

Citigroup Financial Services Conference

Vikram Pandit

Citi Chief Executive Officer

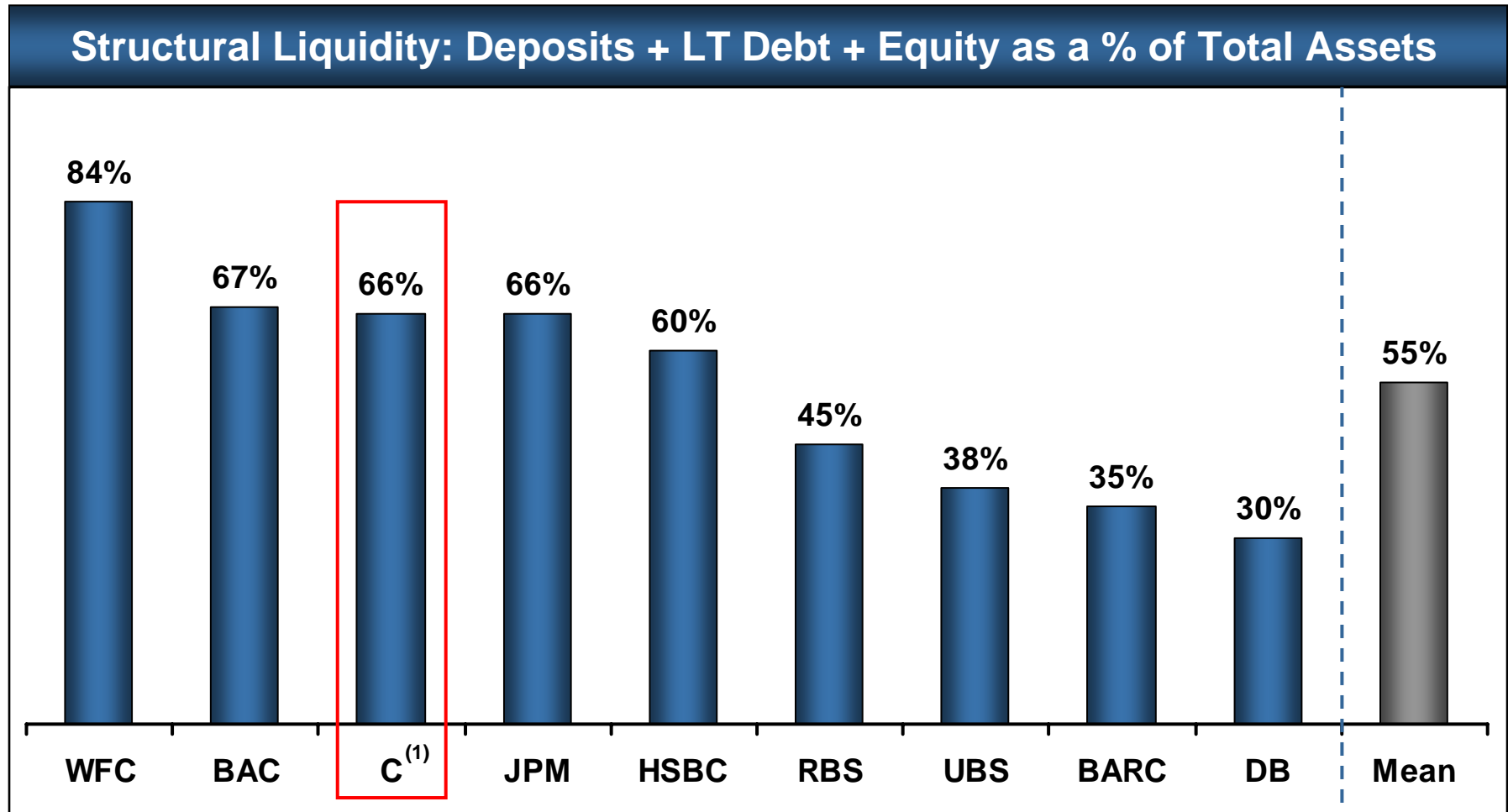
January 27, 2009



Agenda

- ▶ **Overview and Government Actions**
- ▶ **Citi's Path to Profitability**
 - Progress
 - Restructuring
- ▶ **Wrap-up**
- ▶ **Q&A**

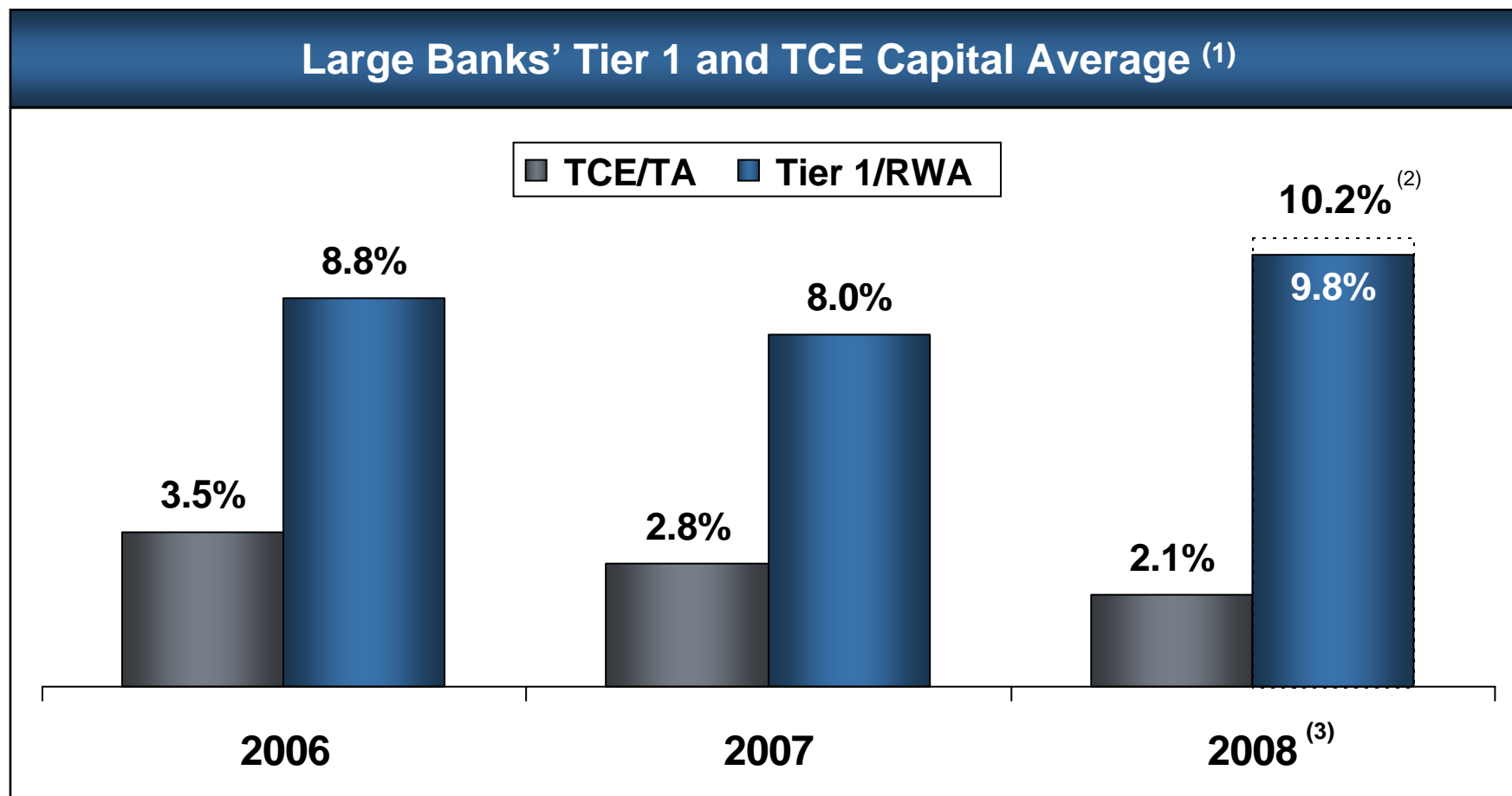
Structural Liquidity



(1) Preliminary.

Note: Information as of most recently reported. C, BAC (pro-forma for MER) and JPM as of 4Q08; WFC as of 8-K from 10/30/08, reflecting 3Q'08 pro-forma for WB, additionally adjusted for subsequent \$37.5 billion capital raise; UBS and DB as of 9/30/08; RBS, BARC, and HSBC as of 6/30/08. European results based on IFRS accounting standards. BARC not pro forma for LEH due to lack of disclosed information. All non-Citi information is derived from public sources.

Capital Trends



1) Large banks: C, BAC, JPM (not pro-forma for BSC in 2006 and 2007), WFC, UBS, DB, RBS, BARC and HSBC.

2) Estimated pro-forma for 4Q'08 capital raised by RBS (GBP 19.7B), UBS (CHF 6B), and BARC (GBP 7B).

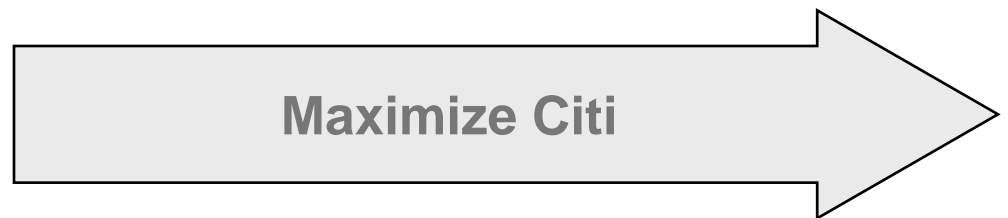
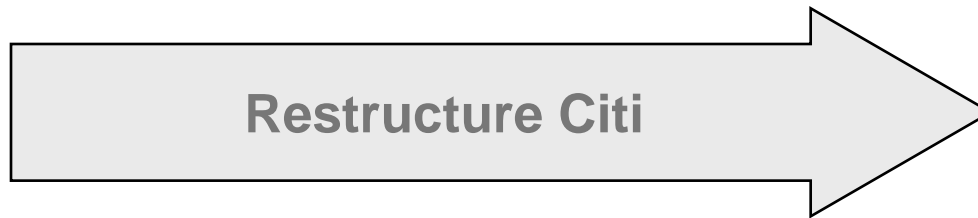
3) Information as of most recently reported. C, BAC (pro-forma for MER) and JPM as of 4Q08; WFC as of 8-K from 10/30/08, reflecting 3Q'08 pro-forma for WB, additionally adjusted for subsequent \$37.5 billion capital raise; UBS and DB as of 9/30/08; RBS, BARC, and HSBC as of 6/30/08. European results based on IFRS accounting standards. BARC not pro forma for LEH due to lack of disclosed information.

Note: TCE/TA is Tangible Common Equity over Tangible Assets; Tier 1/RWA is Tier 1 Capital over Risk Weighted Assets. Based on arithmetic averages of the component banks' ratios. All non-Citi information is derived from public sources.

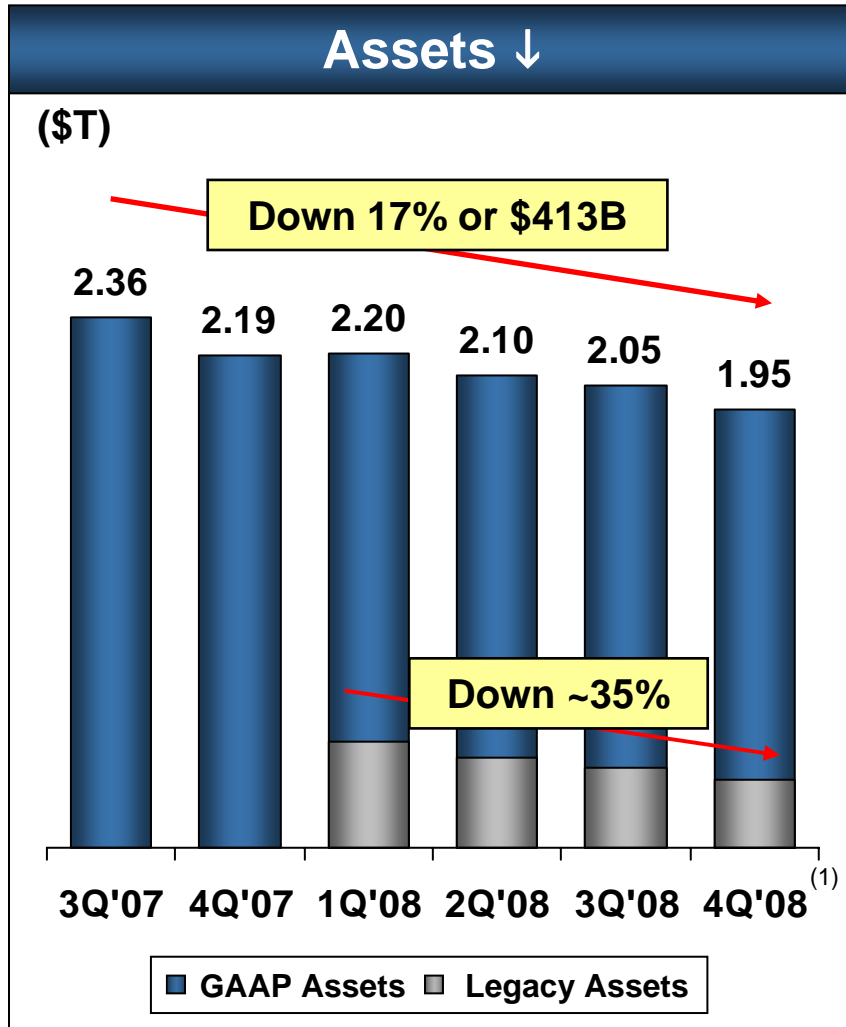
Continuing Government Actions

- ▶ **Near-term actions must be focused on restarting credit flow and addressing housing and foreclosures**
- ▶ **Promoting well-functioning credit markets and lending requires reduced liquidity premium**
 - Access to funding
 - Reduction of illiquid assets on balance sheets
- ▶ **Commitment to market-based financial system funded by private capital**
- ▶ **Key principles of long-term architecture: integrity, transparency, and accountability**

Value Creation



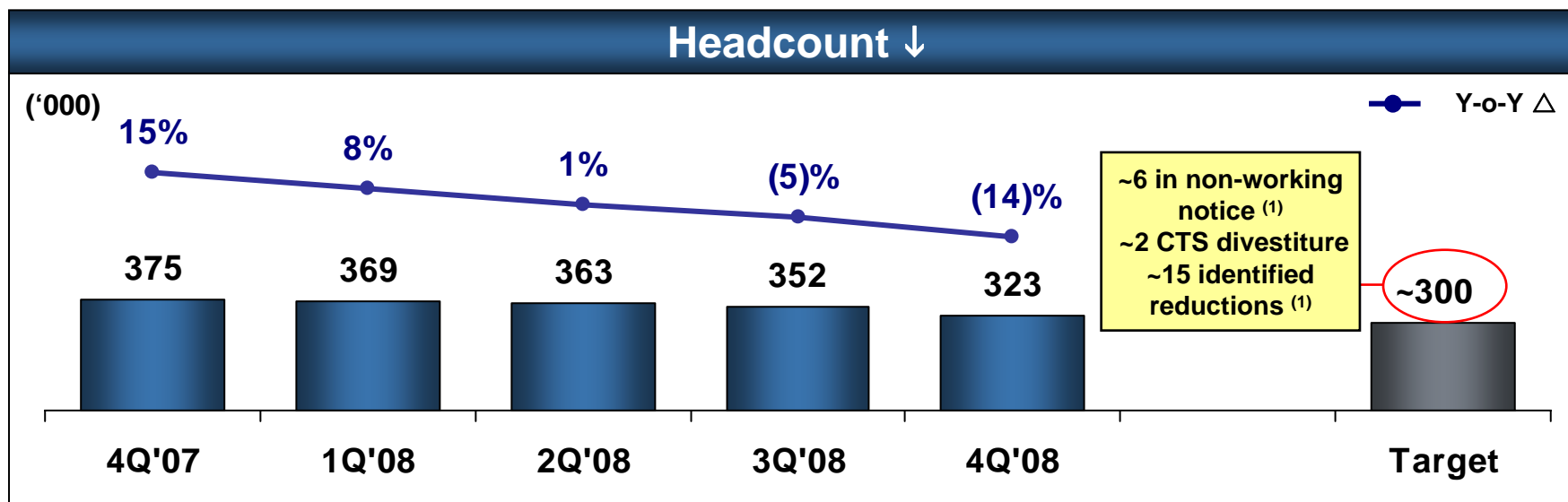
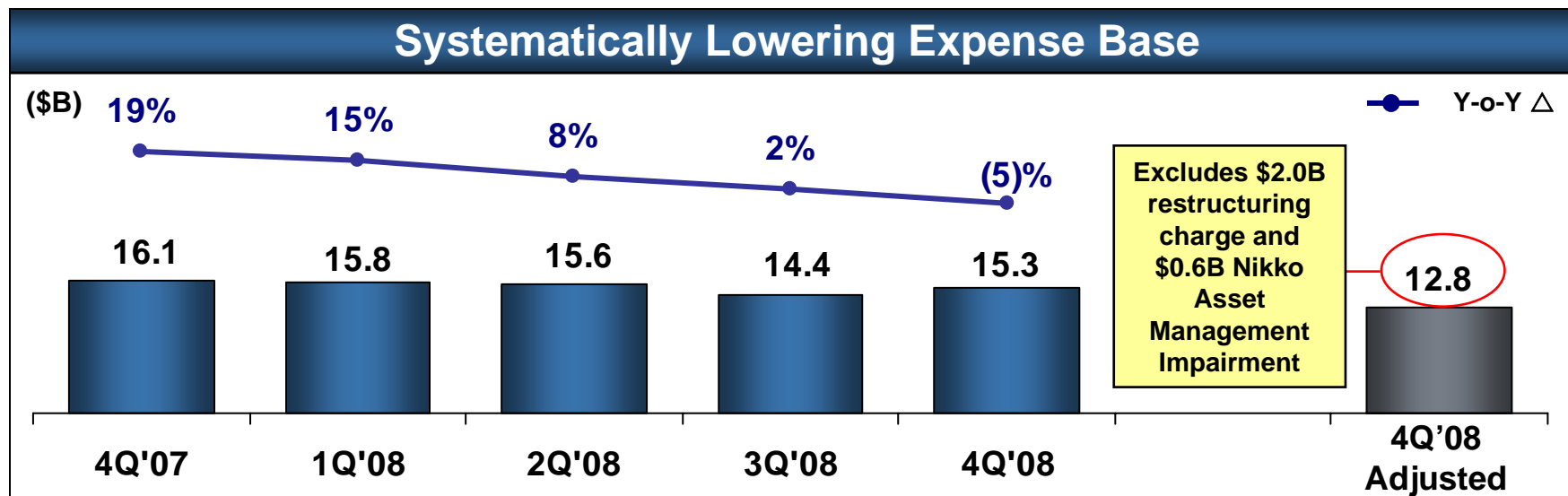
Progress Despite Headwinds



- 2008 Divestitures**
- ▶ Total of 19 divestitures in 2008
 - German retail banking operations
 - Citi Capital
 - Citi Street
 - Diners International
 - Citigroup Global Services Ltd.

(1) Preliminary.

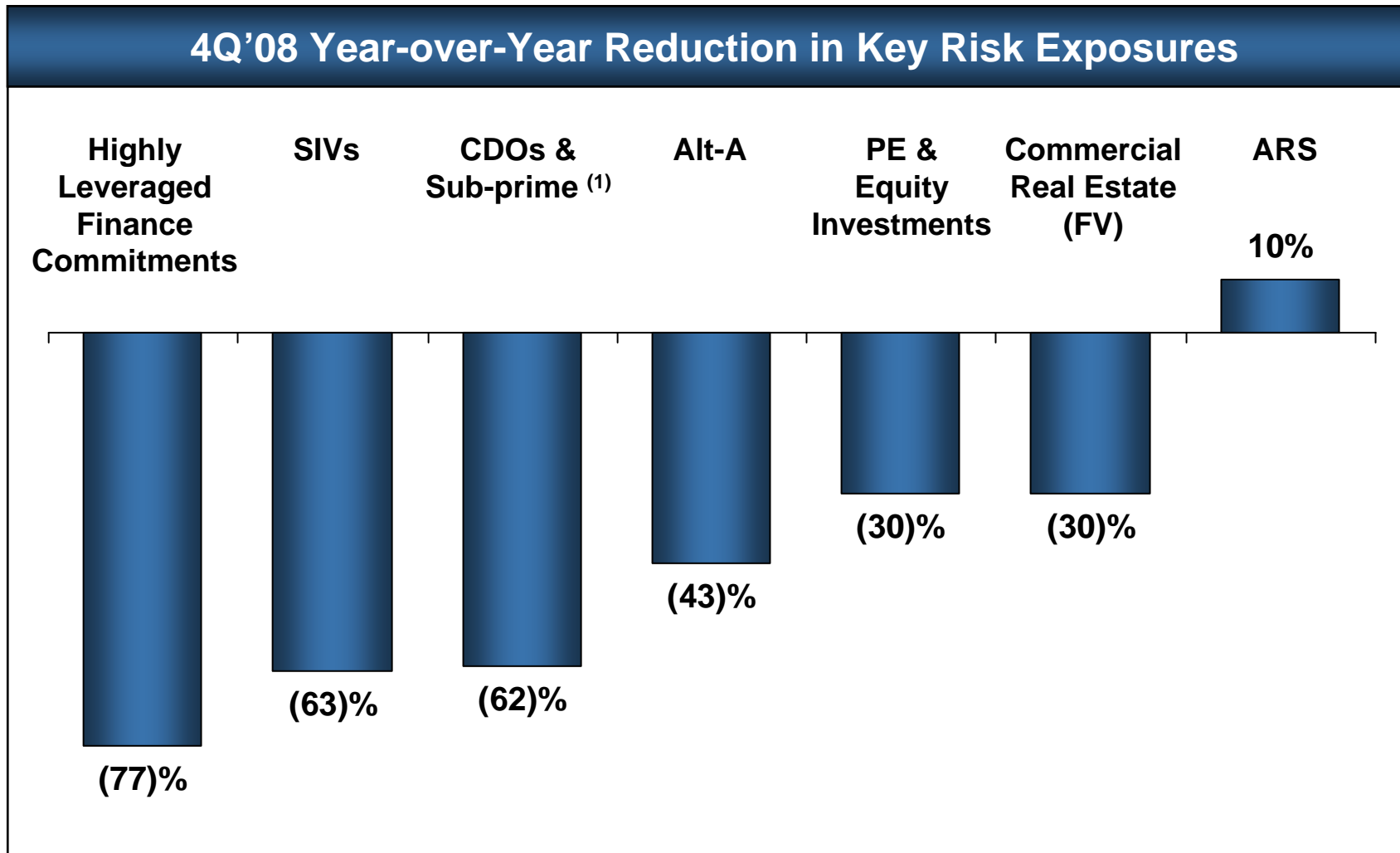
Progress Despite Headwinds



(1) Reflected in 2008 restructuring charges.

Note: 4Q'08 adjusted expenses and target headcount do not include impact of Smith Barney joint venture.

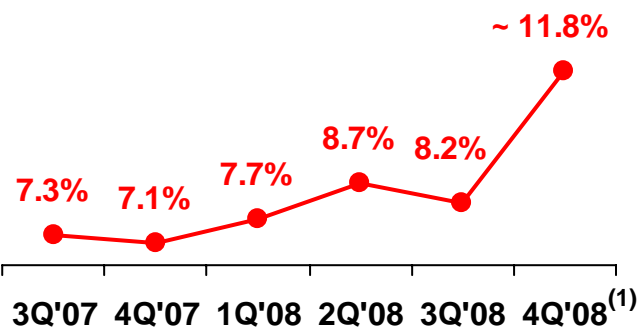
Progress Despite Headwinds



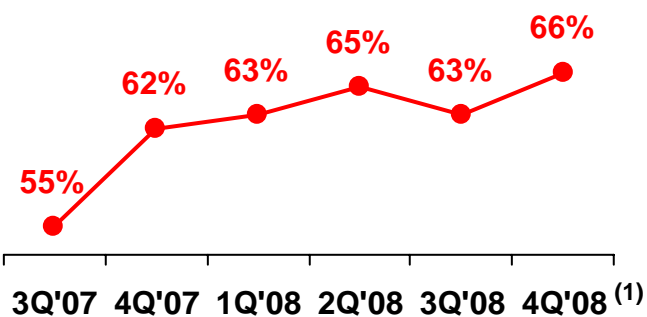
(1) Sub-prime related direct exposures comprised of net CDO Super Senior exposures and gross Lending and Structuring exposures.

Citi Capital & Liquidity Position

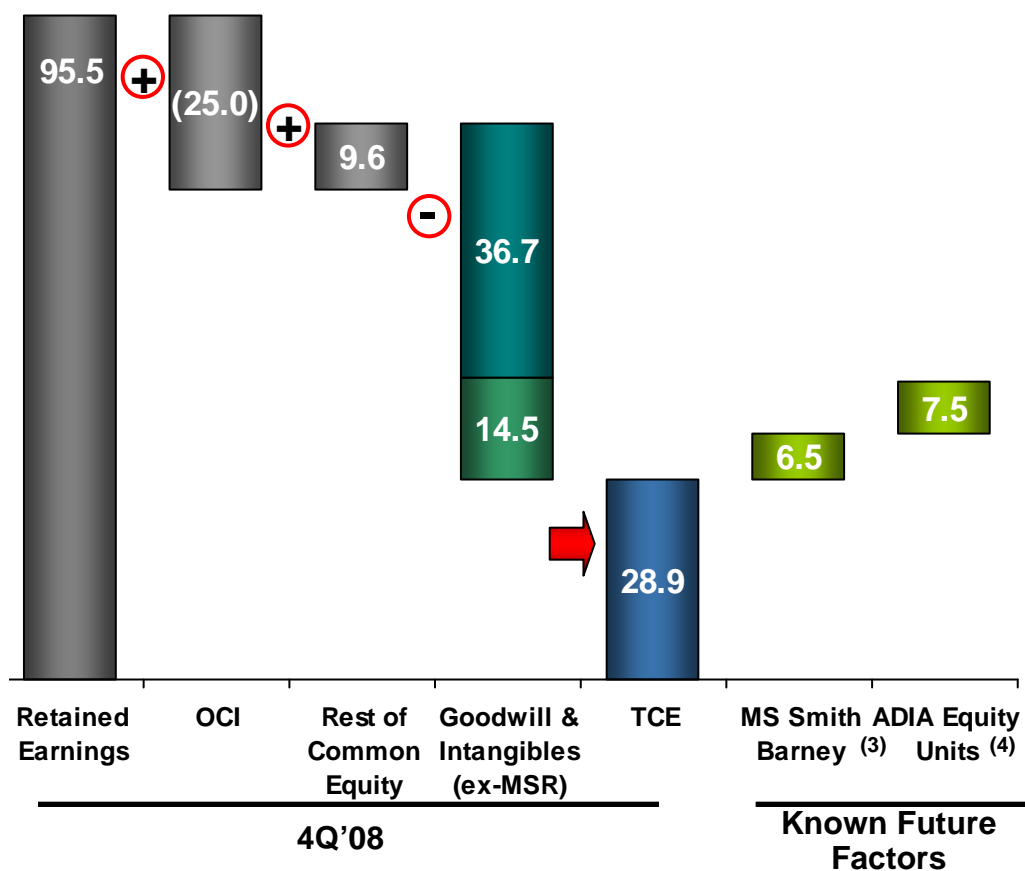
Tier 1 Capital Ratio



Structural Liquidity ⁽²⁾



TCE ⁽¹⁾ (\$B)

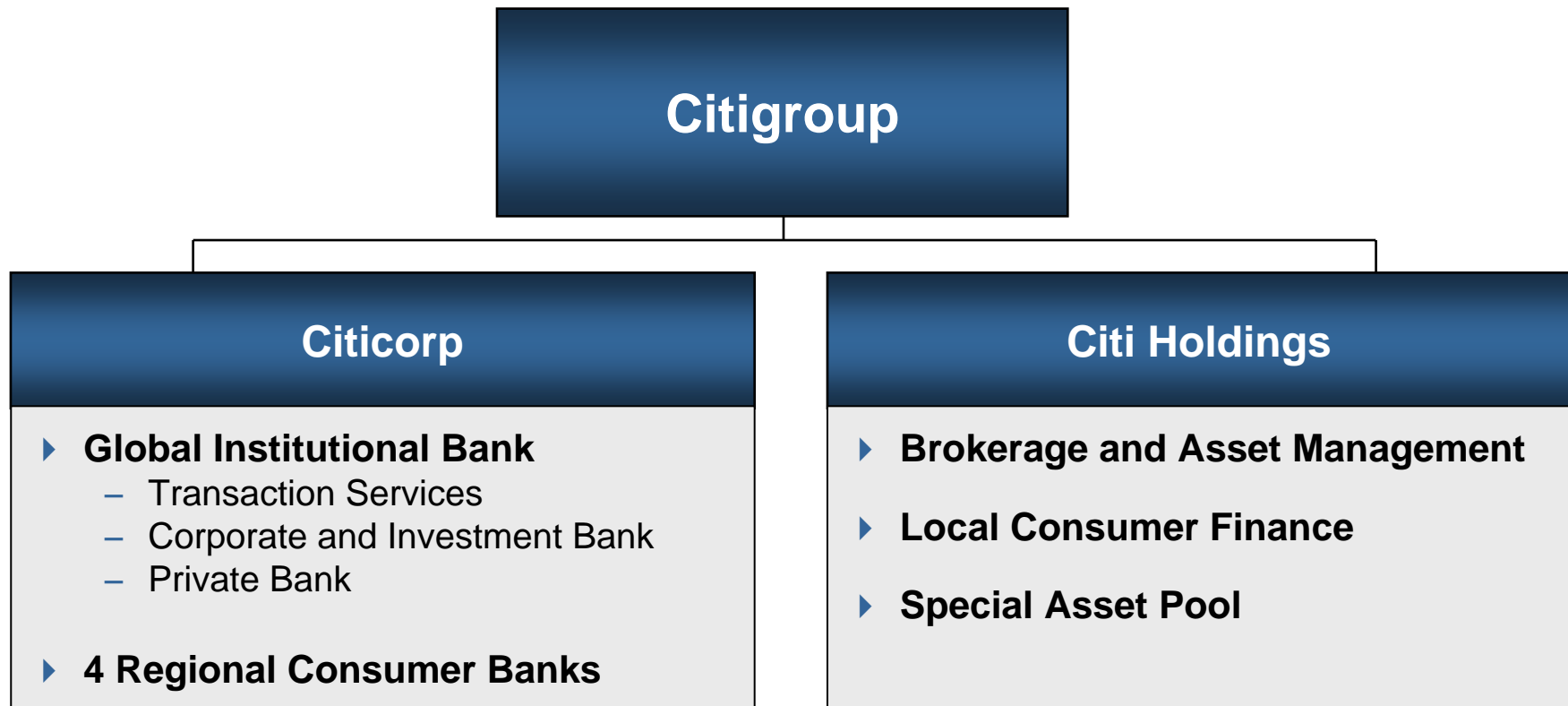


(1) Preliminary. (2) Structural Liquidity equals deposits, long-term debt and equity, as a % of total assets. (3) Morgan Stanley Smith Barney joint venture expected to close in 3Q'09. (4) \$7.5 billion of Equity Units private placement to the Abu Dhabi Investment Authority (ADIA), each Equity Unit provides for the purchase of Citigroup common shares. First tranche scheduled to be converted on March 15th, 2010.

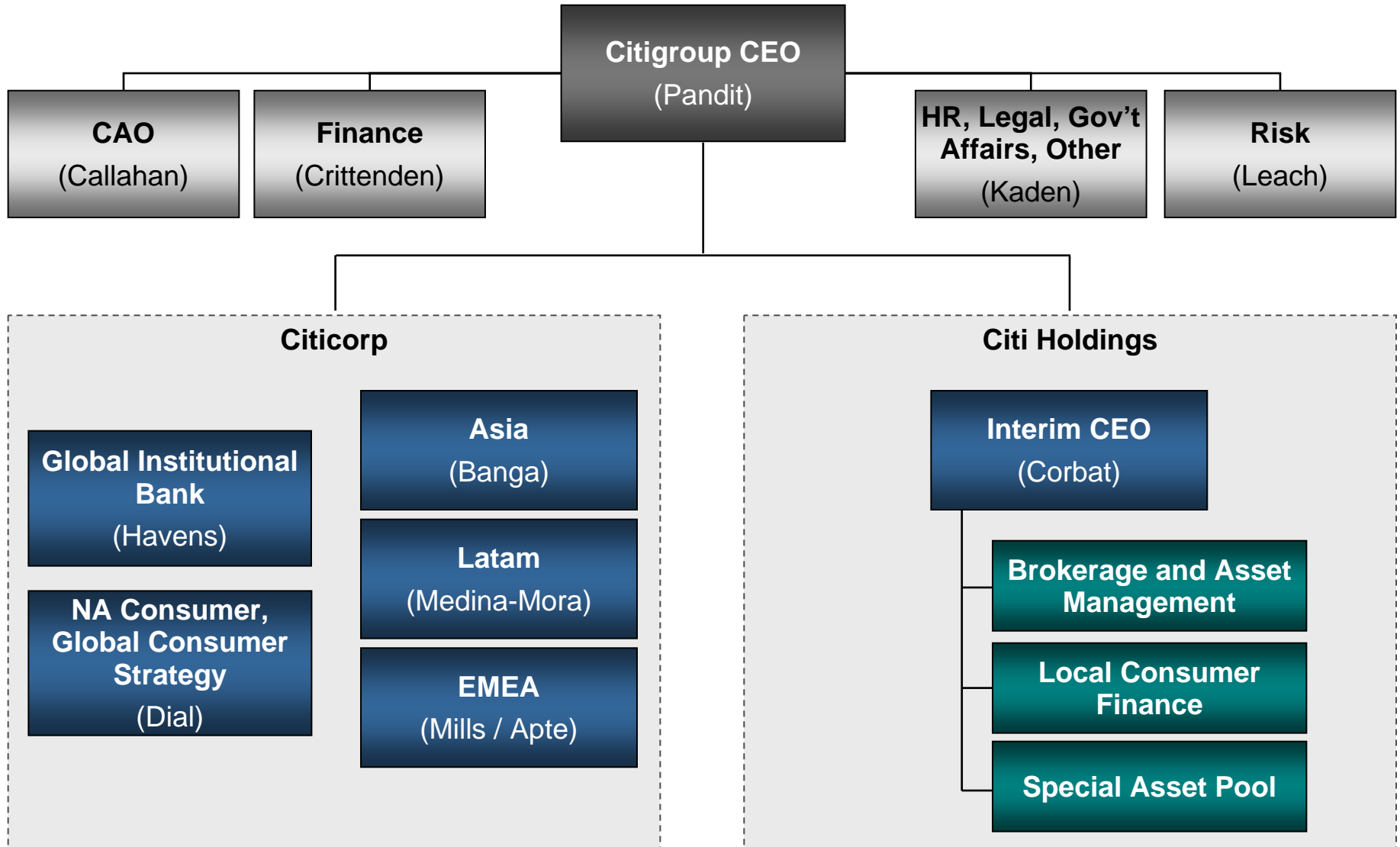
Value Creation



Overview of New Structure



Management Organization



Citi Holdings Structure

Brokerage & Asset Management

(Corbat)

- Smith Barney JV
- Nikko Cordial
- Nikko Asset Mgmt.

Local Consumer Finance

(Freiberg)

- North America
 - CitiFinancial, Mortgage, Student Loans, Auto Loans, Retail Partner Cards, Primerica
- Select Global Consumer Finance

Special Asset Pool

(Stuckey)

- Key S&B risk exposures
 - E.g., CDOs, SIVs, etc.
- Other Covered Assets

Citi Holdings – Estimated Historical Financials

\$B	2007	2008
Adjusted Revenues	\$37.0	\$32.3
Expenses	22.0	23.7
Pre-provision Earnings	\$14.9	\$8.6
S&B Revenue Marks ⁽¹⁾	(20.7)	(36.4)
PE & Equity Investments	2.2	(3.1)
Total Revenue Adjustments ⁽²⁾	(18.5)	(39.5)
NCL ⁽³⁾	6.7	13.7
LLR & PBC	6.3	12.2
Total Provisions	13.1	25.8
Pre-tax Income	(\$16.7)	(\$56.7)
Total Assets	\$910	\$860
LLR Balance	10	21
Total Deposits	86	75

Includes the \$249B of on-B/S covered assets

(1) For a list of Securities and Banking revenue marks please refer to page 22.

(2) Estimated GAAP revenues: \$18.5B in 2007 and \$(7.2)B in 2008.

(3) Includes credit marks of \$704 million in 2007 and \$579 million in 2008.

Note: Totals may not sum due to rounding.

Citicorp – Estimated Historical Financials

\$B	2007	2008
Adjusted Revenues	\$59.1	\$59.8
Expenses	37.8	37.5
Pre-provision Earnings	\$21.4	\$22.3
S&B Revenue Marks ⁽¹⁾	0.9	4.6
Derivative CVA ⁽²⁾	0.0	(4.4)
Total Revenue Adjustments ⁽³⁾	0.9	0.2
NCL	3.2	5.4
LLR & PBC	1.6	3.5
Total Provisions	4.8	8.9
Pre-tax Income	\$17.4	\$13.6
Total Assets	\$1,241	\$1,088
LLR Balance	6	9
Total Deposits	740	700⁽⁴⁾

(1) For a list of Securities and Banking revenue marks please refer to page 22.

(2) Credit value adjustment on the fair value of derivative instruments with non-monoline counterparties.

(3) Estimated GAAP revenues: \$60.0B in both 2007 and 2008.

(4) ~80% of year-over-year reduction in deposits due to impact of Fx.

Note: Totals may not sum due to rounding.

Wrap-Up

- ▶ **Returning Citi to profitability is our top priority**
- ▶ **Clients remain active and engaged with Citi**
- ▶ **Industry profitability affected by asset price stabilization**
- ▶ **Well positioned to create shareholder value and return to profitability**
 - Large risk capital base – bridge to rebuild TCE
 - Citicorp: Substantial earnings power
 - Citi Holdings: Expected positive value

Appendix

Citi Holdings – Asset Composition

Estimated as of 4Q'08

	Total Assets \$B	Covered Assets as a % of Total Assets	Avg Loans \$B	4Q'08 NCL \$B	4Q'08 NCL %
Brokerage & Asset Management	\$62	--	\$9	--	(0.0)%
Local Consumer Finance	\$408	42%	\$338	\$4.0	4.7%
CitiFinancial	44	--	38	0.6	5.8
N.A. Mortg. (ex-CitiFinancial)	208	74	181	1.6	3.5
N.A. Auto	19	85	19	0.4	7.5
N.A. Student	29	--	26	0.0	0.4
N.A. Cards (Retail Partners)	51	4	33	0.7	8.8
Primerica	11	--	--	--	--
Global Consumer Finance	47	--	40	0.7	7.0
Special Asset Pool	\$291	27%	\$71	\$0.4	2.2%
Securities and Banking	255	22	38	0.3	3.0
Corporate / Other	\$99	--	--	--	nm
Total	\$860	29%	\$418	\$4.3	4.2%

Note: Totals may not sum due to rounding.

Citi Holdings – Covered Assets

Covered Assets Under Loss-Sharing Arrangement

Assets (\$B) – as of 11/21/08			
<u>Loans:</u>		<u>Securities:</u>	
First Mortgages	\$98.9	Alt-A	\$11.4
Second Mortgages	55.2	SIVs	6.4
Retail Auto Loans	16.2	CRE	2.1
<u>Other Consumer Loans</u>	<u>21.3</u>	<u>Other</u>	<u>12.0</u>
Total Consumer Loans	\$191.6	Total Securities	\$31.9
<hr/>		<u>Unfunded Lending Commitments (ULC)</u>	
CRE loans	\$12.4	2nd mortgages	\$22.4
Leveraged Finance Loans	2.3	Other consumer loans	5.2
<u>Other Corporate Loans</u>	<u>11.1</u>	Leveraged Finance	0.2
Total Corporate Loans	\$25.8	CRE	5.4
		<u>Other Commitments</u>	<u>18.3</u>
		Total ULC	\$51.5
<hr/>			
Total Covered Assets: \$301 billion ⁽¹⁾			

(1) Subject to post-closing confirmation process.

Citi Holdings – Many Valuable Franchises

Brokerage & Asset Management - Examples

- | | |
|---------------------------------------|--|
| Latin America Asset Management | <ul style="list-style-type: none">▶ # 1 pension manager in Mexico by AUMs and affiliates▶ Top 3 bancassurance provider in Mexico▶ Top 4 fund manager in Colombia by AUMs |
| Nikko Cordial Securities | <ul style="list-style-type: none">▶ Top 3 broker in Japan by client assets |
| Nikko Asset Management | <ul style="list-style-type: none">▶ Top 3 player in Japan by flows and AUMs |

Local Consumer Finance - Examples

- | | |
|-----------------------------|--|
| CitiFinancial | <ul style="list-style-type: none">▶ Industry leader with #1 branch network in the U.S. covering 48 states |
| Primerica | <ul style="list-style-type: none">▶ Largest personal sales force for insurance and mutual funds in North America |
| Retail Partners Card | <ul style="list-style-type: none">▶ #1 player by loans outstanding, with leading partner network |

Note: Data as of 4Q08, except for Latin America Asset Management figures which are as of 12/31/07.

Citicorp – Asset Composition

Estimated as of 4Q'08

	Assets \$B	Avg Loans \$B	4Q'08 NCL \$B	4Q'08 NCL %
Global Institutional Bank	\$773	\$177	\$0.7	1.6%
4 Regional Consumer Banks	\$188	\$104	\$1.1	4.2%
North America	28	15	0.2	5.7
<i>Branded Cards (Managed Basis)</i>	<i>88</i>	<i>85</i>	<i>1.4</i>	<i>6.8</i>
EMEA	10	7	0.1	4.3
Asia	85	56	0.3	1.8
Latin America	65	25	0.5	8.4
Corporate / Other	\$127	--	--	nm
Total	\$1,088	\$281	\$1.8	2.6%

Note: Totals may not sum due to rounding. Branded cards on a managed basis and all other figures on a GAAP basis.

Securities and Banking Revenue Marks

(\$B)	2007	2008
<u>Citi Holdings</u>		
Write-downs on sub-prime related direct exposures ⁽¹⁾	\$(18.3)	\$(14.3)
Monoline Credit Value Adjustment (CVA)	(0.9)	(5.7)
Write-downs on highly leveraged finance commitments ⁽²⁾	(1.5)	(4.9)
Write-downs on Alt-A mortgages ^(3, 5)	---	(3.8)
Mark to market on ARS ⁽⁴⁾	---	(1.7)
Write-downs on CRE ⁽⁵⁾	---	(2.6)
Write-downs on SIVs	---	(3.3)
Total Citi Holdings Revenue Marks	\$(20.7)	\$(36.4)
<u>Citicorp</u>		
CVA on Citi Liabilities at Fair Value Option	\$0.9	\$4.6
Total Revenue Marks	\$(19.8)	\$(31.8)

(1) Net of impact from hedges against direct subprime ABS CDO super senior positions. (2) Net of underwriting fees. (3) Net of hedges.

(4) Excludes write-downs of \$306 million in 3Q'08 and \$87 million in 4Q'08 arising from the ARS legal settlement. (5) Excludes positions in SIVs.

Non-GAAP Reconciliation Table

\$B	2007	2008
<u>Citi Holdings</u>		
GAAP Revenues	\$18.5	\$(7.2)
Excluding S&B Revenue Marks	20.7	36.4
Excluding PE & Equity Investments	(2.2)	3.1
Adjusted Revenues	\$37.0	\$32.3
<u>Citicorp</u>		
GAAP Revenues	\$60.0	\$60.0
Excluding S&B Revenue Marks	(0.9)	(4.6)
Excluding Derivative CVA	(0.0)	4.4
Adjusted Revenues	\$59.1	\$59.8

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.