



First Quarter 2007 Earnings Review

April 16, 2007

Summary Income Statement

<i>(\$B, except EPS)</i>	1Q'07	1Q'06	%△
Net Interest Revenue	\$10.6	\$9.8	8%
Other Revenue	14.9	12.4	20
Net Revenues	\$25.5	\$22.2	15%
Operating Expenses	15.6	13.4	17
Credit Losses, Claims & Benefits	3.0	1.7	77
Pre-tax Income from Cont. Ops.	\$6.9	\$7.2	(3)%
Income Taxes and Minority Interest	1.9	1.6	20
Income from Cont. Ops.	\$5.0	\$5.6	(10)%
Net Income	5.0	5.6	(11)
Diluted EPS from Cont. Ops.	\$1.01	\$1.11	(9)%
Diluted EPS	1.01	1.12	(10)
Return on Common Equity	17.1%	20.3%	

Note: Totals may not sum due to rounding

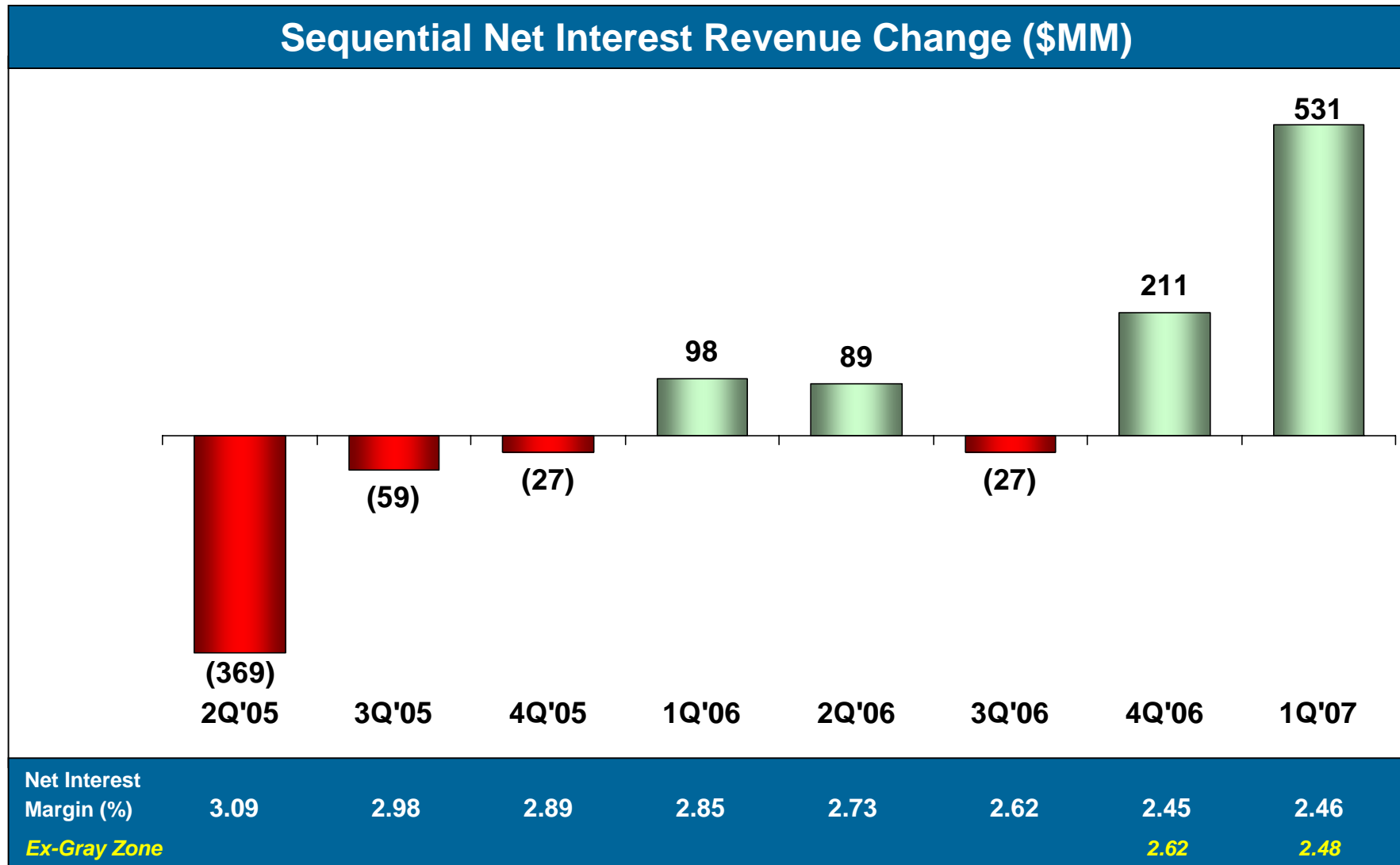
Volume Trends

%△ Year-over-Year		1Q'06	2Q'06	3Q'06	4Q'06	1Q'07
Average Loans	U.S. Consumer ⁽¹⁾	9	12	12	10	10
	International Consumer	2	6	9	15	16
	Corporate	21	25	31	29	18
Average Deposits	U.S. Consumer ⁽²⁾	8	5	9	16	20
	International Consumer	6	9	9	8	7
	Transaction Services	15	27	23	24	25
Sales	U.S. Cards Purchase Sales	11	12	9	7	6
	International Cards Purchase Sales	8	15	18	26	25
	GCG Investment Sales	33	52	17	31	29
AUMs	GCG AUMs	17	13	11	17	12
	CAI Client AUMs	40	41	35	52	52
	GWM Client Fee-Based AUMs	28	23	22	15	13

(1) Managed basis

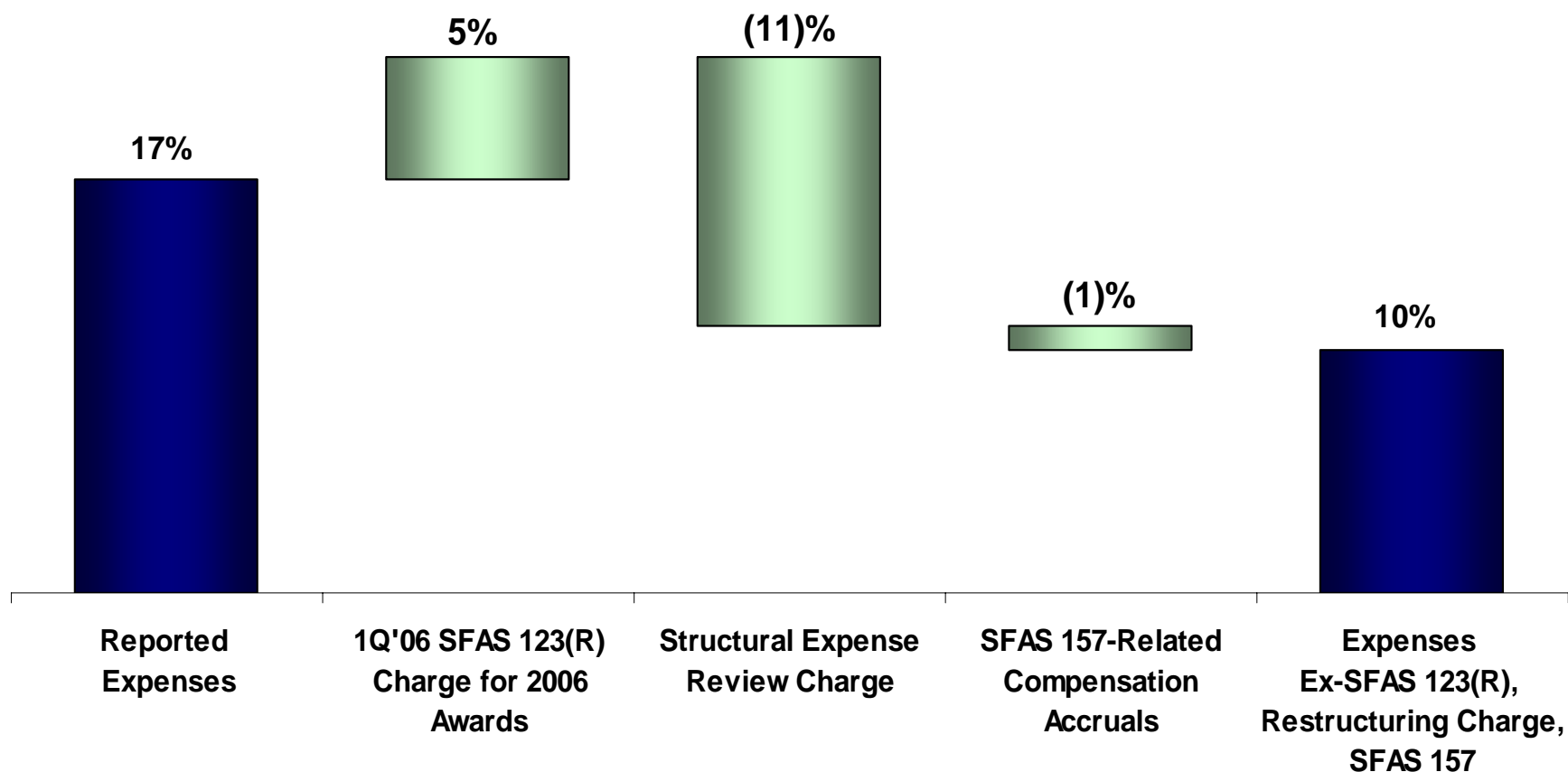
(2) Does not include Global Wealth Management deposits

Closer Look at Net Interest Revenue



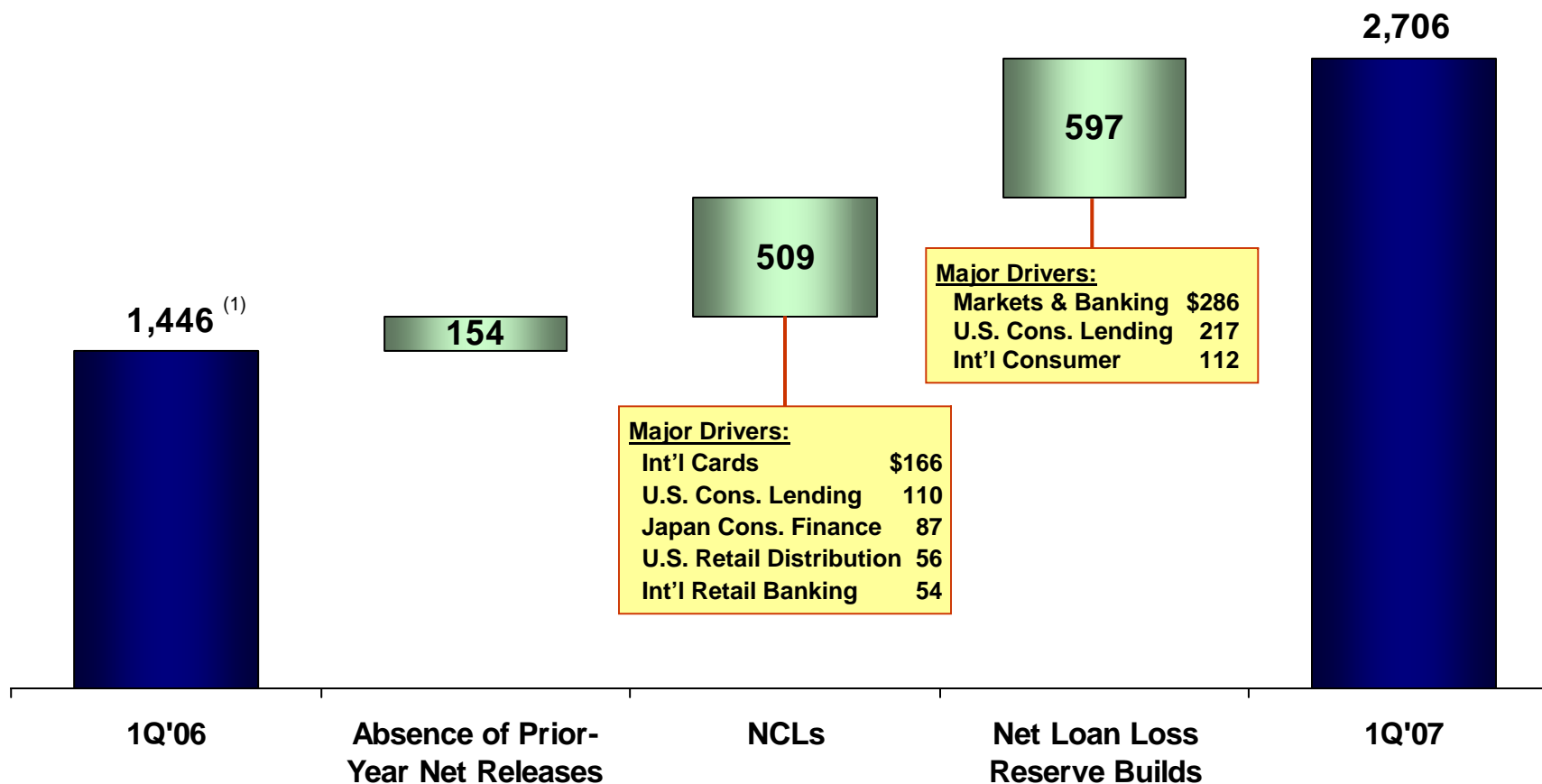
Expense Growth

1Q'07 Year-over-Year Growth Components



Credit Drivers

Year-over-Year Change (\$MM)



(1) Includes Provision for Unfunded Lending Commitments of \$50 million

Consumer Credit Drivers

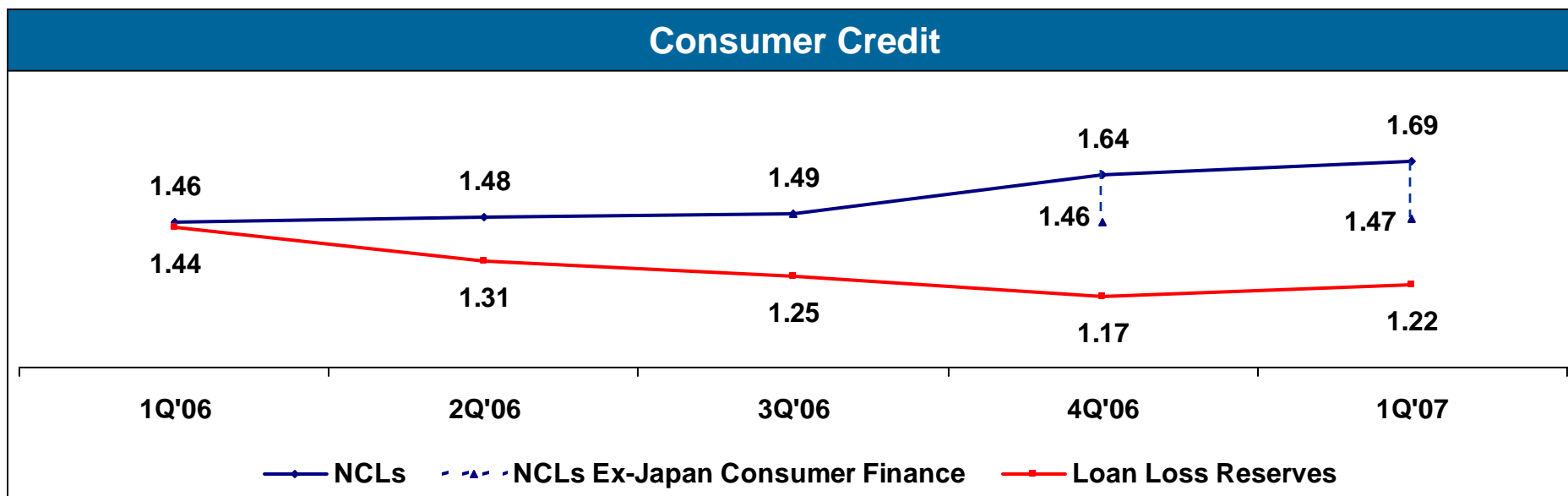
U.S. Consumer Mortgages

1 st Mortgages \$141.0B	FICO				2 nd Mortgages \$54.4B	FICO			
	FICO \geq 660	620 \leq FICO<660	580 \leq FICO<620	FICO<580		FICO \geq 660	620 \leq FICO<660	580 \leq FICO<620	FICO<580
LTV \leq 80	60%	6%	4%	3%	LTV \leq 80	47%	2%	0%	0%
80 < LTV < 90	3%	2%	2%	1%	80 < LTV < 90	16%	1%	0%	0%
LTV \geq 90	9%	5%	3%	2%	LTV \geq 90	33%	1%	0%	0%

Note: FICO and LTV primarily at origination.

Note: Excludes \$5.0B from 1st Mortgages and \$3.8B from 2nd Mortgages for which FICO & LTV data was unavailable.

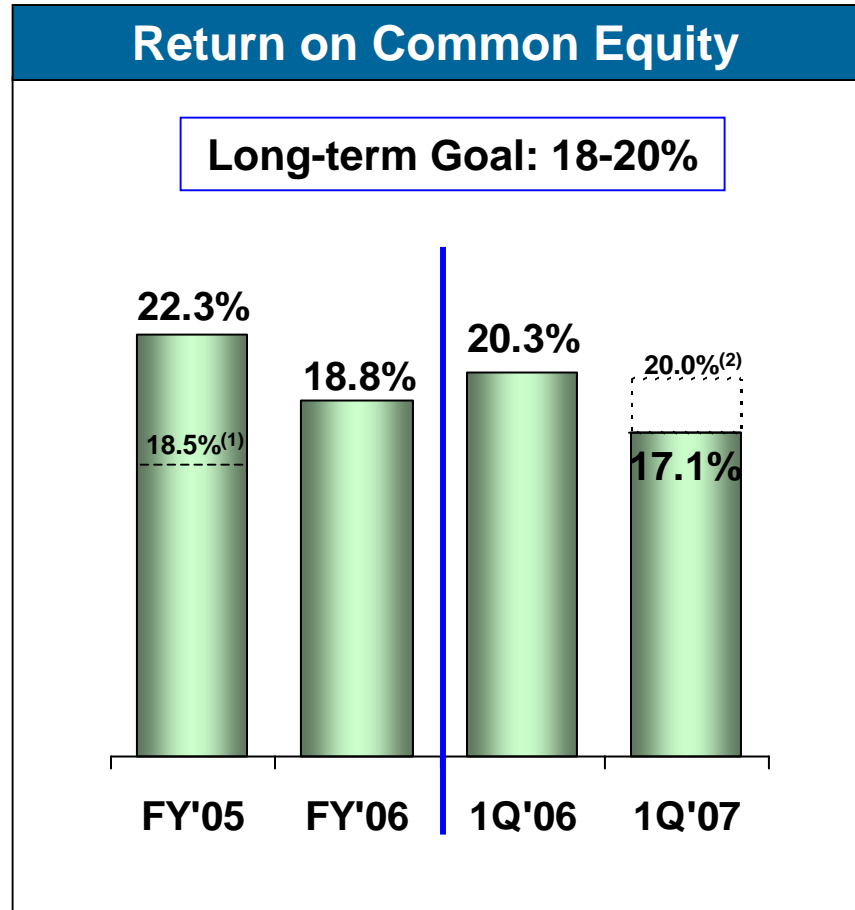
NCLs and Loan Loss Reserves as a % of loans⁽¹⁾



(1) NCLs as a % of average loans; Loan Loss Reserves as a % of EOP loans

Balance Sheet

Key Metrics at 3/31/07	
Tier I Capital Ratio	8.2%
Total Capital Ratio	11.5%
TCE/RWMA	6.7%
Leverage Ratio	4.7%
Share Repurchases	\$645 MM



(1) Ex-CAM/TL&A gain

(2) Ex-charge of \$871 million after-tax related to the structural expense review

U.S. Consumer

(\$MM)	1Q'07	1Q'06	%Δ
Revenues	\$7,714	\$7,260	6%
– Cards	3,294	3,234	2
– Retail Distribution	2,426	2,296	6
– Consumer Lending	1,551	1,260	23
– Commercial Business	443	470	(6)
Expenses	3,629	3,569	2
Credit Costs	1,470	901	63
Net Income	\$1,765	\$2,004	(12)%
– Cards	897	926	(3)
– Retail Distribution	388	515	(25)
– Consumer Lending	359	437	(18)
– Commercial Business	121	126	(4)
Key Drivers (\$B):			
Average Loans ⁽¹⁾	\$440	\$401	10%
Average Deposits ⁽²⁾	119	99	20
RB Branches	993	906	
CF Branches	2,495	2,299	

▶ Cards

- Purchase sales up 6%; managed ANR up 1%
- \$161MM pre-tax gain on sale of MasterCard shares
- Continued net interest margin compression

▶ Retail Distribution

- Strong volume growth: loans up 12%, deposits up 22% and investment product sales up 21%
- EOP Citibank Direct deposits at \$12.9B
- Continued spread compression

▶ Consumer Lending

- Average loans up 16%
- Continued spread compression
- Higher gains from securities sales

▶ Commercial Business

- Average loans up 8%, average deposits up 12%
- Lower net interest margin

▶ Expense growth

- Opened 21 Retail Bank and 30 Consumer Finance branches
- Up 3% ex. favorable SFAS 123(R) compare

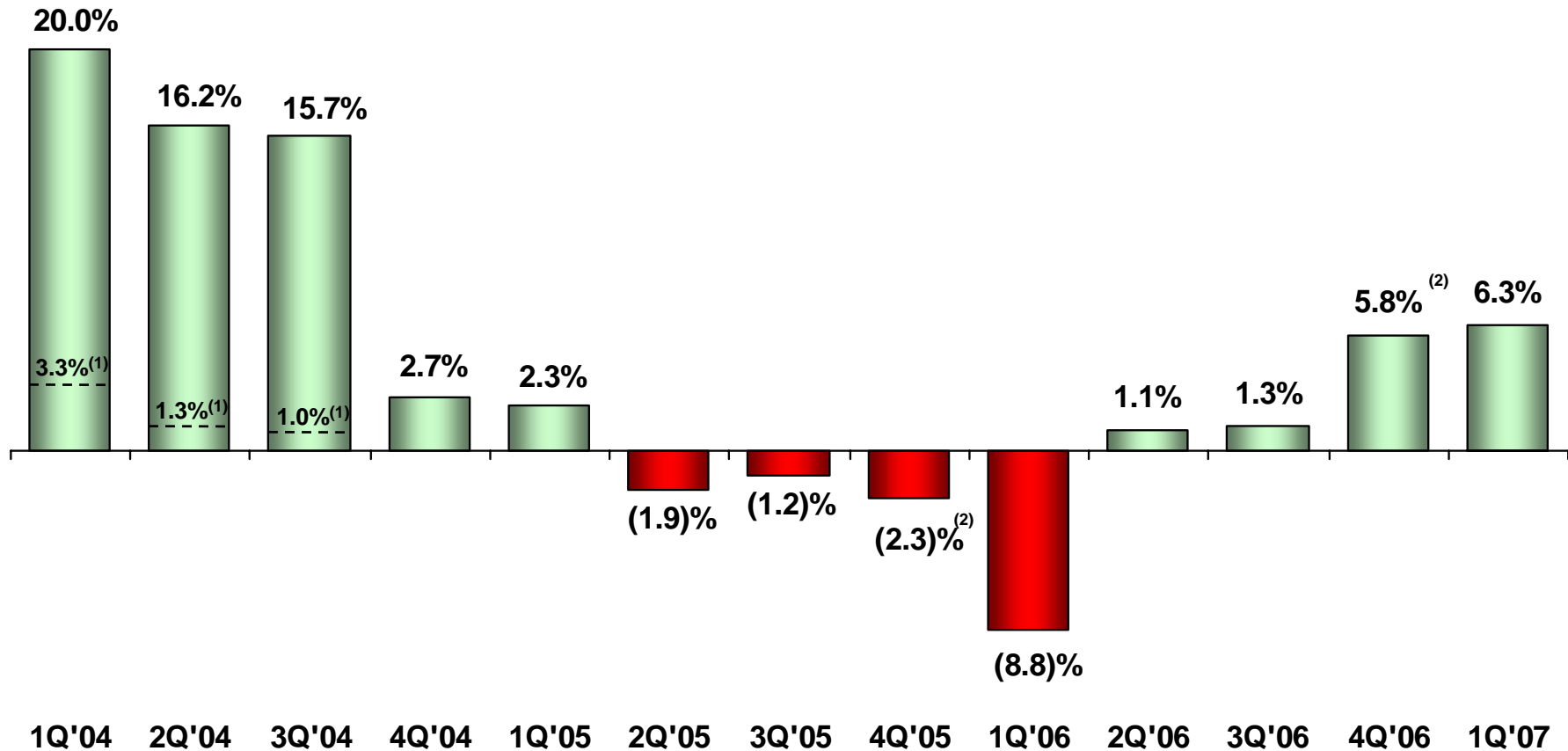
▶ Generally stable credit conditions, continued weakness in second mortgages

(1) Managed basis

(2) Does not include Global Wealth Management deposits

U.S. Consumer Revenues

Year-over-Year Growth



(1) Excluding revenues from the Sears acquisition

(2) Excluding the impact from the 4Q'05 \$565MM pre-tax accounting charge to conform accounting practice for rewards

International Consumer

(\$MM)	1Q'07	1Q'06	%Δ	
Revenues	\$5,388	\$4,709	14%	<p>▶ Cards</p> <ul style="list-style-type: none"> - Purchase sales up 25%, average loans up 28% - Integration of Credicard and Grupo Financiero Uno (GFU) <p>▶ Consumer Finance</p> <ul style="list-style-type: none"> - Changed environment in Japan - Average loans up 25% outside of Japan <p>▶ Retail Banking</p> <ul style="list-style-type: none"> - Deposits up 7%, loans up 13%, investment sales up 33% - Generally stable net interest margins <p>▶ Expense growth</p> <ul style="list-style-type: none"> - Continued investment spending - Opened 19 Retail Bank and 29 Consumer Finance branches - Integration of Credicard and GFU <p>▶ Credit</p> <ul style="list-style-type: none"> - Cards: Mexico portfolio growth, Credicard and GFU integration, Taiwan improved - Consumer Finance: Japan, portfolio growth
- Cards	1,739	1,280	36	
- Consumer Finance	890	962	(7)	
- Retail Banking	2,759	2,467	12	
Expenses	2,976	2,621	14	
Credit Costs	1,216	767	59	
Pre-tax Income	1,196	1,321	(9)	
Net Income	\$953	\$1,136	(16)%	
- Cards	388	291	33	
- Consumer Finance	25	168	(85)	
- Retail Banking	540	677	(20)	
Excluding Japan Consumer Finance				
Revenues	\$4,954	\$4,118	20%	
Pre-tax Income	1,194	1,124	6	
Net Income	944	1,001	(6)	
Key Drivers (\$B):				
Average Loans	\$126	\$108	16%	
Average Deposits	154	145	7	
RB Branches	2,983	2,647		
CF Branches	1,669	1,588		

Markets & Banking

(\$MM)	1Q'07	1Q'06	%△	
Revenues	\$8,957	\$7,279	23%	▶ Fixed Income Markets
– Securities and Banking	7,313	5,896	24	– Record revenues up 20% driven by strength across all products
– Transaction Services	1,645	1,382	19	▶ Equity Markets
Expenses	5,111	4,757	7	– Record revenues up 26%, driven by cash trading, derivatives, equity finance and prime brokerage
Credit Costs	263	-	NM	▶ Investment Banking
Net Income	\$2,621	\$1,929	36%	– Record revenues in advisory and equity underwriting
– Securities and Banking	2,173	1,618	34	– 2 nd best quarter in fixed income underwriting
– Transaction Services	447	323	38	▶ Transaction Services
Securities and Banking Product Revs (\$MM):				– Record revenues
– Inv. Banking	\$1,595	\$1,216	31%	– Liability balances up 25%, AUCs up 22%
– Lending	561	411	36	▶ Expenses
– Equity Markets	1,483	1,179	26	– Comp and benefits up 8%
– F/I Markets	3,771	3,148	20	– Non-compensation expense increase driven by higher business volumes
Transaction Services Product Revs (\$MM):				– Up 16% excluding favorable SFAS 123(R) compare
– Cash Management	\$981	\$792	24%	▶ Credit
– Securities Services	507	438	16	– Net charge of \$286 MM to increase reserves
– Trade	157	152	3	– Underlying credit quality remains stable

Global Wealth Management

(\$MM)	1Q'07	1Q'06	%△
Revenues	\$2,818	\$2,483	13%
– Smith Barney	2,246	1,987	13
– Private Bank	572	496	15
Expenses	2,102	2,055	2
Credit Costs	17	5	NM
Net Income	\$448	\$287	56%
– Smith Barney	324	168	93
– Private Bank	124	119	4
Key Drivers (\$B):			
Average Loans ⁽¹⁾	\$46	\$40	15%
Avg. Deposits & Other Customer Liability Bal.	113	99	14
Net Flows	6	3	100
Fee-Based Assets	418	369	13

- ▶ **Smith Barney**
 - Fee-based/net interest revenues up 17%
 - Transactional revenue up 7% on higher customer activity
 - Revenue per FA up 17% to \$697M

- ▶ **Private Bank**
 - International revenues up 30%
 - Client business volumes up 19%

- ▶ **Expenses**
 - Up 10% ex. favorable SFAS 123(R) comparison

(1) Includes margin loans

Alternative Investments & Corporate/Other

Alternative Investments

(\$MM)	1Q'07	1Q'06	%Δ	
Revenues	\$562	\$675	(17)%	<ul style="list-style-type: none"> ▶ Higher private equity results ▶ Gain on sale of Travelers Companies shares in prior period ▶ Client assets under management up 52%
– Client	126	91	38	
– Proprietary	436	584	(25)	
Expenses	180	181	(1)	
Minority Interest	21	30	(30)	
Net Income	\$222	\$353	(37)%	
Capital Under Mgmt. (\$B):				
Client	\$42.9	\$28.2	52%	
Proprietary	10.8	11.1	(3)	

Corporate/Other

(\$MM)	1Q'07	1Q'06	%Δ	
Revenues	\$16	\$(209)	NM	<ul style="list-style-type: none"> ▶ Restructuring charge of \$1.4B
Net Income	(912)	(87)	NM	

Summary of Press Release Disclosed Items

Net Income Impact (\$MM)

	1Q'06	1Q'07
Cards	\$76 (1,2,3)	\$103 (4)
Retail Distribution	29 (1,2,3)	--
Consumer Lending	26 (1,2,3)	--
Commercial Business Group	(3) (1,2,3)	--
U.S. Consumer	128	103
Cards	15 (1,2,3)	54 (4,5)
Consumer Finance	(3) (2,3)	--
Retail Banking	32 (1,2,3)	41 (4,5)
International Consumer	44	95
Other Consumer	24 (1,2,3)	--
Global Consumer	196	198
Securities and Banking	(122) (1,2,3)	214 (5,6)
Transaction Services	19 (1,2,3)	23 (5)
Other	--	--
Markets & Banking	(103)	237
Smith Barney	(107) (2,3)	2 (5)
Private Bank	1 (1,2,3)	--
Global Wealth Management	(106)	2
Alternative Investments	53 (1,2,3)	--
Corporate / Other	38 (1,2,3)	(871) (7)
Discontinued Operations	59 (1)	--

1. Tax benefits related to resolution of an audit of \$657 comprised of \$89 in U.S. Cards, \$51 in U.S. Retail Distribution, \$31 in U.S. Consumer Lending, \$4 in Commercial Business Group, \$20 in International Cards, \$55 in International Retail Banking, \$40 in Other Consumer, \$151 in Securities and Banking, \$25 in Transaction Services, \$13 in the Private Bank, \$58 in Alternative Investments, \$61 in Corporate/Other and \$59 in Discontinued Operations.
2. Impact of SFAS 123(R) charge for stock awards granted to retirement-eligible employees in 2006 for the 2005 performance year of (\$648) pre-tax, ((\$398) after-tax) comprised of (\$10) in U.S. Cards, (\$18) in U.S. Retail Distribution, (\$4) in U.S. Consumer Lending, (\$6) in Commercial Business Group, (\$4) in International Cards, (\$2) in International Consumer Finance, (\$18) in International Retail Banking, (\$14) in Other Consumer, (\$215) in Securities and Banking, (\$5) in Transaction Services, (\$78) in Smith Barney, (\$10) in the Private Bank, (\$4) in Alternative Investments and (\$10) in Corporate/Other.
3. Impact of SFAS 123(R) accrual of estimated cost of stock awards for retirement-eligible employees that were earned in the first quarter 2006 of (\$198) pre-tax ((\$122) after-tax), comprised of (\$3) in U.S. Cards, (\$4) in U.S. Retail Distribution, (\$1) in U.S. Consumer Lending, (\$1) in Commercial Business Group, (\$1) in International Cards, (\$1) in International Consumer Finance, (\$5) in International Retail Banking, (\$3) in Other Consumer, (\$58) in Securities and Banking, (\$1) in Transaction Services, (\$29) in Smith Barney, (\$2) in the Private Bank, (\$1) in Alternative Investments and (\$12) in Corporate/Other.
4. Gain on sale of MasterCard shares of \$171 after-tax (\$268 pre-tax) comprised of \$103 after-tax in US Cards, \$42 after-tax in International Cards, and \$26 after-tax in International Retail Banking.
5. Tax benefit due to initial application of APB 23 to certain foreign subsidiaries of \$131 comprised of \$12 in International Cards, \$15 in International Retail Banking, \$79 in Securities and Banking, \$23 in Transaction Services and \$2 in Smith Barney.
6. Impact related to the early adoption of SFAS 157 of \$135 after-tax (\$402 pre-tax increase in revenues) in Securities and Banking.
7. Charge related to the structural expense review of (\$871) after-tax ((\$1,377) pre-tax) in Corporate/Other.

Certain statements in this document are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors. More information about these factors is contained in Citigroup’s filings with the Securities and Exchange Commission.

Non-GAAP Financial Measures

The following measures are considered "non-GAAP financial measures" under SEC guidelines:

- 1) Earnings per share excluding the charge related to structural expense review.
- 2) Citigroup net income excluding the charge related to structural expense review.
- 3) Citigroup expenses excluding the charge related to structural expense review, compensation accruals related to the revenue impact of adopting SFAS 157, and the charge related to SFAS123(R) for stock awards granted to retirement eligible employees in January 2006.

The Company believes that these non-GAAP financial measures provide a fuller understanding of ongoing operations and enhance comparability of those results in prior periods as well as demonstrating the effects of unusual charges in the quarter. The Company believes that a meaningful analysis of its financial performance requires an understanding of the factors underlying that performance. The Company believes that investors may find it useful to see these non-GAAP financial measures to analyze financial performance without the impact of unusual items that may obscure trends in the Company's underlying performance.

Reconciliation of the GAAP financial measures to the aforementioned non-GAAP measures follows:

	1Q 2007	1Q 2006	1Q'07 vs. 1Q'06 % Change
<i>(\$ in millions, except EPS)</i>			
GAAP Citigroup Earnings Per Share	\$1.01	\$1.11	(9)%
Excluding charge related to structural expense review	0.17	-	
Non-GAAP Citigroup Earnings Per Share as Adjusted	<u>\$1.18</u>	<u>\$1.11</u>	6%
GAAP Citigroup Net Income	\$ 5,012	\$ 5,639	(11)%
Excluding charge related to structural expense review	871	-	
Non-GAAP Citigroup Net Income as Adjusted	<u>\$ 5,883</u>	<u>\$ 5,639</u>	4%
GAAP Citigroup Operating Expenses	\$ 15,571	\$ 13,358	17%
Excluding charge related to structural expense review	(1,377)	-	
Excluding compensation accruals related to the revenue impact of adopting SFAS 157	(181)	-	
Excluding the charge related to SFAS 123(R) for stock awards granted to retirement eligible employees in January 2006	-	(648)	
Non-GAAP Citigroup Operating Expenses as Adjusted	<u>\$ 14,013</u>	<u>\$ 12,710</u>	10%