

UK Property Index Reverse Accelerator

3x participation in any fall, high degree of capital protection

Investment objective:

To provide 3x participation in any fall in the FT EPRA UK Property Index (to a maximum fall of -33%), with capital at risk only if the index rises by 55% or more from the level at issue.

SG UK Property Index Reverse Accelerator

The SG UK Property Reverse Accelerator is a London Stock Exchange traded instrument, issued by SG, with the following characteristics:

- 3x positive participation in any fall in the FT EPRA UK Property Index
- 100% capital protection unless index rises by 55%
- Max return capped at 200% of issue price

About the FT EPRA UK Property Index

The FT EPRA UK Property Index is a benchmark index for UK Property, being composed of the 39 largest listed property and REIT companies listed in London (see epra.com for details).

The five largest components are as follow:

Company	Weight
Land Securities	19%
British Land	16%
Hammerson	9%
Liberty International	9%
Slough Estates	7%

The index level (excluding dividends) has risen from 1,000 in 2003 to more than 3,000 at the start of 2007.

If held to expiry, the holder of the Reverse Accelerator will receive 3x any fall in the index level (with reference to the index level on the initial reference date). The maximum payout amount is £2,000, a 100% increase on the issue level, achieved if the index falls by 33% or more.

The Reverse Accelerator offers 100% capital protection, unless the index increases by 55% or more. In this case, the holder can lose 1% for each 1% the index rises, up to a maximum loss of 100% if the index level is up 100% or more at expiry.

How to trade the Accelerator

The Accelerator is traded on the London Stock Exchange with a 1% bid/ask spread, maintained under normal

market conditions. The Accelerator can be bought or sold on any trading day. Initial duration is three years.

Key Facts:	(Indicative prices only)
Classification:	Covered Warrant
Issuer:	SG
Guarantor:	SG (AA S&P)
Underlying:	FT EPRA UK Property Index (RIC .FTELUK)
Issue date:	20 June 2007
Initial reference date:	19 June 2007
Expiry date:	21 June 2010
Initial reference level:	2748.25
Issue price:	£1,000
Issue size:	£10m
Min trade size:	£1,000
Currency:	GBP
Settlement:	Cash settlement only
Pricing:	Daily, real time
Traded on:	London Stock Exchange
Settlement:	CREST
UCITS fund eligible:	Yes
SIPP eligible:	Yes

Product code:	SG36
Reuters code:	SG36.L
Bloomberg code:	SG36 Corp
Sedol code:	B1YWPX6
ISIN code:	ANN8129P4212

FT EPRA UK Property Index

Source: Reuters



Tax assumptions may be subject to statutory change. Listed structured products are not suitable for all investors as they can offer leveraged exposure to an underlying asset, which can make them volatile investments. Capital invested is at risk unless specifically stated otherwise. Past performance does not guarantee future performance. Potential investors should carefully read the term sheet and relevant risk warnings in the product brochure.

