

DEAR FELLOW SHAREHOLDERS,



It is a privilege for me to have been asked to serve as Chairman of Citi at this important time in our company's history. I look forward to working with Vikram Pandit and our board as we strive to reestablish our leading position in world markets and guide Citi toward long-term growth and success.

The sobering results of this year notwithstanding, I would like to reinforce that this is a great company with talented and dedicated employees and a robust and innovative range of products and services. I have long admired this firm's extraordinary client relationships, which are built on service and insights provided by our people with their local and global perspective. As a result of the drive and commitment of our people, we have won the loyalty of our clients over many years.

These same employees, most of whom own stock in the company, have shared the pain of diminished personal wealth with all shareholders. We regret these losses to all our shareholders and thank you for your continued faith in Citi's unparalleled franchise and longer-term prospects. Among the employees with significant stakes in Citi's future are the members of our management team. We are fortunate to have many managers who run our businesses well and who have earned trust and respect throughout the industry and, indeed, throughout the world.

We have a deeply experienced and dedicated board, which led the company successfully through a search for a new chief executive at the end of 2007. I want to thank Charles Prince, who left the company and the board this fall, for his efforts on behalf of Citi for many years and for the many contributions he made in embedding in the company a culture of responsibility to our clients, to each other and to our franchise. Adding to the breadth of our board since July is Robert L. Ryan, retired chief financial officer of Medtronic.

A period of market turmoil such as the one we have experienced this year rightfully forces a company to examine itself and look inward. But Citi, with its integration into the communities of the world at large, has also never been more committed to reaching beyond our office doors. In May, we announced a \$44 billion local currency financing program involving Citibank India and SKS Microfinance that is facilitating financial access through micro loans to more than 250,000 women residents of rural villages in 11 Indian states. We are now directing \$50 billion over the next ten years to address global climate change through investments, financings and related activities to support the commercialization and growth of alternative energy and clean technology among our clients and the markets we serve, as well as within our own businesses and operations. With a presence in more than 100 countries, we are conscious of our responsibility to the people and communities who are our customers. Environmental and climate issues pose a significant challenge to the world and the global economy, and they will require creative financial and investment solutions.

We are making changes that will position Citi to compete and win. We will continue to build on our remarkable franchise and embrace opportunities around the world for our clients. I look forward to reporting on our progress.

A handwritten signature in black ink that reads "Winfried Bischoff". The signature is written in a cursive, flowing style.

Sir Winfried Bischoff