

Transaction Processing Incident

Tokyo, May 9, 2006 - Citibank N.A., Japan Branches (Citibank Japan) today reported that an incident has occurred in the system operation. Currently, Citibank Japan is working diligently to recover the effects of this error in a timely manner and expect that most of the corrections will be completed by the start of business on May 10 (Tokyo time). Citibank Japan deeply apologizes to its customers and all people affected by this incident.

I. The following is a summary of what occurred.

- 1 . Transactions on May 2, 2006 for accounts listed below, for approximately 69,800 transactions – although transactions were processed correctly on May 2, the booking of these transactions have been processed in duplicate on May 9, 2006, as a result of the incident.
- 2 . Transactions that were made by customers between May 3 and May 8, 2006 for accounts listed below, for approximately 205,000 transactions – although these transactions were processed as intended, these transactions have not yet been reflected in the transaction statements.

II. The types of Citibank Japan accounts affected are:

- Yen Savings
- US Dollar Savings
- Checking
- International Loan Card
- Advanced Money

III. Cause of the incident

Citibank Japan is currently investigating the cause of the incident.

IV. Customer handling/Customer impact

Currently, Citibank Japan is working diligently to recover the effects of this incident in a timely manner.

Citibank Japan deeply regrets that this incident has occurred. The bank is taking necessary measures to prevent future occurrence. Citibank Japan apologizes to customers and all concerned parties for any inconvenience caused.

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