Citi Investor & Analyst Day

May 9, 2008
Agenda

- Vikram Pandit
  - Steve Freiberg: Global Cards
  - Manuel Medina-Mora: Universal Bank Model
  - Don Callahan: Organizational Structure
  - Brian Leach: Risk Management
  - Gary Crittenden: Earnings Power

- Q&A Session
Accomplishments

1. Established strong capital base
2. Reducing risk
3. Driving efficiency
4. Identified legacy assets
5. Identified core businesses and strategy
6. Re-organized management structure
7. Formed leadership team
Stage I – Get Fit

- Reduce legacy assets
- Focus on returns
- Increase asset productivity
- Manage risk
- Re-engineer cost base
Stage II – Restructure Citi

- Clear goals, strategy and structure
- The right business model
- Transparency and accountability
Stage III – Maximize Citi

- Fully leverage the model
- Performance-based culture
- Focus on talent
- Innovation and creativity
- Harness information advantage
Value Creation

Get Fit
- Reduce legacy assets
- Focus on returns
- Increase asset productivity
- Manage risk
- Re-engineer cost base

Restructure Citi
- Clear goals, strategy and structure
- The right business model
- Transparency and accountability

Maximize Citi
- Fully leverage the model
- Performance-based culture
- Focus on talent
- Innovation and creativity
- Harness information advantage
Legacy Positions

1Q'08

GAAP Assets ($T)

Core: ~1.7
Legacy: ~0.5
Citi: 2.2

By Product

- Real Estate: 35%
- Other: 39%
- Auto: 11%
- SIVs/CAI Other: 4%
- Sub-prime CDOs: 6%
- Highly Leveraged Commitments: 5%
Focus on risk-adjusted returns, stability and growth
  – 75% annuity

Unique global presence
  – Large footprint in fastest growing areas in the world

Five distinctive product platforms
  – Four global platforms

Global universal bank with clear value proposition

Unparalleled brand
  – Citi Never Sleeps
**Unique Global Presence**

<table>
<thead>
<tr>
<th>Region</th>
<th>Projected Growth in Fin’l Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>4-6%</td>
</tr>
<tr>
<td>EMEA</td>
<td>7-9%</td>
</tr>
<tr>
<td>Asia</td>
<td>10-14%</td>
</tr>
<tr>
<td>Latin America</td>
<td>10-14%</td>
</tr>
</tbody>
</table>

Source: Based on industry and competitor data by geography and product, as well as Citi estimates.
**Revenue Mix**

**2007 Revenue\(^{(1)}\) by Region**

- North America: 52%\(^{(4)}\)
- International Developed Markets: 32%\(^{(3)}\)
- International Emerging Markets: 16%\(^{(2)}\)

**2007 Revenue\(^{(1)}\) by Product**

- Consumer Banking: 33%\(^{(6)}\)
- Global Cards: 21%
- Global Wealth Management: 13%
- Transaction Services: 8%
- Securities and Banking: 25%\(^{(5)}\)

**32% from Emerging Markets**

**75% from Annuity Businesses**

---

\(^{(1)}\) Excludes Markets & Banking revenue marks and press release disclosed items; all EMEA normalizations are in Western Europe.

\(^{(2)}\) International Developed includes Japan and Western Europe.

\(^{(3)}\) International Emerging Markets includes Central and Eastern Europe, Asia (ex-Japan), Mexico and Latin America.

\(^{(4)}\) North America includes Canada & Puerto Rico.

\(^{(5)}\) Securities & Banking includes Alternative Investments.


Note: Regional mix excludes Corporate Other, Consumer Other & CAI. Product mix excludes Corporate Other and Consumer Other.
Five Distinctive Product Platforms

<table>
<thead>
<tr>
<th>Product Platform</th>
<th>2007 Revenue Rankings</th>
<th>Industry Growth projections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Wealth Management</td>
<td>3</td>
<td>~9%</td>
</tr>
<tr>
<td>Global Cards</td>
<td>1</td>
<td>~7%</td>
</tr>
<tr>
<td>Consumer Banking</td>
<td>1&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>~6%</td>
</tr>
<tr>
<td>Securities &amp; Banking</td>
<td>2&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>~9%</td>
</tr>
<tr>
<td>Transaction Services</td>
<td>3</td>
<td>~11%</td>
</tr>
</tbody>
</table>

(1) Includes cards as segmented data not available for some competitors.
(2) Based on 2006 revenues.
Source: Based on industry and competitor data by geography and product, as well as Citi estimates.
# Global Wealth Management

## Global High Net Worth Individual Wealth ($T)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2011E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developed Markets</td>
<td>$21</td>
<td>$28</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>$16</td>
<td>$23</td>
</tr>
</tbody>
</table>

**6% CAGR**

**8% CAGR**

Note: HNW defined as $1MM+ financial assets, per Capgemini. Source: Capgemini, Citi estimates.

## Client Assets ($T)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>CitiGold</th>
<th>2006</th>
<th>2011E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Bank</td>
<td>$2.3</td>
<td>$2.0</td>
<td>$2.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>Brokerage</td>
<td>$1.8</td>
<td>$1.3</td>
<td>$1.3</td>
<td>$1.3</td>
</tr>
<tr>
<td></td>
<td>$0.8</td>
<td>$0.8</td>
<td>$0.8</td>
<td>$0.8</td>
</tr>
</tbody>
</table>

**Citi market position relative to peers**

Asia: #1

LatAm: #2

Note: Financials as of FY2007.

(1) Client assets includes CitiGold investment AUMs and deposits of $0.2T, and Nikko assets of $0.2T.

(2) Reported results include AG Edwards as of 4Q'07. YoY growth based on pro forma 4Q'06 results including AGE. Excluding AGE assets in 4Q'06, YoY growth is 45%. Private Bank assets based on 3Q'07.

(3) CS based on Wealth Management business, excludes Corporate & Retail Banking services.

(4) Growth rates are in local currency, except UBS U.S. based brokerage.

(5) Based on Citi estimates, includes CitiGold.
### Global Wealth Management

<table>
<thead>
<tr>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launch client segment-driven model</td>
</tr>
<tr>
<td>- Focus on distinct client segments: Ultra High Net Worth, High Net Worth and Emerging Affluent</td>
</tr>
<tr>
<td>Leverage CitiGold and ICG presence</td>
</tr>
<tr>
<td>Accelerate growth in international and emerging markets</td>
</tr>
<tr>
<td>Drive growth in net new flows and advisor productivity</td>
</tr>
</tbody>
</table>
Global Cards

Payment Industry Growth

Credit and debit card purchase transactions (B)

2000 2006 2012E

<table>
<thead>
<tr>
<th>Region</th>
<th>2000</th>
<th>2006</th>
<th>2012E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>33</td>
<td>71</td>
<td>133</td>
</tr>
<tr>
<td>LatAm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NA</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

'00–’12E CAGR

<table>
<thead>
<tr>
<th>Region</th>
<th>'00–’12E CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>12%</td>
</tr>
<tr>
<td>LatAm</td>
<td>18%</td>
</tr>
<tr>
<td>Asia</td>
<td>19%</td>
</tr>
<tr>
<td>EMEA</td>
<td>12%</td>
</tr>
<tr>
<td>NA</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: The Nilson Reports (Issue #885 and #866). Figures are for Visa, MasterCard, American Express, Diners Club, JCB, and Discover.

2007 Managed Loans ($B)

<table>
<thead>
<tr>
<th>Region</th>
<th>Int'l</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$197</td>
<td>$151</td>
</tr>
<tr>
<td></td>
<td>$47</td>
<td>$152</td>
</tr>
<tr>
<td></td>
<td>$184</td>
<td>$157</td>
</tr>
<tr>
<td></td>
<td>$32</td>
<td>$157</td>
</tr>
<tr>
<td></td>
<td>$157</td>
<td>$157</td>
</tr>
<tr>
<td></td>
<td>$105</td>
<td>$87</td>
</tr>
<tr>
<td></td>
<td>$18</td>
<td>$33</td>
</tr>
<tr>
<td></td>
<td>$83</td>
<td>$50</td>
</tr>
<tr>
<td></td>
<td>$63</td>
<td>$63</td>
</tr>
<tr>
<td></td>
<td>$11</td>
<td>$52</td>
</tr>
<tr>
<td></td>
<td>$52</td>
<td>$48</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>13%&lt;sup&gt;(1)&lt;/sup&gt;</td>
</tr>
<tr>
<td>BAC</td>
<td>8%&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>JPM</td>
<td>3%</td>
</tr>
<tr>
<td>AXP</td>
<td>17%&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
<tr>
<td>HSBC</td>
<td>11%</td>
</tr>
<tr>
<td>COF</td>
<td>(2%)</td>
</tr>
<tr>
<td>DFS</td>
<td>4%&lt;sup&gt;(4)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

Notes:
(1) US includes Canada.
(2) Includes US consumer card and foreign credit card.
(3) Includes $28B charge card receivables (excluding charge card receivables, growth would be 22%).
(4) Sold international portfolio in 1Q08; growth would have been 5% ex-international.
Global Cards

Action Plan

- Transfer best practices and innovation expertise globally
- Eliminate card product silos
- Self-fund increased marketing spend in US
- Continue to disinvest lower growth/lower return segments
- Allocate marketing investments and capital to the most attractive markets, channels, and segments worldwide
- Capture emerging payments trends
Distribution Advantage

New Accounts By Channel

Unrivaled account generation: 38 MM vs. 16 MM for #2 global player
Low and decreasing acquisition costs
Attractive partner channel returns – comparable to bank cards
Bank branch light versus competitors, but stronger alternative distribution

(1) Ex-Credicard portfolio, direct mail is 2% of the 2007 total.
Optimizing U.S. Marketing

Underinvestment relative to peers: greater than 25% reduction in advertising and marketing 2004-07

Purchase sales and balance growth below industry average

Revenue and loan growth increasing over recent quarters

Investment required to outpace industry

Re-engineering to help fund investments – track record of continuous unit cost reduction

Challenges

- Underinvestment relative to peers: greater than 25% reduction in advertising and marketing 2004-07
- Purchase sales and balance growth below industry average

Optimizing Marketing Spend

1. Shifting mix to lower-cost channels
2. Investing in higher-growth segments
3. Deepening existing card member relationships
4. Focusing on higher-quality receivables

Gaining Momentum

- Revenue and loan growth increasing over recent quarters
- Investment required to outpace industry
- Re-engineering to help fund investments – track record of continuous unit cost reduction

(1) Excludes press release disclosed items.
## Innovation

### Innovating

- Partnering to develop next generation mobile financial services technology
  ![Obopay](image1)
  ![SK telecom](image2)

- Mobile account management and content
  ![Citi](image3)
  ![AT&T](image4)
  ![Qualcomm](image5)

- Partnering to offer industry-leading value propositions
  ![Live Nation](image6)
  ![Expedia](image7)

### Transferring Expertise

- Singapore to India and Hong Kong
  - Public transportation-related credit cards
    ![Citibank](image8)

- India to rest of Asia and Europe
  - Additional loan on phone
    ![One](image9)

- U.S. to Russia
  - Russia’s first cash-back card
    ![Citibank](image10)
Consumer Banking

Emerging Market Middle Class

<table>
<thead>
<tr>
<th>MM of People</th>
<th>2005</th>
<th>2030E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>400</td>
<td>1,200</td>
</tr>
</tbody>
</table>

Note: Middle Class defined as families of four earning between $16,000 and $68,000 in purchasing power parity dollars. Source: World Bank, "Global Economic Prospects 2007."

Global Competitor Presence

<table>
<thead>
<tr>
<th># of Branches</th>
<th>0</th>
<th>5,000</th>
<th>10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santander(1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HSBC(2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Citi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank of America</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Citi market position relative to peers
Asia: #1
LatAm: #3

(1) Domestic includes Banesto branches; international includes Banco Real branches. (2) Based on total operational properties, including sub-branches and offices. (3) Domestic branches based on company’s local market (Santander – Spain, HSBC – UK, Citi and Bank of America – US). Note: Position based on key global competitors.
## Consumer Banking

<table>
<thead>
<tr>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>International</strong></td>
</tr>
<tr>
<td>- Expand universal banking model to high growth emerging markets</td>
</tr>
<tr>
<td>- Capture affluent in other priority markets</td>
</tr>
<tr>
<td>- Serve financial life cycle of EM customers</td>
</tr>
<tr>
<td><strong>North America</strong></td>
</tr>
<tr>
<td>- Strengthen #1 position in Consumer Finance by expanding distribution and increasing sales productivity</td>
</tr>
<tr>
<td>- Focus on key MSAs</td>
</tr>
<tr>
<td>- Address the efficiency and productivity challenge in retail bank</td>
</tr>
</tbody>
</table>
Securities & Banking

Financial Assets ($T)

Emerging 2000 2006 2012E
$9 $24 $61

Developed 2000 2006 2012E
$85 $143 $242

17% CAGR
9% CAGR

Share of Global Market Capitalization

Emerging 2001 2006 2012E
94% 85% 76%

Developed 2001 2006 2012E
6% 15% 24%

Source: McKinsey, Citi estimates.
Note: Extrapolation of 2012 based on 2006 base, grown at 2000-2006 CAGRs.

Financial Assets ($T)

Emerging
$9 $24 $61

Developed
$85 $143 $242

17% CAGR
9% CAGR

Source: IMF, Economist Intelligence Unit, Citi estimates.
Note: Market capitalization includes publicly traded equity and public and private debt securities.

Citi 2007 Revenue Share(1)

Equity Mkts (2) 12% 14%

FI Mkts (2) 8%

Equity u/w 18%

Debt u/w 9%

M&A fees

(1) Represents share of revenues of the following peers: GS, MS, JPM, DB, CS, UBS, MER and LEH. (2) Excludes marks on CDO/subprime assets.
## Securities & Banking

### Action Plan

- Strengthen risk management
- Focus on talent, execution and risk-adjusted returns
- Re-engineer cost base and reinvest savings
  - Enhance technology platform
  - Fill-in product gaps in key areas
- Optimize use of capital
- Exit unprofitable relationships
Transaction Services

Trade Flows ($T)

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2007</th>
<th>2012E</th>
</tr>
</thead>
<tbody>
<tr>
<td>STT</td>
<td>$6</td>
<td>$14</td>
<td>$22</td>
</tr>
</tbody>
</table>

13% CAGR

Source: World Trade Organization, Citi estimates.
Note: Extrapolation of 2012 based on 2007 base, grown at 1997-07 CAGR (10%).

Multi-national Companies

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2007</th>
<th>2012E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dev.</td>
<td>79%</td>
<td>76%</td>
<td>71%</td>
</tr>
<tr>
<td>EM</td>
<td>21%</td>
<td>24%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: UNCTAD World Investment Report, Citi estimates.
Note: MNC is defined as an enterprise that controls assets in a foreign entity.

2007 Revenue Growth

<table>
<thead>
<tr>
<th>Firm</th>
<th>STT</th>
<th>C</th>
<th>NTRS</th>
<th>BK</th>
<th>DB</th>
<th>JPM</th>
<th>BAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank</td>
<td>#5</td>
<td>#3</td>
<td>#7</td>
<td>#1</td>
<td>#6</td>
<td>#2</td>
<td>#4</td>
</tr>
<tr>
<td>Revenue Growth</td>
<td>34%</td>
<td>28%</td>
<td>22%</td>
<td>18%</td>
<td>16%</td>
<td>12%</td>
<td>(1)%</td>
</tr>
</tbody>
</table>

Note: Growth rates in local currency; excludes HSBC, as total GTS data not available. Source: Reported financial data and Citi estimates.
## Transaction Services

### Action Plan

- Gain wallet share among multinational segment & top-tier clients
- Leverage distribution & innovative partnerships
- Build scale in processing & infrastructure
Global Universal Bank Model

Global Universal Banking Offers Key Advantages

- Asset/liability management and deposit access – particularly in emerging markets
- Significant revenue linkages across our five distinctive platforms
- Sizeable scale economies in shared back-office and functions

“Extra” Value to Clients and Shareholders
# Mexico – A Universal Bank Model

## The Model

- Businesses working together to meet client needs
  - A customer-centric organization
  - One regional head for all businesses
- A common distribution network
- Leveraging on Citi’s global capabilities
- Relationship-driven, core deposit base
- Balanced business portfolio

## Customer-centric

[Diagram showing a circle labeled CUSTOMER with arrows indicating flow]
Mexico – A Universal Bank Model

The Model

- Businesses working together to meet client needs
  - A customer-centric organization
  - One regional head for all businesses
- A common distribution network
- Leveraging on Citi’s global capabilities
- Relationship-driven, core deposit base
- Balanced business portfolio

Net Income ($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001 (1)</td>
<td>0.5</td>
</tr>
<tr>
<td>2007</td>
<td>1.8</td>
</tr>
</tbody>
</table>

CAGR 24%

Global product expertise and distribution
Leading local franchise and market knowledge

(1) Annualized since Banamex acquisition.
Exporting the Model

Acquisitions: Central America
- Integration of Citi, GFU and Cuscatlán
- Universal bank model in the region

Organic Growth: Brazil and Colombia

<table>
<thead>
<tr>
<th></th>
<th>Brazil</th>
<th>Colombia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Δ 04-08</td>
<td>4x</td>
<td>5x</td>
</tr>
<tr>
<td>Branches (#)</td>
<td>3x</td>
<td>3x</td>
</tr>
<tr>
<td>Retail Deposits</td>
<td>3x</td>
<td>6x</td>
</tr>
<tr>
<td>Consumer Loans(^{(1)})</td>
<td>3x</td>
<td>6x</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Adjusted for the acquisition of majority stake in Credicard in Brazil.

Joint Venture: Chile
- Integration of Citi with Banco de Chile
- Strong local franchise + Citi’s global capabilities
### A Significant Expansion in the Last 5 Years . . .

<table>
<thead>
<tr>
<th>Category</th>
<th>2002</th>
<th>2007</th>
<th>Δ %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branches (#)</td>
<td>1,815</td>
<td>2,734</td>
<td>51</td>
</tr>
<tr>
<td>Customers (MM)</td>
<td>20</td>
<td>31</td>
<td>55</td>
</tr>
<tr>
<td>$ B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans (1)</td>
<td>33</td>
<td>58</td>
<td>76</td>
</tr>
<tr>
<td>Deposits (1)</td>
<td>34</td>
<td>60</td>
<td>76</td>
</tr>
<tr>
<td>Revenues (2)</td>
<td>6.4</td>
<td>12.8</td>
<td>100</td>
</tr>
<tr>
<td>Net Income (2)</td>
<td>0.9</td>
<td>3.1</td>
<td>244</td>
</tr>
</tbody>
</table>

(1) Loans and deposits exclude GWM.
(2) Excluding the gain on Redecard shares.
Latin America & Mexico

Revenue Enhancement with Improved Productivity

Sustained Improvement

Net Income

Trailing 12 months ($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (B)</td>
<td>4.0</td>
<td>3.0</td>
<td>2.0</td>
<td>1.0</td>
<td>1.5</td>
<td>2.0</td>
<td>3.0</td>
</tr>
</tbody>
</table>

Efficiency ratio (%)

Asset productivity (%)
Historical View

Business 1

Business 2

Business 3

Business 4

Business 5
Global Products, Local Execution

Global Wealth Management

Global Cards

Securities & Banking

Transaction Services
Global Products, Local Execution
Fully Integrated Citi

Citi Clients

Integrated Client Interface

Integrated Functions

Functions
**Risk Management Construct**

- Protect the franchise
  - Manage size of risk outcomes on the basis of long term value proposition of Citi
- Philosophical changes in approach
- Environment is shifting and our model is more valuable
- Maximize value from data and information
Risk Management Construct
## Risk Management

<table>
<thead>
<tr>
<th>Strengthening risk management to create a competitive advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Building Talent and Ensuring Accountability</td>
</tr>
<tr>
<td>- Actively Managing Focus Positions</td>
</tr>
<tr>
<td>- Enhancing the Risk Management Framework</td>
</tr>
<tr>
<td>- Comprehensive stress testing</td>
</tr>
<tr>
<td>- Limit rationalization</td>
</tr>
<tr>
<td>- Risk capital recalibration</td>
</tr>
<tr>
<td>- Changing the Risk Culture</td>
</tr>
</tbody>
</table>
Growth History

Diluted EPS

- 2001: $2.35
- 2002: $2.44
- 2003: $3.27
- 2004: $3.07
- 2005: $3.82
- 2006: $4.25

CAGR 13%

Return on Equity

- 2001: 19.7%
- 2002: 18.6%
- 2003: 19.8%
- 2004: 17.0%
- 2005: 22.3%
- 2006: 18.8%

Average 19.4%

Note: Based on income from continuing operations.
Stock Price
Efficiency & Asset Productivity

Expenses / Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>57%</td>
<td>54%</td>
<td>52%</td>
<td>63%</td>
<td>54%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Revenue / Average Assets

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>7.1%</td>
<td>7.1%</td>
<td>6.6%</td>
<td>6.2%</td>
<td>5.9%</td>
<td>5.4%</td>
</tr>
</tbody>
</table>
Earnings Power

Return on Equity

- Net Income / Revenues
  - Revenue / Assets
    - Assets / Equity

X

41
Global Wealth Management

### Efficiency Ratio – Average 2005-2007
- **C**: 77%
- **Comp (1)**: 79%
- **Core Target**: ~75%

- Realignment of our product offerings and faster international growth
- Target reflects continued investment in technology platform, investment products and international markets

### Asset Productivity – Average 2005-2007
- **C**: 15%
- **Comp (1)**: 11%
- **Core Target**: ~16%

- New compensation model rewards fee-based revenues
- Target reflects more disciplined client segment approach

(1) Median of five competitors.
Global Cards

Efficiency Ratio\(^{(1)}\) – Average 2005-2007

- **C US**: 36%
- **C Int’l**: 47%
- **C**: 38%
- **Comp\(^{(2)}\)**: 33-34%
- **Core Target**: ~33%

- Higher cost structure driven by international mix
- Globalization of cards franchise to improve efficiency

Asset Productivity\(^{(1)}\) – Average 2005-2007

- **C US**: 11%
- **C Int’l**: 19%
- **C**: 13%
- **Comp\(^{(2)}\)**: 10%
- **Core Target**: ~13%

- US productivity in line with competitors
- International productivity reflects higher spreads, particularly in emerging markets
- Target level reflects increasing international mix

---

\(^{(1)}\) Managed basis.
\(^{(2)}\) Range of two competitors.
## Consumer Banking

### Efficiency Ratio – Average 2005-2007

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Comp(1)</th>
<th>Intl</th>
<th>Comp(2)</th>
<th>C</th>
<th>Core</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage</td>
<td></td>
<td>53-58%</td>
<td>58%</td>
<td>47-57%</td>
<td>51%</td>
<td>~54%</td>
</tr>
<tr>
<td>business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CitiFinancial</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>significantly</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>improve</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the U.S.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ratio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Retail Bank has an average ratio of 79%, partly due to subscale position</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Target reflects mix-shift towards international

### Asset Productivity – Average 2005-2007

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Comp(1)</th>
<th>Intl</th>
<th>Comp(2)</th>
<th>C</th>
<th>Core</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>5%</td>
<td>5-7%</td>
<td>9%</td>
<td>3-8%</td>
<td>6%</td>
<td>~8%</td>
</tr>
<tr>
<td>International</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- U.S. asset productivity ratio reflects large consumer mortgage portfolio
- Internationally, outperformance is due to high yields in emerging markets and low asset intensity of CitiGold
- Target reflects mix-shift towards international

(1) Range of two competitors.
(2) Range of three competitors.
**Securities and Banking** *(1)*

### Efficiency Ratio – Average 2005-2006

- **C**: 63%
- **Comp**: 64-67%
- **C ’07**: 66%
- **Core Target**: ~65%

- Target reflects:
  - Lower volumes but higher quality of revenues
  - Continued investment in technology and talent

### Asset Productivity – Average 2005-2006

- **C**: <3%
- **Comp**: 2-4%
- **C ’07**: ~2%
- **Core Target**: >2.5%

- Target reflects reduced use of the balance sheet
- Over $6 billion in incremental revenues on 2007 assets

---

(1) Excludes Alternative Investments. (2) Range of five competitors. (3) Adjusted for Securities and Banking revenue marks and press release disclosed items.
Transaction Services

Efficiency Ratio – Average 2005-2007

- Securities services: limited scale in US and Europe
- Cash & trade: investment in international franchise
- 2007 ratio was 58%; a 4 percentage point improvement from the average
- Target reflects benefits from scale and technology investments

<table>
<thead>
<tr>
<th></th>
<th>C</th>
<th>Comp (1)</th>
<th>C</th>
<th>Comp (2)</th>
<th>C</th>
<th>Core Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Serv.</td>
<td>75%</td>
<td>61-73%</td>
<td>56%</td>
<td>52-53%</td>
<td>62%</td>
<td>~55%</td>
</tr>
<tr>
<td>Cash / Trade</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Asset Productivity – Average 2005-2007

- In securities services, ratio in middle of the pack
- In cash & trade, ratio reflects unique international position
- 2007 ratio was 8%; a 1 percentage point improvement from the average
- Target reflects strong shift towards international expansion

<table>
<thead>
<tr>
<th></th>
<th>C</th>
<th>Comp (1)</th>
<th>C</th>
<th>Comp (2)</th>
<th>C</th>
<th>Core Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Serv.</td>
<td>11%</td>
<td>5-19%</td>
<td>6%</td>
<td>4-7%</td>
<td>7%</td>
<td>~9%</td>
</tr>
<tr>
<td>Cash / Trade</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Range of three competitors. (2) Range of two competitors.
Earnings Power

Return on Equity

Net Income / Revenues

Revenue / Assets

Assets / Equity
Earnings Power

Return on Equity

- Net Income / Revenues
- Revenue / Assets
- Assets / Equity

Efficiency Rate
Cost of Credit
Earnings Power – Cost of Credit

Average 2003-2007

Cost of Credit / Average Loans

<table>
<thead>
<tr>
<th>Int'l</th>
<th>US</th>
<th>Cards</th>
<th>S&amp;B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0%</td>
<td>1.6%</td>
<td>5.3%&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>0.2%</td>
<td>2.5%&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

1. Managed basis.
2. Total Citi metrics include Consumer Banking, Managed Cards and S&B.
Earnings Power

Return on Equity

Net Income / Revenues

Revenue / Assets

Assets / Equity

Efficiency Rate

Cost of Credit
Operating Efficiency

Re-investment Potential – For Illustrative Purposes Only

Efficiency Ratio

- 62% (1Q'08 annualized)
- ~58% Target

~400 bps Improvement

Re-engineering benefits:
- Expenses
- Revenues
- Cost of Credit
- Taxes

~$15B in re-engineering benefits creates ~$20B in re-investment capacity

(1) Excludes Markets & Banking revenue marks.
Earnings Power

Return on Equity

Net Income / Revenues

Revenue / Assets

Assets / Equity

Net Revenues

Assets
## Net Revenue Growth Targets

### Core Targets

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>Net Revenue Growth</th>
<th>Revenue / Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Wealth Management</td>
<td>~9%</td>
<td>~16%</td>
</tr>
<tr>
<td>Global Cards</td>
<td>~7%</td>
<td>~13%</td>
</tr>
<tr>
<td>Consumer Banking</td>
<td>~8%</td>
<td>~8%</td>
</tr>
<tr>
<td>Securities and Banking(^{(1)})</td>
<td>~9%</td>
<td>&gt;2.5%</td>
</tr>
<tr>
<td>Transaction Services</td>
<td>~14%</td>
<td>~9%</td>
</tr>
<tr>
<td>Total Core Citi(^{(2)})</td>
<td>~10%</td>
<td>~7%</td>
</tr>
</tbody>
</table>

---

\(^{(1)}\) Does not include Alternative Investments.

\(^{(2)}\) Includes Alternative Investments and Corp/Other.
## Assets

### 1Q’08

<table>
<thead>
<tr>
<th></th>
<th>% of Total Citi Assets</th>
<th>% of Legacy Assets&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Wealth Management</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Global Cards</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Consumer Banking</td>
<td>29%</td>
<td>63%</td>
</tr>
<tr>
<td>Securities and Banking&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>57%</td>
<td>34%</td>
</tr>
<tr>
<td>Transaction Services</td>
<td>4%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> % of Legacy GAAP assets, including divestiture.

<sup>(2)</sup> Includes CAI legacy run off.
Legacy Wind-down

Legacy Assets (~$500 billion)

By Type (1)

- Mark to Market: 34%
- Low Return: 18%
- Non Core: 48%

Targeted Wind-down ($B)

- ~500 in 1Q’08
- <100 in 2-3 Years

(1) Figures are as of 1Q’08.
## Core Citi Financial Targets

2-3 years from now

<table>
<thead>
<tr>
<th>Business Line</th>
<th>% of Legacy Wind-down (1)</th>
<th>Revenue Growth</th>
<th>Efficiency Ratio</th>
<th>Asset Productivity</th>
<th>ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Wealth Management</td>
<td>NM</td>
<td>~9%</td>
<td>~75%</td>
<td>~16%</td>
<td>35%+</td>
</tr>
<tr>
<td>Global Cards (2)</td>
<td>NM</td>
<td>~7%</td>
<td>~33%</td>
<td>~13%</td>
<td>~27%</td>
</tr>
<tr>
<td>Consumer Banking</td>
<td>&gt;50%</td>
<td>~8%</td>
<td>~54%</td>
<td>~8%</td>
<td>~17%</td>
</tr>
<tr>
<td>Securities and Banking (3)</td>
<td>~100%</td>
<td>~9%</td>
<td>~65%</td>
<td>&gt;2.5%</td>
<td>~18%</td>
</tr>
<tr>
<td>Transaction Services</td>
<td>NM</td>
<td>~14%</td>
<td>~55%</td>
<td>~9%</td>
<td>40%+</td>
</tr>
</tbody>
</table>

(1) % of Legacy GAAP assets, including divestiture.
(2) Managed basis.
(3) Excludes Alternative Investments.
Capital Building

<table>
<thead>
<tr>
<th></th>
<th>3Q'07</th>
<th>4Q'07</th>
<th>1Q'08</th>
<th>1Q'08 Pro forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Ratio</td>
<td>7.3%</td>
<td>7.1%</td>
<td>7.7%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

(1) Takes into account institutional and retail preferred and common stock issuances since the end of 1Q'08.

(2) Incremental Tier 1 capital over 1Q'08 pro-forma level of 8.8%, based on Citi Financial targets and under the assumption that no capital is returned to shareholders.

> $40 B of Incremental Capital

- Retained Earnings
- Asset Reductions
- Employee Stock Issuances
### Citi Financial Targets

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth</td>
<td>~9%</td>
</tr>
<tr>
<td>Efficiency Ratio</td>
<td>~58%</td>
</tr>
<tr>
<td>Earnings to Common</td>
<td>$20+ B</td>
</tr>
<tr>
<td>Return on Today’s Equity</td>
<td>16-18%</td>
</tr>
<tr>
<td>ROE Capacity Over Time&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>18-20%</td>
</tr>
</tbody>
</table>

* Total Citi targets include legacy.  
(1) Assumes excess capital returned to shareholders.
Maximizing Citi

Maximize Citi

- Capital efficiency
- Operational efficiency
- Culture and talent
- Client and product linkages – leveraged with information and innovation
- Global Universal Bank
Value Creation

Get Fit

- Reduce legacy assets
- Focus on returns
- Increase asset productivity
- Manage risk
- Re-engineer cost base

Restructure Citi

- Clear goals, strategy and structure
- The right business model
- Transparency and accountability

Maximize Citi

- Fully leverage the model
- Performance-based culture
- Focus on talent
- Innovation and creativity
- Harness information advantage
This presentation contains forward-looking statements. Citigroup’s financial results may differ materially from those statements, so please refer to Citigroup’s SEC filings for a description of the factors that could cause its actual results to differ from expectations. In particular, this presentation contains a number of financial targets for Citigroup and its various businesses. You should keep in mind that these are targets for two or three years from now, and are not estimates of future performance. They are based on a number of assumptions regarding Citigroup’s businesses and the economy. Citigroup does not plan to update these targets on any regular basis.
Non-GAAP Financial Measures

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

1) Citi revenues excluding Markets & Banking revenue marks and press release disclosed items. Regional mix also excludes Corporate Other, Consumer Other, and CAI.
2) Citi revenues excluding Markets & Banking revenue marks and press release disclosed items. Product mix also excludes Corporate Other and Consumer Other.

The Company believes that these non-GAAP financial measures provide a greater understanding of ongoing operations and enhance comparability of those results in prior periods as well as demonstrating the effects of unusual gains and 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:

<table>
<thead>
<tr>
<th>FY 2007</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Citi Revenues</td>
<td>$81,698</td>
</tr>
<tr>
<td>Excluding Consumer Other</td>
<td>37</td>
</tr>
<tr>
<td>Excluding the impact of CMB revenue marks disclosed in 3Q'2007 and 4Q'2007</td>
<td>21,370</td>
</tr>
<tr>
<td>Excluding CAI</td>
<td>(2,102)</td>
</tr>
<tr>
<td>Excluding Corporate Other</td>
<td>898</td>
</tr>
<tr>
<td>Excluding the impact of press release disclosed items</td>
<td>(2,210)</td>
</tr>
<tr>
<td>Non-GAAP Citi Revenues for Regional Mix as Adjusted</td>
<td>$99,691</td>
</tr>
</tbody>
</table>

| GAAP Citi Revenues | $81,698 |
| Excluding Consumer Other | 37 |
| Excluding the impact of CMB revenue marks disclosed in 3Q'2007 and 4Q'2007 | 21,370 |
| Excluding Corporate Other | 898 |
| Excluding the impact of press release disclosed items | (2,210) |
| Non-GAAP Citi Revenues for Product Mix as Adjusted | $101,793 |