Letter to Shareholders

Dear Fellow Shareholders,

When I wrote to you one year ago, just after assuming the role of CEO, I laid out three broad goals for our company. First, I want Citi to generate consistent, quality earnings. Second, I want Citi to be known for making smart decisions in every aspect of our work. Third, I concluded that I won't be satisfied until Citi has completely rebuilt our credibility with all our stakeholders.

Michael L. Corbat
Chief Executive Officer

Let me recap our progress in 2013 toward achieving those goals and lay out the agenda I've set for our firm for 2014 and beyond.

2013 was a busy year for the firm and for me personally. I traveled some 200,000 miles visiting 53 cities, met with two clients each day on average, spoke with regulators in nearly every country I visited, had dozens of interactions with investors and spoke with our employees at internal gatherings at least once a week.

The consistent theme from all these conversations is that our stakeholders agree that our strategy — focused on the dominant secular trends of globalization, urbanization and digitization — is right, both for our firm and for the times. All three trends reinforce each other. And with our industry-leading global network, presence in the world's top cities, and ambitious digital agenda for our consumer and institutional businesses, Citi is uniquely positioned to harness each for the benefit of our clients.

But many also raised questions about our ability to successfully execute that strategy and operate our businesses up to their considerable potential. I know we can, and I believe that our 2013 performance provides some strong evidence.

First, and fundamentally, we earned \$13.7 billion — our largest profit since the financial crisis. With most developed markets growing well below the levels that used to be taken for granted, and many emerging markets slowing considerably from their recent peaks, this result demonstrates the resiliency of our franchise and the talent of our people to perform even in a persistently challenging environment.

We were able to grow our revenues in the face of regulatory, legal and other headwinds. We managed our risk carefully throughout a volatile year, with markets on edge owing to the Federal Reserve's announcement that it soon would begin to wind down its Quantitative Easing program.

Particularly in a tough revenue environment, expenses — which are largely under our control — are viewed as a proxy for management effectiveness. And I'm pleased that we hit our commitment in 2013 and realized \$900 million in savings from our repositioning actions, which helped further curb our expenses.

We grew our overall loan portfolio in Citicorp by 6%. In particular, we met – and exceeded – a commitment made in 2011 to lend $24 billion to U.S. small businesses over three years. With $9.1 billion lent in 2013 – more than double the 2009 level – that brings the total to $26.6 billion to enable small businesses to start and expand operations, add jobs and turn their passions into progress.

We also made good progress on several legacy issues. We resolved some significant mortgage litigation, utilized $2.5 billion of our deferred tax assets, reduced Citi Holdings assets by a further 25% and cut Holdings' annual loss in half.

These numbers helped show the capability of this franchise to generate capital. During 2013, we generated more than $20 billion in regulatory capital, ending the year with our Tier I Common ratio at an estimated 10.6% on a Basel III basis – 60 basis points above the goal we set for ourselves at the beginning of the year. At the end of the year, our Supplementary Leverage Ratio stood at 5.4%. And, crucially, we achieved no objection from the Federal Reserve to our 2013 capital plan.

I told you last year that execution of our strategy would be my primary focus. In 2013, we put in place key tools to help us achieve the most from our franchise. We created detailed, tough but realistic scorecards to judge the performance of more than 500 of the top leaders of our firm. We sorted our 101 countries into four categories – or "buckets" – to help us prioritize the commitment of our resources to those sectors and regions most important to our clients. And we announced three targets for 2015 to which we are holding ourselves accountable – return on assets, return on tangible common equity and operating efficiency – and improved our performance across all of them in 2013.

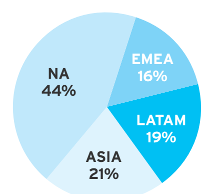
We've shown that we can generate quality earnings. But our 2013 results also surprised us with a damaging example of how ethical failures can jeopardize everything we work for. We discovered that invoices that were paid through an accounts receivable financing program in Mexico were falsified, resulting in a $235 million reduction to our 2013 net income. While we have completed a rapid review of similar lending programs, we continue to investigate what took place in Mexico and are working to identify any areas where we need to strengthen our controls through stronger oversight or improved processes. We are pursuing every possible avenue to recover these funds and to punish the guilty – inside and outside the firm.

The financial impact of fraud can be calculated. The harm to our credibility is harder to gauge. Credibility is the currency that allows us to meet our goals. That's true of clients, the core constituency we aim to serve every day; it's true of regulators, who grant us our license to do business; it's true of employees, whom we need to attract by making Citi the best possible place to work; and it's true of our shareholders, whose trust we require to succeed and which we will continue to strive to earn.

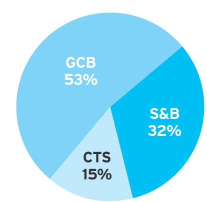
I want you to know that I've made crystal clear to all our employees that I expect the very highest standards from each and every one of them. We are launching a comprehensive program – including improved training and a continued focus on responsible finance – to support and enhance the institutional values that have served this company so well for more than 200 years.

2013 Revenues: $72 billion

By Region



By Business



NA – North America
EMEA – Europe, Middle East and Africa
LATAM – Latin America

GCB – Global Consumer Banking
S&B – Securities and Banking
CTS – Citi Transaction Services

Regional results exclude Corporate/Other.

2013 Citicorp Revenues

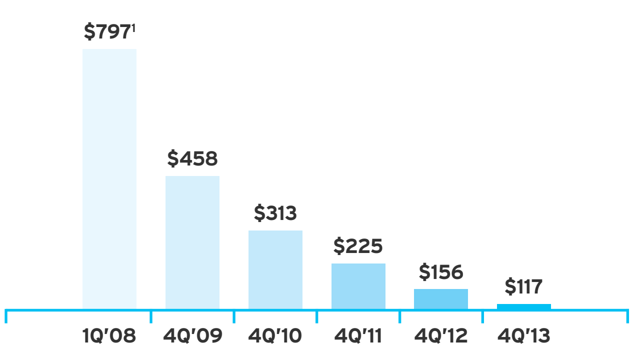
Letter to Shareholders

I know that Citi's culture is robust and that the overwhelming majority of our people know right from wrong and strive to do the right thing every day, in all aspects of our work. But I also know that it takes only one person to jeopardize our credibility.

Looking ahead, we've set clear goals for 2014. We must continue on a path to meet our 2015 financial targets. We also hope to resolve more legacy issues this year, with the aim of putting the bulk of our financial crisis-era legal overhang behind us.

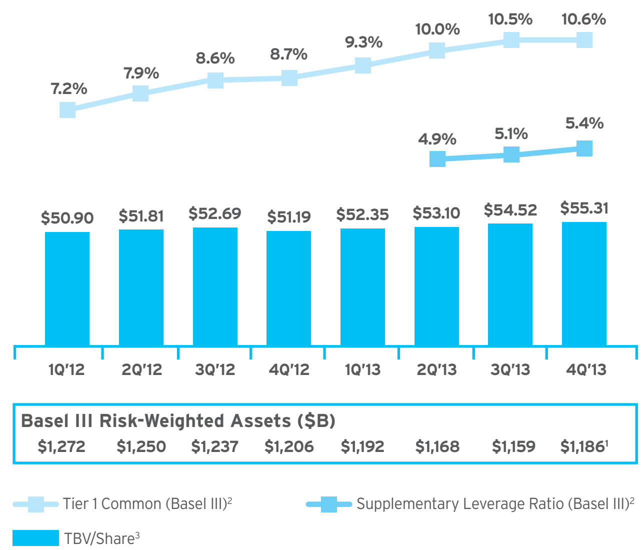
With Citi Holdings now comprising only 6% of our balance sheet, our focus has shifted from selling assets to reducing the drag that the remaining portfolio causes on our earnings. We expect to reduce the loss incurred in Holdings further this year, putting us closer to breakeven. Every dollar saved, of course, falls directly to the bottom line. And we expect to continue to utilize our deferred tax assets by generating U.S. earnings.

In our core businesses, work proceeds to integrate and streamline our products and services to ensure that we provide a seamless experience across our offerings and regions. A monumental effort is under way to transform our Consumer business from what is, today, too much of an amalgamation of 36 local banks into one truly global bank. We're consolidating platforms, processes and products, all with the goal of giving our customers a consistently remarkable experience wherever they live, work or travel and across all our product lines.



[1] Non-GAAP financial measure.

Citi Holdings EOP Assets (in billions of dollars)



[1] Citi Holdings comprised approximately 19% of estimated Basel III risk-weighted assets as of 4Q'13.

[2] Citigroup's estimated Basel III Tier 1 Common ratio and estimated Supplementary Leverage Ratio are non-GAAP financial measures. For additional information, see the "Capital Resources" section of Citi's 2013 Annual Report on Form 10-K.

[3] Tangible Book Value Per Share is a non-GAAP financial measure. For a reconciliation of this metric to the most direct comparable GAAP measure, see the "Capital Resources" section of Citi's 2013 Annual Report on Form 10-K.

Citigroup Key Capital Metrics

In the Institutional Clients Group, aligning and integrating our legacy Markets businesses and our Investor Services and Direct Custody and Clearing activities will allow us to deliver a more comprehensive set of capabilities, as well as enable us to prioritize our resources more efficiently, particularly around operations and technology. Citi is uniquely positioned to become the industry-leading integrated services platform as the business moves to adjust to more demanding capital, leverage and counterparty risk requirements.

We will continue to invest in our Treasury and Trade Solutions business, the backbone of our global network, while we capitalize on our focus on the payments side. This business is capital friendly and not easily replicable. It took us decades to build and remains the clear global industry leader.

To accomplish all this, we must build on what we put in place last year to take our execution to the next level.

We'll focus on building the right client base: those institutions and consumers who best fit our business model and for whom we can create the most value. We'll streamline and rationalize our systems and processes, striking the right balance between efficiency-boosting standardization and the flexibility and empowerment necessary for our people to best serve our clients. And we'll look to save time and money by consolidating our operations in every city and country where we come to work, minimizing costly fragmentation. Much of the resources we save will be reinvested in our businesses where the greatest returns can be generated — and, in particular, will be dedicated toward improving our technology and digital presence. Last year, we launched tablet and smartphone versions of two of our most successful platforms — Citi Velocity℠ and CitiDirect BE℠ — so that, today, traders and treasurers can do business from anywhere with a wireless connection. Combined with Smart Banking branches and other innovations in our Consumer Bank, we have established the core around which we can fulfill our aspiration to become the world's digital bank.

Together, we have accomplished a great deal over the last several years. We've refocused the franchise, built the tools for execution and worked hard to rebuild our credibility. We still have more to do, but the foundation for future success has been built. We've accomplished a great deal — and more than enough to begin to show what this franchise can do at its best.

Sincerely,

Michael L. Corbat
Chief Executive Officer, Citigroup Inc.

Citi Bike®

Unlock, Ride, Enjoy and Return

When New York City set out to establish a public bike share program without expending public resources, Citi recognized a unique opportunity to support a groundbreaking initiative that would create a new, sustainable transportation network and enhance the lives of New Yorkers, and so the Citi Bike® program was born.

Since it launched in May 2013, the Citi Bike program has become the largest and fastest-growing bike share program in the U.S. and a familiar sight on city streets. Thousands of blue bicycles at several hundred stations around the city are available 24/7, 365 days a year through annual, weekly or daily passes.

Citi Bike® is the largest bike share program in the U.S. The system opened to the public in May 2013 with 330 stations and 6,000 bikes. The Citi Bike program is operated by NYC Bike Share.

Each station has a touchscreen kiosk, a map of the service area and surrounding neighborhood, and a docking system that releases bikes for rental with a card or key.

In 2013, Citi Bike® riders took 6.3 million trips and traveled more than 11.5 million miles, far outpacing other major bike share cities. Parks & Trails New York honored Citi with the George W. Perkins Award for outstanding environmental leadership in helping to create the Citi Bike program.

"In enabling the creation of Citi Bike®, Citi has shown that it is a leading supporter of innovative urban initiatives and a major contributor to New York City's growth and progress."

— Former New York City Mayor Michael R. Bloomberg