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CITIGROUP REPORTS 4th QUARTER AND FULL-YEAR EARNINGS

4th QUARTER CORE INCOME OF \$3.33 BILLION, Up 11%, NET OF \$146 MILLION CHARGE FOR TRANSPORTATION LOSS PROVISION AND CONFORMING ADJUSTMENTS FOR ASSOCIATES; DILUTED CORE EPS UP 12% TO \$0.65

4th QUARTER REVENUE INCREASED 11%

2000 CORE INCOME UP 25% TO RECORD \$14.14 BILLION, NET OF \$298 MILLION CHARGE FOR TRANSPORTATION LOSS PROVISION AND CONFORMING ADJUSTMENTS FOR ASSOCIATES; DILUTED CORE EPS OF \$2.74

FULL-YEAR REVENUE UP 14%

**4th Quarter Net Income of \$2.84 Billion, Net of \$491 Million in Restructuring and Merger-Related Items
Full-Year Net Income of \$13.52 Billion, Net of \$621 Million in Restructuring and Merger-Related Items**

New York, NY, January 16, 2001 – Citigroup Inc. (NYSE:C) today reported core income for the fourth quarter of \$3.33 billion, or \$0.65 per share, diluted, increasing 12%, after an aggregate charge of \$146 million (or \$0.03/share) relating to a transportation loss provision for the Associates' truck loan and leasing portfolio and adjustments to reflect the timing differences of conforming Associates' accounting policies to those of Citigroup. Core income for the full year was a record \$14.14 billion, or \$2.74 per share, diluted, for the year ended December 31, 2000, a 25% increase over the prior year. These results are after an aggregate charge of \$298 million (or \$0.06/share) relating to the aforementioned items. Net income of \$13.52 billion for the year ended December 31, 2000, was also reduced by \$621 million in restructuring and merger-related items primarily related to the acquisition of the Associates.

- Each of Citigroup's business segments continued strong performance in the quarter, with growth of 25% in the Global Consumer Group, 10% in the Global Corporate and Investment Bank, and 8% for Global Investment Management and Private Banking;
- Total revenue increased 14%;
- Return on common equity was 24% for the full year;
- Total equity (including trust preferred securities) increased to \$71.2 billion at December 31, 2000;
- The Global Corporate and Investment Bank was named "Bank of the Year" by *International Financial Review*, for the second consecutive year;
- Citibank Online, the company's recently launched Internet banking product, was ranked number one by Gomez and Forrester Research.

"This has been a year of enormous accomplishment for Citigroup and we are delighted with the strength of our performance company-wide," said Sanford I. Weill, Chairman and Chief Executive Officer of Citigroup. "We are among the top earning companies in the world, with all of our major business segments contributing to our success, and we continue to increase our base of recurring and predictable earnings. We are taking steps to assure that our footprint in rapidly growing markets is significant enough to take full advantage of the developing potential in these areas, and tailoring our investment, insurance and consumer finance products to the needs of the emerging middle class around the world.

"The acquisitions of Schroders and Associates are contributing to our core earnings even as they build our business capabilities in strategically important markets. In addition, we have made significant progress on our Internet strategy, with the launch of several new and well-accepted products into the consumer and corporate markets, including the number-one ranked Internet banking product."

GLOBAL CONSUMER**4th Quarter Core Income: \$1.47 Billion, up 25% from \$1.17 Billion****2000 Core Income: \$5.29 Billion, up 22%**

Citigroup's Global Consumer businesses contributed \$1.47 billion in core income in the fourth quarter, rising 25% on the strength of North America Cards' and Travelers Life and Annuity's performance, controlled expense growth, and generally stable credit trends across most businesses. Citigroup's global cards business, spanning 46 countries with 100 million accounts, increased receivables to \$117.7 billion, generating core income of \$650 million. During the year, Citigroup also launched a number of significant Internet-based products designed to meet a full spectrum of consumer financial needs, including MyCiti.com, the first account aggregation site to be offered by a major financial services firm, as well as c2it, one of the first person-to-person payments capabilities over the Internet. More than 8.2 million on-line accounts now access Citigroup's products and services over the Internet. Cross-marketing programs throughout the Global Consumer business continue to increase their contribution to results, as both SSB mortgage referrals and the sale of Travelers individual annuities were strong in the quarter, and sales of CitiFinancial home equity loans surged 43%.

- Core income from **Banking/Lending** rose 27% to \$761 million, led by *North America Cards*, where managed receivables increased 5% or \$4 billion from the third quarter and 17% from one year ago. The net interest margin improved by 19 basis points in the quarter, accelerating revenue growth to 6% and driving core income growth of 26% to \$408 million from the prior year period. *Citibanking North America* benefited from 8% deposit growth and expense controls which offset spread compression and lower investment product fees, driving a 27% increase in core income. *Mortgage Banking* core income growth of 38% reflected volume growth in both mortgages and student loans, offset by lower spreads. *CitiFinancial* continued to generate strong production rates, with receivables totaling more than \$18 billion, up 18%, leading to core income growth of 22% in the quarter.
- **Insurance** core income increased 22% to \$419 million. *Primerica's* core income rose 8%. Production was strong, reflecting a 28% increase in loans, 15% growth in mutual fund sales, and 16% in face amount of insurance issued, accompanied by strong recruitment and licensing. Revenue growth was partly offset by investment in international expansion. *Travelers Life and Annuity* core income grew by 55%, driven by strong business volumes, higher net investment income and the absence of certain expenses occurring in the prior year quarter. Strong individual annuity sales continued in both proprietary and non-proprietary channels, yielding the highest net sales in five quarters. *Travelers Property Casualty's Personal Lines* income decline of 9% reflected a continuation of higher loss costs as well as lower favorable prior year reserve development partly offset by the incremental earnings from the minority interest buyback earlier in 2000. Net written premium growth, excluding SECURE, was 8% in the quarter.
- **International** core income increased 23%. In the developed markets of *Western Europe and Japan*, income rose 43% to \$129 million, led by substantial volume growth in Japan and the contribution of the Diners Club acquisition, completed earlier in 2000, as well as growth in loans and investment products across Europe. *Emerging Markets Consumer* core income of \$218 million grew 14%. Excluding Japan, Asia core income increased 36%, reflecting volume growth in cards and deposits and improvements in credit costs. CEEMEA core income increased 40%, due to increased volumes throughout the region. Latin America core income fell 16%, reflecting revenue weakness in certain Latin American markets, and lower earnings in Mexico. Results in Mexico were impacted by the loss of a subsidy related to the Confia acquisition which was partially restored as a result of the recent agreement with the Mexican Government. The agreement resulted in the recognition of \$27 million of after-tax gains in the quarter, in addition to ongoing interest income.

GLOBAL CORPORATE AND INVESTMENT BANK
4th Quarter Core Income: \$1.41 Billion, up 10% from \$1.28 Billion
2000 Core Income: \$6.37 Billion, up 28%

The Global Corporate and Investment Bank's core income rose 10% in the quarter, with 14% revenue growth, boosted by strong performance in the emerging markets. In addition to naming Citigroup as the "Bank of the Year" for the second year in a row, with particular emphasis on Salomon Smith Barney's successful build-out in Europe and Japan, *International Financing Review* also named Citibank/SSB "Global Loan House of the Year," and Citigroup "Latin American Bank of the Year." Citigroup was also named "Bank of the Year" by *Finance Asia* magazine. Citibank's product capabilities in the emerging markets were recognized by *Global Custodian* magazine, which named Citibank the top-rated custody bank in 19 emerging markets. In addition, Citibank was awarded "Best Bank" by *Corporate Finance* for project finance, cash management and foreign exchange, and named "Best Emerging Markets Bank in the World" by *Global Finance*. Citibank/SSB's global derivatives and securitization businesses also received top accolades from *Global Finance*. Salomon Smith Barney was further recognized for its lead advisory role in the "Deal of the Year," the merger of AOL and Time Warner, by *Investment Dealers' Digest*. Salomon Smith Barney continues to demonstrate leadership in capital markets, ranking #1 in global underwriting, and has made substantial strides in global mergers and acquisitions, moving to #4 from #7 one year ago.

- Reflecting the successful integration of these businesses, **Salomon Smith Barney and The Global Relationship Bank** are now reported on a combined basis. For the full year, core income rose 23% with a net revenue increase of 20%. In the fourth quarter, an industry-wide slowdown in several areas of investment banking and securities brokerage activities drove a 13% decline in core income from the 1999 period, to \$716 million. Results were also affected by higher expenses due to the Schroders and Copelco acquisitions in 2000, and a substantial increase in compensation costs in response to competitor practices and investment spending. Fees and commissions rose 3% in the quarter, primarily reflecting an increase in institutional securities commissions. Asset management and administration fees retained in this segment increased 29% largely in the Private Client wrap fee business where the firm continues its #1 position. Principal transactions revenue rose 2% reflecting higher equities and foreign exchange trading income offset by a decline in fixed income trading. Investment banking revenue increased 8%, as record merger and acquisition fees as well as increased fees from loans and structured products were partly offset by a significant decline in high-margin equity underwriting.

Private client results reflected substantial growth for 2000, as the firm added a record 800 Financial Consultants and gross production per FC exceeded \$500,000 for the year. For the full year, Private Client core income rose 17%, passing the \$1 billion mark. However, for the quarter, core income declined to \$199 million, as the business invested substantially in additional branches as well as in technology upgrades across the branch system. The number of accounts using Salomon Smith Barney's on-line Access service reached 1.5 million, almost tripling the household penetration from a year ago.

- **Emerging Markets Corporate Banking** reported record core income of \$448 million, a 72% increase over the 1999 quarter, driven by strong business conditions in all regions, tight expense control management as well as credit improvements. Revenue growth of 24% reflected growth in transaction services and trading results, as well as the contribution of Bank Handlowy, acquired earlier in 2000. Expense growth was held to 9% (a 2% improvement over the 1999 quarter excluding the impact of the Handlowy acquisition). The provision for loan losses continued to improve, down \$90 million, primarily in the Asia region.
- **Travelers Property Casualty Commercial Lines** core income increased 25% driven by continued pricing improvements across all market segments, as well as the minority interest buyback earlier in 2000, partly offset by increased loss cost trends and lower net investment income. Net written premiums increased 22%, including the impact of Reliance Surety and the purchase of renewal rights for Reliance's middle market business and Frontier specialty business.

GLOBAL INVESTMENT MANAGEMENT AND PRIVATE BANKING
4th Quarter Core Income: \$163 Million, up 8% from \$151 Million
2000 Core Income: \$685 Million, up 15%

During the quarter, Citigroup's Global Investment Management and Private Banking Group continued to invest in developing its global research platform, improving investment performance and expanding its activities in the retirement services market, while increasing sales through proprietary distribution channels throughout the company. Revenues for the quarter rose 16%, with double-digit growth experienced in the Private Bank and across Asset Management and Retirement Services, led by the increased ownership stakes in Garante and Siembra.

- **Asset Management** core income (including Retirement Services) was \$78 million, unchanged from the prior year period, as revenue growth of 19% was offset by continued investment spending to build the business' global sales and marketing capacity as well as its research, quantitative and technology platforms. Assets under management increased 6% to \$401 billion, as net flows were offset by declines in market values.

Sales of the group's long-term mutual funds and managed account products through the Salomon Smith Barney retail channel rose 71% to \$6.5 billion, representing 56% of this channel in the quarter. The group's share of the Primerica channel was 54%, with \$429 million in SSB Citi Asset Management U.S. mutual and money funds sold. Sales through Citibank's global retail banking network reached \$3.0 billion in the quarter. Share of the U.S. branch channel reached 74%, following the successful launch of the Smith Barney mutual funds in the third quarter. Institutional client assets rose to \$154 billion, including \$5.5 billion in assets raised from Global Corporate and Investment Bank customers in the fourth quarter.

- Core income for the **Private Bank** rose 16% to \$85 million. Revenues increased 11% with stronger asset management fees as well as higher interest income, partly offset by continued investment in sales infrastructure. Client business volumes rose 9%, reaching \$153 billion.

ASSOCIATES FIRST CAPITAL

4th Quarter Core Income: \$289 million,

Including \$135 Million in Transportation Loss Provision and \$11 Million in Conforming Adjustments

2000 Core Income: \$1.38 Billion, down 1%

Including Transportation Loss Provision and \$163 Million in Conforming Adjustments

Associates First Capital core income for the fourth quarter was \$289 million, versus \$394 million in the prior year period, reflecting an aggregate charge of \$146 million relating to a transportation loss provision for the truck loan and leasing portfolio and adjustments reflecting the timing differences of conforming Associates' accounting policies to those of Citigroup. Full year core income of \$1.38 billion also included \$298 million for these items. Net income for Citigroup also reflects \$459 million in restructuring and merger-related items in the fourth quarter as a result of the Associates acquisition. Revenue growth was 22%, driven by higher net interest income as a result of 17% receivables growth. Expenses in the quarter rose 19%.

CORPORATE/OTHER, E-CITI, AND INVESTMENT ACTIVITIES

The loss from **Corporate/Other** decreased in the quarter primarily reflecting lower Y2K costs at the corporate level partially offset by higher funding costs. Losses in **e-Citi**, the remainder of internet-related development activities not allocated to the individual businesses, improved from the prior year quarter. Income from **Investment Activities** was \$203 million, down from the prior year and the prior quarter, reflecting realized and unrealized gains in a number of private equity investments offset by lower market values in the company's public equity securities.

Citigroup (NYSE: C), the preeminent global financial services company, provides some 120 million consumers, corporations, governments and institutions in more than 100 countries with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, insurance, securities brokerage and asset management. Major brand names under Citigroup's trademark red umbrella are Citibank, CitiFinancial, Primerica, Salomon Smith Barney, and Travelers. Additional information may be found at www.citigroup.com.

A financial summary follows. Additional financial, statistical and business-related information, as well as business and segment trends, is included in a Financial Supplement. Both the earnings release and the Financial Supplement are available on Citigroup's web site (<http://www.citigroup.com>). This document can also be obtained by calling 1-800-853-1754 within the United States or 732-935-2771 outside the United States.

This document may contain forward-looking information subject to risks, uncertainties and information subject to risks, uncertainties and other factors that could materially affect results. For further information, please see Citigroup's reports filed with the SEC pursuant to the Securities Exchange Act of 1934 which are available at the SEC's website (www.sec.gov).

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Citigroup Segment Income <i>(In Millions of Dollars)</i>	Fourth Quarter		%	Year Ended		%
	2000	1999		2000	1999	
Global Consumer						
Citibanking North America.....	\$ 146	\$ 115	27	\$ 566	\$ 398	42
Mortgage Banking.....	76	55	38	272	225	21
North America Cards.....	408	324	26	1,381	1,182	17
CitiFinancial.....	131	107	22	481	388	24
Banking / Lending.....	761	601	27	2,700	2,193	23
Travelers Life and Annuity.....	209	135	55	777	623	25
Primerica Financial Services.....	124	115	8	492	452	9
Personal Lines.....	86	94	(9)	311	279	11
Insurance.....	419	344	22	1,580	1,354	17
Western Europe.....	94	72	31	345	275	25
Japan.....	35	18	94	139	87	60
Emerging Markets Consumer Banking.....	218	191	14	830	624	33
Total International.....	347	281	23	1,314	986	33
e-Consumer.....	(45)	(33)	(36)	(202)	(111)	(82)
Other Consumer.....	(16)	(22)	27	(98)	(75)	(31)
Total Global Consumer.....	1,466	1,171	25	5,294	4,347	22
Global Corporate and Investment Bank						
Salomon Smith Barney and The Global Relationship Bank.....	716	824	(13)	3,688	2,989	23
Emerging Markets Corporate Banking.....	448	260	72	1,610	1,162	39
Commercial Lines Insurance.....	250	200	25	1,072	845	27
Total Global Corporate and Investment Bank.....	1,414	1,284	10	6,370	4,996	28
Global Investment Management and Private Banking						
SSB Citi Asset Management Group.....	78	78	-	361	328	10
Global Private Bank.....	85	73	16	324	269	20
Total Global Investment Management and Private Banking.....	163	151	8	685	597	15
Associates Before Transportation Loss Provision (A).....						
Transportation Loss Provision.....	(135)	-	NM	(135)	-	NM
Total Associates.....	289	394	(27)	1,381	1,402	(1)
Investment Activities.....	203	213	(5)	1,363	658	107
Corporate / Other.....						
E-Citi.....	(9)	(14)	36	(65)	(50)	(30)
Total Corporate / Other.....	(204)	(215)	5	(953)	(655)	(45)
Core Income (B).....	3,331	2,998	11	14,140	11,345	25
Restructuring and Merger Related Items -- After Tax (C).....	(491)	17	NM	(621)	25	NM
Cumulative Effect of Accounting Changes (D).....	-	-	NM	-	(127)	NM
Net Income.....	\$ 2,840	\$ 3,015	(6)	\$ 13,519	\$ 11,243	20
Diluted Earnings Per Share:						
Core Income (E).....	\$ 0.65	\$ 0.58	12	\$ 2.74	\$ 2.19	25
Net Income.....	0.55	0.58	(5)	2.62	2.17	21

(A) The transportation loss provision of \$135 million (after-tax) and conforming accounting adjustments of \$11 million (after-tax) in the 2000 fourth quarter and \$163 million in the full year reduced core income earnings per share by \$0.03 and \$0.06, respectively. Conforming accounting adjustments of \$14 million in the 1999 fourth quarter had no impact on core earnings per share and adjustments of \$110 million in the 1999 full year reduced core income earnings per share by \$0.02.

(B) Core Income Before Transportation Loss Provision is \$3.466 billion and \$2.998 billion in the 2000 and 1999 fourth quarters, respectively, and \$14.275 billion and \$11.345 billion in the 2000 and 1999 full years, respectively.

(C) Restructuring and merger-related items in the 2000 fourth quarter related to the acquisition of Associates First Capital Corporation include a restructuring charge of \$340 million for business improvement and integration initiatives and \$119 million for merger-related expenses.

(D) Refers to adoption of Statement of Position "SOP" 97-3, "Accounting by Insurance and Other Enterprises for Insurance-Related Assessments" of (\$135) million; adoption of SOP 98-7, "Deposit Accounting: Accounting for Insurance and Reinsurance Contracts That Do Not Transfer Insurance Risk" of \$23 million; and the adoption of SOP 98-5, "Reporting on the Costs of Start-Up Activities" of (\$15) million.

Core Income Supplemental Disclosure (In Millions of Dollars)	Fourth Quarter			Year Ended		
	2000	1999	% Change	2000	1999	% Change
Global Corporate and Investment Bank						
Global Corporate Finance.....	\$ 829	\$ 750	11	\$ 3,617	\$ 3,019	20
Transaction Services.....	130	58	124	512	195	163
Private Client.....	199	264	(25)	1,070	918	17
Commercial Lines Insurance.....	250	200	25	1,072	845	27
Other.....	6	12	(50)	99	19	NM
Total Global Corporate and Investment Bank.....	\$ 1,414	\$ 1,284	10	\$ 6,370	\$ 4,996	28
Emerging Markets Consumer and Corporate Banking						
Asia.....	\$ 270	\$ 183	48	\$ 1,164	\$ 821	42
Latin America.....	245	217	13	956	866	10
Central and Eastern Europe, Middle East and Africa.....	137	81	69	491	305	61
Other.....	41	7	NM	63	(3)	NM
Total Emerging Markets.....	\$ 693	\$ 488	42	\$ 2,674	\$ 1,989	34
Global Wealth Management						
Private Client.....	\$ 199	264	(25)	1,070	918	17
SSB Citi Asset Management Group.....	78	78	-	361	328	10
Global Private Bank.....	85	73	16	324	269	20
Global Consumer Investment, Life Insurance and Annuity Products.....	353	269	31	1,414	1,122	26
Total Global Wealth Management.....	\$ 715	\$ 684	5	\$ 3,169	\$ 2,637	20
Global Cards						
North America.....	\$ 408	\$ 324	26	\$ 1,381	\$ 1,182	17
International.....	115	91	26	433	238	82
Associates.....	127	83	53	380	268	42
Total Global Cards.....	\$ 650	\$ 498	31	\$ 2,194	\$ 1,688	30