



FOR IMMEDIATE RELEASE
Citigroup Inc. (NYSE: C; TSE: 8710)
March 11, 2008

**Citi Announces New Group Structure in Japan
Following Acquisition of 100% of Nikko Cordial Corporation**

**Changes Will Streamline Organization and
Accelerate Integration of Citi and Nikko Operations,
With Focus on Client Service**

TOKYO / NEW YORK – Citi today announced that it will reorganize its group structure in Japan in order to accelerate Citi's ongoing integration with Nikko and streamline the combined group's operating platform, with the ultimate aim of creating Japan's leading comprehensive banking and securities group. Citi's plans in Japan are being announced in connection with Citi CEO Vikram Pandit's ongoing review of ways to enhance operating efficiency across the organization and increase the focus on clients.

Citi's new group structure in Japan, which is expected to be implemented in phases over the next 18-24 months and which remains subject to receipt of approvals from relevant authorities, is intended to:

- Enable group-wide management of Citi's securities, banking and related businesses in Japan on a unified basis from a combined holding company to be known as "Nikko Citi Holdings Inc."
- Facilitate and accelerate the integration of Citi's and Nikko's business platforms in retail and institutional securities by combining Nikko Cordial Securities Inc. and Nikko Citigroup Limited to form a single securities company subsidiary
- Reorganize Citi's and Nikko's operational, technology infrastructure and administrative support platforms under the direction of a single internal services company subsidiary to be known as "Nikko Citi Business Services Inc."
- Ensure a solid foundation of governance, compliance, controls & risk management for Citi's operations in Japan
- Enhance efficiencies in balance sheet usage and capital allocation

"Citi and Nikko both have demonstrated a long-term commitment to Japan, and we intend to grow our tremendous franchise there in order to serve clients better," said Citi CEO Pandit. "The plans we are announcing today will provide us with the right foundation for growth in this important market."

"We continue to be mindful of the importance of respecting Japanese business practices, customs and culture as we integrate with Nikko," said Douglas L. Peterson, Representative Director & CEO of Citigroup Japan Holdings and Chairman, President & CEO of Nikko Cordial Corporation. "By combining the many strengths of Citi and Nikko, we remain committed to providing the best products, services and advice to our clients."

A. Strategy

Citi intends to leverage the highly complementary capabilities of Citi and Nikko, as well as the talent and leadership that exist within the combined group today, to better serve customers, to strengthen Citi's local market presence and to enhance Citi's ability to grow its overall franchise in Japan.

1. Business focus

Citi intends to focus on the following core businesses in Japan going forward:

- A. *Retail Businesses* – Citi will leverage the combined group's leading franchises in retail securities, retail banking, cards and wealth management in order to offer retail customers a comprehensive set of quality products and services, including brokerage, funds, deposits, foreign exchange, loans and credit cards. In focusing on its retail businesses locally, Citi aims to capture the significant opportunities available in a strong and rapidly growing market segment in Japan.
- B. *Institutional Businesses* – Citi will leverage the combined group's leading franchises in investment banking and corporate banking, including advisory and M&A, equities, fixed income and global transaction services, in order to expand the combined group's ability to deliver integrated solutions on an exclusive basis for governmental, institutional and corporate clients. Citi aims to leverage Nikko's client relationships and Citi's global products and services to serve clients better and thus to expand its presence in a growing market segment in Japan.
- C. *Alternative Investments* – Citi will focus on investing capital on behalf of Citi and its investor clients across a wide range of alternative investment asset classes, including private equity, real estate and hedge funds. Citi aims to leverage the principal investments platforms of the combined group in order to capitalize on a rapidly growing market segment in Japan and produce superior investment returns for Citi and its investor clients.

As previously announced, Citi continues to reposition its consumer finance business in Japan. Citi also continues to prepare for an initial public offering ("IPO") of the shares of Nikko Asset Management Co., Ltd., although the timing for the IPO has not yet been determined.

2. Operational, technology infrastructure & administrative support

Citi intends to capitalize on the productivity and efficiency gains it believes are available by combining under common management the operational, technology infrastructure and administrative support platforms used by Citi and Nikko companies, respectively.

B. Group structure

Details of Citi's new group structure in Japan are outlined below. Citi expects that reorganization of its Japan group structure will be implemented in phases over the next 18-24 months, with full ownership of its local banking operations being moved under its local holding company at the end of the process, projected to occur around the end of 2009.

1. **Single holding company.** In August 2007, Citi transferred its then 68% ownership interest in Nikko Cordial Corporation to Citigroup Japan Holdings Ltd. as part of Citi's plans to eventually unify oversight of its operations in Japan under a local holding company. Upon the successful completion of the share-for-share exchange between Citigroup Japan Holdings and Nikko Cordial Corporation on January 29, 2008, Citigroup Japan Holdings owned 100% of the shares of common stock of Nikko Cordial Corporation.

Effective May 1, 2008, Citi plans to merge Nikko Cordial Corporation with and into Citigroup Japan Holdings Ltd., subject to receipt of governmental approvals. The surviving entity will be known as "Nikko Citi Holdings Inc.". Upon the effective date of this merger, all direct subsidiaries of Nikko Cordial Corporation will become direct subsidiaries of Nikko Citi Holdings and all outstanding debt of Nikko Cordial Corporation will be assumed by Nikko Citi Holdings.

Nikko Citi Holdings, which will continue to be a direct 100%-owned subsidiary of Citigroup Inc., will serve as the combined group's principal holding company in Japan, with responsibility for establishing group-wide strategies, for overseeing and coordinating the activities of Nikko Citi Holdings' direct and indirect operating subsidiaries, and for ensuring a solid foundation of governance, compliance, controls and risk management for the combined group. Nikko Citi Holdings will be subject to supervision by the Financial Services Agency of Japan under applicable laws and regulations.

Douglas L. Peterson will serve as chairman, representative director, president and CEO of Nikko Citi Holdings. The other members of the board of directors of Nikko Citi Holdings will be: Kazuyoshi Kimura, Shoji Kuwashima, Noriyuki Ogasawara and Naoki Inoue.

Citi also plans to form an independent advisory committee to provide advice and consultation to Nikko Citi Holdings' executive management on group-wide governance, compliance, controls and risk management matters. Masajuro Shiokawa, formerly a Finance Minister in Japan, will serve as honorary chairman of Nikko Citi Holdings (a non-director position) and lead the independent advisory committee. Other members of the independent advisory committee will be announced in due course.

2. **Single securities company subsidiary.** Citi currently has three securities company subsidiaries in Japan: Nikko Cordial Securities Inc., which is a direct 100%-owned subsidiary of Nikko Cordial Corporation; Nikko Citigroup Limited, which is a direct 51%-owned subsidiary of Nikko Cordial Corporation, with the remaining 49% interest owned indirectly by Citigroup Financial Products Inc.; and Citibank Securities (Japan) Ltd., which is an indirect 100%-owned subsidiary of Citibank, N.A.

As previously announced, Citibank Securities (Japan) Ltd. will merge with and into Nikko Cordial Securities Inc., effective as of May 3, 2008.

Thereafter, Citi plans to merge Nikko Cordial Securities Inc. and Nikko Citigroup Limited, subject to receipt of approvals from relevant authorities, in order to create a single, fully integrated securities company subsidiary of Nikko Citi Holdings. Citi tentatively expects the merger of Nikko Cordial Securities Inc. and Nikko Citigroup Limited to be completed within the next twelve months, with the precise timing to be announced when determined.

By consolidating the securities businesses within a single securities company subsidiary, Citi aims to deliver the best products, services and solutions available in Japan for customers from a unified operating platform.

3. **Operational, technology infrastructure and administrative support.** Citigroup Services Japan Ltd., which is an indirect subsidiary of Citibank, N.A., will become a direct subsidiary of Nikko Citi Holdings as of May 1, 2008. It will also be renamed "Nikko Citi Business Services Inc." as of that date.

Over time, Nikko Citi Business Services will assume responsibility for managing and/or providing operational, technology infrastructure and administrative support for the combined group's businesses in Japan.

4. **Banking operations.** As part of the group reorganization, Citi plans to transfer full ownership of its Japanese banking operations to Nikko Citi Holdings, subject to receipt of governmental approvals. Those banking operations are now conducted by Citibank Japan Ltd., an ordinary bank that is now an indirect 100%-owned subsidiary of Citibank, N.A., as well as by NikkoCiti Trust & Banking Corporation, a trust bank that is now a 50%-50% joint venture between Nikko Cordial Corporation and Citigroup International LLC, respectively. Citi tentatively expects that the transfer of full ownership of its Japanese banking operations to Nikko Citi Holdings will be completed around the end of 2009, with the precise timing to be announced when determined.

Nikko Citi Holdings will be responsible for overseeing the banking operations of the combined group once full ownership of those operations has been transferred to Nikko Citi Holdings around the end of 2009 as described above.

5. **Principal investments operations.** When Nikko Citi Holdings acquires full ownership of Citi's banking operations in Japan (including those operations conducted by Citibank Japan Ltd.), Nikko Citi Holdings will become a bank holding company for Japanese banking law purposes. Prior to that time, Citi expects that it will transfer ownership of Nikko Principal Investments Japan Ltd., as well as the other merchant banking and real estate businesses of the combined group, to another 100%-owned direct or indirect subsidiary of Citigroup Inc., to the extent required by applicable law and regulation. Details of these ownership changes have not yet been determined and will be announced in due course.

Other details of the new group structure will be finalized and announced in due course.

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Media:

In Japan

Citi Corporate Affairs 81-3-5223-8699
Nikko Public Relations 81-3-5644-4576

In New York

Christina Pretto 1-212-559-9560
Michael Hanretta 1-212-559-9466

Investors:

Equity Investors

Scott Freidenrich 1-212-559-2718

Fixed Income Investors

Maurice Raichelson 1-212-559-5091

Citi, the leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Citi's major brands include Citibank, CitiFinancial, Primerica, Smith Barney, Nikko and Banamex. Additional information may be found at www.citigroup.com or www.citi.com.

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.

Appointments – Nikko Citi Holdings Inc. (as of May 1, 2008)

Board of Directors

Name	New Position	Current Position(s)
Douglas L. Peterson	Chairman, Representative Director, President & CEO	Representative Director, President and CEO, Citigroup Japan Holdings Ltd.
		Chairman and Director, Representative Executive Officer, President & CEO, Nikko Cordial Corporation
Kazuyoshi Kimura	Co-Chairman and Director	Co-Chairman and Director, Group Executive Officer, Nikko Cordial Corporation
		Chairman and Director, Nikko Cordial Securities Inc. ¹
Shoji Kuwashima	Vice-Chairman and Director	Director, Citigroup Japan Holdings Ltd.
		Vice Chairman and Director, Group Executive Officer, Nikko Cordial Corporation
Noriyuki Ogasawara	Representative Director and Deputy President	Director, Citigroup Japan Holdings Ltd.
		Director and Executive Deputy President, Nikko Cordial Corporation
Naoki Inoue	Representative Director and Deputy President	Director, Citigroup Japan Holdings Ltd.
		Director and Executive Deputy President, Nikko Cordial Corporation

¹ Mr. Kimura will continue to hold this position after the merger of Citigroup Japan Holdings and Nikko Cordial Corporation.

Executive Officers

Name	New Position	Current Position(s)
Anthony P. Della Pietra Jr.	Deputy President & Chief Administrative Officer	Chief Legal Officer, Citigroup Japan Holdings Ltd.
Jun Kadoda	Chief Financial Officer	Deputy President, Head of Finance & Planning Division, Citibank Japan Ltd.
Stephen Cronin	Chief Human Resources Officer	Director and Senior Human Resources Officer, Citigroup Services Japan Ltd. ²
Brent Tanner	Chief Operations Officer	Representative Director and President, Citigroup Services Japan Ltd. ³
Yasuo Matsui	Chief Communications Officer	Senior Group Executive Officer, Nikko Cordial Corporation
Joseph Monks	Chief Auditor	Chief Auditor, Citibank Japan Ltd.
Yukio Yoshimura	Head of Government Affairs	Director and Head of Government Affairs, Citibank Japan Ltd.

Other

Masajuro Shiokawa	Honorary Chairman
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² Mr. Cronin will continue to hold this position after the merger of Citigroup Japan Holdings and Nikko Cordial Corporation.

³ Mr. Tanner will continue to hold this position after the merger of Citigroup Japan Holdings and Nikko Cordial Corporation.

Appointments – Nikko Citigroup Limited (as of April 1, 2008)

Name	New Position	Current Position(s)
Kazuyoshi Kimura	Chairman and Director	Co-Chairman and Director, Group Executive Officer, Nikko Cordial Corporation
		Chairman and Director, Nikko Cordial Securities Inc.
Douglas L. Peterson	Director	Representative Director, President and CEO, Citigroup Japan Holdings Ltd.
		Chairman and Director, Representative Executive Officer, President & CEO, Nikko Cordial Corporation
Noriyuki Ogasawara	Director	Director, Citigroup Japan Holdings Ltd.
		Director and Executive Deputy President, Nikko Cordial Corporation
Naoki Inoue	Director	Director, Citigroup Japan Holdings Ltd.
		Director and Executive Deputy President, Nikko Cordial Corporation
Yuji Shirakawa	Senior Advisor	Chairman and Director, Nikko Citigroup Limited

Resignations – Nikko Citigroup Limited (as of April 1, 2008)

Name	Current Position
Yuji Shirakawa	Chairman and Director
Shoji Kuwashima	Director
Osamu Morita	Director
James Forese	Director

Appointments – Nikko Cordial Securities Inc. (as of April 1, 2008)

Name	New Position	Current Position(s)
Noriyuki Ogasawara	Director	Director, Citigroup Japan Holdings Ltd.
		Director and Executive Deputy President, Nikko Cordial Corporation

Appointments - Nikko Citi Business Services Inc. (as of May 1, 2008)

Name	New Position	Current Position(s)
Shoji Kuwashima	Chairman and Representative Director	Director, Citigroup Japan Holdings Ltd.
		Vice Chairman and Director, Group Executive Officer, Nikko Cordial Corporation