

**CITIGROUP FOURTH QUARTER CORE INCOME OF \$3.86 BILLION, UP 16%
FOURTH QUARTER REVENUES OF \$22.0 BILLION, UP 12%
RESULTS INCLUDE \$698 MILLION PRE-TAX IMPACT FROM ENRON AND ARGENTINA**

**FULL YEAR CORE INCOME A RECORD \$14.57 BILLION, AFTER \$1.8 BILLION PRE-TAX
IMPACT OF SEPTEMBER 11, ENRON AND ARGENTINA
FULL YEAR REVENUES OF \$83.6 BILLION, UP 8%**

CORE EPS OF \$0.74 IN THE QUARTER, UP 14% AND \$2.81 FOR THE YEAR, UP 3%

New York, NY, January 17, 2002 — Citigroup Inc. (NYSE:C) today reported core income for the fourth quarter ended December 31, 2001, of \$3.86 billion, increasing 16% over the fourth quarter of 2000. Core income per share, diluted, increased 14%, to \$0.74. Results include \$228 million pre-tax impact relating to Enron, and \$470 million pre-tax impact due to the turmoil in Argentina. For the full year, Citigroup's core income increased 3% over the prior year, while core income per share, diluted, was \$2.81. Net income for the fourth quarter was \$3.88 billion, and for the full year, was \$14.13 billion.

"Our objective is to create a company with the geographic and business diversity necessary to sustain the economic shocks that inevitably occur. Despite the continued global recession; Enron's bankruptcy, the largest in corporate history; and the severe economic turmoil in Argentina; Citigroup performed extraordinarily well in the fourth quarter, with earnings per share up 14%," said Sanford I. Weill, Chairman and Chief Executive Officer of Citigroup.

"It was a difficult year for all of us, as the world has had to deal with the events of September 11, the global slowdown and unusually turbulent markets. Citigroup has not been immune from these problems; in fact, we absorbed \$1.8 billion in reduced revenues, higher losses and increased provisions as a result of September 11, Enron and Argentina and still achieved record results in 2001.

"We continue to reap the benefits of our diverse, market-leading franchises. During the fourth quarter, Global Consumer income increased 20%, Emerging Markets rose 9% and the Corporate and Investment Bank posted extraordinary results relative to its competitors and pared its costs by 7%, growing income 17%. Our planned spin-off of Travelers Property Casualty and our efforts to integrate Travelers Life & Annuity with our Global Investment Management and Private Banking segment are important steps that enable us to focus more intently on our high growth core businesses," said Weill.

Highlights of the year included:

- Strong performance in key businesses:
 - Citigroup's Corporate and Investment Bank topped the league tables as the number one underwriter of global debt and equity in 2001. Citigroup assisted its clients in raising \$487 billion, a 37% increase over proceeds raised in 2000. The Corporate and Investment Bank also ranked #1 in disclosed fees for debt and equity underwriting globally and #1 in investment banking fees for the year, and was the top-ranked U.S. equity research team in *Institutional Investor's* annual survey.
 - Citigroup's Emerging Markets business earned \$3.2 billion in core income, increasing 21% with 32% growth in the consumer segment and 17% growth in Corporate Banking and Transaction Services. The business also continued to increase market share in all regions. It was named "Best Bank in Emerging Markets" and "Best Bank in Latin America" by *Euromoney* and "Best Global Emerging Markets Bank" by *Global Finance*, in addition to being recognized as the "Best Bank in Asia" by *Finance Asia*.
 - Performance of Citigroup Asset Management's funds continued to improve significantly in 2001, with 66% of its U.S. mutual non-money fund assets ranked by Lipper in the 1st or 2nd quartile. Citigroup Asset Management is also the leader in the fast growing managed accounts segment of the market, with \$67 billion in assets under management in U.S. separately-managed accounts.
 - Global Cards core income increased 22% in 2001, with 109 million accounts in 43 countries. International accounts grew 21%, driven by the addition of Banamex.

- Innovative uses of technology to extend our reach and reduce expenses. Citigroup now has approximately 15.3 million on-line customers and has the top-ranked consumer on-line banking, brokerage and credit card products. For corporate customers, CitiDirect now offers on-line transactional banking in 86 countries and 12 languages.
- Increasing operating leverage, as revenue growth of 12% in the fourth quarter outpaced expense growth of 4%. For the full year, revenue growth of 8% was double the level of expense growth at 4%.
- Higher credit losses and revenue impairment stemming from Enron's recent bankruptcy filing as well as substantial turmoil in Argentina. Related to Enron, Citigroup recorded a \$228 million pre-tax charge, including increased credit losses and write-downs on investment securities and trading positions. The current situation in Argentina has resulted in a \$470 million pre-tax negative impact, including \$235 million in a foreign exchange revaluation, and \$235 million in additional credit losses, investment securities write-downs, and a charge related to the exchange of Argentine debt securities for loans.
- Continued investment in expanding our franchise through acquisitions. During 2001, Citigroup invested over \$15 billion in acquisitions, including building the leading financial institution in Mexico through its purchase of Banamex, and enhancing its U.S. retail banking operations with the purchase of EAB.
- Significant increases in revenues related to cross-marketing products through Citigroup's proprietary distribution channels, which totaled \$12.2 billion in 2001. During the year, revenues for investment banking products sold to commercial banking customers increased 15% from the prior year to approximately \$2.4 billion. Citigroup Asset Management's market share of investment products sold through proprietary distribution channels increased to 62% from 46% one year ago. Sales of Travelers Life & Annuity products through Citigroup's U.S. distribution channels rose 17%.
- Strengthening capital, as Citigroup's total equity, including trust preferred securities, grew to \$88.4 billion at December 31, 2001. Citigroup's return on common equity for the fourth quarter was 19.4%, and was 20.4% for the full year. During the quarter, Citigroup repurchased 7.5 million shares of stock, bringing the total number of shares repurchased in 2001 to 64.2 million.

GLOBAL CONSUMER

Core income of \$2.03 billion for the fourth quarter, up 20%. Highlights included:

- Global Consumer revenue increased 20% to \$11.2 billion, while expenses grew at a 12% rate.
- CitiFinancial income increased 50% led by continued expense savings related to the Associates integration, which has led to a \$138 million year over year reduction in expenses. Revenues increased 11%, based on 9% receivables growth, as a lower cost of funds offset lower yields.
- North America Cards income rose 21%, as 6% receivables growth, pricing actions and a lower cost of funds strengthened the net interest margin by 221 basis points. The higher revenues, combined with flat expenses, offset a 169 basis point increase in the net credit loss ratio.
- Citibanking income increased 29%, benefiting from higher spread income and 25% deposit growth, which reflected the addition of EAB, acquired in the third quarter of 2001.
- Japan consumer income increased 27%, reflecting continued growth in consumer finance receivables, reduced expenses and funding costs, offset by lower yields.
- Emerging Markets consumer income rose 44%, which reflects the inclusion of all operations for Banamex and Citibank Mexico, which together contributed \$207 million in income. Substantial growth was also experienced in Asia, driven by the continued expansion of Citigroup's cards business in the region, as well as in CEEMEA, reflecting deposit growth in new markets, as well as increases in cards and investment products sales. Results in Latin America were impacted by a \$235 million pre-tax loss on the revaluation of certain consumer loans in Argentina.
- Primerica Financial Services' income increased 8%, driven by higher net investment income, increased sales of loan products and lower reported claims.

- Travelers Property Casualty Personal Lines income fell 36%, reflecting continued higher loss trends and lower net investment income, despite 6% growth in direct written premiums.

GLOBAL CORPORATE

Core income of \$1.32 billion for the fourth quarter, up 4%. Highlights included:

- Global Corporate revenues of \$8.3 billion decreased 1%, while expenses fell 7%.
- Income from Emerging Markets Corporate Banking and Global Transaction Services declined 14% to \$351 million, reflecting a \$193 million pre-tax write-down related to Argentina. The impact of these write-downs overshadowed strong trading-related revenues throughout all regions as well as tight expense controls, as evidenced by the 8% decline in expenses from the year ago quarter.
- The Corporate & Investment Bank's income rose 17%, as a 7% reduction in expenses from the fourth quarter of 2000 more than offset an \$84 million higher provision for credit losses, including credit losses related to Enron. Despite a weaker environment, investment banking revenues increased 21% from the prior year and 30% from the third quarter of 2001, while commission revenue growth of 4% from the third quarter reflected an 8% increase in retail commissions.
- Travelers Property Casualty Commercial Lines' income increased 2%, reflecting continued rate increases and lower expenses, offsetting lower net investment income.

GLOBAL INVESTMENT MANAGEMENT AND PRIVATE BANKING

Core income of \$371 million for the fourth quarter, up 1%. Highlights included:

- Travelers Life & Annuity income decreased 3%, as a result of lower net investment income. Lower investment results mitigated the effect of higher volumes in group annuity and record volume in life insurance, holding revenue growth to 11%, offset by higher provisions for policyholder benefits resulting from the increased volumes.
- Capping a record year for the Private Bank, income rose 12% in the fourth quarter. Revenues, driven by greater assets under management, stable loan volumes and increased client trading activity, rose 10% while expense growth was held to 3%.
- Asset Management and Retirement Services income increased 3% resulting from strong net flows and significant expense reductions offset by negative market action and a charge related to the exchange of Argentine debt securities for loans. Excluding Retirement Services, Asset Management income increased 30%. Net flows in the quarter were \$11.2 billion, and assets under management reached \$417 billion, an increase of 4%.
- Asset Management market share increased in 2001 in proprietary channels, with market shares of 59% in the Smith Barney retail channel, 67% at Primerica Financial Services and 72% in the Citibank North America channel.

INVESTMENT ACTIVITIES AND CORPORATE/OTHER

Income for Citigroup's Investment Activities was \$279 million in the fourth quarter, reflecting realized gains as well as mark to market increases on proprietary investments and investments held in the insurance portfolio, offset by various technology and telecom write-downs as well as securities write-downs related to Enron. Expenses in Corporate/Other were \$134 million, \$50 million lower than the fourth quarter of 2000, aided by reduced corporate overhead expense as well as lower borrowing costs.

Citigroup (NYSE: C), the preeminent global financial services company with 192 million customer accounts in more than 100 countries, provides consumers, corporations, governments and institutions 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 include Citibank, CitiFinancial, Primerica, Smith Barney, Banamex, 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.

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Citigroup Segment Income (In Millions of Dollars, except per share data)	Fourth Quarter		%	Full Year		%
	2001	2000		2001	2000	
Global Consumer						
Citibanking North America.....	\$ 165	\$ 128	29	\$ 605	\$ 496	22
Mortgage Banking.....	96	83	16	353	297	19
North America Cards.....	638	527	21	2,133	1,787	19
CitiFinancial.....	320	213	50	1,126	810	39
Banking / Lending.....	1,219	951	28	4,217	3,390	24
Primerica Financial Services.....	134	124	8	512	492	4
Personal Lines.....	53	83	(36)	208	307	(32)
Insurance.....	187	207	(10)	720	799	(10)
Western Europe.....	143	103	39	483	384	26
Japan.....	257	202	27	928	729	27
Mexico.....	207	10	NM	346	56	NM
Other Emerging Markets Consumer Banking.....	117	215	(46)	820	850	(4)
Emerging Markets Consumer Banking.....	324	225	44	1,166	906	29
Total International.....	724	530	37	2,577	2,019	28
e-Consumer.....	(17)	(33)	48	(77)	(160)	52
Other Consumer.....	(82)	36	NM	(71)	(44)	(61)
Total Global Consumer.....	2,031	1,691	20	7,366	6,004	23
Global Corporate						
Corporate Finance.....	514	391	31	2,745	2,598	6
Private Client.....	187	208	(10)	764	1,072	(29)
Corporate and Investment Bank.....	701	599	17	3,509	3,670	(4)
Emerging Markets Corporate Banking and Global Transaction Services.....	351	407	(14)	1,644	1,403	17
Commercial Lines Insurance.....	263	257	2	691	1,093	(37)
Total Global Corporate.....	1,315	1,263	4	5,844	6,166	(5)
Global Investment Management and Private Banking						
Travelers Life and Annuity.....	202	209	(3)	821	777	6
The Citigroup Private Bank.....	95	85	12	378	323	17
Citigroup Asset Management.....	74	72	3	336	345	(3)
Total Global Investment Management and Private Banking.....	371	366	1	1,535	1,445	6
Investment Activities.....	279	194	44	530	1,383	(62)
Corporate / Other.....	(134)	(183)	27	(706)	(858)	18
Core Income.....	3,862	3,331	16	14,569	14,140	3
Restructuring and Merger Related Items -- After Tax (A).....	13	(491)	NM	(285)	(621)	54
Income Before Cumulative Effect of Accounting Changes.....	\$ 3,875	\$ 2,840	36	\$ 14,284	\$ 13,519	6
Cumulative Effect of Accounting Changes (B).....	-	-	-	(158)	-	-
Net Income.....	\$ 3,875	\$ 2,840	36	\$ 14,126	\$ 13,519	4
Diluted Earnings Per Share:						
Core Income.....	\$ 0.74	\$ 0.65	14	\$ 2.81	\$ 2.74	3
Income Before Cumulative Effect of Accounting Changes.....	\$ 0.74	\$ 0.55	35	\$ 2.75	\$ 2.62	5
Net Income.....	\$ 0.74	\$ 0.55	35	\$ 2.72	\$ 2.62	4
Core Diluted Earnings Per Share Excl. Goodwill Amortization.....	\$ 0.76	\$ 0.67	13	\$ 2.89	\$ 2.82	2

(A) Restructuring and merger-related items in the 2001 first quarter related principally to severance and costs associated with the reduction of staff in the Global Corporate businesses, in the 2001 second quarter related principally to severance and costs associated with the reduction of staff primarily in the Global Corporate and Global Consumer businesses, in the 2001 third quarter primarily related to the acquisition of Banamex and the integration of its operations within the Global Consumer business, and in the 2001 fourth quarter primarily related to reductions in the reserve due to changes in estimates.

(B) Accounting Changes refer to the first quarter 2001 adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended and the second quarter 2001 adoption of EITF issue 99-20 "Recognition of Interest Income and Impairment on Purchased and Retained Beneficial Interests in Securitized Financial Assets."

Core Income Supplemental Disclosure (In Millions of Dollars)	Fourth Quarter		%	Full Year		%
	2001	2000	Change	2001	2000	Change
Citigroup Emerging Markets (excluding Investment Activities)						
Asia						
Consumer Banking.....	\$ 162	\$ 131	24	\$ 615	\$ 544	13
Corporate.....	172	131	31	684	529	29
Asset Management & Private Banking.....	19	9	NM	77	58	33
Total Asia.....	353	271	30	1,376	1,131	22
Mexico.....	207	10	NM	346	56	NM
Latin America						
Consumer Banking.....	(46)	80	NM	154	260	(41)
Corporate.....	60	127	(53)	540	515	5
Asset Management & Private Banking.....	8	52	(85)	142	146	(3)
Total Latin America.....	22	259	(92)	836	921	(9)
Central and Eastern Europe, Middle East and Africa						
Consumer Banking.....	24	8	NM	87	48	81
Corporate.....	137	118	16	526	413	27
Asset Management & Private Banking.....	5	9	(44)	20	20	-
Total Central and Eastern Europe, Middle East and Africa.....	166	135	23	633	481	32
Other.....	21	32	(34)	(10)	33	NM
Total Emerging Markets.....	\$ 769	\$ 707	9	\$ 3,181	\$ 2,622	21
Global Wealth Management						
Private Client.....	\$ 187	\$ 208	(10)	\$ 764	\$ 1,072	(29)
Citigroup Asset Management.....	74	72	3	336	345	(3)
The Citigroup Private Bank.....	95	85	12	378	323	17
Travelers Life and Annuity.....	202	209	(3)	821	777	6
Global Consumer Investment Products.....	172	141	22	601	608	(1)
Total Global Wealth Management.....	\$ 730	\$ 715	2	\$ 2,900	\$ 3,125	(7)
Global Cards						
North America.....	\$ 638	\$ 527	21	\$ 2,133	1,787	19
International.....	197	118	67	601	449	34
Total Global Cards.....	\$ 835	\$ 645	29	\$ 2,734	\$ 2,236	22
Global Consumer Finance						
North America.....	\$ 320	\$ 213	50	\$ 1,126	\$ 810	39
International.....	254	179	42	866	626	38
Total Global Consumer Finance.....	\$ 574	\$ 392	46	\$ 1,992	\$ 1,436	39

Citigroup Segment Revenue (In Millions of Dollars)	Fourth Quarter		%	Full Year		%
	2001	2000	Change	2001	2000	Change
Global Consumer						
Citibanking North America.....	\$ 725	\$ 562	29	\$ 2,714	\$ 2,273	19
Mortgage Banking.....	267	238	12	1,037	912	14
North America Cards.....	3,573	2,911	23	13,028	10,756	21
Citifinancial.....	1,469	1,318	11	5,634	5,071	11
Banking / Lending.....	6,034	5,029	20	22,413	19,012	18
Primerica Financial Services.....	499	490	2	1,979	1,915	3
Personal Lines.....	1,146	1,088	5	4,464	4,230	6
Insurance.....	1,645	1,578	4	6,443	6,145	5
Western Europe.....	680	591	15	2,555	2,388	7
Japan.....	880	815	8	3,382	2,781	22
Mexico.....	1,122	151	NM	2,117	603	NM
Other Emerging Markets Consumer Banking.....	883	1,055	(16)	4,129	4,190	(1)
Emerging Markets Consumer Banking.....	2,005	1,206	66	6,246	4,793	30
Total International.....	3,565	2,612	36	12,183	9,962	22
e-Consumer.....	40	35	14	176	170	4
Other Consumer.....	(77)	58	NM	50	169	(70)
Total Global Consumer.....	11,207	9,312	20	41,265	35,458	16
Global Corporate						
Corporate Finance.....	3,255	3,077	6	13,452	12,830	5
Private Client.....	1,438	1,628	(12)	5,954	6,916	(14)
Corporate and Investment Bank.....	4,693	4,705	-	19,406	19,746	(2)
Emerging Markets Corporate Banking and Global Transaction Services.....	1,655	1,650	-	6,928	6,236	11
Commercial Lines Insurance.....	1,998	2,062	(3)	7,963	7,497	6
Total Global Corporate.....	8,346	8,417	(1)	34,297	33,479	2
Global Investment Management and Private Banking						
Travelers Life and Annuity.....	1,108	999	11	4,088	3,891	5
The Citigroup Private Bank.....	406	370	10	1,536	1,409	9
Citigroup Asset Management.....	424	490	(13)	1,929	1,845	5
Total Global Investment Management and Private Banking.....	1,938	1,859	4	7,553	7,145	6
Investment Activities.....	478	345	39	907	2,309	(61)
Corporate / Other.....	-	(280)	100	(397)	(697)	43
Total Adjusted Revenue.....	21,969	19,653	12	83,625	77,694	8