



FOR IMMEDIATE RELEASE
Nikko Citi Holdings Inc.
July 7, 2008

**Nikko Citigroup to establish Institutional Client Coverage Division
Nikko Cordial Securities to transfer relationship managers
as part of planned integration of securities businesses**

Tokyo - Nikko Citi Holdings Inc. today announced that Nikko Citigroup Limited ("Nikko Citigroup") will establish an Institutional Client Coverage Division in August. Certain relationship managers at Nikko Cordial Securities Inc. ("Nikko Cordial Securities") will be transferred to Nikko Citigroup and will be based in Tokyo, Osaka and Nagoya.

This is in line with Nikko Citi Holdings' plan announced in March to integrate Citi's securities businesses in Japan by creating a unified operating platform. The transfer will be implemented by the end of September.

Nikko Cordial Securities and Nikko Citigroup aim to consolidate, simplify and enhance coverage of their institutional clients as well as offer quality products and services through closer coordination in the institutional securities businesses.

As previously announced, Citi plans to merge Nikko Cordial Securities and Nikko Citigroup subject to receipt of approvals from relevant authorities, in order to create a single, fully integrated securities company subsidiary of Nikko Citi Holdings.

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Media:
Citi Japan
Media Relations
81-3-5644-4543

Nikko Citi Holdings, a direct 100%-owned subsidiary of Citigroup Inc., is Citi's principal holding company in Japan, with responsibility for establishing group-wide strategies, for overseeing and coordinating the activities of Nikko Citi Holdings' direct and indirect operating subsidiaries, and for ensuring a solid foundation of governance, compliance, controls and risk management for the group. Its operating subsidiaries include Nikko Cordial Securities Inc., Nikko Citigroup Limited, Nikko Asset Management Co., Ltd. and Nikko Principal Investments Japan Ltd.

[Appendix 1]

Nikko Cordial Securities Inc.

Organizational Changes (effective July 7, 2008)

Nikko Cordial Securities will undertake below organizational changes in order to proceed the move of relationship managers smoothly.

Institutional Business Units

- The two units will be merged into one.

Listed & OTC Companies - Tokyo

- Listed & OTC Companies - Tokyo will be reorganized into two groups from three, and Listed & OTC Companies - Tokyo III will be abolished.
- Listed & OTC Companies I, II, and III will come under Listed & OTC Companies - Tokyo I and staffed with relationship managers who will be transferred to Nikko Citigroup.
- Listed & OTC Companies IV, V, and VI will come under Listed & OTC Companies - Tokyo II, and staffed with the relationship managers who will remain at Nikko Cordial Securities.

Institutional Business

- Nagoya Division under Institutional Business II, will be renamed to Nagoya I Division, and additionally Nagoya II Division will be newly established.
- Osaka Division under Institutional Business III will be renamed to Osaka I Division, and additionally Osaka II Division will be newly established.
- Those relationship managers to be transferred to Nikko Citigroup will transfer to Nagoya I Division or Osaka I Division.
- Those relationship managers to remain at Nikko Cordial Securities will be staffed at Nagoya II Division or Osaka II Division.

Scheduled Date of Transfer

Employees of Nikko Cordial Securities, in following divisions, will be transferred to Nikko Citigroup.

Tokyo (expected August 14, 2008)

Listed & OTC Companies I Division, Listed & OTC Companies II Division, and Listed & OTC Companies III Division, Financial Institutions Division, and Public Institutions Division

Osaka (expected August 14, 2008)

Osaka I Division

Nagoya (expected September, 2008)

Nagoya I Division

Nikko Citigroup Limited

Organizational Changes (expected August 11, 2008)

Institutional Client Coverage Division will be established to facilitate the transfer of relationship managers from Nikko Cordial Securities.

Establishment of New Branch

Name of branch: Nagoya Branch

Address: 2-3 Sakae 3-chome, Naka-ku, Nagoya-shi, Aichi 460-0008 Japan

Opening date: September 2008 (expected)

**[Appendix 2]
Appointments**

Nikko Cordial Securities Inc.

Board of Directors, Executive Officers (as of July 7, 2008)

Eisaku Imazato	[New] Senior Executive Managing Director, Co-head of Institutional Business Unit
	[Previous] Senior Executive Managing Director, Head of Institutional Business I Unit
Hideto Yoshikawa	[New] Senior Executive Managing Director, Co-head of Institutional Business Unit and Institutional Business II
	[Previous] Senior Executive Managing Director, Head of Institutional Business II Unit
Shuichi Kondo	[New] Executive Managing Director, Co-head of Institutional Business II
	[Previous] Executive Managing Director, Head of Institutional Business II
Kunio Oda	[New] Executive Officer, Co-head of Institutional Business III
	[Previous] Executive Officer, Head of Institutional Business III
Kenichi Tamura	[New] Executive Officer, Head of Listed & OTC Companies - Tokyo I
	[Previous] Executive Officer, Head of Compensation & Benefit Planning and Listed & OTC Companies - Tokyo I
Noboru Tsunoda	[New] Executive Officer, Co-head of Institutional Business III
	[Previous] Executive Officer, Head of Listed & OTC Companies - Tokyo II

Toyoshi Maeda	[New] Executive Officer, Head of Compensation & Benefit Planning and Listed & OTC Companies -, Tokyo II
	[Previous] Executive Officer, Head of Listed & OTC Companies - Tokyo III

Changes in Executive Responsibilities (expected August 14, 2008)

Eisaku Imazato	[Released from] Co-head of Institutional Business Unit
Takashi Yoshikawa	[Released from] Head of Financial & Public Institutions
Kunio Oda	[Released from] Co-head of Institutional Business III
Kenichi Tamura	[Released from] Head of Listed & OTC Companies Tokyo I

(expected September, 2008)

Shuichi Kondo	[Released from] Co-head of Institutional Business II
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General Managers (as of July 7, 2008)

Takashi Yoshikawa	[New] Executive Managing Director, Head of Financial & Public Institutions, General Manager of Public Institutions
	[Previous] Executive Managing Director, Head of Financial & Public Institutions
Kenichi Tamura	[New] Executive Officer, Head of Listed & OTC Companies - Tokyo I, General Manager of Listed & OTC Companies III
	[Previous] Executive Officer, Head of Listed & OTC Companies - Tokyo I
Keita Suzuki	[New] General Manager, Listed & OTC Companies IV
	[Previous] General Manager, Listed & OTC Companies III
Kazuhiko Terakado	[New] General Manager, Nagoya I
	[Previous] General Manager, Nagoya

Yoshihiro Hayata	[New] General Manager, Nagoya II
	[Previous] General Manager, Public Institutions
Kazuhito Izumida	[New] General Manager, Osaka I
	[Previous] General Manager, Osaka
Tatsuya Shiomi	[New] General Manager, Osaka II
	[Previous] General Manager, Listed & OTC Companies IV

Nikko Citigroup Limited

Executive Officers (expected August 14, 2008)

Eisaku Imazato	[New] Member of the Executive Committee, Head of Institutional Client Coverage Division
	[Previous] Senior Executive Managing Director, Co-head of Institutional Business, Nikko Cordial Securities Inc.
Takashi Yoshikawa	[New] Head of Financial Institutions Clients Group and Public Sector Clients Group
	[Previous] Executive Managing Director, Head of Financial & Public Institutions, Nikko Cordial Securities Inc.
Kunio Oda	[New] Head of Corporate Clients Group Osaka
	[Previous] Executive Officer, Co-head of Institutional Business III, Nikko Cordial Securities Inc.
Kenichi Tamura	[New] Head of Corporate Clients Group
	[Previous] Executive Officer, Head of Listed & OTC Companies - Tokyo I, Nikko Cordial Securities Inc.

(expected September, 2008)

Shuichi Kondo	[New] Head of Corporate Clients Group Nagoya
	[Previous] Executive Managing Director, Co-head of Institutional Business II, Nikko Cordial Securities Inc.

General Managers (expected August 14, 2008)

Yoshitsune Fujiki	[New] General Manager of Corporate Clients Group I
	[Previous] General Manager, Listed & OTC Companies - I, Nikko Cordial Securities Inc.

Tetsuya Nakamura	[New] General Manager of Corporate Clients Group II
	[Previous] General Manager, Listed & OTC Companies - II, Nikko Cordial Securities Inc.
Yuji Sekikawa	[New] General Manager of Corporate Clients Group III
	[Previous] Managing Director, Corporate Coverage, Global Investor Sales Division
Yuji Kawahara	[New] General Manager of Financial Institution Clients Group
	[Previous] General Manager, Financial Institutions, Nikko Cordial Securities Inc.
Noboru Tsubata	[New] General Manager of Public Sector Clients Group
	[Previous] Director, International Fixed Income Sales, Global Investor Sales Division
Kazuhito Izumida	[New] General Manager of Corporate Clients Group Osaka I
	[Previous] General Manager, Osaka I, Nikko Cordial Securities Inc.

(expected September, 2008)

Kazuhiko Terakado	[New] General Manager of Corporate Clients Group Nagoya I
	[Previous] General Manager, Nagoya I, Nikko Cordial Securities Inc.