



**Citigroup Inc. (NYSE: C)
Nikko Cordial Corporation (TSE: 8603)**

Citigroup to Reduce Ownership Stake in Nikko Cordial Corporation

Nikko Cordial Group to Expand its Business Basis Through Revised Capital Allocation

**Citigroup and Nikko Cordial Each to Invest Approximately JPY 20 Billion
in Nikko Citigroup Limited Joint Venture**

Tokyo/New York, December 14, 2005 – Citigroup Inc. (NYSE: C, “Citigroup”) and Nikko Cordial Corporation (TSE: 8603, “Nikko Cordial”) today announced that they have reached an agreement under which Citigroup will reduce its ownership in Nikko Cordial to an amount representing approximately 4.9% of Nikko Cordial’s outstanding shares. The two companies also agreed that they will each invest approximately JPY 20 billion in their joint venture, Nikko Citigroup Limited, which both companies are strongly committed to strengthening and expanding.

Since Citigroup’s 1998 investment in Nikko Cordial, Nikko Cordial has been subject to certain U.S. Federal Reserve requirements which have put limitations on the expansion of its global business, including the private equity area. For the past several years, Nikko Cordial has significantly strengthened its capital base due to Nikko Cordial’s management efforts and the stabilization of the financial sector in Japan. With the reduction in Citigroup’s ownership position to less than 5%, Nikko Cordial believes it will no longer be subject to certain U.S. Federal Reserve requirements. The agreement also enables Citigroup to more effectively deploy its capital, consistent with its growth objectives.

Charles Prince, Chief Executive Officer of Citigroup, said, “This action recognizes the continuing progress Nikko Cordial has made in strengthening its capital base and enables us to allocate capital from this investment to other business opportunities. Japan has been and remains a key strategic international market for Citigroup, and we continue to seek ways to invest in our franchise there. Our strong business partnership with Nikko Cordial continues and is unaffected by this transaction, and we remain one of its largest shareholders. Through our additional capital commitment to Nikko Citigroup Limited, we will be well positioned to build on the success it has achieved to date.”

Junichi Arimura, Director, President and CEO of Nikko Cordial, said, “We foresee great business opportunities in Japan for Nikko Cordial and for our joint venture, Nikko Citigroup. I am pleased that this agreement should enable us to expand our merchant banking business, which includes private equity investment, where we see the most growth opportunities, and our investment banking business through our joint venture with Citigroup, our important business partner. ”

#

This press release is not an offer of securities for sale in the United States or in Japan. The securities described in this press release have not been, and will not be, registered under the U.S. Securities Act of 1933, and may not be offered or sold in the United States absent registration or an applicable exemption from registration. Any public offering of securities to be made in the United States must be made by means of a prospectus that contains detailed information about the issuer and management, as well as financial statements. The securities described in this press release have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the account or benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan, except pursuant to an exemption from the prospectus requirements of, and otherwise in compliance with, the Securities and Exchange Law and other applicable laws, regulations and governmental guidelines in Japan.

Citigroup

Citigroup (NYSE: C), the leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Major brand names under Citigroup's trademark red umbrella include Citibank, CitiFinancial, Primerica, Smith Barney and Banamex. Additional information may be found at www.citigroup.com

Nikko Cordial Corporation

Nikko Cordial Corporation (TSE:8603), is a diversified services group which provides primarily securities related financial services, financing, asset management, merchant banking and other financial services. The major group companies are; Nikko Cordial Securities Inc. as a retail and wholesale RM securities house, Nikko Citigroup Limited as a wholesale securities house, Nikko Asset Management Co., Ltd. as an asset management service provider and Nikko Principal Investments Japan Ltd. as a merchant banking firm. The group provides customers with a broad range of financial solutions. The group has 11,053 staff as of September 30, 2005. Additional information may be found at www.nikko.jp.

Citigroup

Media contacts:	Tokyo	Toru Ichikawa	+813-5462-5056
	New York	Leah Johnson	+1-212-559-9446

Investor Contact:		Arthur Tildesley	+1-212-559-2718
Fixed Income Investor Contact:		John Randel	+1-212-559-5091

Nikko Cordial Corporation

Media contacts:	Tokyo	Yoshito Shimoyama	+813-5644-4544
-----------------	-------	-------------------	----------------

This press release is not an offer of securities for sale in the United States or in Japan. The securities described in this press release have not been, and will not be, registered under the U.S. Securities Act of 1933, and may not be offered or sold in the United States absent registration or an applicable exemption from registration. Any public offering of securities to be made in the United States must be made by means of a prospectus that contains detailed information about the issuer and management, as well as financial statements. The securities described in this press release have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the account or benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan, except pursuant to an exemption from the prospectus requirements of, and otherwise in compliance with, the Securities and Exchange Law and other applicable laws, regulations and governmental guidelines in Japan.