

Citibank Securities (Japan) Limited
Nikko Cordial Securities Inc.

**Citibank Securities Japan and Nikko Cordial Securities
Agree to Consolidate Retail Securities Businesses**

Tokyo, February 12, 2008 - Citibank Securities (Japan) Limited ("Citibank Securities Japan") and Nikko Cordial Securities Inc. ("Nikko Cordial Securities"), today announced that the boards of directors of Citibank Securities Japan and Nikko Cordial Securities (both indirectly 100% owned by Citigroup) have approved the consolidation of the retail securities business of Citibank Securities Japan with those of Nikko Cordial Securities ("Integration") subject to the approval of competent authorities.

1. Objectives and background of the Integration

Citi and Nikko have been examining various collaborative initiatives designed to expand their respective business opportunities in Japan and to create one of Japan's leading comprehensive financial services groups, while giving due respect to Japanese culture and business practices. As one of the initiatives, Nikko Cordial Securities and Citibank Securities Japan announced the agreement to commence integration discussions on October 9th, 2007 targeting the integration in early May 2008. The two companies agreed to integrate the Japan retail securities business in Nikko Cordial Securities because it would lead to the creation of synergies and efficient use of management resources within the group.

After the Integration, Nikko Cordial Securities will assume and strengthen Citibank Securities Japan's current retail securities business, which includes wealth management services and the securities intermediary business, as well as provide new products which utilize Citi's global network.

2. Target Date of the Integration

The target date of the Integration is May 3, 2008.

3. Details of the Integration

The Integration will take the form of a sale of 100% of the shares of Citibank Securities Japan to Nikko Cordial Securities for cash, followed by the merger of Citibank Securities Japan into Nikko Cordial Securities. All transactions will be conducted on an arm's length basis.

4. Overview of the Integrated Companies

As of end of December 2007

(1) Trade name	Nikko Cordial Securities Inc.	Citibank Securities (Japan) Limited
(2) Business	Financial instruments trading business	Financial instruments trading business
(3) Date of incorporation	March 29, 2001	May 30, 2006
(4) Location of head office	3-3-1, Marunouchi, Chiyoda-ku, Tokyo, Japan	1-3-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
(5) Representative	Mikio Kitabayashi President and CEO	Masaaki Mizuno Representative Director Raul Paredes Representative Director
(6) Amount of stated capital	100 billion yen	6,388,270,776 yen
(7) Outstanding shares	2,000,000 shares	66,778,541,549 shares
(8) Net assets	424,813 million yen	3,772 million yen
(9) Total assets	1,533,669 million yen	13,496 million yen
(10) End of fiscal year	March 31	March 31
(11) Employees	7,196	105
(12) Major shareholders and their percentage of shareholdings	Nikko Cordial Corporation: 100.00%	CJP Holdings Inc. 100.00%

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