

Translation of press release

May 10, 2006

Recovery progress of Transaction Processing Incident

In response to the incident that occurred in the system operation on May 9 at Citibank N.A., Japan Branches (Citibank Japan), as reported in the previous press release yesterday, as of 9am today, the fundamental processing to recover the effects of this incident is complete. All branches, on-line systems and CitiPhone Banking are operating as normal.

The issue with the display of account balances on ATMs has also been recovered as of 9.30am.

The incident was caused by an incorrect batch process as a result of the implementation of a new system. Citibank Japan believes that adequate testing was performed, however, upon cutover, unforeseeable conditions caused the incident. It is regrettable that the bank could not prevent this unexpected outcome.

Citibank Japan deeply apologizes to its customers and all people affected by this incident.

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