All right, everybody, let's get started. Good morning. Thank you, everyone, for coming. We're pleased to have Citigroup here again this year. Joining us today is CFO John Gerspach. Citi is one of the country's largest banks with $1.8 trillion in assets, and it operates in over 160 countries and jurisdictions. The company is focused on key execution priorities, including streamlining and efficiency while maintaining momentum in its core business, continuing to wind down Citi Holdings while maintaining profitability in that business and positioning itself for an increased capital return over time.

With that, I will turn it over to John.

Good morning and thanks, Dan, and thank you all for joining us. Today I'd like to cover a few topics, including Citi's recent results, a look at our transformations since 2008 and finally, our path to improving returns in 2015 and beyond.

To begin, let me take a moment to show Citigroup results since 2011. Overall, despite the continued low interest rate environment, we have grown our revenues, driven by loan and deposit growth, NIM expansion and wallet share gains with our target clients. At the same time, we have improved our underlying efficiency and credit has also remained favorable. However, these improvements have been offset in recent years by elevated legal and repositioning costs, which have depressed our net income and ROA and had a particularly large impact in 2014.

Excluding these legal and repositioning charges, our core operating margin has expanded steadily over the past several years as we've grown our core franchise and exited underperforming, non-core assets. Our cost of credit has also improved, driven by a significant reduction in net credit costs. While the tailwind from credit is abating, we continue to feel good about the quality of our portfolio. Overall, any increase in credit costs from here should be mostly driven by loan growth as well as lower loan loss reserve releases as credit normalizes.

Now, I'd like to put our momentum into context, as Citi's performance today and going forward is shaped by the transformation that we began in 2008. Our institution today is stronger, simpler and safer, and you can see this in a number of ways. First, we have strengthened our balance sheet while maintaining discipline around its total size. Since 2008, total assets have declined slightly while capital and liquidity have grown to industry-leading levels and our leverage has declined significantly.

We've also significantly changed the composition of our balance sheet, reducing Citi Holdings assets to fund higher-return growth in our Citicorp franchise. Through sales and runoff, we reduced Citi Holdings assets by over $500 billion in just six years to under $100 billion or 5% of our assets by the end of 2014. This quarter, we moved roughly $30 billion of additional non-core assets from Citicorp into Citi Holdings and expect to largely exit these businesses by the end of the year. This will create additional capacity to invest in Citicorp while maintaining discipline around the size of our total balance sheet, and therefore improving our overall return on assets.

As we strengthened our balance sheet, we also simplified our business model. We have sharpened our focus on affluent and emerging affluent urban-based consumers and on large multinational corporations and investors, those clients who most value our global franchise. This allowed us to streamline our operating model, starting from our core historical banking strengths. While we are no longer trying to be
everything to everyone, focusing on traditional consumer, corporate and private banking and away from brokerage, insurance and consumer finance activities that distracted us from our strengths.

In our consumer business, we have narrowed our presence to 24 markets where we believe our scale and network positions us well for success. And we have aligned our branch footprint with our focus on high-quality consumer segments in urban centers. Importantly, we now operate these markets as one Global Consumer Bank rather than a confederation of local banks, driving to common products, processes and systems to achieve scale.

In the institutional business, our footprint has not changed, as our global network is integral to serving our target clients. However, we have simplified in other ways: eliminating layers of management, better aligning our coverage resources against our target clients and reducing the number of clients by half. This allows us to offer our target institutional clients a full array of products around the globe in an integrated and cost-efficient fashion. In total, this simplified model has enabled us to reduce headcount by over 80,000 since 2008, even as we have added significantly to regulatory and compliance functions.

We are complementing our strong balance sheet and streamlined business model with enhanced risk management and centralized corporate functions. Today, we operate global risk, finance and compliance functions with common standards and systems, consolidating disparate functions from our businesses and regions and establishing a disciplined firm-wide risk appetite framework. These centralized functions are more effective and more efficient than our prior structure. At the same time, we have further invested in our regulatory and compliance staff, with these control functions nearly doubling since 2008. Improved information systems, reporting and risk management have served us well in recent years, as we successfully navigated events, such as the sovereign debt crisis in Europe and Arab Spring as examples, and as we manage today through the impact of geopolitical risks and the recent declines in energy prices on our businesses.

The benefits of this centralized infrastructure and risk appetite framework are evidenced in the marked improvements in credit quality coming out of the crisis period, as seen on slide 10, with consumer NCL down now over 75% and corporate non-accrual loans down over 90% since 2009.

While we've made tremendous progress, we still have much to do. And our focus today is on improving the returns we generate on our shareholders' equity. An important step towards this goal is delivering on our 2015 financial targets, including a Citicorp efficiency ratio in the mid-50% range and a return on total Citigroup assets of 90 to 110 basis points.

In Citicorp, we expect the efficiency ratio improvement to come from a combination of modest revenue growth, core expense discipline and a reduction in legal and repositioning costs. We continue to expect Citi Holdings to remain at or above breakeven for full year 2015. And we are carefully managing the size and composition of our balance sheet, winding down Citi Holdings assets in an economically rational manner while investing to grow our core franchise.

Our goal is to deliver consistent, high quality net income, driving capital generation through both retained earnings and the utilization of our deferred tax assets. Of course, we recognize the importance of being able to return capital back to our shareholders over time.

The Fed's qualitative objection to our 2014 capital plan was disappointing and I know frustrating to many of you as investors. Over the past year, we have executed major enhancements to our capital planning process, with deeper business level engagement and the rebuilding of a significant portion of our risk models. We look forward to getting the results of our 2015 CCAR submission over the next 10 days.

Turning back to business trends, on slide 13 we show revenues and key drivers for our core Citicorp franchise. Despite the low interest rate environment, we've maintained our revenue base by growing our loan and deposit volumes and by gaining wallet share with our target clients. Across the franchise, we
have focused on deepening our relationships, serving our clients with more products in more markets around the world in a seamless, integrated manner.

In 2014, Citicorp generated over $71 billion in revenues, roughly split between the consumer and institutional businesses. Revenues were flat year-over-year in constant dollars, but this includes the impact of strong results in certain products in the prior year.

In Markets, as an example, revenues were down year-over-year, but this mostly reflects the positive impact of quantitative easing on rates and currencies revenues in the first half of 2013, before the Fed began tapering. And in North America, Consumer revenues were also down in 2014, but this reflects the impact of higher mortgage refinancing activity in the prior year.

Most other businesses showed solid growth, as we gained wallet share with our target investment banking clients and continued to grow our traditional banking revenues in cash management, consumer and corporate lending, as well as the private bank.

On slide 15 you can see the momentum in these businesses more clearly. Once we cycled past the difficult revenue comparisons in the first half of last year, Citicorp showed solid progress. In the second half of 2014, revenues grew 5% in constant dollars, driven by corporate and consumer banking activities that comprised roughly 80% of the total.

Institutional Banking revenues were up 8%, with broad-based growth across investment banking, cash management, corporate lending, and the private bank. International Consumer Banking grew 3% year-over-year, despite slower economic growth in Mexico as well as the impact of our repositioning efforts in Korea. And North America Consumer Banking grew 5%, mostly driven by volume growth as well as abating spread headwinds in our deposit franchise. For full year 2015, our outlook calls for a continuation of low-to-mid single digit revenue growth in Citicorp.

In the first quarter, we currently expect to see modest year-over-year revenue growth in constant dollars across the corporate and consumer banking businesses. And in fixed income and equity markets, we currently expect revenues to be down year-over-year in the mid-to-high single digit range, driven by a slow start to the quarter in spread products given the macro environment as well as a modest loss related to the revaluation of the Swiss franc in mid-January, as we'd previously disclosed.

Overall, we have seen strong client activity across rates and currencies this quarter, and in particular, in our local markets franchises. Despite the January event, we still currently expect rates and currencies revenues to grow year-over-year. Excluding this event, we would have characterized that growth as strong. Of course, there is still a month left in the quarter, so actual results may vary from our current expectations.

Slide 16 shows the efficiency ratios for Citicorp as well as the consumer and institutional businesses. Starting with total Citicorp on the upper right, our 2015 target is to achieve a total efficiency ratio in the mid-50% range. And while our results were obscured by higher legal and repositioning costs in 2014, you can see the underlying discipline in core expenses. Pro forma for previously announced business exits, our total efficiency ratio for Citicorp was 65% in 2014. However, the ratio of core expenses to revenues was only 56%. We expect to improve the total efficiency ratio into the mid-50% range through a combination of modest revenue growth, continued core expense discipline and lower legal and related costs.

Similarly, in each of the consumer and institutional businesses, the core expense trends have been favorable, and our goal is to continue making progress in 2015. Our efforts have focused on the efficient allocation of our resources, from simplifying our product offerings to driving to common processes and infrastructure and exiting lower return businesses. We have also incurred significant repositioning
charges over the past nine quarters, mostly to accelerate headcount and real estate actions, the benefits of which are not fully realized.

Taking a closer look at repositioning on slide 17, over the past nine quarters we have incurred $3.1 billion of repositioning charges in Citicorp, from which we expect to generate $3.4 billion of annualized savings. As of year-end, approximately $2.7 billion of these savings were in our run rate, with $700 million more to be realized on an annualized basis by the fourth quarter of 2015, giving us room to absorb continued higher regulatory and compliance costs this year as well as growth-related charges. While repositioning charges were higher than we had anticipated in 2014, the payback on these additional investments are tracking well, and we continue to expect repositioning costs to decline significantly going forward.

Turning now to Citi Holdings on slide 18, as I showed earlier, we've continued to make significant progress in winding down the assets in Citi Holdings, thereby generating a significant amount of capital through risk-weighted asset reductions. And importantly, we've also reduced the earnings drag from Citi Holdings, as shown here on the right side of the slide. Citi Holdings achieved positive earnings for the first time in 2014, and maintaining this breakeven or better profitability is critical to achieving our 2015 return targets for Citigroup. The composition of Citi Holdings assets will change this year, as we've added certain non-core assets from Citicorp, and we continued to expect to either sell or execute an IPO for OneMain during 2015. Notwithstanding these changes to the business, we believe that we will be able to maintain breakeven or better profitability on a full year basis in 2015.

Turning now to Citigroup in total, on slide 19, I'd like to cover our capital generation potential. You can see here, we've continued to generate significant regulatory capital over and above our net income, as the reduced drag from Citi Holdings has enabled us to utilize our deferred tax assets. The majority of our DTA is excluded when calculating our CET1 capital, so reducing the DTA balance, and therefore the deduction from our capital base, is a significant source of capital.

In total, we generated approximately $31 billion in net regulatory capital over the last two years. In 2013, we generated over $20 billion of net regulatory capital on nearly $14 billion of net income. And even in 2014, when significant legal and repositioning charges depressed our results, we generated over $11 billion of net regulatory capital on roughly $7 billion of income. We ended last year with a CET1 ratio of 10.6%.

Our goal is to continue to generate significant regulatory capital over time through consistent, high quality earnings and DTA utilization, and to be able to return a meaningful amount of capital back to our shareholders.

On slide 20, we show our net interest revenue and margin trends. As you can see, we have carefully managed the balance sheet to preserve our net interest margin as part of our goal to generate consistent, high quality earnings. In fact, we've actually seen margin expansion in a period when many of our peers have faced pressure, as we have lowered our funding costs to offset the impact of lower asset yields.

Overall, for the first half of 2015, we expect NIM to remain broadly stable to full year 2014 results. But clearly, if rates increased, we would expect to see significant upside. As economic conditions have improved since 2011, we have adjusted our interest rate position to increase our sensitivity to a rising rate environment. Today, if interest rates were to increase by 100 basis points in a parallel shift, we estimate our net interest revenue would increase by $1.8 billion, equivalent to 11 basis points of net interest margin, with the vast majority of the increase due to movements of short-term rates. This is equivalent to roughly $0.40 per share of additional Citigroup earnings.

In conclusion, we achieved a number of our objectives in 2014: taking actions to improve the efficiency of Citicorp, moving Citi Holdings to breakeven and continuing to generate significant regulatory capital. Today, our focus is clearly on improving our returns. An important step towards this goal is achieving our 2015 financial targets, including our efficiency and ROA objectives. But our vision extends well beyond
this year: building the right client relationships and capabilities, supported by strong infrastructure and controls and significantly enhancing our capital planning process. We feel good about the quality and momentum of our franchise and believe we are taking the right actions to achieve sustainable, attractive returns over time.

And with that, I'm happy to take any questions. Dan?

QUESTION AND ANSWER

DANIEL MARCHON: Sure, I'll start it off. We saw this morning the announcement of your partnership with Costco. Can you describe some of the benefits that you expect to see?

JOHN GERSPACH: Obviously, it's always great when you can get a relationship with a quality partner like Costco. And we believe that we're positioned well then to partner with Costco and take advantage of their loyal customer base. And we think that, with the broader acceptance of Visa, we can generate some additional sales penetration over time.

Anyone else? Right over here, sir.

SPEAKER #1: [Inaudible]

JOHN GERSPACH: I'd say, broadly, we're where we want to be now. But I think any corporation always continues to look at their portfolio, look at their capabilities, look at the world, and so is going to be constantly making changes. I don't think that you will see the level of repositioning charges that certainly we have taken over the last nine quarters. But we do anticipate that we will continue to have some level of repositioning over time, but it should be at amounts that – in the future I would expect that repositioning charges will just be a piece of our ongoing expense base and not something that we need to break out continuously.

SPEAKER #1: [Inaudible]

JOHN GERSPACH: It depends on – again, when you talk about a cyclical peak, a peak usually means that there will be some reduction. I'd say that we're maybe at a plateau, but I do believe that we're going to see still increased regulatory and compliance costs incurred by the industry over the next several years – maybe not at the pace at which we've seen it over the last three to four years, but I don't think that the regulatory burden will be lessening from here on out.

Anyone else? Dan again.

DANIEL MARCHON: Sure. I think it was Mike opined on the fourth quarter call regarding oil, saying that you had 65% of revenue in countries that benefit from lower prices, 2% being in countries that are negatively impacted. What have you seen so far in the impact on your first quarter broad outlook?

JOHN GERSPACH: I can't go into too much specifics, but the comments that Mike made during the January call would still hold true today. That's probably about as far as I can go, all right.

Anyone else, right there, sir.

SPEAKER #2: [Inaudible]

JOHN GERSPACH: I separate legal from regulatory. I thought that the previous question was more focused on the ongoing regulatory as far as CCAR, CLAR, everything else that we're seeing.
From a legal point of view, we obviously took significant charges in 2014. We had about $9.4 billion worth of legal charges in 2014. We have said that we believe that, with those charges, we have put a significant portion of our legal exposures behind us. But of course, you really can't say that everything is over until you've actually announced settlements. But we think that with the $9.4 billion of charges that we took last year, that was a meaningful paydown then of our remaining legal exposure.

In the back?

SPEAKER #3: [Inaudible]

JOHN GERSPACH: I think that Citi, along with all the other major institutions that are impacted by that piece of Dodd-Frank legislation, need to show that they are resolvable in a bankruptcy event. That means that you need to look at your business model. You need to look at your legal entity structure. You need to look at the interrelationships of your legal entities – I should say among your legal entities as well as the interrelationships that you have with other institutions and provide a pathway for a resolution. That is exactly what we have been working on for the past three years. We've made our submittals to date. We look forward to making our submittal on July 1 of this year. And we believe that, based upon that submittal, we will have plans that ultimately will be found to be credible.

SPEAKER #3: [Inaudible]

JOHN GERSPACH: I can't – for some people, you will never – there are some people that you will never please, and there are some people that will take a hard line because they just want to make sure that you stay focused. I can tell you, we are focused on making sure that we produce a credible resolution submission in July of this year.

And with that, I think I'm getting the signal that we're out of time. So thank you all very, very much for joining us today.

Certain statements in this document are “forward-looking statements” within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. Actual results and capital and other financial condition may differ materially from those included in these statements due to a variety of factors, including the precautionary statements included in this document and those contained in Citigroup’s filings with the U.S. Securities and Exchange Commission, including without limitation the “Risk Factors” section of Citigroup’s 2014 Annual Report on Form 10-K.