



FOR IMMEDIATE RELEASE
Nikko Citi Holdings Inc.
July 29, 2008

Nikko Citi Holdings to Reorganize Cordial Communications Businesses

Nikko Citi Holdings Inc. ("Nikko Citi Holdings") today announced that it will reorganize the business operations of Cordial Communications Inc. ("Cordial Communications"), a wholly-owned direct subsidiary of Nikko Citi Holdings. This is a part of Citi's plan to reorganize its group structure in Japan as announced in March 2008, and also in line with the on-going review of ways to enhance its operating efficiency across the organization and increase its focus on clients.

Cordial Communications currently operates two businesses; a financial literacy business which provides investment education-related services and an investment trust super center business which sells investment trust products as a financial instrument intermediary service provider.

Nikko Financial Intelligence, Inc., a company which engages in the provision of financial information, will assume the financial literacy business through a company split, and the remaining investment trust super center business in Cordial Communications will be merged with and into Nikko Cordial Securities Inc. (Nikko Cordial Securities). This reorganization is expected to be completed by December 2008. The investment trust super center business, since its launch in October 2006, has steadily expanded assets under management. In the future, Nikko Cordial Securities, by directly operating the investment trust super center business, aims to further enhance customer satisfaction.

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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.

* The current customers of the investment trust super center will not be required to take any specific actions in connection with the merger with Nikko Cordial Securities. Customer assets will continue to be managed by Nikko Cordial Securities and transactions can be executed by customers.