CITIGROUP INC
Form 10-K
February 24, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

Commission file number 1-9924

Citigroup Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	52-1568099 (I.R.S. Employer Identification No.)
399 Park Avenue, New York, NY (Address of principal executive offices)	10022 (Zip code)

Registrant s telephone number, including area code: (212) 559-1000

Securities registered pursuant to Section 12(b) of the Act: See Exhibit 99.01

Securities registered pursuant to Section 12(g) of the Act: none

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. o Yes X No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o Yes X No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. X Yes o No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). X Yes o No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act.

X Large accelerated filer	o Accelerated filer	o Non-accelerated filer (Do not check if a smaller reporting company)	o Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o Yes X No

The aggregate market value of Citigroup Inc. common stock held by non-affiliates of Citigroup Inc. on June 30, 2011 was approximately $121.3 billion.

Number of shares of common stock outstanding on January 31, 2012: 2,928,662,136

Documents Incorporated by Reference: Portions of the Registrant s Proxy Statement for the annual meeting of stockholders scheduled to be held on April 17, 2012, are incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III.

10-K CROSS-REFERENCE INDEX

This Annual Report on Form 10-K incorporates the requirements of the accounting profession and the Securities and Exchange Commission.

* For additional information regarding Citigroup s Directors, see Corporate Governance, Proposal 1: Election of Directors and Section 16(a) Beneficial Ownership Reporting Compliance in the definitive Proxy Statement for Citigroup s Annual Meeting of Stockholders scheduled to be held on April 17, 2012, to be filed with the SEC (the Proxy Statement), incorporated herein by reference.

** See Executive Compensation The Personnel and Compensation Committee Report, Compensation Discussion and Analysis and 2011 Summary Compensation Table and in the Proxy Statement, incorporated herein by reference.

*** See About the Annual Meeting, Stock Ownership and Proposal 3: Approval of Amendment to the Citigroup 2009 Stock Incentive Plan in the Proxy Statement, incorporated herein by reference.

**** See Corporate Governance Director Independence, Certain Transactions and Relationships, Compensation Committee Interlocks and Insider Participation, Indebtedness, Proposal 1: Election of Directors and Executive Compensation in the Proxy Statement, incorporated herein by reference.

***** See Proposal 2: Ratification of Selection of Independent Registered Public Accounting Firm in the Proxy Statement, incorporated herein by reference.

CITIGROUP S 2011 ANNUAL REPORT ON FORM 10-K

OVERVIEW

Citigroup s history dates back to the founding of Citibank in 1812. Citigroup s original corporate predecessor was incorporated in 1988 under the laws of the State of Delaware. Following a series of transactions over a number of years, Citigroup Inc. was formed in 1998 upon the merger of Citicorp and Travelers Group Inc.

Citigroup is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services. Citi has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions.

Citigroup currently operates, for management reporting purposes, via two primary business segments: Citicorp, consisting of Citi s *Global Consumer Banking* businesses and *Institutional Clients Group*; and Citi Holdings, consisting of *Brokerage and Asset Management, Local Consumer Lending* and *Special Asset Pool*. For a further description of the business segments and the products and services they provide, see Citigroup Segments below, Management s Discussion and Analysis of Financial Condition and Results of Operations and Note 4 to the Consolidated Financial Statements.

Throughout this report, Citigroup, Citi and the Company refer to Citigroup Inc. and its consolidated subsidiaries.

Additional information about Citigroup is available on Citi s Web site at www.citigroup.com. Citigroup s recent annual reports on Form 10-K, quarterly reports on Form 10-Q, proxy statements, as well as other filings with the SEC, are available free of charge through the Citi s Web site by clicking on the Investors page and selecting All SEC Filings. The SEC s Web site also contains current reports, information statements, and other information regarding Citi at www.sec.gov.

Within this Form 10-K, please refer to the tables of contents on pages 3 and 129 for page references to Management s Discussion and Analysis of Financial Condition and Results of Operations and Notes to Consolidated Financial Statements, respectively.

At December 31, 2011, Citi had approximately 266,000 full-time employees compared to approximately 260,000 full-time employees at December 31, 2010.

Please see Risk Factors below for a discussion of certain risks and uncertainties that could materially impact Citigroup s financial condition and results of operations.

Certain reclassifications have been made to the prior periods financial statements to conform to the current period s presentation.

As described above, Citigroup is managed pursuant to the following segments:

* Effective in the first quarter of 2012, Citi will transfer the substantial majority of the retail partner cards business (approximately $45 billion of assets, including approximately $41 billion of loans) from Citi Holdings *Local Consumer Lending* to Citicorp *North America RCB*.

The following are the four regions in which Citigroup operates. The regional results are fully reflected in the segment results above.

(1) *North America* includes the U.S., Canada and Puerto Rico, *Latin America* includes Mexico, and *Asia* includes Japan.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

EXECUTIVE SUMMARY

Market and Economic Environment

During 2011, Citigroup remained focused on executing its strategy of growth through increasing the returns on and investments in its core businesses of Citicorp *Global Consumer Banking* and *Institutional Clients Group* while continuing to reduce the assets and businesses within Citi Holdings in an economically rational manner. While Citi continued to make progress in these areas during the year, its 2011 operating results were impacted by the ongoing challenging operating environment, particularly in the second half of the year, as macroeconomic concerns, including in the U.S. and the Eurozone, weighed heavily on investor and corporate confidence. Market activity was down globally, with a particular impact on capital markets-related activities in the fourth quarter of 2011. This affected Citigroup s results of operations in many businesses, including not only *Securities and Banking*, but also the Securities and Fund Services business in *Transaction Services* and investment sales in *Global Consumer Banking*. Citi believes that the European sovereign debt crisis and its potential impact on the global markets and growth will likely continue to create macro uncertainty and remain an issue until the market, investors and Citi s clients and customers believe that a comprehensive resolution to the crisis is structured, and achievable. Such uncertainty could have a continued negative impact on investor activity, and thus on Citi s activity levels and results of operations, in 2012.

Compounding this continuing macroeconomic uncertainty is the ongoing uncertainty facing Citigroup and its businesses as a result of the numerous regulatory initiatives underway, both in the U.S. and internationally. As of December 31, 2011, regulatory changes in significant areas, such as Citi s future capital requirements and prudential standards, the proposed implementation of the Volcker Rule and the proposed regulation of the derivatives markets, were incomplete and significant rulemaking and interpretation remained. See Risk Factors Regulatory Risks below. The continued uncertainty, including the potential costs, associated with the actual implementation of these changes will continue to require significant attention by Citi s management. In addition, it is also not clear what the cumulative impact of regulatory reform will be.

2011 Summary Results

Citigroup

Citigroup reported net income of $11.1 billion and diluted EPS of $3.63 per share in 2011, compared to $10.6 billion and $3.54 per share, respectively, in 2010. In 2011, results included a net positive impact of $1.8 billion from credit valuation adjustments (CVA) on derivatives (excluding monolines), net of hedges, and debt valuation adjustments (DVA) on Citigroup s fair value option debt, compared to a net negative impact of $(469) million in 2010. In addition, Citi has adjusted its 2011 results of operations that were previously announced on January 17, 2012 for an additional $209 million (after tax) charge. This charge relates to the agreement in principle with the United States and state attorneys general announced on February 9, 2012 regarding the settlement of a number of investigations into residential loan servicing and origination litigation, as well as the resolution of related mortgage litigation (see Notes 29, 30 and 32 to the Consolidated Financial Statements). Excluding CVA/DVA, Citi s net income declined $952 million, or 9%, to $9.9 billion in 2011, reflecting lower revenues and higher operating expenses as compared to 2010, partially offset by a significant decline in credit costs.

Citi s revenues of $78.4 billion were down $8.2 billion, or 10%, compared to 2010. Excluding CVA/DVA, revenues of $76.5 billion were down $10.5 billion, or 12%, as lower revenues in Citi Holdings and *Securities and Banking* more than offset growth in *Global Consumer Banking* and *Transaction Services*. Net interest revenues decreased by $5.7 billion, or 11%, to $48.4 billion in 2011 as compared to 2010, primarily due to continued declining loan balances and lower interest-earning assets in Citi Holdings. Non-interest revenues, excluding CVA/DVA, declined by $4.8 billion, or 15%, to $28.1 billion in 2011 as compared to 2010, driven by lower revenues in Citi Holdings and *Securities and Banking*.

Because of Citi s extensive global operations, foreign exchange translation also impacts Citi s results of operations as Citi translates revenues, expenses, loan balances and other metrics from foreign currencies to U.S. dollars in preparing its financial statements. During 2011, the U.S. dollar generally depreciated versus local currencies in which Citi operates. As a result, the impact of foreign exchange translation (as used throughout this Form 10-K, FX translation) accounted for an approximately 1% growth in Citi s revenues and 2% growth in expenses, while contributing less than 1% to Citi s pretax net income for the year.

Expenses

Citigroup expenses were $50.9 billion in 2011, up $3.6 billion, or 8%, compared to 2010. Over two-thirds of this increase resulted from higher legal and related costs (approximately $1.5 billion) and higher repositioning charges (approximately $200 million, including severance) as compared to 2010, as well as the impact of FX translation (approximately $800 million). Excluding these items, expenses were up $1.0 billion, or 2%, compared to the prior year.

Investment spending was $3.9 billion higher in 2011, of which roughly half was funded with efficiency savings, primarily in operations and technology, labor reengineering and business support functions (e.g., call centers and collections) of $1.9 billion. The $3.9 billion increase in investment spending in 2011 included higher investments in *Global Consumer Banking* ($1.6 billion, including incremental cards marketing campaigns and new branch openings), *Securities and Banking* (approximately $800 million, including new hires and technology investments) and *Transaction Services* (approximately $600 million, including new mandates and platform enhancements), as well as additional firm-wide initiatives and investments to comply with regulatory requirements. All other expense increases, including higher volume-related costs in Citicorp, were more than offset by a decline in Citi Holdings expenses. While Citi will continue some level of incremental investment spending in its businesses going forward, Citi currently believes these increases in investments will be self-funded through ongoing reengineering and efficiency savings. Accordingly, Citi believes that the increased level of investment spending incurred during the latter part of 2010 and 2011 was largely completed by year end 2011.

Citicorp expenses were $39.6 billion in 2011, up $3.5 billion, or 10%, compared to 2010. Over one-third of this increase resulted from higher legal and related costs and higher repositioning charges (including severance) as compared to 2010, as well as the impact of FX translation. The remainder of the increase was primarily driven by investment spending (as described above), partially offset by ongoing productivity savings and other expense reductions.

Citi Holdings expenses were $8.8 billion in 2011, down $824 million, or 9%, principally due to the continued decline in assets, partially offset by higher legal and related costs.

Credit Costs

Credit trends for Citigroup continued to improve in 2011, particularly for Citi s *North America* Citi-branded and retail partner cards businesses, as well as its *North America* mortgage portfolios in Citi Holdings, although the pace of improvement in these businesses slowed. Citi s total provisions for credit losses and for benefits and claims of $12.8 billion declined $13.2 billion, or 51%, from 2010. Net credit losses of $20.0 billion in 2011 were down $10.8 billion, or 35%, reflecting improvement in both Consumer and Corporate credit trends. Consumer net credit losses declined $10.0 billion, or 35%, to $18.4 billion, driven by continued improvement in credit in *North America* Citi-branded cards and retail partner cards and *North America* real estate lending in Citi Holdings. Corporate net credit losses decreased $810 million, or 33%, to $1.6 billion, as credit quality continued to improve in the Corporate portfolio.

The net release of allowance for loan losses and unfunded lending commitments was $8.2 billion in 2011, compared to a net release of $5.8 billion in 2010. Of the $8.2 billion net reserve release in 2011, $5.9 billion related to Consumer and was mainly driven by *North America* Citi-branded cards and retail partner cards. The $2.3 billion net Corporate reserve release reflected continued improvement in Corporate credit trends, partially offset by loan growth.

More than half of the net credit reserve release in 2011, or $4.8 billion, was attributable to Citi Holdings. The $3.5 billion net credit release in Citicorp increased from $2.2 billion in the prior year, as a higher net release in Citi-branded cards in *North America* was partially offset by lower net releases in international *Regional Consumer Banking* and the Corporate portfolio, each driven by loan growth.

Capital and Loan Loss Reserve Positions

Citigroup s capital and loan loss reserve positions remained strong at year end 2011. Citigroup s Tier 1 Capital ratio was 13.6% and the Tier 1 Common ratio was 11.8%.

Citigroup s total allowance for loan losses was $30.1 billion at year end 2011, or 4.7% of total loans, down from $40.7 billion, or 6.3% of total loans, at the end of the prior year. The decline in the total allowance for loan losses reflected asset sales, lower non-accrual loans, and overall continued improvement in the credit quality of Citi s loan portfolios. The Consumer allowance for loan losses was $27.2 billion, or 6.45%, of total Consumer loans at year end 2011, compared to $35.4 billion, or 7.80%, of total Consumer loans at year end 2010. See details of Credit Loss Experience Allowance for Loan Losses below for additional information on Citi s loan loss coverage ratios as of December 31, 2011.

Citigroup s non-accrual loans of $11.2 billion at year end 2011 declined 42% from the prior year, and the allowance for loan losses represented 268% of non-accrual loans.

Citicorp

Citicorp net income of $14.4 billion in 2011 decreased by $269 million, or 2%, from the prior year. Excluding CVA/DVA, Citicorp s net income declined $1.6 billion, or 10.6%, to $13.4 billion in 2011, reflecting lower revenues and higher operating expenses, partially offset by the significantly lower credit costs. *Asia* and *Latin America* contributed roughly half of Citicorp s net income for the year.

Citicorp revenues were $64.6 billion, down $989 million, or 2%, from 2010. Excluding CVA/DVA, revenues of $62.8 billion were down $3.1 billion, or 5%, as compared to 2010. Net interest revenues decreased by $450 million, or 1%, to $38.1 billion, as lower revenues in *North America Regional Consumer Banking* and *Securities and Banking* more than offset growth in *Latin America* and *Asia Regional Consumer Banking* and *Transaction Services*. Non-interest revenues, excluding CVA/DVA, declined by $2.7 billion, or 10%, to $24.7 billion in 2011 as compared to 2010, driven by lower revenues in *Securities and Banking*.

Global Consumer Banking revenues of $32.6 billion were up $211 million year-over-year, as continued growth in *Asia* and *Latin America Regional Consumer Banking* was partially offset by lower revenues in *North America Regional Consumer Banking*. The 2011 results in *Global Consumer Banking* included continued momentum in Citi s international regions, as well as early signs of growth in its *North America* business:

- International *Regional Consumer Banking* revenues of $19.0 billion were up 8% year-over-year (5% excluding the impact of FX translation).
- International average loans were up 15% and average deposits grew 11% (11% and 8% excluding the impact of FX translation, respectively).
- International card purchase sales grew 19% (13% excluding the impact of FX translation).
- *Asia* achieved positive operating leverage (with year-over-year revenue growth in excess of expense growth) in the third and fourth quarters of 2011, and *Latin America* achieved positive operating leverage in the fourth quarter.
- *North America Regional Consumer Banking* grew revenues, card accounts and card loans sequentially in the second, third and fourth quarters of 2011.

Securities and Banking revenues of $21.4 billion decreased 7% year-over-year. Excluding CVA/DVA (for details on *Securities and Banking* CVA/DVA amounts, see *Institutional Clients Group Securities and Banking* below), revenues were $19.7 billion, down 16% from the prior year, due primarily to the continued challenging macroeconomic environment, which resulted in lower revenues across fixed income and equity markets as well as investment banking.

Fixed income markets revenues, which constituted over 50% of *Securities and Banking* revenues in 2011, of $10.9 billion, excluding CVA/DVA, decreased 24% in 2011 as compared to 2010, driven primarily by a decline in credit-related and securitized products and, to a lesser extent, a decline in rates and currencies. Equity markets revenues of $2.4 billion, excluding CVA/DVA, were down 35% year-over-year, mainly driven by weak trading performance in equity derivatives as well as losses in equity proprietary trading resulting from the wind down of this business, which was complete as of December 31, 2011. Investment banking revenues of $3.3 billion were down 14% in 2011 as compared to 2010, driven by lower market activity levels across all products. Lending revenues of $1.8 billion were up $840 million, from $962 million in 2010, primarily due to net hedging gains of $73 million in 2011, as compared to net hedging losses of $711 million in 2010, driven by spread tightening in Citi s lending portfolio.

Transaction Services revenues were $10.6 billion in 2011, up 5% from the prior year, driven by growth in Treasury and Trade Solutions as well as Securities and Fund Services. Revenues grew in 2011 in all international regions as strong growth in business volumes was partially offset by continued spread compression. Average deposits and other customer liabilities grew 9% in 2011, while assets under custody remained relatively flat year over year.

Citicorp end of period loans increased 14% in 2011 to $465.4 billion, with 7% growth in Consumer loans and 24% growth in Corporate loans.

8

Citi Holdings

Citi Holdings net loss of $(2.6) billion in 2011 improved by $1.6 billion as compared to the net loss in 2010. The improvement in 2011 reflected a significant decline in credit costs and lower operating expenses, given the continued decline in assets, partially offset by lower revenues.

While Citi Holdings impact on Citi has been declining, it will likely continue to present a headwind for Citi s overall performance due to, among other factors, the lower percentage of interest-earning assets remaining in Citi Holdings, the slower pace of asset reductions and the transfer of the substantial majority of retail partner cards out of Citi Holdings into Citicorp *North America Regional Consumer Banking* in the first quarter of 2012. During the first quarter of 2012, Citi will republish its historical segment reporting for Citicorp and Citi Holdings to reflect this transfer in prior periods. The adjusted net loss in Citi Holdings for these historical periods will be higher than previously reported, as the retail partner cards business in *Local Consumer Lending* was the primary source of profitability in Citi Holdings.

Citi Holdings revenues declined 33% to $12.9 billion from the prior year. Net interest revenues decreased by $4.5 billion, or 30%, to $10.3 billion, primarily due to the decline in assets, including lower interest-earning assets in the *Special Asset Pool*. Non-interest revenues declined by $1.9 billion, or 42%, to $2.6 billion in 2011, driven by lower gains on asset sales and other revenue marks as compared to 2010, as well as divestitures.

Citi Holdings assets declined $90 billion, or 25%, to $269 billion at the end of 2011, although Citi believes the pace of asset wind-down in Citi Holdings will decrease going forward. The decline during 2011 reflected nearly $49 billion in asset sales and business dispositions, $35 billion in net run-off and amortization and approximately $6 billion in net cost of credit and net asset marks. As of December 31, 2011, *Local Consumer Lending* continued to represent the largest segment within Citi Holdings, with $201 billion of assets. Over half of *Local Consumer Lending* assets, or approximately $109 billion, were related to *North America* real estate lending. As of December 31, 2011, there were approximately $10 billion of loan loss reserves allocated to *North America* real estate lending in Citi Holdings, representing roughly 31 months of coincident net credit loss coverage.

At the end of 2011, Citi Holdings assets comprised approximately 14% of total Citigroup GAAP assets and 25% of its risk-weighted assets. The first quarter of 2012 transfer of the substantial majority of the retail partner cards business (approximately $45 billion of assets, including approximately $41 billion of loans) will result in Citi Holdings comprising approximately 12% of total Citigroup GAAP assets and 21% of risk-weighted assets.

RESULTS OF OPERATIONS

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA PAGE 1

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per-share amounts, ratios and direct staff	**2011** (1)	2010 (2)(3)	2009 (3)	2008 (3)	2007 (3)
Net interest revenue	**$48,447**	$54,186	$48,496	$ 53,366	$45,300
Non-interest revenue	**29,906**	32,415	31,789	(1,767)	32,000
Revenues, net of interest expense	**$78,353**	$86,601	$80,285	$ 51,599	$77,300
Operating expenses	**50,933**	47,375	47,822	69,240	58,737
Provisions for credit losses and for benefits and claims	**12,796**	26,042	40,262	34,714	17,917
Income (loss) from continuing operations before income taxes	**$14,624**	$13,184	$ (7,799)	$(52,355)	$ 646
Income taxes (benefits)	**3,521**	2,233	(6,733)	(20,326)	(2,546)
Income (loss) from continuing operations	**$11,103**	$10,951	$ (1,066)	$(32,029)	$ 3,192
Income (loss) from discontinued operations, net of taxes (4)	**112**	(68)	(445)	4,002	708
Net income (loss) before attribution of noncontrolling interests	**$11,215**	$10,883	$ (1,511)	$(28,027)	$ 3,900
Net income (loss) attributable to noncontrolling interests	**148**	281	95	(343)	283
Citigroup s net income (loss)	**$11,067**	$10,602	$ (1,606)	$(27,684)	$ 3,617
Less:					
Preferred dividends Basic	**$ 26**	$ 9	$ 2,988	$ 1,695	$ 36
Impact of the conversion price reset related to the $12.5 billion convertible preferred stock private issuance Basic			1,285		
Preferred stock Series H discount accretion Basic			123	37	
Impact of the public and private preferred stock exchange offer			3,242		
Dividends and undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to Basic EPS	**186**	90	2	221	261
Income (loss) allocated to unrestricted common shareholders for Basic EPS	**$10,855**	$10,503	$ (9,246)	$(29,637)	$ 3,320
Less: Convertible preferred stock dividends (5)			(540)	(877)	
Add: Interest expense, net of tax, on convertible securities and adjustment of undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to diluted EPS	**17**	2			
Income (loss) allocated to unrestricted common shareholders for diluted EPS (5)	**$10,872**	$10,505	$ (8,706)	$(28,760)	$ 3,320
Earnings per share (6)					
Basic					
Income (loss) from continuing operations	**3.69**	3.66	(7.61)	(63.89)	5.32
Net income (loss)	**3.73**	3.65	(7.99)	(56.29)	6.77
Diluted (5)					
Income (loss) from continuing operations	**$ 3.59**	$ 3.55	$ (7.61)	$ (63.89)	$ 5.30
Net income (loss)	**3.63**	3.54	(7.99)	(56.29)	6.74
Dividends declared per common share	**0.03**	0.00	0.10	11.20	21.60

Statement continues on the next page, including notes to the table.

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA PAGE 2 *Citigroup Inc. and Consolidated Subsi*

In millions of dollars, except per-share amounts, ratios and direct staff	**2011 (1)**	2010 (2)	2009 (3)	2008 (3)	
At December 31					
Total assets	**$1,873,878**	$1,913,902	$1,856,646	$1,938,470	$2,18
Total deposits	**865,936**	844,968	835,903	774,185	82
Long-term debt	**323,505**	381,183	364,019	359,593	42
Mandatorily redeemable securities of subsidiary trusts (included in long-term debt)	**16,057**	18,131	19,345	24,060	2
Common stockholders equity	**177,494**	163,156	152,388	70,966	11
Total Citigroup stockholders equity	**177,806**	163,468	152,700	141,630	11
Direct staff *(in thousands)*	**266**	260	265	323	
Ratios					
Return on average common stockholders equity (7)	**6.3%**	6.8%	(9.4)%	(28.8)%	
Return on average total stockholders equity (7)	**6.3**	6.8	(1.1)	(20.9)	
Tier 1 Common (8)	**11.80%**	10.75%	9.60%	2.30%	
Tier 1 Capital	**13.55**	12.91	11.67	11.92	
Total Capital	**16.99**	16.59	15.25	15.70	
Leverage (9)	**7.19**	6.60	6.87	6.08	
Common stockholders equity to assets	**9.47%**	8.52%	8.21%	3.66%	
Total Citigroup stockholders equity to assets	**9.49**	8.54	8.22	7.31	
Dividend payout ratio (10)	**0.8**	NM	NM	NM	
Book value per common share (6)	**$ 60.70**	$ 56.15	$ 53.50	$ 130.21	$ 2
Ratio of earnings to fixed charges and preferred stock dividends	**1.59x**	1.51x	NM	NM	

(1) As noted in the Executive Summary above, Citi has adjusted its 2011 results of operations that were previously announced on January 17, 2012 for an additional $209 million (after tax) charge. This charge relates to the agreement in principle with the United States and state attorneys general announced on February 9, 2012 regarding the settlement of a number of investigations into residential loan servicing and origination litigation, as well as the resolution of related mortgage litigation. The impact of these adjustments was a $275 million (pretax) increase in *Other operating expenses*, a $209 million (after-tax) reduction in *Net income* and a $0.06 (after-tax) reduction in *Diluted earnings per share*, for the full year of 2011. See Notes 29, 30 and 32 to the Consolidated Financial Statements.

(2) On January 1, 2010, Citigroup adopted SFAS 166/167. Prior periods have not been restated as the standards were adopted prospectively. See Note 1 to the Consolidated Financial Statements.

(3) On January 1, 2009, Citigroup adopted SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (now ASC 810-10-45-15, *Consolidation: Noncontrolling Interest in a Subsidiary*), and FSP EITF 03-6-1, Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities (now ASC 260-10-45-59A, *Earnings Per Share: Participating Securities and the Two-Class Method*). All prior periods have been restated to conform to the current period s presentation.

(4) Discontinued operations for 2007 to 2009 reflect the sale of Nikko Cordial Securities to Sumitomo Mitsui Banking Corporation, the sale of Citigroup s German retail banking operations to Crédit Mutuel, and the sale of CitiCapital s equipment finance unit to General Electric. Discontinued operations for 2007 to 2010 also include the operations and associated gain on sale of Citigroup s Travelers Life & Annuity, substantially all of Citigroup s international insurance business, and Citigroup s Argentine pension business sold to MetLife Inc. Discontinued operations for the second half of 2010 also reflect the sale of The Student Loan Corporation and, for 2011, primarily reflect the sale of the Egg Banking PLC credit card business. See Note 3 to the Consolidated Financial Statements.

(5) The diluted EPS calculation for 2009 and 2008 utilizes basic shares and income allocated to unrestricted common stockholders (Basic) due to the negative income allocated to unrestricted common stockholders. Using diluted shares and income allocated to unrestricted common stockholders (Diluted) would result in anti-dilution.

(6) All per share amounts and Citigroup shares outstanding for all periods reflect Citigroup s 1-for-10 reverse stock split, which was effective May 6, 2011.

(7) The return on average common stockholders equity is calculated using net income less preferred stock dividends divided by average common stockholders equity. The return on average total Citigroup stockholders equity is calculated using net income divided by average Citigroup stockholders equity.

(8) As defined by the banking regulators, the Tier 1 Common ratio represents Tier 1 Capital less qualifying perpetual preferred stock, qualifying noncontrolling interests in subsidiaries and qualifying mandatorily redeemable securities of subsidiary trusts divided by risk-weighted assets.

(9) The Leverage ratio represents Tier 1 Capital divided by adjusted average total assets.

(10) Dividends declared per common share as a percentage of net income per diluted share.

NM Not meaningful

SEGMENT AND BUSINESS INCOME (LOSS) AND REVENUES

The following tables show the income (loss) and revenues for Citigroup on a segment and business view:

CITIGROUP INCOME (LOSS)

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Income (loss) from continuing operations					
CITICORP					
Global Consumer Banking					
North America	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
EMEA	**79**	91	(220)	**(13)%**	NM
Latin America	**1,601**	1,789	429	**(11)**	NM
Asia	**1,927**	2,131	1,391	**(10)**	53
Total	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%
Securities and Banking					
North America	**$ 1,011**	$ 2,465	$ 2,369	**(59)%**	4%
EMEA	**2,008**	1,805	3,414	**11**	(47)
Latin America	**978**	1,091	1,558	**(10)**	(30)
Asia	**898**	1,138	1,854	**(21)**	(39)
Total	**$ 4,895**	$ 6,499	$ 9,195	**(25)%**	(29)%
Transaction Services					
North America	**$ 447**	$ 529	$ 609	**(16)%**	(13)%
EMEA	**1,142**	1,225	1,299	**(7)**	(6)
Latin America	**645**	664	616	**(3)**	8
Asia	**1,173**	1,255	1,254	**(7)**	
Total	**$ 3,407**	$ 3,673	$ 3,778	**(7)%**	(3)%
Institutional Clients Group	**$ 8,302**	$10,172	$ 12,973	**(18)%**	(22)%
Total Citicorp	**$14,498**	$14,833	$ 15,362	**(2)%**	(3)%
CITI HOLDINGS					
Brokerage and Asset Management	**$ (286)**	$ (226)	$ 6,850	**(27)%**	NM
Local Consumer Lending	**(2,834)**	(4,988)	(10,484)	**43**	52%
Special Asset Pool	**596**	1,158	(5,425)	**(49)**	NM
Total Citi Holdings	**$ (2,524)**	$ (4,056)	$ (9,059)	**38%**	55%
Corporate/Other	**$ (871)**	$ 174	$ (7,369)	**NM**	NM
Income (loss) from continuing operations	**$11,103**	$10,951	$ (1,066)	**1%**	NM
Discontinued operations	**$ 112**	$ (68)	$ (445)		
Net income attributable to noncontrolling interests	**148**	281	95	**(47)%**	NM
Citigroup s net income (loss)	**$11,067**	$10,602	$ (1,606)	**4%**	NM

NM Not meaningful

CITIGROUP REVENUES

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
CITICORP					
Global Consumer Banking					
North America	**$13,614**	$14,790	$ 8,575	**(8)%**	72%
EMEA	**1,479**	1,503	1,550	**(2)**	(3)
Latin America	**9,483**	8,685	7,883	**9**	10
Asia	**8,009**	7,396	6,746	**8**	10
Total	**$32,585**	$32,374	$ 24,754	**1%**	31%
Securities and Banking					
North America	**$ 7,558**	$ 9,393	$ 8,836	**(20)%**	6%
EMEA	**7,221**	6,849	10,056	**5**	(32)
Latin America	**2,364**	2,547	3,435	**(7)**	(26)
Asia	**4,274**	4,326	4,813	**(1)**	(10)
Total	**$21,417**	$23,115	$ 27,140	**(7)%**	(15)%
Transaction Services					
North America	**$ 2,442**	$ 2,485	$ 2,525	**(2)%**	(2)%
EMEA	**3,486**	3,356	3,389	**4**	(1)
Latin America	**1,705**	1,516	1,391	**12**	9
Asia	**2,936**	2,714	2,513	**8**	8
Total	**$10,569**	$10,071	$ 9,818	**5%**	3%
Institutional Clients Group	**$31,986**	$33,186	$ 36,958	**(4)%**	(10)%
Total Citicorp	**$64,571**	$65,560	$ 61,712	**(2)%**	6%
CITI HOLDINGS					
Brokerage and Asset Management	**$ 282**	$ 609	$ 14,623	**(54)%**	(96)%
Local Consumer Lending	**12,067**	15,826	17,765	**(24)**	(11)
Special Asset Pool	**547**	2,852	(3,260)	**(81)**	NM
Total Citi Holdings	**$12,896**	$19,287	$ 29,128	**(33)%**	(34)%
Corporate/Other	**$ 886**	$ 1,754	$(10,555)	**(49)%**	NM
Total net revenues	**$78,353**	$86,601	$ 80,285	**(10)%**	8%

NM Not meaningful

CITICORP

Citicorp is Citigroup s global bank for consumers and businesses and represents Citi s core franchises. Citicorp is focused on providing best-in-class products and services to customers and leveraging Citigroup s unparalleled global network. Citicorp is physically present in approximately 100 countries, many for over 100 years, and offers services in over 160 countries and jurisdictions. Citi believes this global network provides a strong foundation for servicing the broad financial services needs of large multinational clients and for meeting the needs of retail, private banking, commercial, public sector and institutional clients around the world. Citigroup s global footprint provides coverage of the world s emerging economies, which Citi continues to believe represent a strong area of growth. At December 31, 2011, Citicorp had approximately $1.3 trillion of assets and $797 billion of deposits, representing approximately 70% of Citi s total assets and approximately 92% of its deposits.

At December 31, 2011, Citicorp consisted of the following businesses: *Global Consumer Banking* (which included retail banking and Citi-branded cards in four regions *North America, EMEA, Latin America* and *Asia*) and *Institutional Clients Group* (which included *Securities and Banking* and *Transaction Services*).

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$38,135**	$38,585	$34,197	**(1)%**	13%
Non-interest revenue	**26,436**	26,975	27,515	**(2)**	(2)
Total revenues, net of interest expense	**$64,571**	$65,560	$61,712	**(2)%**	6%
Provisions for credit losses and for benefits and claims					
Net credit losses	**$ 8,307**	$11,789	$ 6,155	**(30)%**	92%
Credit reserve build (release)	**(3,544)**	(2,167)	2,715	**(64)**	NM
Provision for loan losses	**$ 4,763**	$ 9,622	$ 8,870	**(50)%**	8%
Provision for benefits and claims	**152**	151	164	**1**	(8)
Provision for unfunded lending commitments	**92**	(32)	138	**NM**	NM
Total provisions for credit losses and for benefits and claims	**$ 5,007**	$ 9,741	$ 9,172	**(49)%**	6%
Total operating expenses	**$39,620**	$36,144	$32,698	**10%**	11%
Income from continuing operations before taxes	**$19,944**	$19,675	$19,842	**1%**	(1)%
Provisions for income taxes	**5,446**	4,842	4,480	**12**	8 %
Income from continuing operations	**$14,498**	$14,833	$15,362	**(2)%**	(3)%
Net income attributable to noncontrolling interests	**56**	122	68	**(54)**	79
Citicorp s net income	**$14,442**	$14,711	$15,294	**(2)%**	(4)%
Balance sheet data *(in billions of dollars)*					
Total EOP assets	**$ 1,319**	$ 1,284	$ 1,138	**3%**	13%
Average assets	**$ 1,358**	$ 1,257	$ 1,088	**8%**	16%
Total EOP deposits	**797**	760	734	**5**	4

NM Not meaningful

GLOBAL CONSUMER BANKING

Global Consumer Banking (GCB) consists of Citigroup s four geographical *Regional Consumer Banking (RCB)* businesses that provide traditional banking services to retail customers. As of December 31, 2011, *GCB* also contained Citigroup s branded cards and local commercial banking businesses and, effective in the first quarter of 2012, will also include its retail partner cards business. *GCB* is a globally diversified business with nearly 4,200 branches in 39 countries around the world. At December 31, 2011, *GCB* had $340 billion of assets and $313 billion of deposits.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$23,090**	$23,184	$16,353		42%
Non-interest revenue	**9,495**	9,190	8,401	**3%**	9
Total revenues, net of interest expense	**$32,585**	$32,374	$24,754	**1%**	31%
Total operating expenses	**$18,933**	$16,547	$15,125	**14%**	9%
Net credit losses	**$ 7,688**	$11,216	$ 5,395	**(31)%**	NM
Credit reserve build (release)	**(2,988)**	(1,541)	1,823	**(94)**	NM
Provisions for unfunded lending commitments	**3**	(3)		**NM**	
Provision for benefits and claims	**152**	151	164	**1**	(8)%
Provisions for credit losses and for benefits and claims	**$ 4,855**	$ 9,823	$ 7,382	**(51)%**	33%
Income (loss) from continuing operations before taxes	**$ 8,797**	$ 6,004	$ 2,247	**47 %**	NM
Income taxes (benefits)	**2,601**	1,343	(142)	**94**	NM
Income (loss) from continuing operations	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%
Net income (loss) attributable to noncontrolling interests		(9)		**100**	
Net income (loss)	**$ 6,196**	$ 4,670	$ 2,389	**33 %**	95 %
Average assets *(in billions of dollars)*	**$ 335**	$ 309	$ 242	**8%**	28%
Return on assets	**1.85%**	1.51%	0.99%		
Total EOP assets	**$ 340**	$ 328	$ 255	**4**	29
Average deposits *(in billions of dollars)*	**311**	295	275	**5**	7
Net credit losses as a percentage of average loans	**3.25%**	5.11%	3.62%		
Revenue by business					
Retail banking	**$16,229**	$15,767	$14,782	**3%**	7%
Citi-branded cards	**16,356**	16,607	9,972	**(2)**	67
Total	**$32,585**	$32,374	$24,754	**1%**	31%
Income (loss) from continuing operations by business					
Retail banking	**$ 2,529**	$ 3,082	$ 2,387	**(18)%**	29%
Citi-branded cards	**3,667**	1,579	2	**NM**	NM
Total	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%

NM Not meaningful

NORTH AMERICA REGIONAL CONSUMER BANKING

North America Regional Consumer Banking (NA RCB) provides traditional banking and Citi-branded card services to retail customers and small to mid-size businesses in the U.S. Effective in the first quarter of 2012, *NA RCB* will also include the substantial majority of Citi s retail partner cards business, which will add approximately $45 billion of assets, including $41 billion of loans, to *NA RCB*. *NA RCB s* 1,016 retail bank branches and 12.7 million customer accounts, as of December 31, 2011, are largely concentrated in the greater metropolitan areas of New York, Los Angeles, San Francisco, Chicago, Miami, Washington, D.C., Boston, Philadelphia and certain larger cities in Texas. At December 31, 2011, *NA RCB* had $38.9 billion of retail banking loans and $148.8 billion of deposits. In addition, *NA RCB* had 22.0 million Citi-branded credit card accounts, with $75.9 billion in outstanding card loan balances.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$10,367**	$11,216	$5,206	**(8)%**	NM
Non-interest revenue	**3,247**	3,574	3,369	**(9)**	6%
Total revenues, net of interest expense	**$13,614**	$14,790	$8,575	**(8)%**	72%
Total operating expenses	**$ 7,329**	$ 6,163	$5,890	**19%**	5%
Net credit losses	**$ 4,949**	$ 8,019	$1,152	**(38)%**	NM
Credit reserve build (release)	**(2,740)**	(312)	527	**NM**	NM
Provisions for benefits and claims	**22**	24	50	**(8)**	(52)%
Provisions for loan losses and for benefits and claims	**$ 2,231**	$ 7,731	$1,729	**(71)%**	NM
Income from continuing operations before taxes	**$ 4,054**	$ 896	956	**NM**	(6)%
Income taxes	**1,465**	246	167	**NM**	47
Income from continuing operations	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
Net income attributable to noncontrolling interests					
Net income	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
Average assets *(in billions of dollars)*	**$ 123**	$ 119	$ 73	**3%**	63%
Average deposits *(in billions of dollars)*	**145**	145	141		3
Net credit losses as a percentage of average loans	**4.60%**	7.48%	2.43%		
Revenue by business					