

Credit Suisse Financial Services Forum

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Highlights

Well-positioned franchise with global connectivity

- Strategy consistent with Citi's global consumer bank
- Strong presence among affluent and globally-minded consumers
- Leading deposit franchise
- Ability to leverage firm-wide investments and platforms to achieve scale

Focusing resources on target clients and markets

- Sharpening our client segment strategy to deepen relationships
- Concentrating our presence in 7 globally-connected urban markets with attractive growth prospects

Adapting to changing customer behaviors

- Accelerating migration to mobile / digital channels
- Reconfiguring branch network to optimize touchpoints
- Investing to support omni-channel banking

U.S. Retail Banking in Citicorp

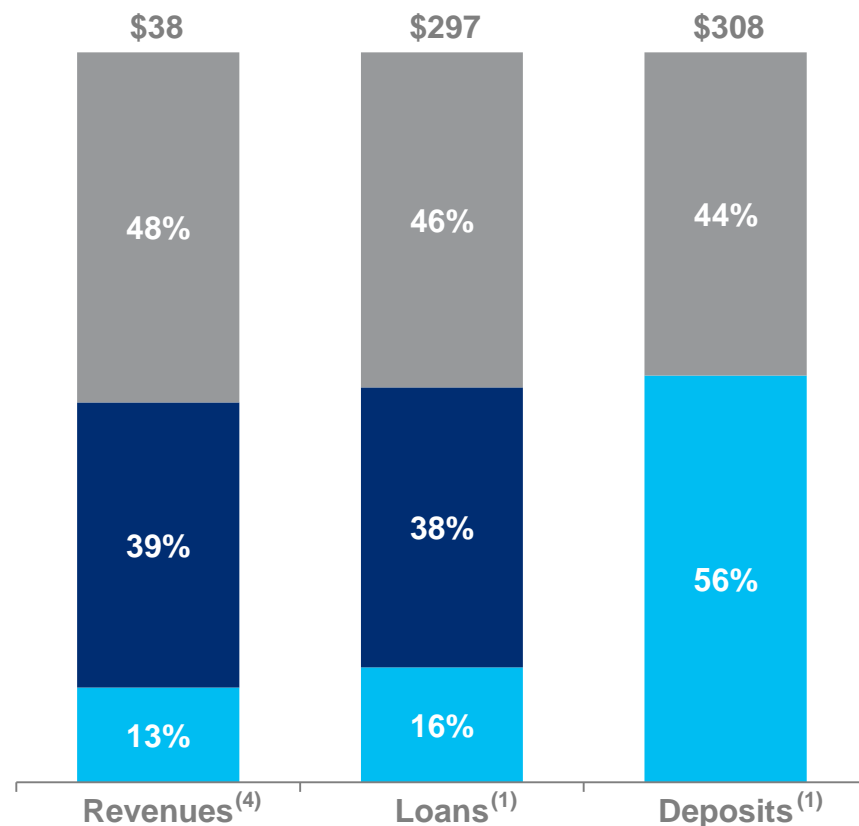
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Citi's U.S. Retail Banking Franchise⁽¹⁾

- Offering full range of borrowing, saving and investment products
- 849 branches, concentrated in 7 markets
- ~6 million retail customers
- \$171 billion in deposits
- \$36 billion in AUMs
- \$47 billion in loans, mostly mortgages
- \$172 billion mortgage servicing portfolio⁽³⁾
- Closely managed with U.S. Cards franchise – \$114 billion in loans

Contribution to Global Consumer Banking

■ U.S. Retail ■ U.S. Cards⁽²⁾ ■ International GCB



Note: Totals may not sum due to rounding. GCB: Global Consumer Banking.

(1) As of 4Q'14.

(2) Includes Citi-Branded Cards and Citi Retail Services.

(3) Represents third party mortgage servicing portfolio.

(4) Revenues for full year 2014.

U.S. Retail Banking

Globally Connected

- U.S. retail is an important part of Citi's ~3,300 branch global network
 - Strong brand identity among international consumers
-

Firm-wide Capabilities

- Benefiting from global investments in Consumer products and technology
 - Leveraging Institutional platform for wealth management / commercial banking
-

Attractive Footprint

- Concentrated in markets with high GDP growth and disproportionate share of affluent and global customers
 - Citi's top 7 markets represent 26% of total U.S. consumer deposits
-

Affluent Customer Base

- 58% of Citi households⁽¹⁾ are affluent vs. 22% for U.S. banks average
 - Nearly half of affluent households in key markets have at least one Citi product⁽²⁾
-

Strong Deposit Franchise

- ~40% more deposits per branch than peers in top 7 markets⁽³⁾
 - Average deposits per branch up 17% YoY to ~\$200 million in 4Q'14
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Digitally Forward Bank

- Rated Best Global Internet Bank by Global Finance Magazine
- #1 for past 3 years in secure website rankings⁽⁴⁾

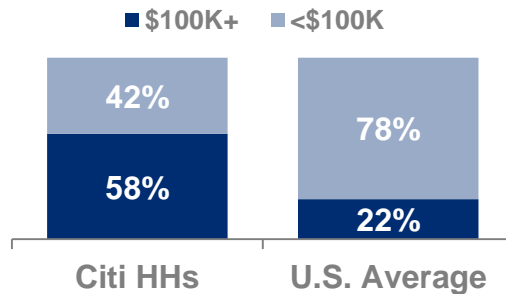
Note:

- (1) Source: IXI Custom Wealth Complete; Market Mix Model. Retail banking households, excluding mortgage customers. Affluent segment defined as total deposit and investment balances of \$100K+ or income of \$125,000+.
- (2) Source: Citi data, 2014.
- (3) Based on 2014 FDIC Market Share Analysis as of June 30, 2014. Peers include JPM, WFC, BAC. Normalized to exclude corporate and non-branch deposits.
- (4) Source: Forrester Research, Inc., *U.S. Bank Secure Website Rankings Report 2012, 2013, 2014*.

Strong Franchise in Key US Markets

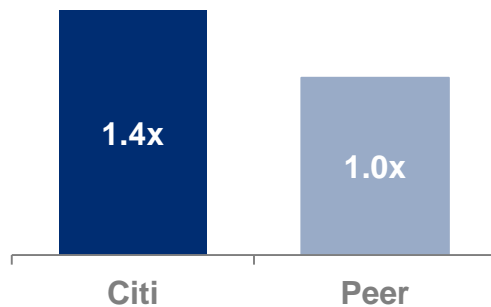
Franchise Strengths

Affluent Customer Base⁽²⁾

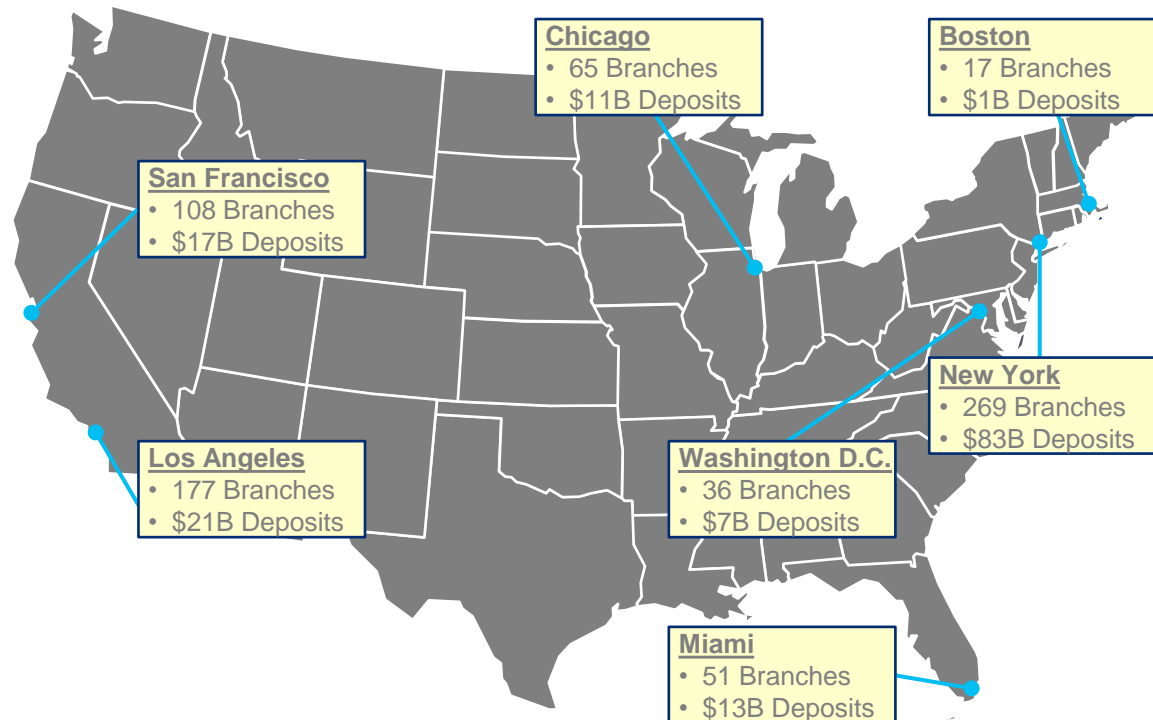


Leading Deposits per Branch⁽³⁾

Relative deposits per branch in top 7 markets



Branch Network Concentrated in 7 Major Cities⁽¹⁾



Note:

(1) Total branches = 849. As of December 31, 2014.

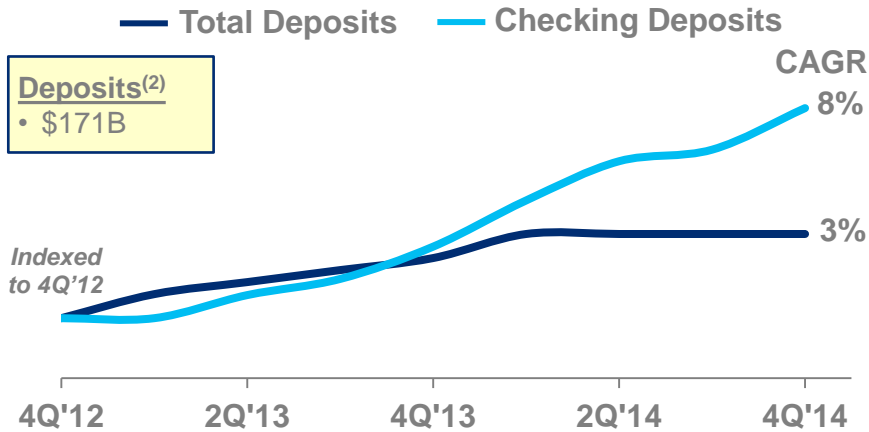
(2) Source: IXI Custom Wealth Complete. Affluent segment defined as customers with total deposit and investment balances of \$100K+.

(3) Based on 2014 FDIC Market Share Analysis as of June 30, 2014. Peers include BAC, JPM, WFC. Normalized to exclude corporate and non-branch deposits.

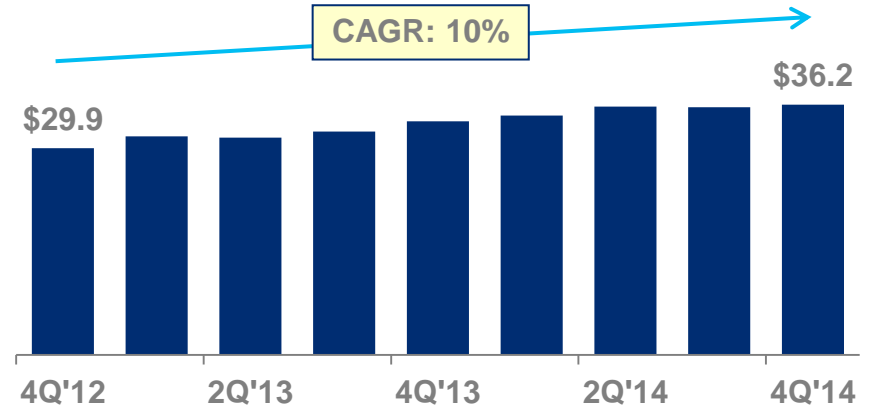
Growing High Quality Deposits, AUMs and Loans

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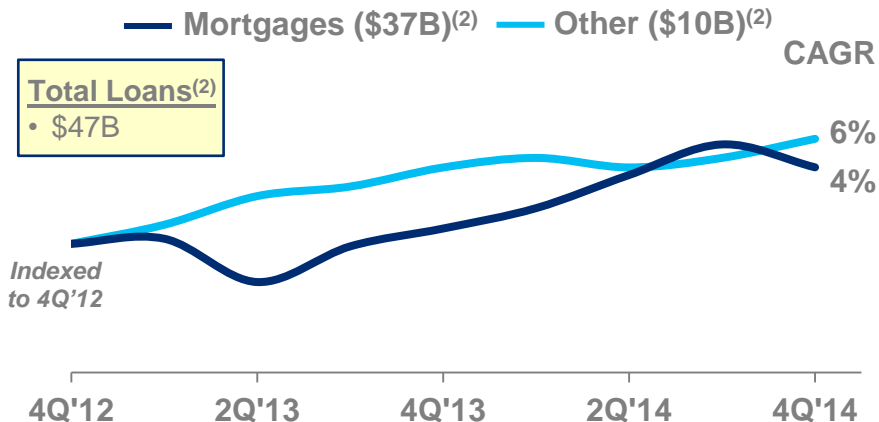
Average Deposit Growth⁽¹⁾



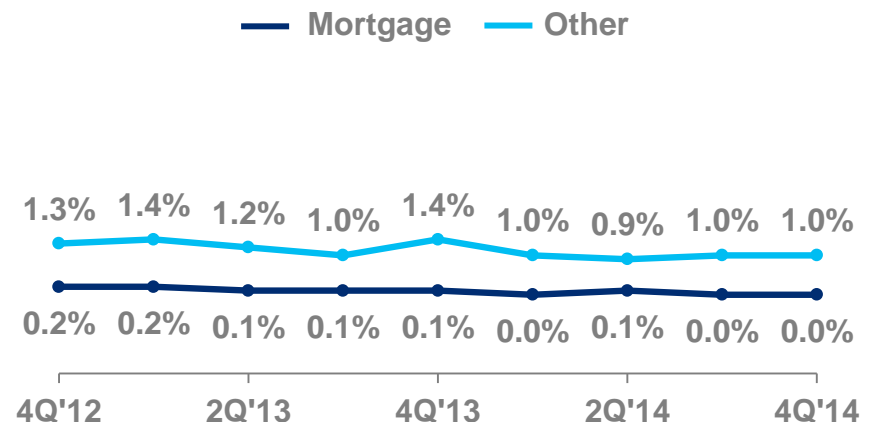
Assets Under Management



Loan Growth⁽¹⁾



Net Credit Loss Rates



Note:

(1) Index: 4Q'12 = 100%.

(2) As of 4Q'14.

Resized for Growth and Profitability

(\$MM)

Momentum Drivers

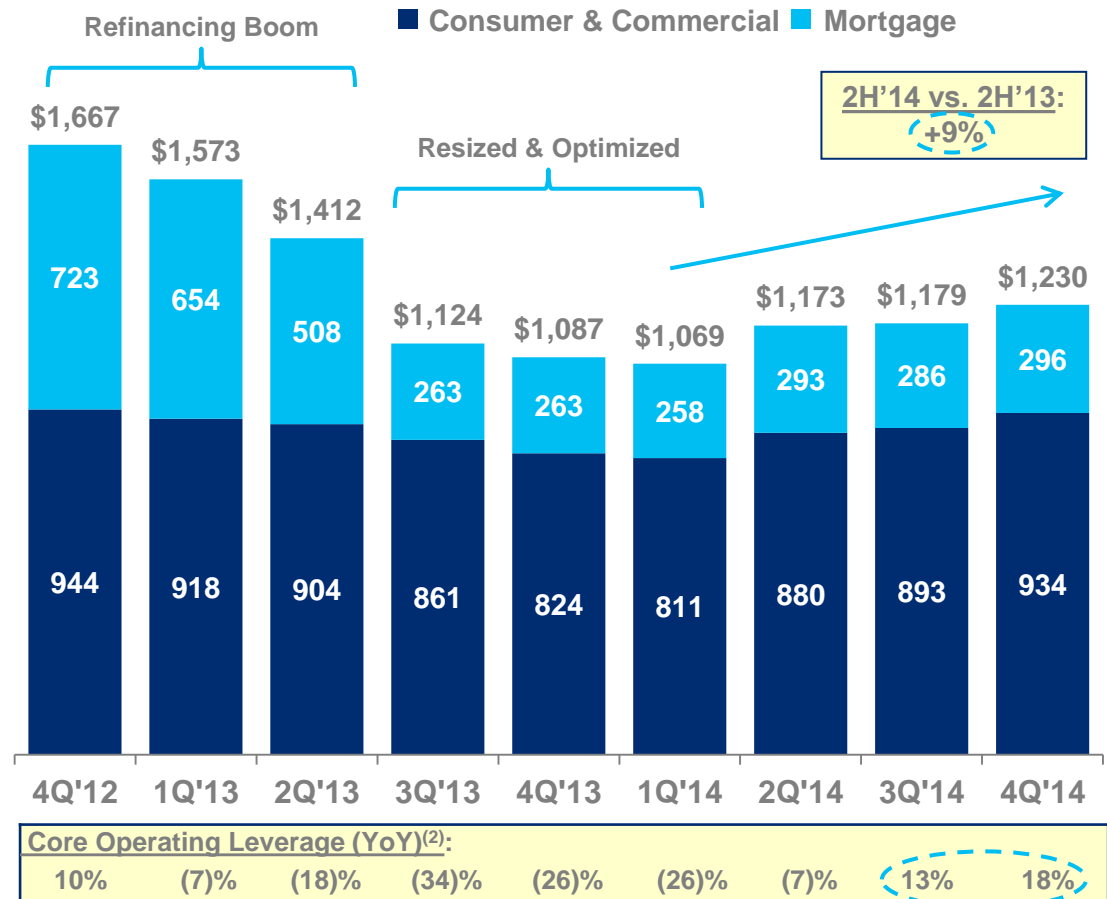
Revenues

- Consistent growth in loans, deposits and AUMs
- Improving deposit spreads
- Growing share of purchase mortgage originations

Efficiency

- Smaller, more productive branch network
- Shifting activity to digital
- Reduced headcount
- Rationalized support sites
- Significant re-sizing of mortgage origination platform

Revenue and Operating Leverage Trends⁽¹⁾



Note: Totals may not sum due to rounding.

(1) Adjusted to exclude previously disclosed items: approximately \$180 million gain on mortgage sale in 2Q'13; approximately \$70 million gain on sale leaseback transaction in 1Q'14; approximately \$50 million mortgage repurchase reserve release in 3Q'14; approximately \$130 million gain on mortgage sale in 4Q'14.

(2) Year-over-year operating leverage, adjusted to exclude the items above, as well as legal and repositioning costs in each period.

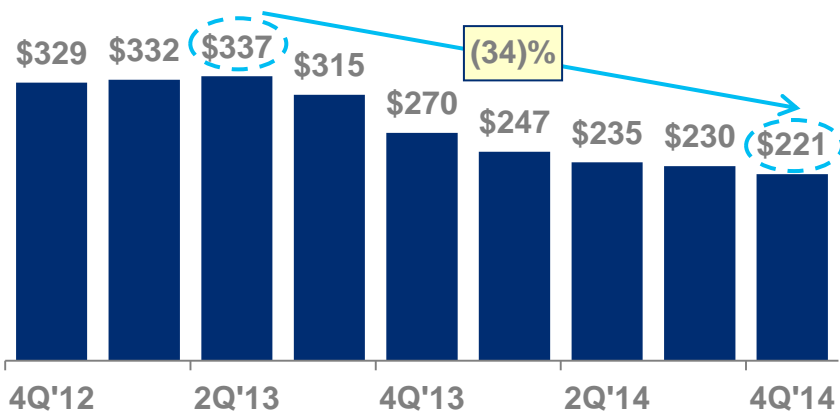
Realigned the U.S. Mortgage Business

Anchoring Strategy in Citi's Retail Segment

- Focusing on purchase transactions, with emphasis on Citi's bank customers in Top 7 markets (>25% of industry originations)
- Enhancing partnerships with industry players (local realtors, digital partners)
- Creating a simpler, streamlined originations process for better client experience and controls

Resized Platform

(Core operating expenses⁽¹⁾, \$MM)

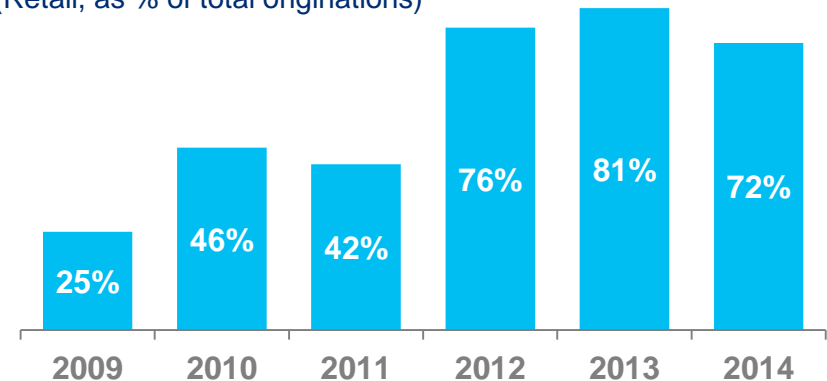


Originations (\$B):

16.8 18.0 17.2 14.5 8.3 5.2 6.2 7.1 6.7

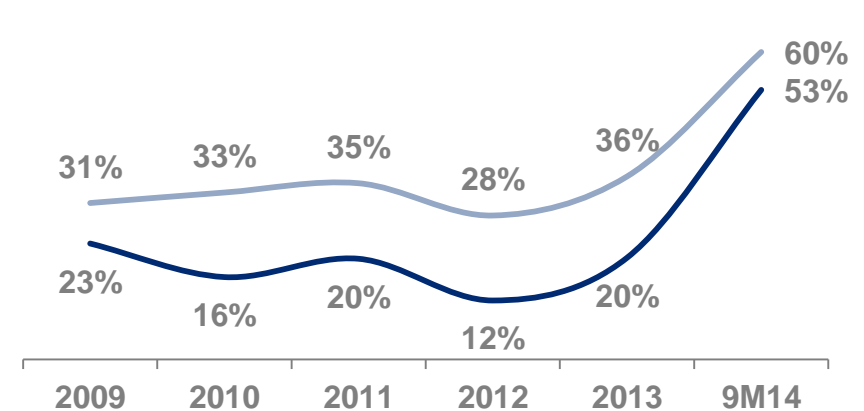
Shifted to Retail-Driven Originations

(Retail, as % of total originations)



Shifted to Purchase Originations

(% of total originations) — Citi — Industry⁽²⁾

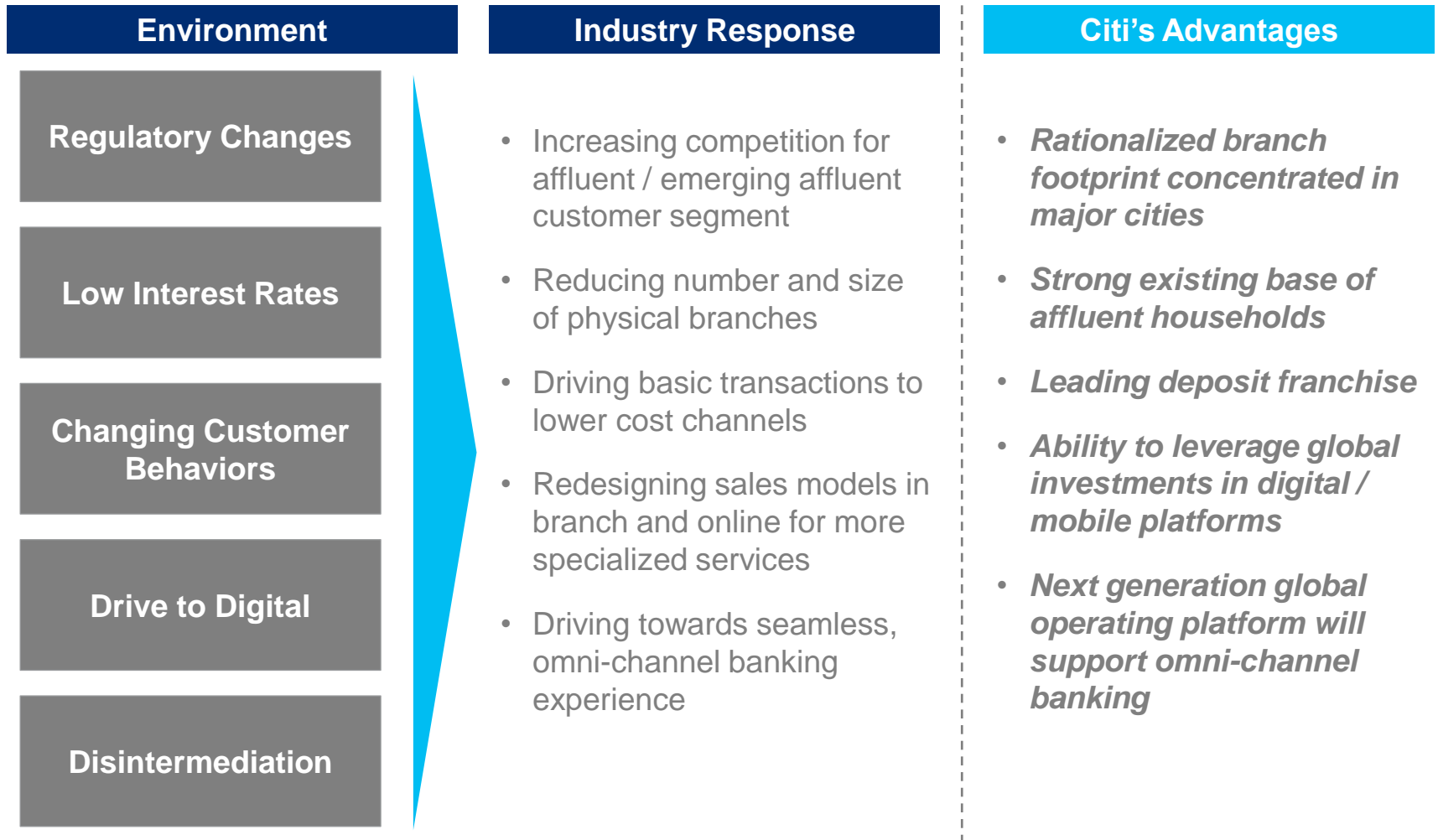


Note:

(1) Excluding legal and repositioning charges.

(2) Source: Inside Mortgage Finance.

Executing in a Dynamic Environment



Execution Priorities

1

Sharpening Our Customer Segment Strategy

- Differentiate value propositions and service models for each segment
- Deepen customer relationships

2

Concentrating Our Resources in Key Markets

- Focus on major cities, consistent with global strategy
- Allocate resources to markets with the best growth prospects for Citi

3

Adapting to Changing Customer Behaviors

- Establish ecosystem of physical locations, digital platforms, service centers and targeted marketing
- Drive digital adoption
- Optimize branch size and staffing model
- Adapt branches to multi-format, hub-and-spoke model

4

Delivering an Omni-Channel Banking Experience

- Deliver seamless, omni-channel banking to enhance customer experience and improve efficiency
- Use technology to facilitate transformation

Adapting to our customers' changing needs and behaviors

1 Sharpening Our Client Segment Strategy

	Target Client	Citi Strategy	Progress: 2012 to 2014
Consumer	Affluent & Emerging Affluent (Citigold)	<ul style="list-style-type: none"> Up-tier households with potential for balance and investment growth Increase investment penetration Deliver holistic financial services (e.g., mortgages, cards, investments) 	<ul style="list-style-type: none"> Citigold households (HH) +13% Citigold deposits +15% ~75% of deposit and investment balances from Citigold HH Investment AUM +21% ~60% of Citigold are card customers
	Mass Market (Citibanking)	<ul style="list-style-type: none"> Simplify service model and migrate to low cost channels (e.g., digital) Deepen wallet share in loan products as appropriate 	<ul style="list-style-type: none"> 48% eStatement penetration, +1400bps Card sales per branch +43% ~40% of total HH are card customers ~30% of mortgage HH in bank footprint are bank customers
Commercial	Businesses up to \$2.5B of Sales	<ul style="list-style-type: none"> Enhance linkages with Institutional franchise to cross-sell services to upper end of Commercial segment 	<ul style="list-style-type: none"> Revenues per banker +28%⁽¹⁾ ~4.5x deposit-to-loan ratio

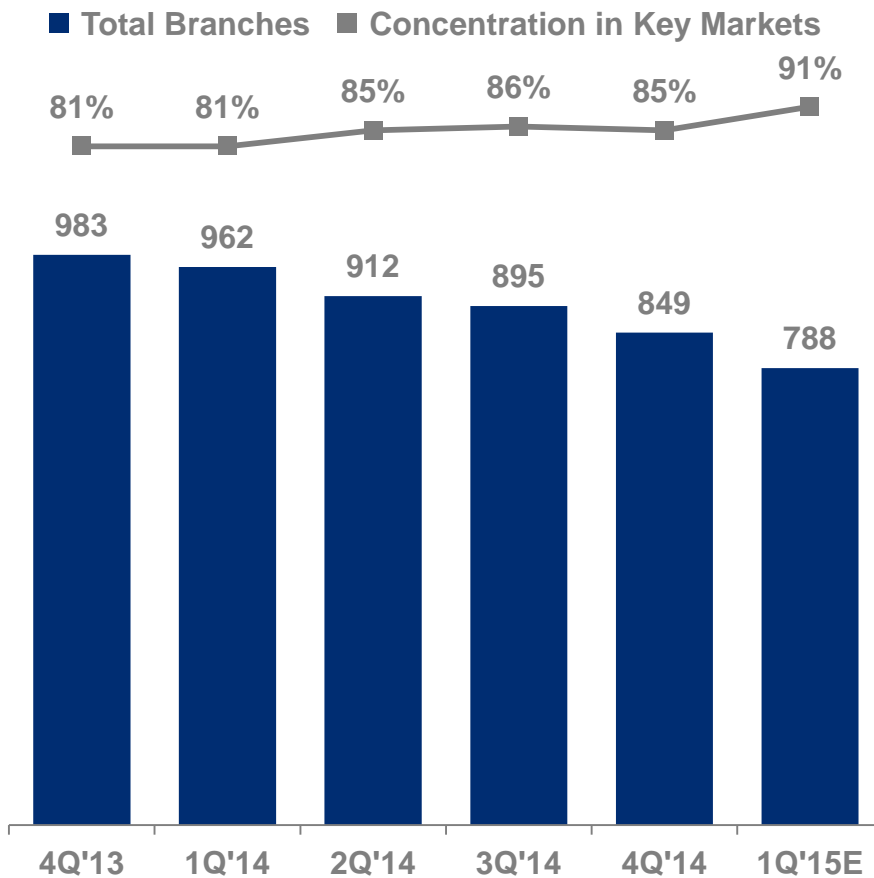
All business strategy and execution begins with the target client

11 Note:
(1) Includes cross-sell with Institutional Clients Group.



2 Concentrating Our Resources in Key Markets

Smaller, More Focused Branch Network...



...Concentrated in 7 Important Markets⁽¹⁾

- Globally-connected urban centers
- Growing target segments of affluent and emerging affluent consumers
- 7 markets comprise 26% of U.S. consumer deposits and 20% of population⁽²⁾
- Strong franchise markets for Citi:
 - Highly effective network with deposit share to branch share ratio of ~1.5x
 - Represent ~90% of consumer revenue and deposit base

Focusing on most productive branches to deliver a remarkable customer experience

Note:

(1) Branch network concentrated in Boston, Chicago, Los Angeles, Miami, New York, San Francisco and Washington D.C.

(2) Source: FDIC Market Share Analysis as of June 30, 2014 and Nielsen demographic data.

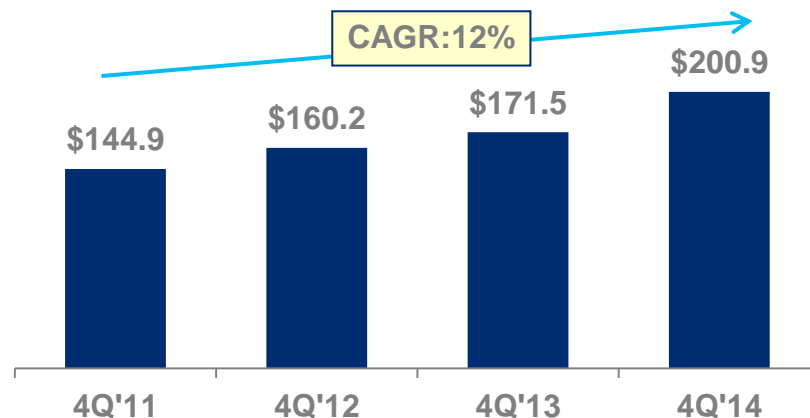
2 Resulting in a More Productive & Growing Network

(\$MM)

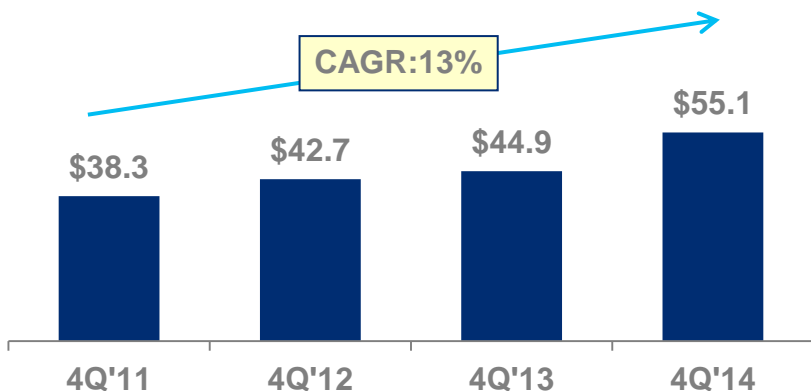
Momentum Drivers

- Smaller, more nimble branch footprint
- Remaining branches are more productive and better aligned with urban-based global consumer strategy
- Leveraging investment and marketing dollars over a more concentrated footprint
- Streamlining infrastructure and support centers

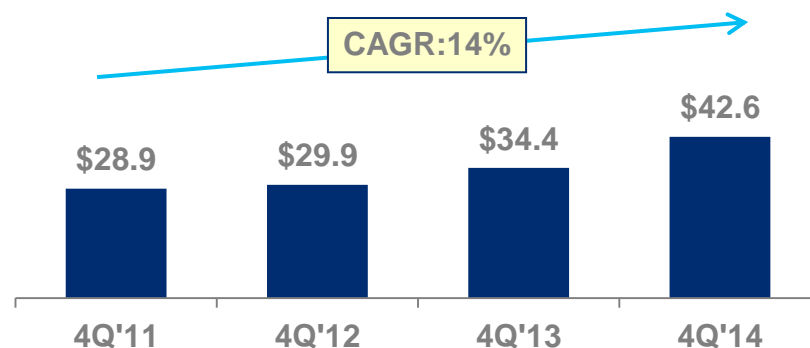
Average Deposits per Branch



EOP Loans per Branch



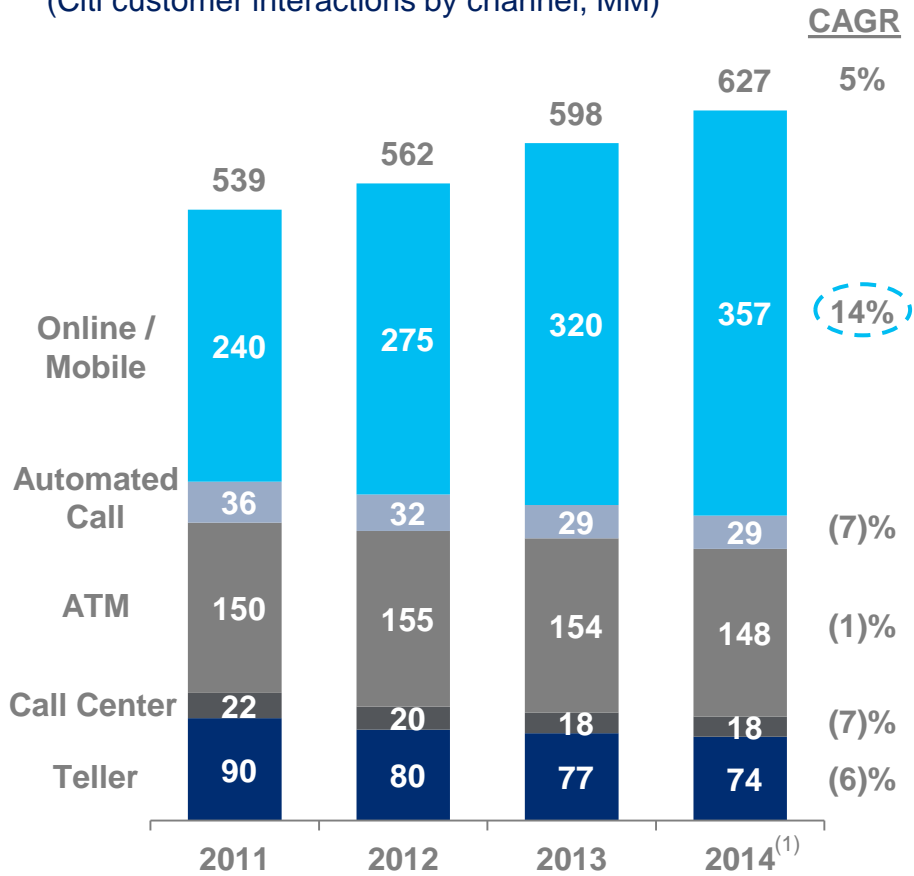
AUMs per Branch



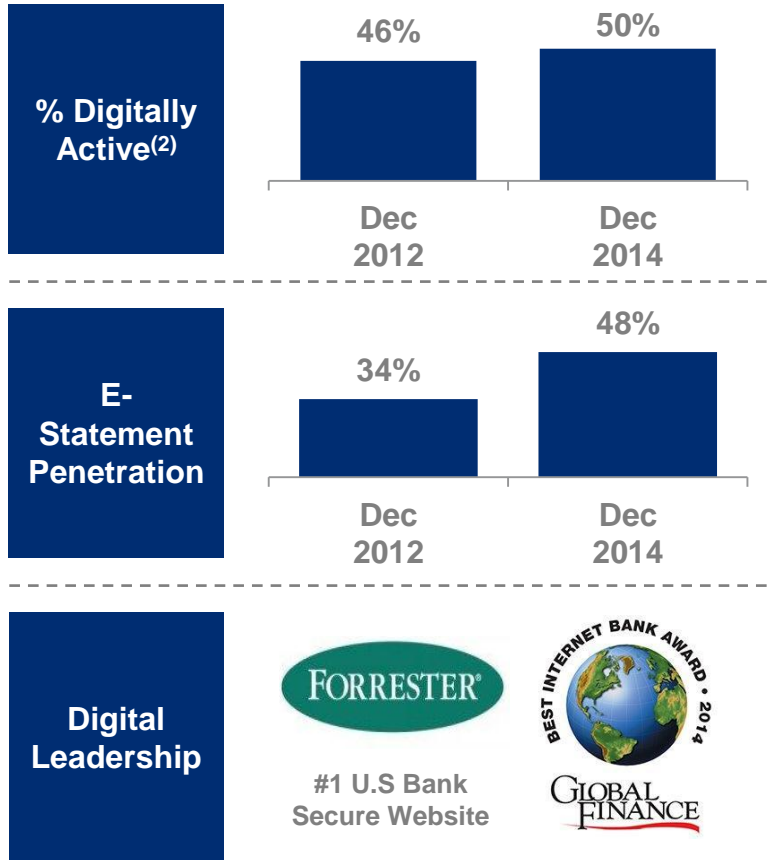
3 Adapting to Changing Customer Behaviors

Customer Behaviors are Changing...

(Citi customer interactions by channel, MM)



...with Digital Adoption Accelerating



Note: Totals may not sum due to rounding.

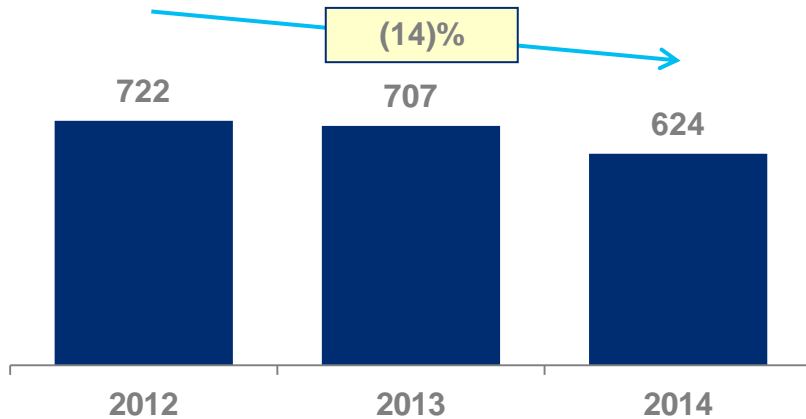
(1) 2014 represents September 2014 year-to-date data annualized.

(2) Digitally active users defined as customers who login at least once in prior 30 days via full browser, app, mobile or tablet.

3 Evolving Branch Operating Model

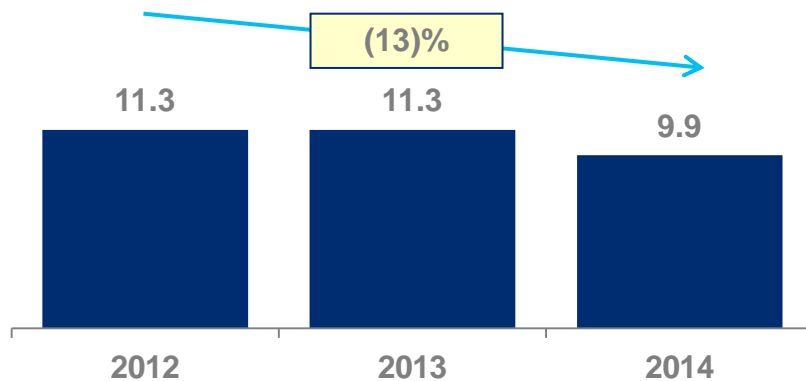
Reducing Real Estate Footprint

(# Branches > 4,000 square feet)

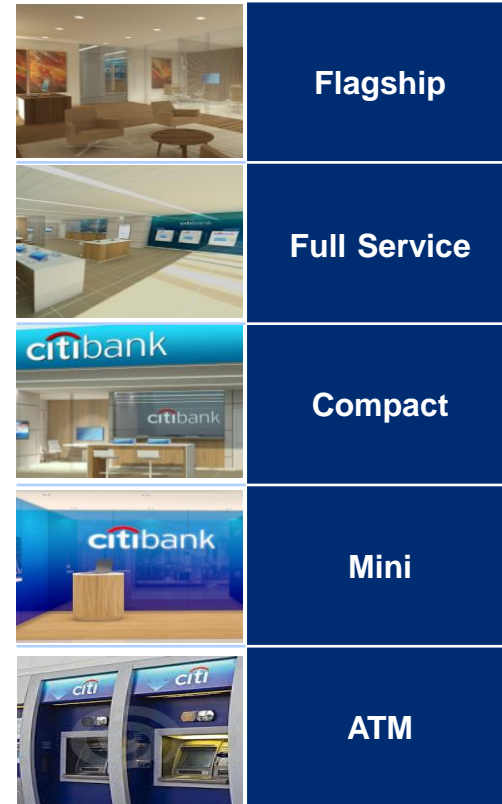


Reducing Headcount

(Retail direct staff, 000s)








Evolving to Multi-Format Hub & Spoke



Adapting footprint to meet changing customer preferences

4

Delivering an Omni-Channel Banking Experience

	Usage Today	Usage Tomorrow
 Branch	<ul style="list-style-type: none"> • Sales • Problem resolution • Routine transactions 	<ul style="list-style-type: none"> • Acquiring and deepening relationships • Digital education • Complex transactions and problem resolution
 Call Center	<ul style="list-style-type: none"> • Service and problem resolution 	<ul style="list-style-type: none"> • Sales appointment setting • Retention and cross-sell • Complex service calls
 ATM	<ul style="list-style-type: none"> • Deposits, withdrawals and inquiries 	<ul style="list-style-type: none"> • Routine transactions • Custom cross-sell offers
 Online	<ul style="list-style-type: none"> • High volume, low value transactions • Basic chat 	<ul style="list-style-type: none"> • Account acquisition • Routine transactions • Personalized offers
 Mobile	<ul style="list-style-type: none"> • Basic transfer and payments 	<ul style="list-style-type: none"> • Routine transactions • Alerts and updates • Location based offers

Using Technology to Support our Transformation

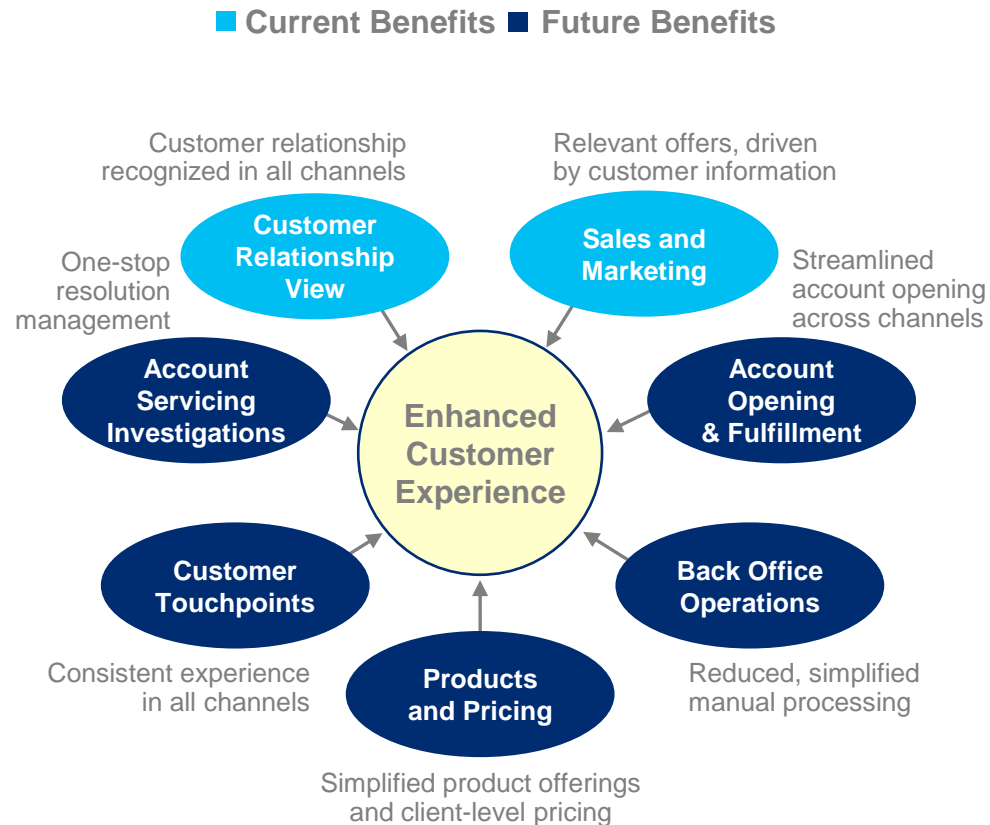
Implementing a common global platform to support multiple customer touchpoints

Customer Benefits

- Enhanced, consistent sales and service experience across all channels
- Simplified client-centric products and pricing with differentiated value propositions
- Leading-edge digital banking capability

Business Benefits

- Global platform across all business lines
- Improved efficiencies and economy of scale, plus financial benefits of retiring ~100 applications in U.S.
- Enhanced ability to serve customers across any segment, business or channel
- Simplified systems / reduced operational risk



Common global platform is a business transformation, not just a technology investment

Market Example: Miami

Miami Market

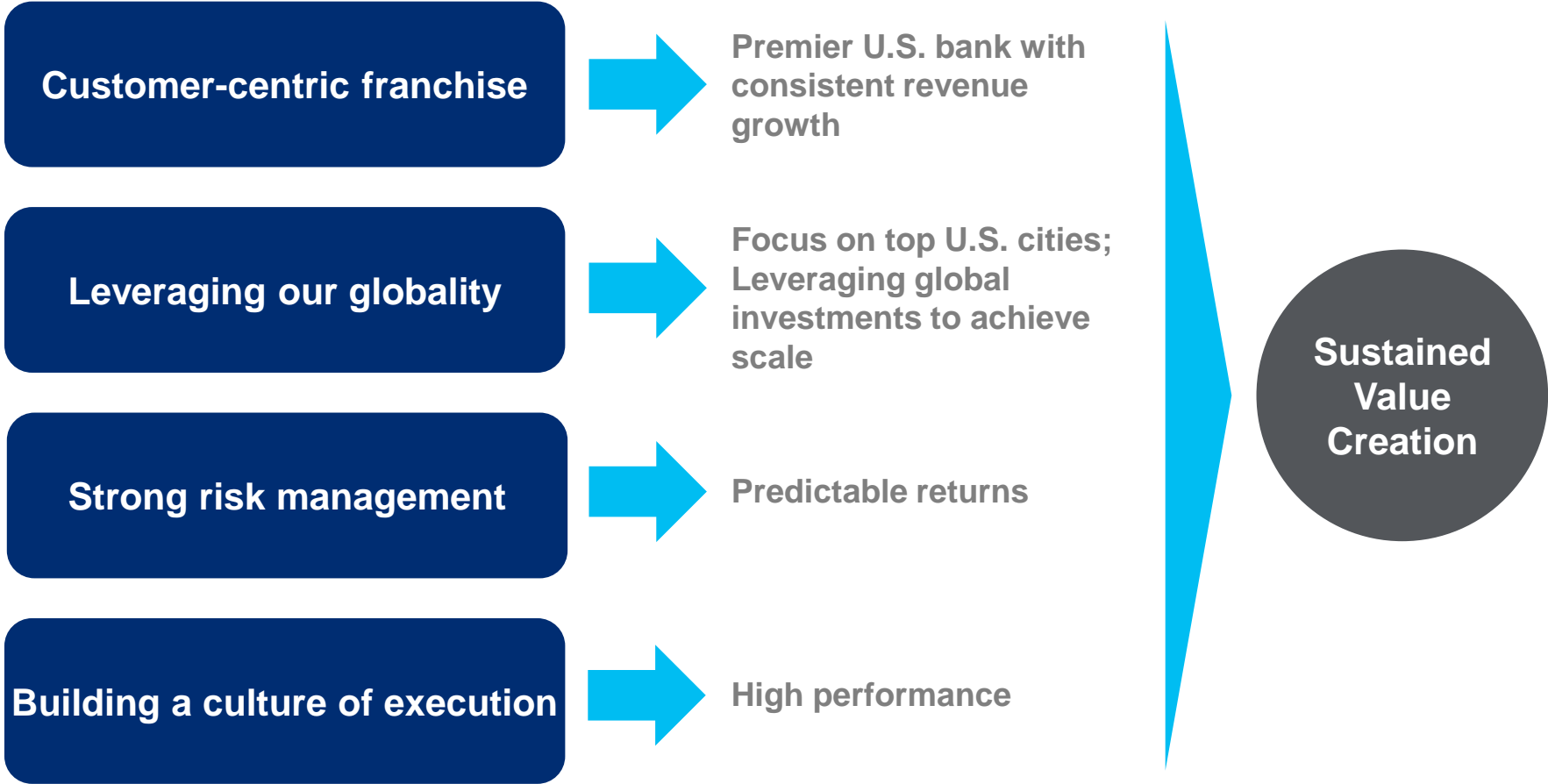
- Globally-connected market with attractive growth
- Commercial hub with diverse, affluent population
- Citi operates 51 branches, with the highest deposits per branch of any major bank



Ecosystem Development

- **High impact marketing in “hot spots”**
 - Pop-up locations
 - Key merchant partnerships
 - Digital and social media
- **Evolving to hub & spoke distribution model**
 - Anchoring distribution around key locations
 - Increasing touchpoints while reducing square footage per sales point
- **Increasing smart branch penetration**
 - Shifting to digitally-enabled branches, with plan to convert >85% of network
- **Transforming sales and service experience**
 - Digitally-enabled
 - Simpler account opening, improved servicing and more convenience

The Business We Are Building



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The Citi logo is centered on a blue gradient background. It features a red semi-circular arc above the word "citi" in a white, lowercase, sans-serif font. A registered trademark symbol (®) is located to the right of the word.

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