurance that this particular blend of implied and historic volatilities and correlations will be successful over any particular period of time.

Concentration Risk

The VIBE methodology used by the Index to identify weights for the constituents on a quarterly basis will not necessarily result in a less concentrated equity market exposure than the S&P 75 Euro Index. The Index may be more or less concentrated than the S&P 75 Euro Index, or any benchmark equity index.

The VIBE methodology limits the maximum weight of each constituent to 10%, with a resulting reallocation to the other constituents in the event that the VIBE methodology would allocate a weight in excess of 10% for any constituent. Although this individual weight constraint is designed to limit a concentration of exposures, it remains possible that a number of constituents could all be assigned a weight of 10%.

	<p>Performance Risk</p> <p>The Index may underperform other indices with the same constituents, where those other indices employ a different weighting scheme. The VIBE methodology uses a risk-contribution weighting methodology with the aim of improving risk-adjusted returns. The VIBE methodology may not be successful and does not seek to outperform the S&P Euro 75 Index or any other equity benchmark in absolute terms.</p> <p>Use of Derivative Contracts</p> <p>The Fund may be terminated by the Directors in accordance with the terms of the Memorandum and Articles of Association in the event that the Derivative Contracts entered into in respect of the Fund are terminated early. In the event of the termination of the Fund, Shareholders may not receive the full amount they have invested, depending on the performance of the Index as at the time of such termination; Shareholders will receive the Net Asset Value at termination of the Fund.</p>																														
Performance Data	N/A																														
Profile of the typical investor	Subject to their personal circumstances, the Fund may be suitable for investors who seek a longer-term investment in European equity markets with potential for some capital growth, and who understand and are willing to accept the risk of capital loss with a medium to high degree of volatility.																														
Distribution Policy	<p>The Directors do not intend to declare dividends.</p> <p>The Directors intend to operate the Fund relating to each Class with the objective of satisfying the conditions for certification by HM Revenue & Customs ("HMRC") as a reporting fund for United Kingdom tax purposes, although no guarantee can be given that this will be the outcome. It is intended that the Company on behalf of the Fund relating to each Class will make an application for certification by HMRC as a reporting fund for the purposes of relevant United Kingdom tax legislation.</p>																														
Fees and Expenses	<p>The following fees and expenses will be incurred by the Company on behalf of the Fund and will affect the Net Asset Value per Share of each Class issued in respect of the Fund.</p> <p>Management Fee</p> <p>The Company on behalf of the Fund will pay in respect of each Class a fee to the Manager out of the assets of the Fund attributable to such Class (the "Management Fee"). The Management Fee in respect of each Class is specified below. The Management Fee in respect of each Class will accrue on each Business Day, and will be calculated on each Business Day with reference to the Net Asset Value of such Class on the immediately preceding Business Day. The Management Fee will be deducted from the prevailing Net Asset Value of each Share of each Class, and will be paid to the Manager monthly in arrears on the last Business Day of each calendar month.</p> <p>The Manager will make payments to the Investment Advisor and the Distributor using amounts it receives as the Management Fee. The Management Fee will not include the other costs and expenses described below under the heading "<i>Other Costs and Expenses</i>".</p> <table border="1"> <thead> <tr> <th>Share Class</th> <th>"Z"</th> <th>"I"</th> <th>"C"</th> <th>"A"</th> </tr> </thead> <tbody> <tr> <td>Management Fee</td> <td>0.00%</td> <td>0.40%</td> <td>0.80%</td> <td>1.20%</td> </tr> </tbody> </table> <p>Preliminary Charge</p> <p>A Preliminary Charge may be levied on the subscription of any Share of each Class. The maximum Preliminary Charge (if any) that may be levied in respect of each Class is specified below. Where levied, a Preliminary Charge is used to pay Sub-Distributors. Any Preliminary Charge levied will be added to the amount payable on a subscription for Shares, at the prevailing Net Asset Value per Share of the relevant Class, at the point of subscription. Any such Preliminary Charge will therefore not affect the Net Asset Value per Share of the relevant Class, but will have the effect of increasing the total amount to be paid for the subscription for Shares and reducing the number of Shares allotted in respect of that total amount.</p> <table border="1"> <thead> <tr> <th>Share Class</th> <th>"Z"</th> <th>"I"</th> <th>"C"</th> <th>"A"</th> </tr> </thead> <tbody> <tr> <td>Preliminary Charge</td> <td>None</td> <td>None</td> <td>5%</td> <td>5%</td> </tr> </tbody> </table> <p>Other Costs and Expenses</p> <p>The Company on behalf of the Fund will pay up to 0.20% of the Net Asset Value of each Class. Such amount shall reflect the costs and the expenses incurred by the Company in setting up and maintaining the Fund, the fees charged by the Administrator and the Custodian, and other expenses such as administrative and legal costs. Citigroup Global Markets Limited shall pay any costs and expenses in excess of such amount.</p> <table border="1"> <thead> <tr> <th>Share Class</th> <th>"Z"</th> <th>"I"</th> <th>"C"</th> <th>"A"</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Share Class	"Z"	"I"	"C"	"A"	Management Fee	0.00%	0.40%	0.80%	1.20%	Share Class	"Z"	"I"	"C"	"A"	Preliminary Charge	None	None	5%	5%	Share Class	"Z"	"I"	"C"	"A"					
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	Other Costs and Expenses	Max 0.20%	Max 0.20%	Max 0.20%	Max 0.20%
	This section headed "Fees and Expenses" should be read in conjunction with the section headed "Fees and Expenses" in the Prospectus.				
Total Expense Ratio	N/A				
Portfolio Turnover Rate	N/A				
Taxation	<p>The Fund will only be subject to Irish tax in respect of Shareholders who are Taxable Irish Persons (generally being persons who are resident or ordinarily resident in Ireland for tax purposes) on chargeable events. Shareholders who are neither resident nor ordinarily resident in Ireland, subject to receipt of appropriate declaration, generally will not be subject to any Irish tax including any deductions from any payments made.</p> <p>Shareholders and potential investors should familiarise themselves with and where appropriate take tax advice on the tax treatment of their holdings of Shares.</p> <p>Information related to Irish taxation and United Kingdom taxation is set out in the Prospectus under the heading "Taxation".</p> <p>It is intended that the Company on behalf of the Fund relating to each Class of Shares will make an application for certification by HMRC as a reporting fund for the purposes of relevant United Kingdom tax legislation.</p>				

Publication of Share Price	The Net Asset Value of each Class of Shares will be available from the Administrator and will be published on each Business Day on www.funds.citi.com . Such prices will reflect the Net Asset Value of the Fund at the Valuation Point on the relevant Dealing Day.				
How to buy/sell Shares	<p>Instructions to buy, sell and exchange Shares may be made directly to the Company care of the Administrator by 9.30 a.m. (Dublin time) on each Dealing Day (the Directors may however elect to extend the Dealing Deadline in their sole and absolute discretion), or indirectly through a Distributor, Sub-Distributor or a Clearing System, for onward transmission to the Company care of the Administrator by the times specified above. For investors seeking to buy or sell Shares via facsimile, by telephone or indirectly through a Distributor, Sub-Distributor or Clearing System, attention is drawn to the relevant provisions contained in the "Share Dealings" section of the Prospectus.</p> <p>Frequency of dealing is every Business Day and in respect of a Dealing Day, the Valuation Point shall be 5.00 p.m. (Dublin time) on such Dealing Day.</p> <p>In the case of subscriptions, the Settlement Date shall be up to two Business Days after the relevant Dealing Day assuming the receipt prior to the Dealing Deadline for such day of the relevant signed subscription application and the availability of cleared funds, each as confirmed by the Administrator.</p> <p>In the case of redemptions, the Settlement Date shall be up to five Business Days after the relevant Dealing Day, assuming receipt of the relevant signed repurchase request prior to the Dealing Deadline for such relevant Dealing Day, as confirmed by the Administrator.</p>				
Additional Important Information	<p>Directors of Company: John Donohoe Gerry Brady Kevin Molony</p> <p>Promoter: Citibank International plc</p> <p>Manager: Capita Financial Managers (Ireland) Limited</p> <p>Investment Manager: Citigroup First Investment Management Limited</p> <p>Investment Advisor and Distributor: Citigroup Global Markets Limited</p> <p>Custodian: J.P. Morgan Bank (Ireland) plc</p> <p>Administrator: Capita Financial Administrators (Ireland) Limited</p> <p>Auditors: Deloitte & Touche</p> <p>Supervisory Authority: Central Bank of Ireland</p>				

	Additional information and copies of the Prospectus, the Supplement, the latest annual and semi-annual report and accounts (if any) may be obtained free of charge from the Company at the offices of Capita Financial Administrators (Ireland) Limited Tel: +353 1 4005300 or Fax: +353 1 400 5350 or the registered office of the Company at Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland.
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SCHEDULE I

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description. An English language version of a detailed description of the rules governing the Index (the "**Index Rules**") is available to investors at <https://www.citigroupcib.com/euprospectus>. In particular, the Index Rules include a description of the manner in which the Index is calculated and a discussion of the factors to be considered when assuming an exposure to the Index.

Shareholders' attention is drawn to the fact that the Index Rules may be amended from time to time without notice under certain circumstances. An amendment to the Index Rules will in general only be made where it is necessary to make an administrative update or to address an error, omission or ambiguity. A change to the Supplement may be made following such an amendment. Where any change to the Index Rules causes a material change to the investment policy of the Fund, prior approval of the Shareholders shall be sought.

The Index

The Index is a notional rules-based proprietary index, developed by Citigroup Global Markets Limited, and uses a proprietary risk-weighting model, also developed by Citigroup Global Markets Limited.

Constituents of the Index

The constituents of the Index will comprise all of the stocks of the S&P Euro 75, other than (i) stocks with less than 160 days of historical data, (ii) stocks issued by the Index Sponsor or its Affiliates, including Citigroup Inc., and (iii) stocks which are included on the Index Sponsor's restricted list, being a list of stocks in which the Index Sponsor or any of its Affiliates is not permitted to deal for a particular period due to laws and regulations.

The S&P Euro 75 measures the performance of the Eurozone's leading blue chip companies. The S&P Euro 75 is made up of 75 constituents, which are drawn from a universe comprising the constituent stocks of the Eurozone BMI, domiciled in the Eurozone and trading in Euros.

Each stock in the Eurozone BMI is analyzed for size, liquidity and tradability to determine eligibility in the S&P Euro 75. In order to meet the eligibility criteria, S&P Euro 75 constituents must: (i) have three months of "Average Daily Value Traded" of at least €10,000,000, measured across all European trading venues, (ii) trade on a European multilateral trading facility, and (iii) whilst there is no minimum market capitalisation criterion for the index, the selection process ends with ranking the largest eligible constituents of the Eurozone BMI, as measured by total market capitalisation. S&P Euro 75 constituents are rebalanced annually, effective after the market close on the third Friday of June, using data from the last business day of May. Further details in respect of the constituents of the S&P Euro 75 Index and the eligibility criteria are available at www.standardandpoors.com/indices/sp-euro-75/en/us/?indexId=sp-euro-75

The Eurozone BMI is itself a sub-set of the Global BMI. The Global BMI is a comprehensive, rules-based index measuring global stock market performance which covers all publicly listed equities with float-adjusted market values of US\$ 100 million or more and annual dollar value traded of at least US\$ 50 million in all included countries. Further details in respect of the Global BMI are available at www.standardandpoors.com/indices/main/en/us

Weighting of Index constituents

On a quarterly basis, under a balancing process, a weight is applied to each stock contained in the Index, and the weight of each such constituent stock is determined in accordance with the formulaic VIBE methodology. Under this methodology, the volatility of each constituent stock is systematically measured against all of the other constituent stocks, and the weight that is applied to each constituent stock is such that the volatility of each constituent stock has the same contribution to the overall volatility of the Index, based on the correlation of the constituent stocks to each other and their respective volatilities. Under the quarterly rebalancing process, no single constituent stock can have a percentage weight greater than 10%.

Under the quarterly balancing process, the percentage weight of any constituent stock will be reduced to no more than 10% if, as a result of price movements through the quarter, its percentage weight has increased to 10% or above.

Index Sponsor

The sponsor of the Index (the "**Index Sponsor**") is Citigroup Global Markets Limited or any of its Affiliates that it may designate.

Standard & Poor's Financial Services LLC acts as the calculation agent (the "**Index Calculation Agent**") of the Index. The Index Sponsor may, in its sole discretion, appoint an alternative Index Calculation Agent at any time.