

# 2017 Investor Day

## Global Consumer Banking

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**July 25, 2017**



# Global Consumer Banking

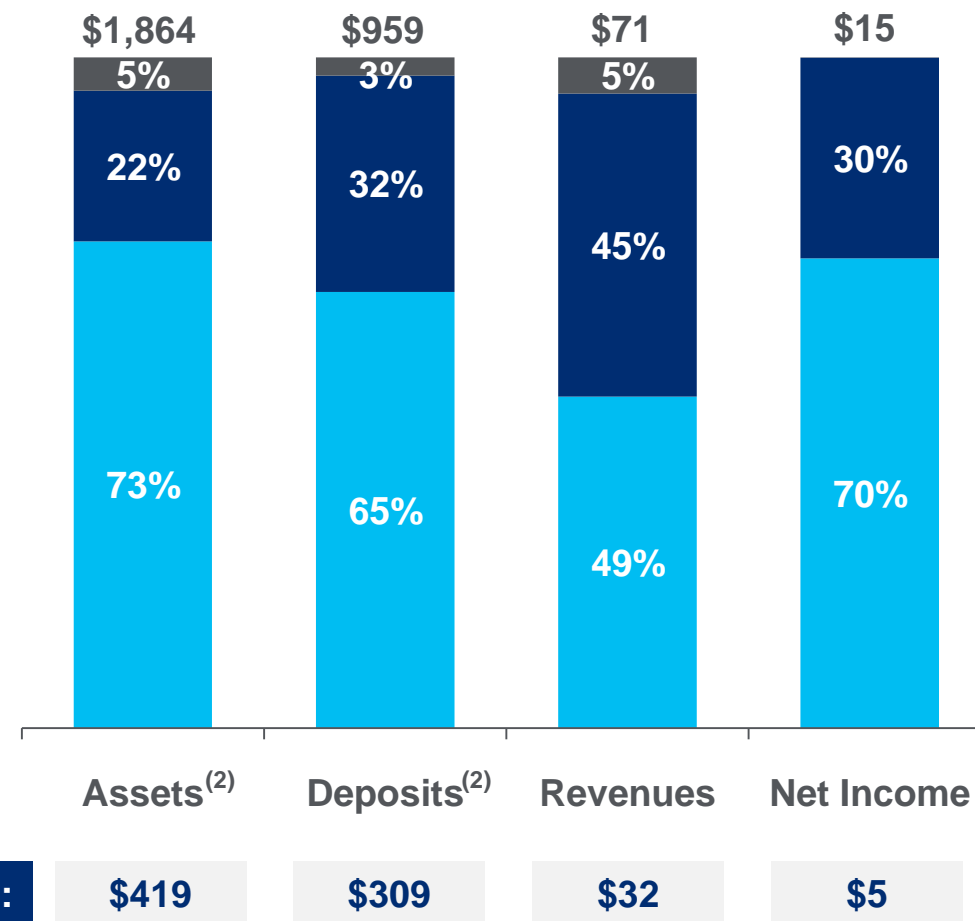
## Our Franchise

- Global business with presence in **19 markets**
- Business model designed to meet the full **financial needs** of **attractive client segments** in high growth markets
- Leading positions in **Cards & Wealth Management** across U.S., Asia and Mexico
  - #1 credit card issuer globally by loans
  - Strong position in retail in U.S. wealth markets
  - Top 3 wealth manager in Asia, #1 NPS in key markets<sup>(1)</sup>
  - Leading franchise in Mexico, #1 in deposits + AUMs
- Light physical presence with high **digital capability**
- Unique **commercial banking** solutions leveraging ICG network
- Source of **stable, low-cost funding**
- Strong track record of **expense and credit discipline**, pivoting to **revenue growth**

## Contribution to Citi

(\$B, LTM'17)

■ GCB ■ ICG ■ Corp / Other



Note: Throughout this presentation, LTM is defined as last twelve months ended June 30<sup>th</sup> and totals may not sum due to rounding. GCB: Global Consumer Banking; ICG: Institutional Clients Group.

(1) #1 Citigold Net Promoter Score (NPS) in 9 of 14 markets where survey results are available; #1 Citi Priority NPS in 7 of 9 markets where survey results are available.

(2) End of period as of 2Q'17.

# Poised for Sustainable Growth and Improved Returns

Strong franchise  
in growing  
markets...

- A **streamlined, diversified franchise** and business model with significant **opportunities for global leverage**
- Common, segment-driven model focused on **affluent and emerging affluent target clients** with **world-class value propositions** for each segment
- Light physical footprint and **leading global capabilities and partnerships** that differentiate us from peers
- Disciplined **risk management** framework

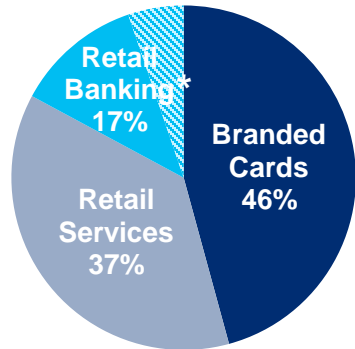
...driving client-  
led growth and  
improved returns

- Executing on **important investments** across the business in areas like Branded Cards, U.S. wealth management and Mexico
- Able to **rapidly deploy new digital capabilities** across markets
- Optimizing how we engage with clients to **improve client experience, deepen client penetration** and also **lower cost to serve**
- **Clear path to longer-term RoTCE of over 20% reflecting client-led growth** and the benefit of **higher interest rates**, along with continued **expense and credit discipline**

# A Diversified Global Business With Leading Market Positions

## U.S.

### Net Income

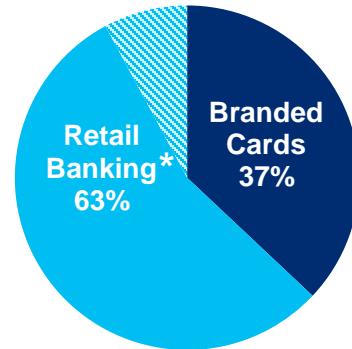


**Revenue: \$20B**  
**Net Income: \$3B**

- 72MM clients
- ~700 branches
- #1 deposits per branch in core markets<sup>(1)</sup>
- #2 credit card issuer by loans
- Iconic card partnerships: American Airlines, Costco, The Home Depot

## Asia

### Net Income

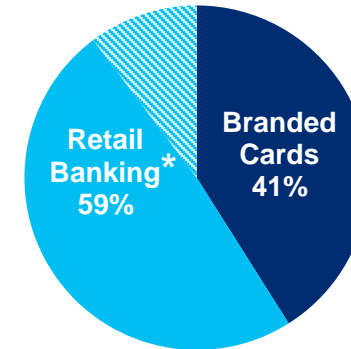


**Revenue: \$7B**  
**Net Income: \$1B**

- 16MM clients
- ~400 branches
- Leading wealth management franchise
- Citigold NPS: #1 in key markets<sup>(2)</sup>
- Strong cards and loans business

## Mexico

### Net Income



**Revenue: \$5B**  
**Net Income: \$0.6B**

- 21MM clients
- ~1,500 branches
- #1 client share<sup>(3)</sup>
- #1 in bank brand recognition (Citibanamex)<sup>(4)</sup>
- #1 bank in total deposits and AUMs<sup>(5)</sup>
- #2 credit card issuer by loans

Note: \*Shaded portion within Retail Banking represents Commercial Banking.

Totals may not sum due to rounding. Revenue and net income represents LTM'17 results. Throughout this presentation, Asia GCB includes the results of operations of GCB activities in certain EMEA countries for all periods presented.

(1) Source: FDIC as of June 2016. National Average across Top 15 deposit institutions.

(2) #1 Citigold NPS in 9 of 14 markets where survey results are available.

(3) PRM Base study on banking market in Mexico 2016.

(4) Source: Brand Finance Mexico 50 2017 report.

(5) Source: CNBV and competitive analysis.

# Our Business Model Creates Opportunities for Global Leverage & Scale

## Our Global Operating Model



## Benefits of Global Leverage

### Value Propositions





### Partnerships & Suppliers








### Success Transfer Across Markets



Mobile Banking /  
Agile Development



Next Generation  
Formats



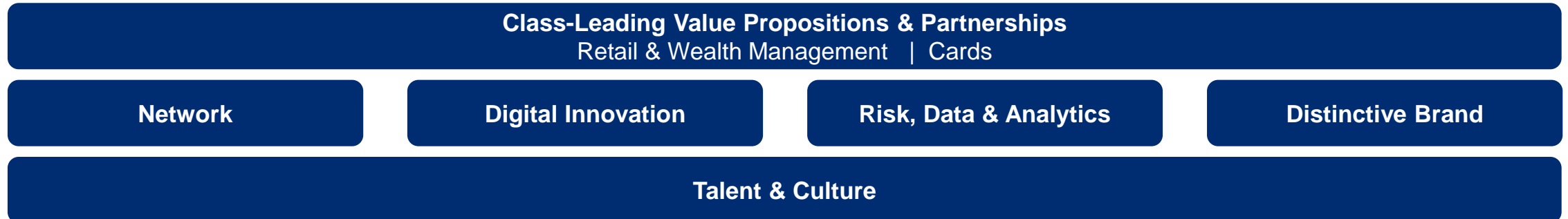
Digital Capabilities  
and Partnerships

# Our Client-Led Growth Model is Supported by Unique Global Capabilities

## Our Clients



## Our Capabilities



5 Note: DM: Developed Markets; EM: Emerging Markets.  
(1) Balance requirements for each segment refer to total deposits and assets under management.

**Strong Foundation For Growth**

**Path to Achieving Our Targets**

**Our Businesses**

**Key Takeaways**

# Strong Foundation for Growth

Efforts to streamline franchise and enhance global capabilities are now delivering results

## Market Focus

- Reduced presence to 19 markets with large, growing revenue pools
- Concentrated branch presence in urban locations

## Value Propositions

- Completed common platform in U.S. to enable holistic client view and segmentation strategy
- Rationalized card products and continued roll-out of global products and rewards

## Partnerships

- Renewed all key co-brand card and Retail Services relationships through 2020+
- Established important digital partnerships to support eCommerce and client acquisition

## Network

- Continued to reduce branches and optimize formats (e.g., wealth centers)
- Rapidly migrated transaction activity from tellers / call centers to self-service channels

## Innovation

- Radically accelerated time to market with new digital capabilities
- Enhanced risk analytics and client acquisitions using big data



# Value Propositions & Partnerships: Retail & Wealth Management

## Segment-driven Business Model<sup>(1)</sup>

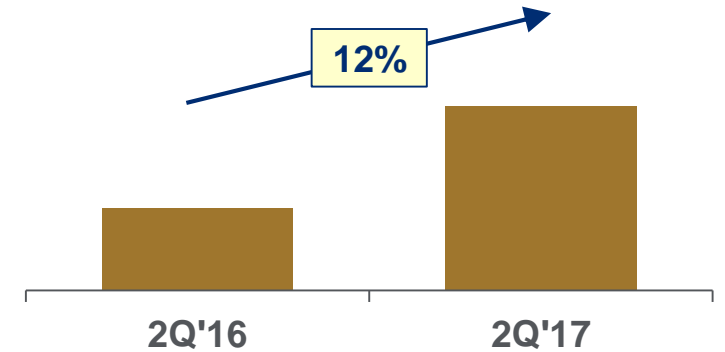
Segments	Client Footings	Rev. / Client
Citigold	>\$230B	>25x
Citi Priority	~\$70B	>6x
Citibank	>\$90B	1x

## Citigold Value Proposition

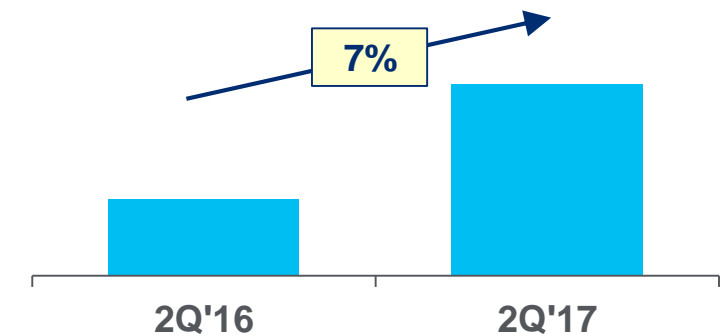
- Insight** In-depth research on markets, trends and opportunities from Citi Institutional Research
- Access** Custom “always on” end-to-end Wealth Management solutions
- Your Team** Dedicated Citi Relationship Manager and team of experts
- Privileges** Exclusive, curated lifestyle and banking privileges, preferred pricing and service

## Accelerating Growth

Citigold Clients



Citi Priority Clients

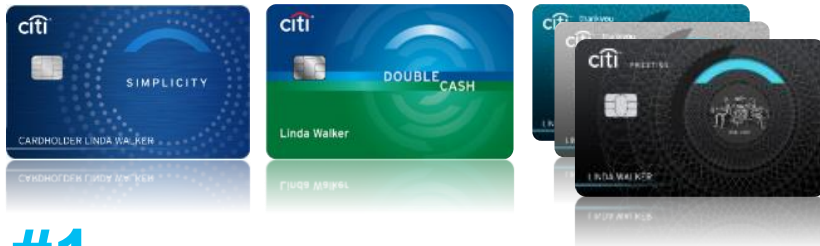


Note:

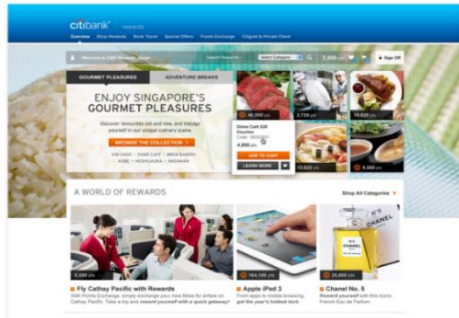
8 (1) Clients by segment, qualified by maintaining deposits & investments balances above local currency thresholds. (Asia clients qualify based on deposit & investments and insurance balances). Client footings includes deposits, investments and loan balances. Footings and rev. / client across retail banking and cards, for 2Q'17.

# Value Propositions & Partnerships: Cards

## Proprietary Global Products & Platforms<sup>(1)</sup>



- #1** No fee product
- #1** Cash back (U.S.)
- #1** General purpose reward card program



**#1** Digital Rewards Platform



**#1** Entertainment Platform

## Iconic Partners<sup>(2)</sup>



**#1** Home Improvement Retailer



**#1** World's Largest Airline



**#1** Warehouse Club



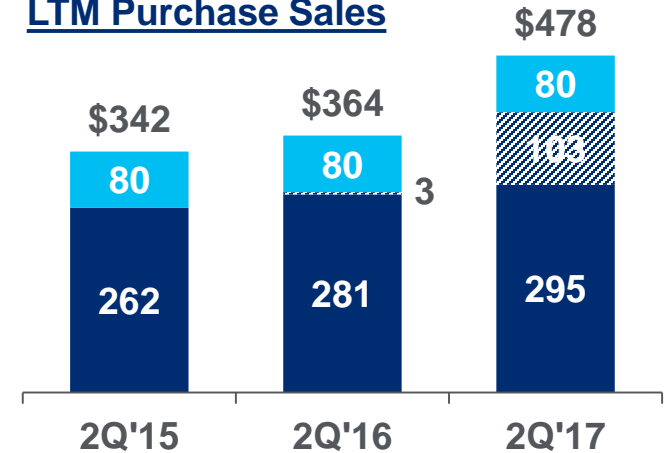
**#1** Consumer Electronics Retailer

## Accelerating Growth

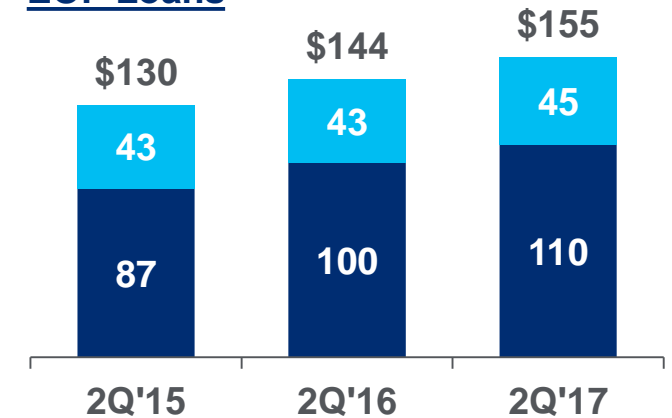
(Constant \$B)

■ Branded Cards ■ Retail Services ■ Costco ex Costco

### LTM Purchase Sales



### EOP Loans

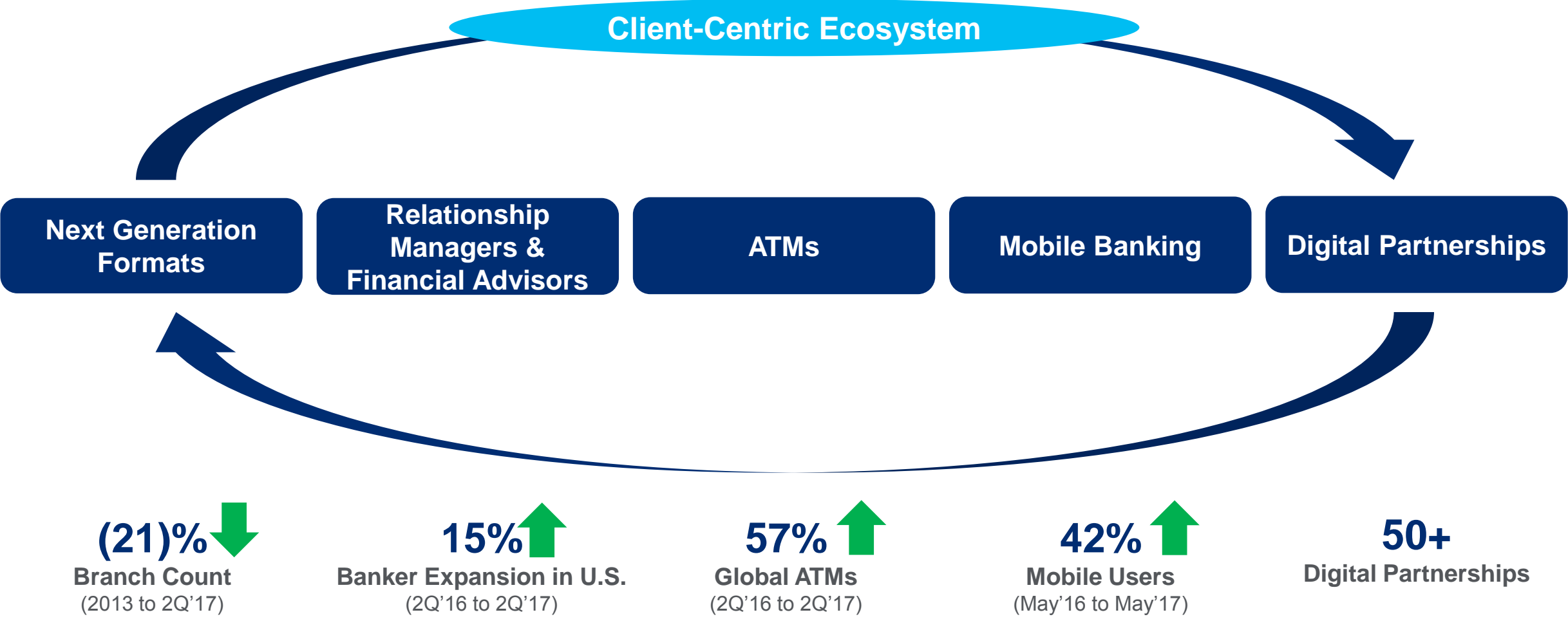


Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.

(1) Simplicity rank based on number of countries where no late fee card offered; Double Cash rank based on NPS as measured by JDPower; Reward cards rank based on number of markets where general purpose rewards cards offered (excluding charge and commercial cards); Rewards Platform based on number of markets where online redemption offered; Entertainment Platform based on Private Pass ticket sales and events including those offered through our Live Nation partnership.

(2) Source: Forbes (THD, AA) and Market Realist (COST, BBY) based on total sales volume relative to overall industry.

# Network: Light Physical Footprint with Leading Digital Capabilities



# Digital Innovation: Engaging Clients Through Digital & Mobile Channels

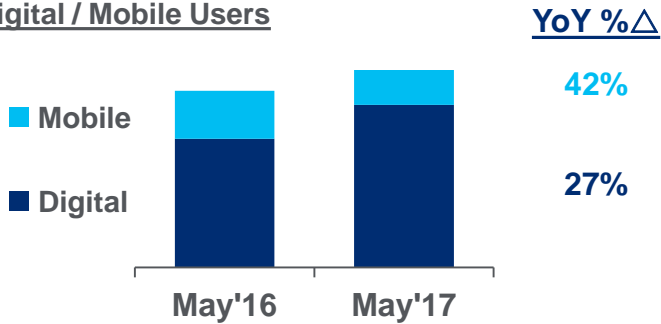
## Increased Acquisitions

Accounts Acquired through Digital Channels



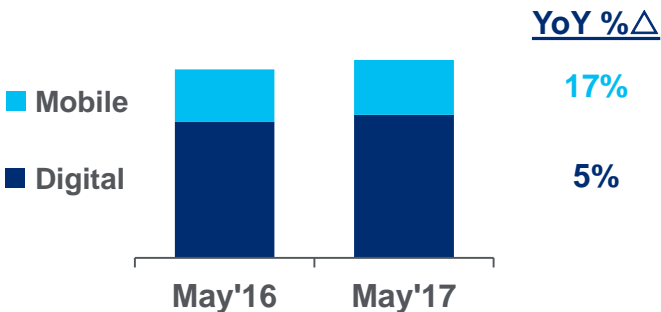
## Increased Adoption

Digital / Mobile Users



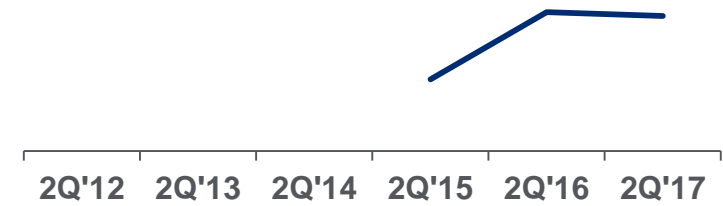
## Increased Engagement

Digital Usage (90 day) / Mobile Usage (30 day)



## Improvements in NPS (Cards Example)

**citi** Mobile App NPS



Δ since tracking

+800bps

**📶** Digital NPS



+1,650bps

## Industry Recognition






World's Best Digital Bank

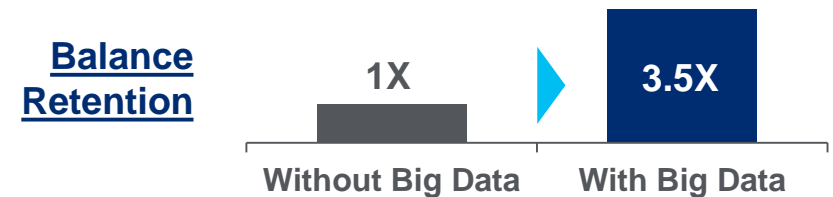
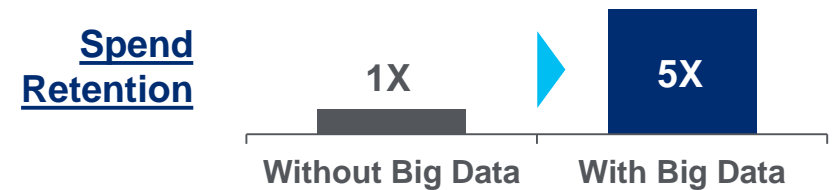
# Risk, Data & Analytics: Building Next Generation Targeting Capabilities

## Moving To Advanced Analytics in a Big Data Environment ...

## ... With Great Potential to Deliver Greater Value

	<u>Targeting</u>	<u>Channels</u>	<u>Analytic Models</u>	<u>Data Type</u>
<u>2011</u>	 <b>Segments</b>	<ul style="list-style-type: none"> <li>Direct Mail</li> </ul>	<ul style="list-style-type: none"> <li>~10 models</li> </ul>	<ul style="list-style-type: none"> <li>Internal + limited 3<sup>rd</sup> party</li> </ul>
<u>2016</u>	 <b>Individuals</b>	<ul style="list-style-type: none"> <li>Direct Mail</li> <li>Above the Line</li> <li>Digital</li> </ul>	<ul style="list-style-type: none"> <li>550+ models</li> </ul>	<ul style="list-style-type: none"> <li>Internal data + spend behavior with competitors</li> </ul>
<u>2017+</u>	 <b>Individuals Real-Time</b>	<ul style="list-style-type: none"> <li>Omni-Channel</li> </ul>	<ul style="list-style-type: none"> <li>1,000+ models</li> </ul>	<ul style="list-style-type: none"> <li>Internal data + 3<sup>rd</sup> party data</li> </ul>

- Over 160 use cases identified for leveraging Big Data
- Successful tests (Global Cards):

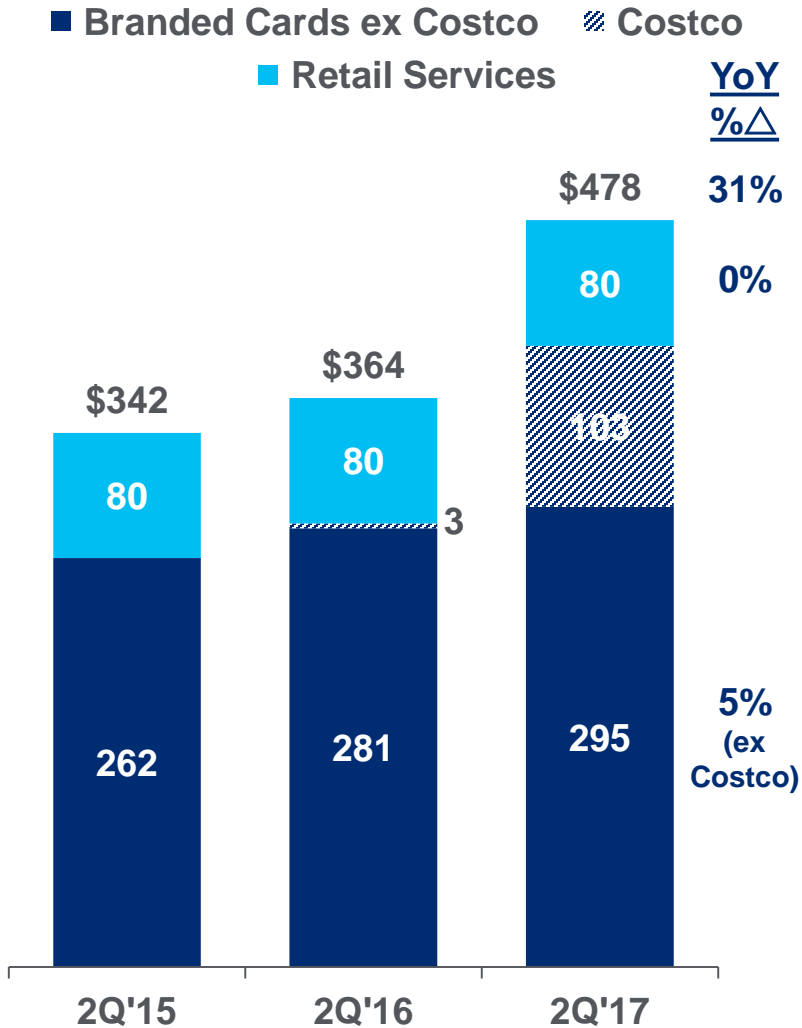


**On \$110B Branded Cards portfolio, ~\$2B balance retention opportunity**

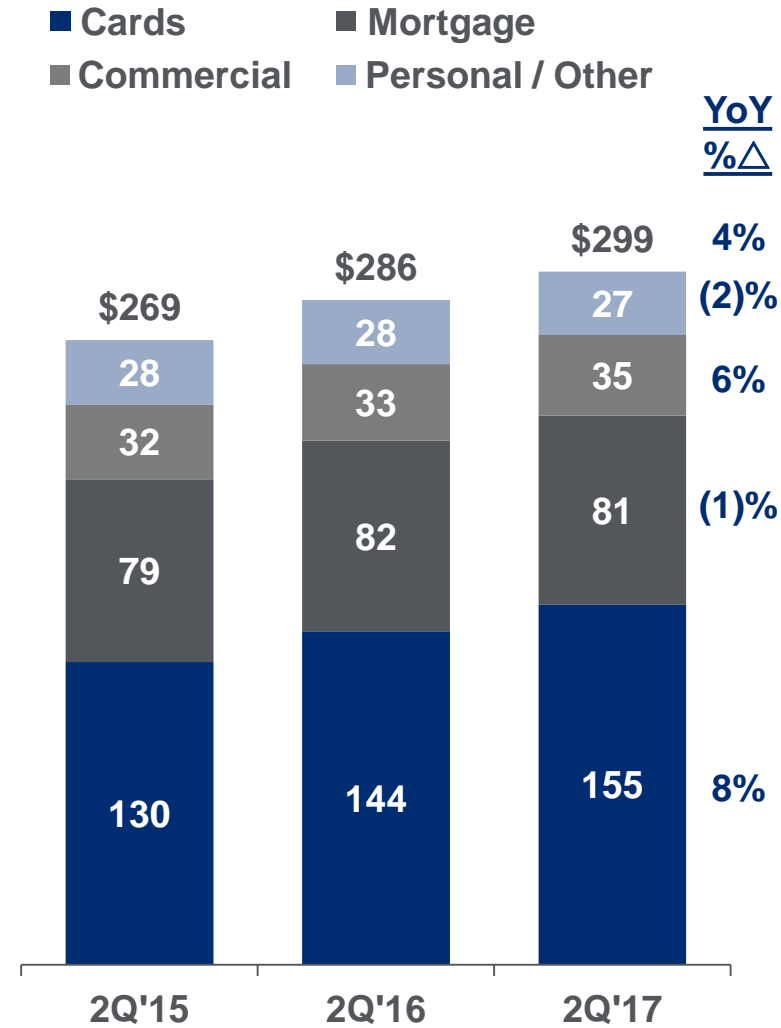
# Our Strategy is Driving Improved Client Engagement

(Constant \$B)

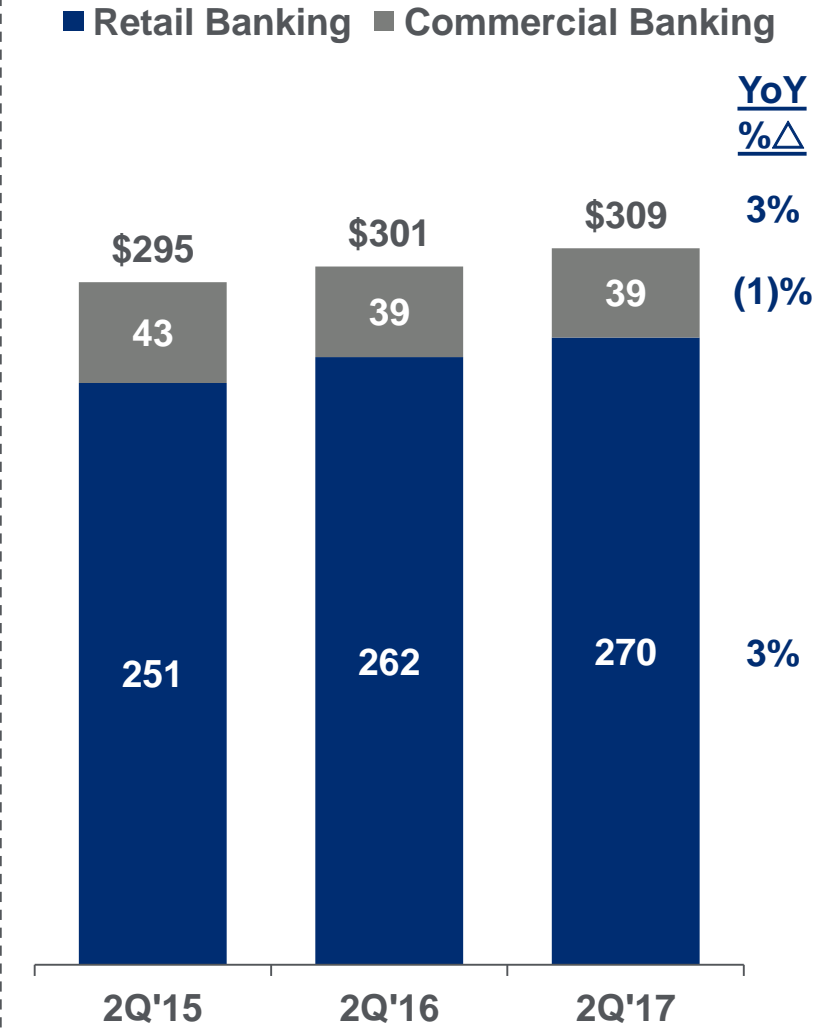
## LTM Purchase Sales



## EOP Loans



## EOP Deposits



13 Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.

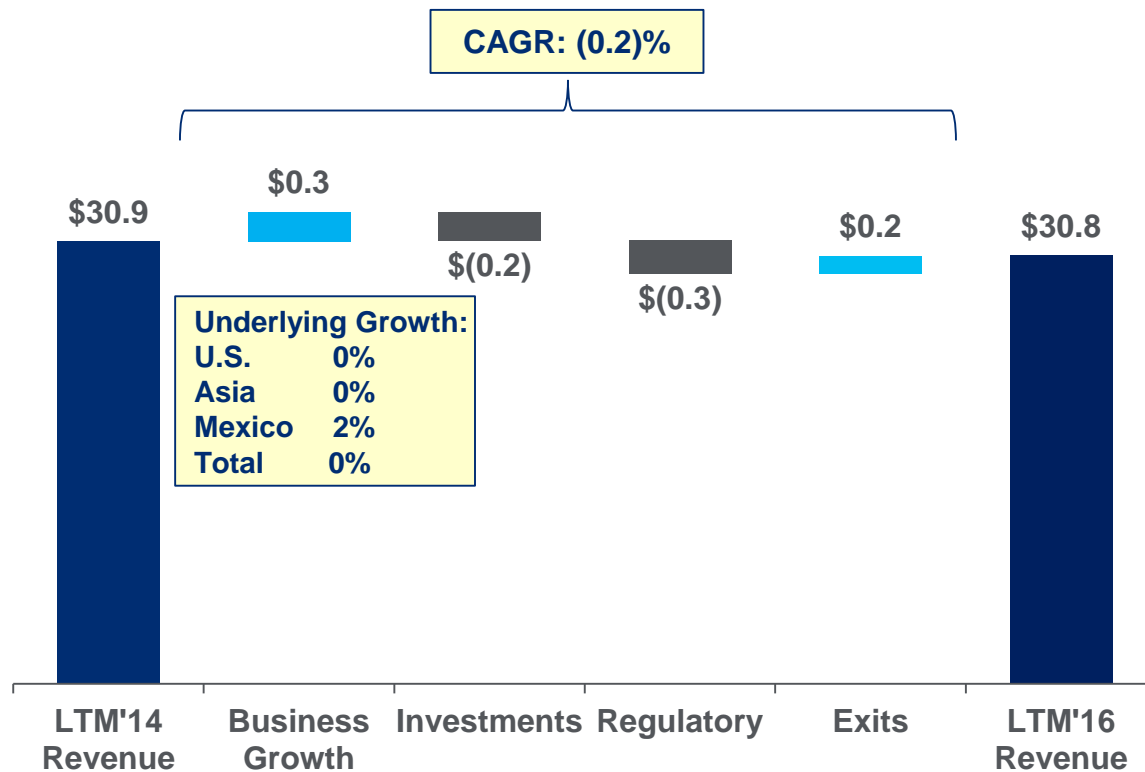


# Resulting in a Return to Revenue Growth

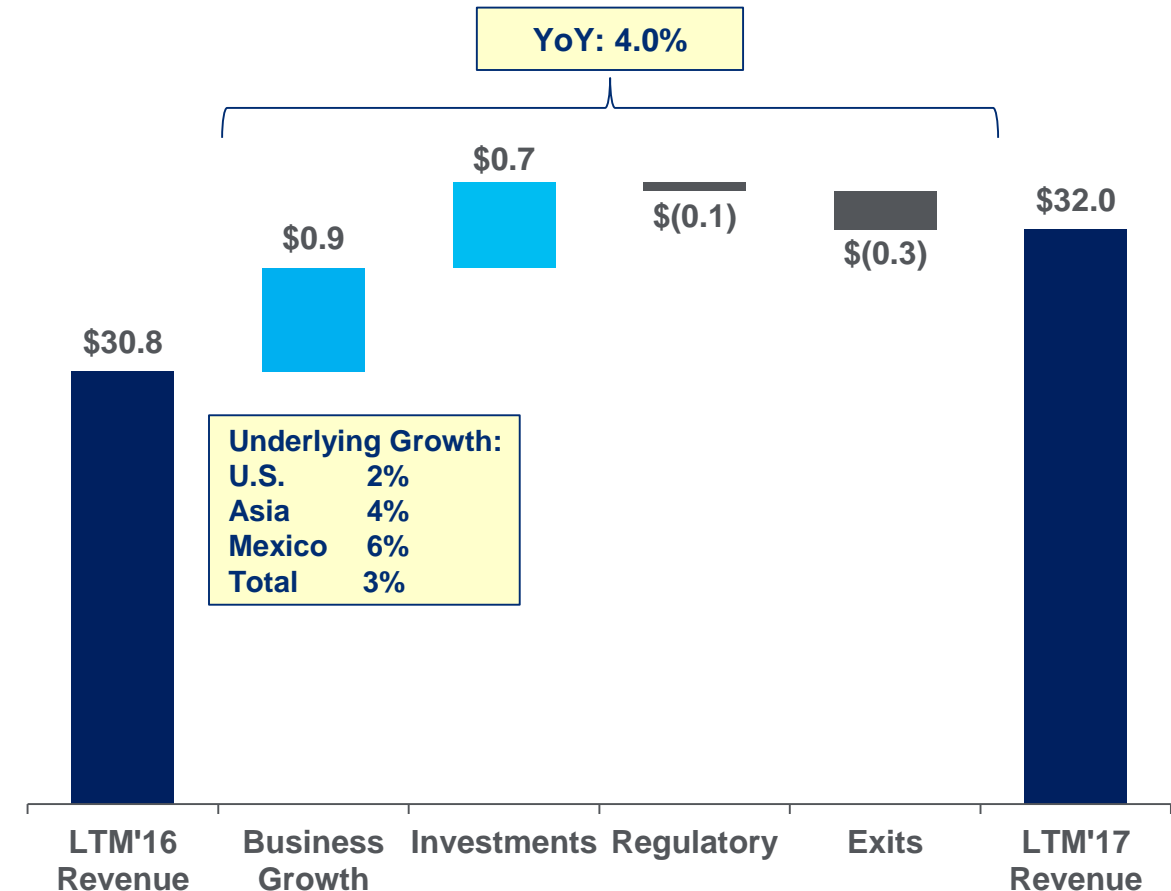
Business growth accelerating as investments mature and headwinds moderate

(Constant \$B)

## From Flat Revenue Trend...



## ... to Growth Over Last Twelve Months



**Strong Foundation For Growth**

**Path to Achieving Our Targets**

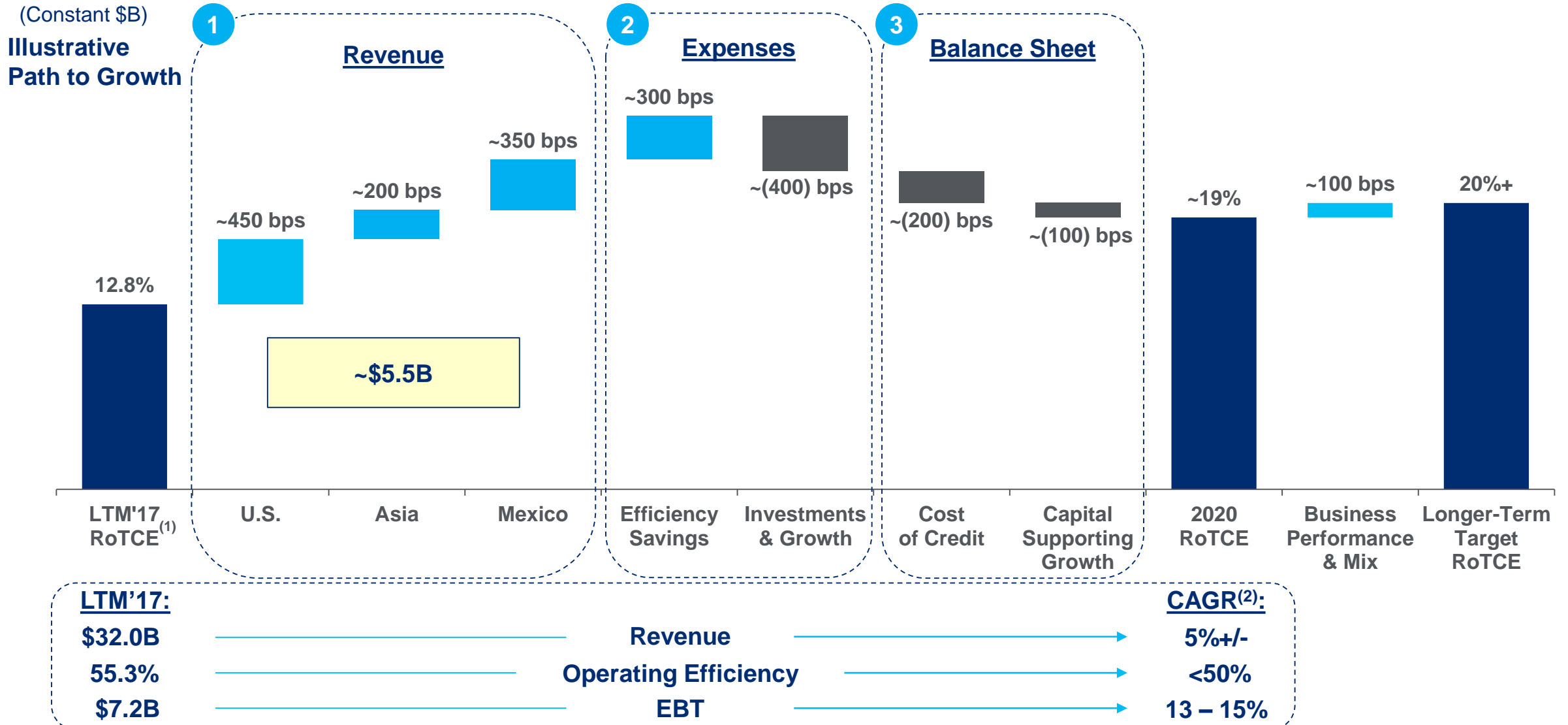
**Our Businesses**

**Key Takeaways**



# We Are On Path to Deliver Meaningful Earnings Growth & Achieve Target Returns

Sustainable revenue growth with continued expense discipline to drive stronger EBT and RoTCE





Note: Totals may not sum due to rounding. Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.

16 (1) For additional information on this measure, please refer to Slide 55.

(2) Illustrative results through 2020.

# 1 Accelerating Revenue Growth

(Constant \$)

	2017-2020 Growth Drivers	LTM Growth <sup>(1)</sup>	CAGR LTM'17 – 2020 <sup>(2)</sup>	Growth (\$B) LTM'17 – 2020 <sup>(2)</sup>
 <p><b>U.S. Retail ex Mortgage</b></p>	<ul style="list-style-type: none"> <li>• Deepen Citigold and Citi Priority client penetration</li> <li>• Continued Commercial Banking growth</li> <li>• Drive digital acquisition and engagement</li> <li>• Benefit from expected U.S. rate increases</li> </ul>	<p><b>6%<sup>(3)</sup></b> (4% ex U.S. Rates)</p>	<p><b>~10%</b> (~5% ex U.S. Rates)</p>	<p><b>~\$1.5</b> (50% from U.S. Rates)</p>
 <p><b>Retail Services</b></p>	<ul style="list-style-type: none"> <li>• Organic growth with key merchants</li> <li>• Inorganic growth through new partner opportunities</li> <li>• Partially offset by higher partner payments</li> </ul>	<p><b>1%</b></p>	<p><b>~1%</b></p>	<p><b>~\$0</b></p>
 <p><b>Branded Cards</b></p>	<ul style="list-style-type: none"> <li>• Deliver differentiated client experiences and value</li> <li>• Build balanced portfolio and grow full rate balances</li> <li>• Transform digital client experience</li> </ul>	<p><b>1%</b> (organic)</p>	<p><b>~3%</b></p>	<p><b>~\$1</b></p>
 <p><b>Asia</b></p>	<ul style="list-style-type: none"> <li>• Extend leadership in wealth management</li> <li>• Grow unsecured lending – cards and personal loans</li> <li>• Expand digital partnerships with regional players</li> <li>• Regulatory headwinds continue to abate</li> </ul>	<p><b>3%</b></p>	<p><b>~4%</b></p>	<p><b>~\$1</b></p>
 <p><b>Mexico</b></p>	<ul style="list-style-type: none"> <li>• Deepen Citigold and Citi Priority client penetration</li> <li>• Grow Cards by leveraging global proprietary products and rewards program</li> <li>• Modernize infrastructure, branch network and transform digital client experience</li> </ul>	<p><b>6%</b></p>	<p><b>~10%</b></p>	<p><b>~\$2</b></p>
			<p><b>CAGR: 5%+/-</b></p>	<p><b>~\$5.5</b></p>

Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.

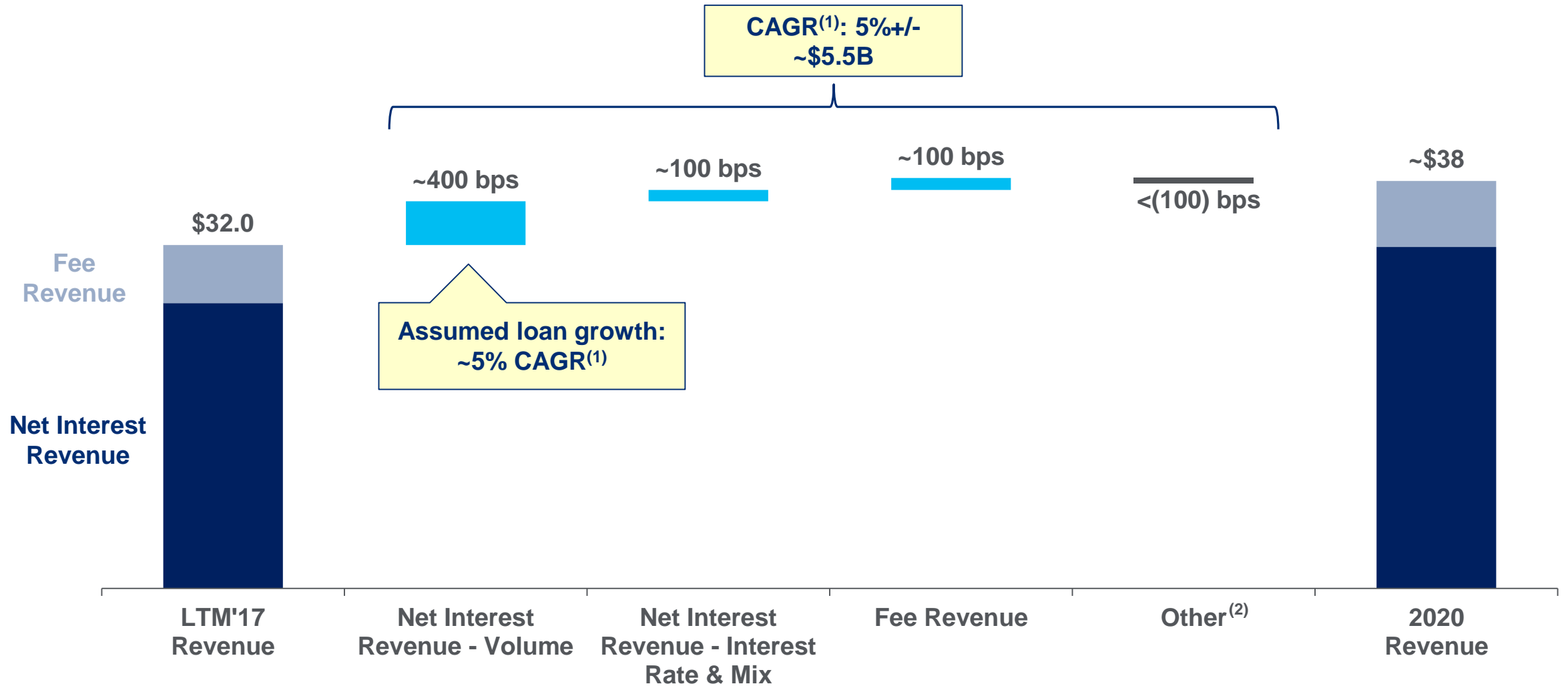
(1) LTM growth defined as last twelve months ending June 30, 2017 versus last twelve months ending June 30, 2016. Variances exclude ~\$160MM gain in constant dollars (\$180MM as reported) related to the sale of Citi's merchant acquiring business in Mexico in 3Q'15, as well as gains related to portfolio sales in Retail Services in 1Q'16 and are non-GAAP financial measures.

(2) Illustrative results through 2020.

(3) U.S. Retail ex Mortgage growth shown for 1H'17 versus 1H'16 to reflect results since the launch of the enhanced Citigold value proposition in November 2016.

# 1 Volume Growth Expected to Drive Sustainable Revenue Growth

(Constant \$B)



Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.

(1) Illustrative results through 2020.

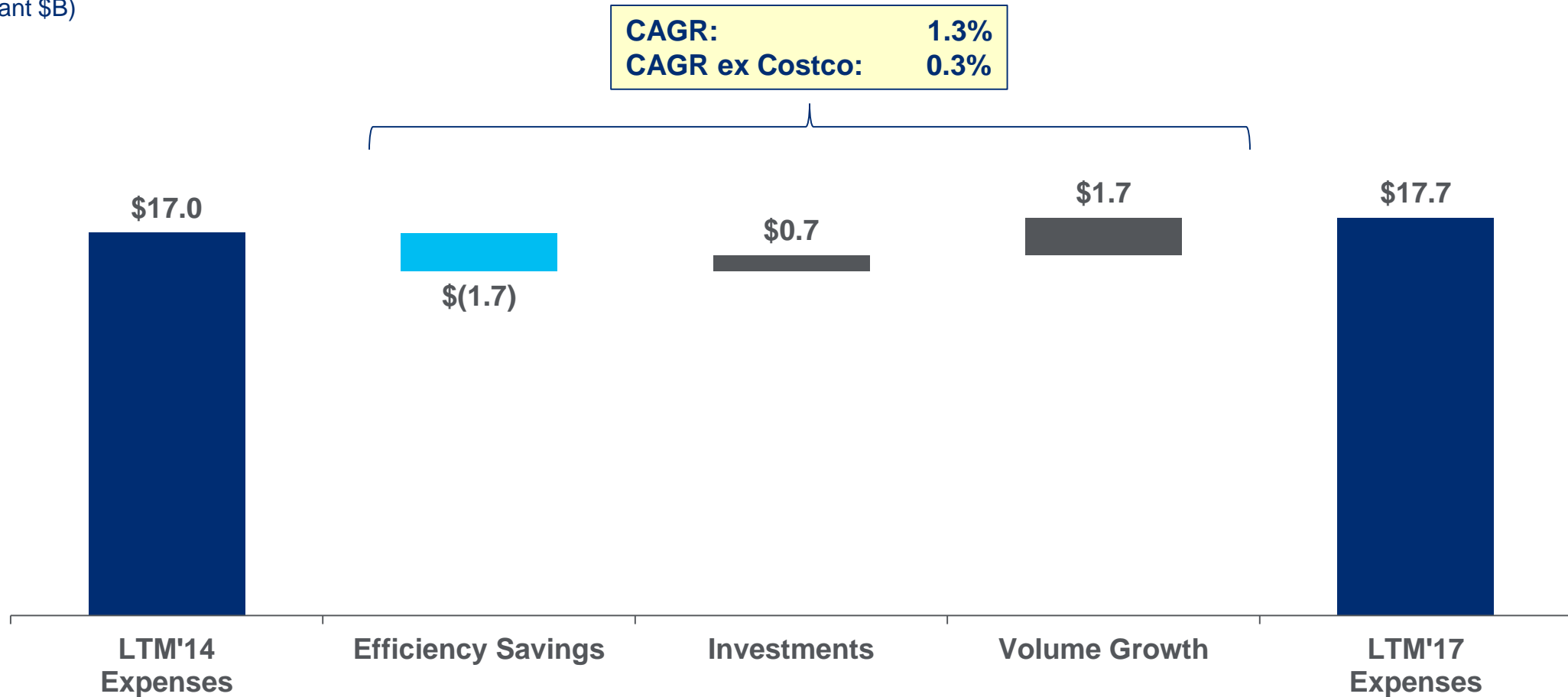
(2) Includes impact of contractual partner payments in Retail Services and exit of U.S. mortgage servicing operations.

## 2 We Have a Strong Track Record of Expense Discipline

Leveraged efficiency savings to reinvest in our business – keeping expenses flat (ex Costco)

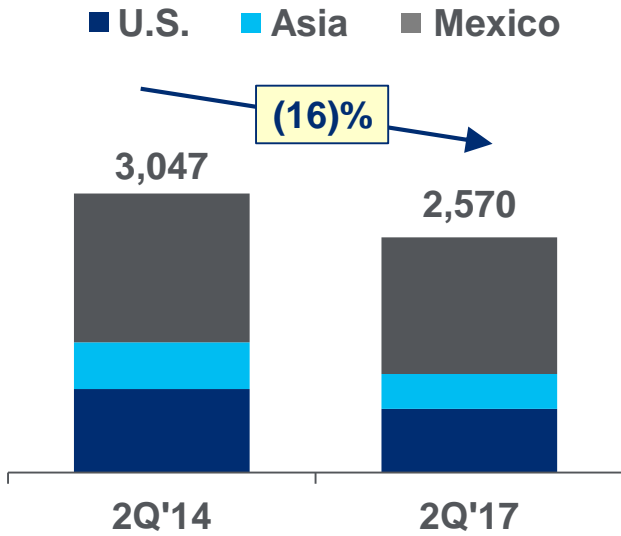
### Reinvesting Efficiency Savings

(Constant \$B)



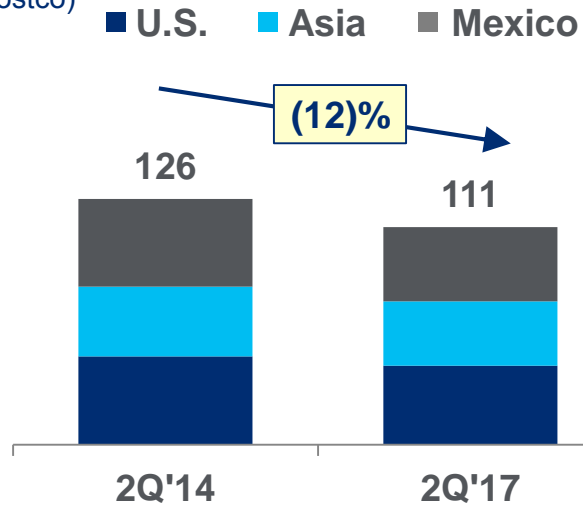
# 2 Network Transformation Driving Lower Cost to Serve

## Branches



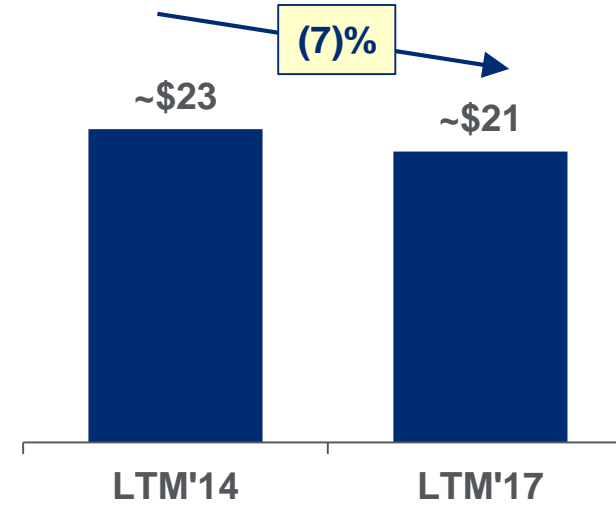
## Headcount

(000's, ex Costco)



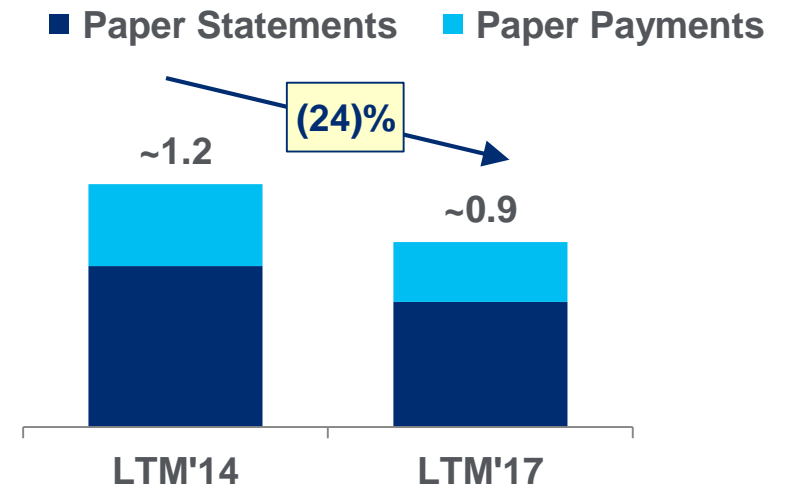
## Operating Expenses per Account

(Constant \$, ex Costco)



## Reducing Paper Transactions

(#B, ex Costco)



## 2 Driving Efficiency to Continue to Reinvest in Our Franchise

Revenue growth of 5%+/- with continued expense discipline to drive <50% efficiency ratio by 2020<sup>(1)</sup>

### Efficiency Savings

<b>Network</b>	<ul style="list-style-type: none"> <li>• Branch network optimization</li> <li>• Automation and self-service expansion</li> </ul>	<b>~\$1.5B</b>
<b>Digital Initiatives</b>	<ul style="list-style-type: none"> <li>• Transaction migration</li> <li>• Headcount optimization</li> <li>• Agile development and cloud technology</li> </ul>	
<b>Marketing Efficiencies</b>	<ul style="list-style-type: none"> <li>• Acquisitions effectiveness</li> <li>• Campaign optimization</li> <li>• Salesforce productivity</li> </ul>	
<b>Leverage Economies of Scale</b>	<ul style="list-style-type: none"> <li>• Economies from global partnerships and suppliers</li> </ul>	
<b>Mortgage Transformation</b>	<ul style="list-style-type: none"> <li>• Outsourcing of U.S. mortgage servicing</li> <li>• Resizing the infrastructure</li> </ul>	

### Investments

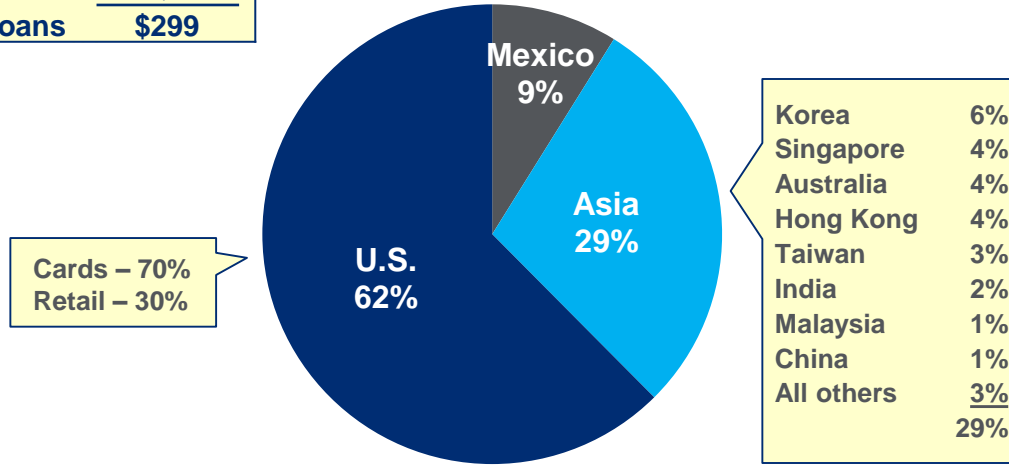
<b>Client Growth</b>	<b>~\$0.8B</b>
<b>New Products</b>	
<b>Digital Initiatives</b>	
<b>Big Data Analytics</b>	
<b>Regulatory Safety &amp; Soundness</b>	

21 Note:  
(1) Illustrative results through 2020.

# 3 Maintaining Strong Risk Discipline

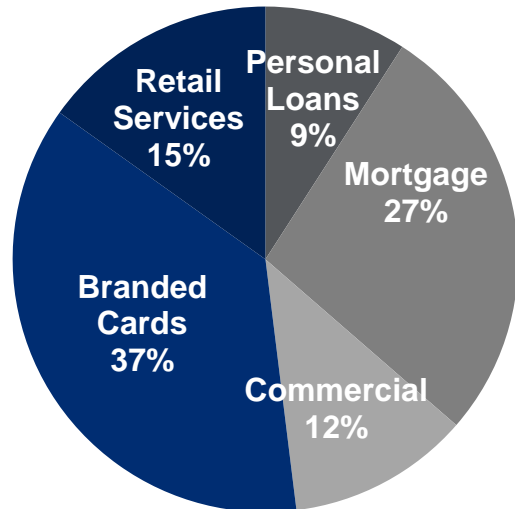
## Loans by Markets

\$B	2Q'17
EOP Loans	\$299

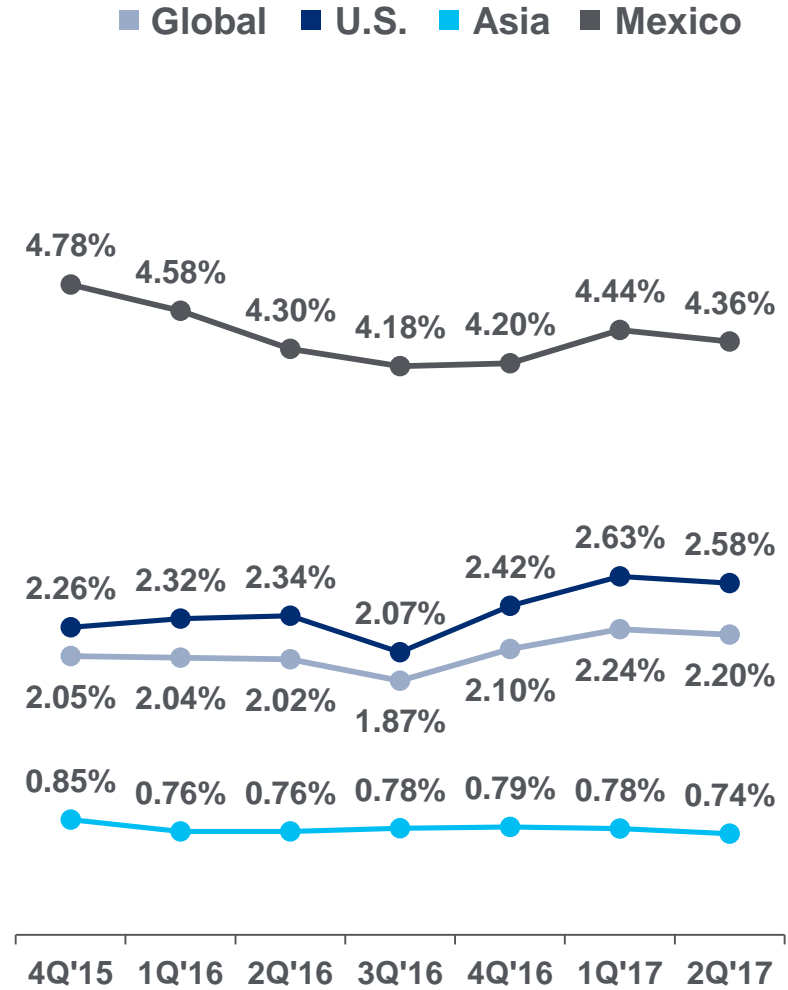


## Loans by Product

(As of 2Q'17)



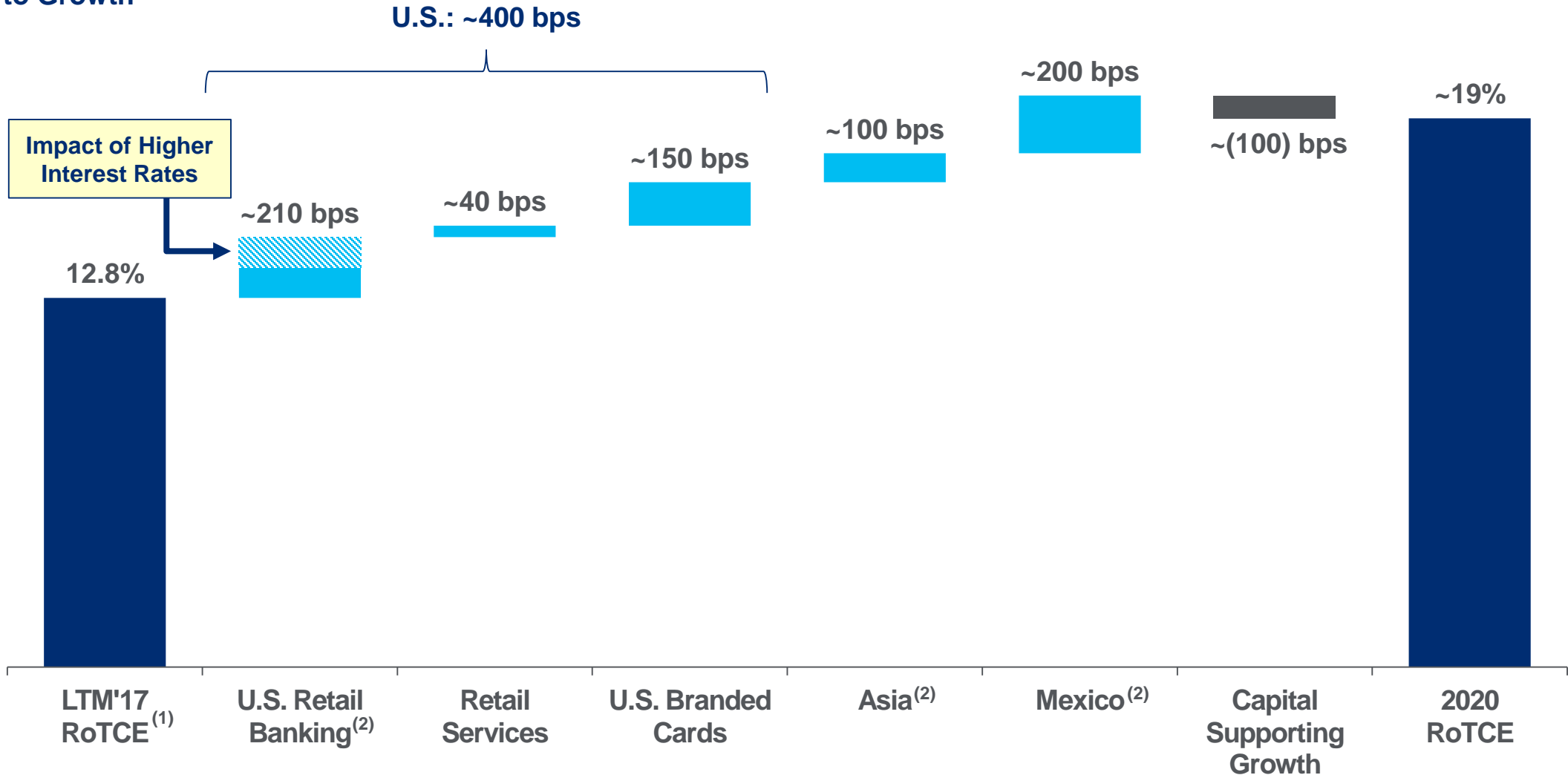
## Net Credit Losses



# Balanced Earnings Contribution by Business

(Constant \$B)

## Illustrative Path to Growth



Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.

23 (1) For additional information on this measure, please refer to Slide 55.

(2) Includes Commercial Banking.



**Strong Foundation For Growth**

**Path to Achieving Our Targets**

**Our Businesses**

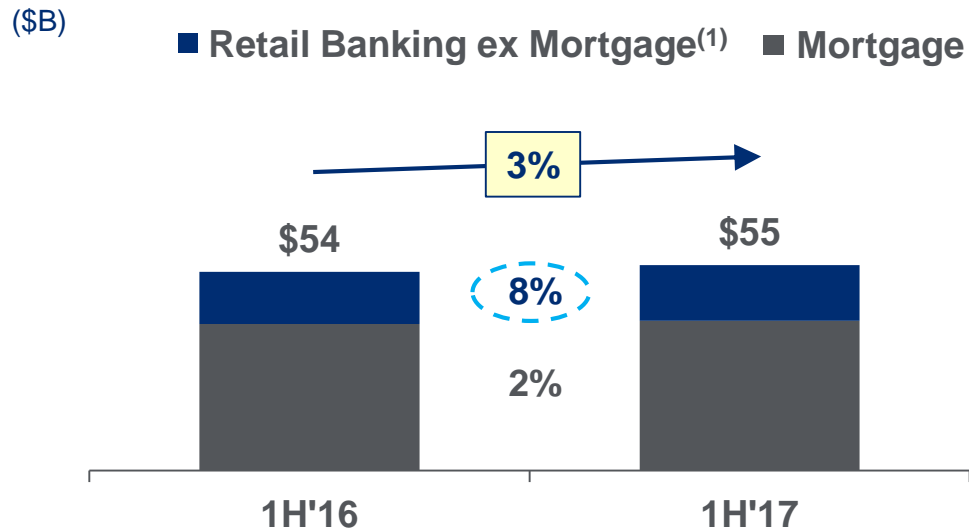
**Key Takeaways**

# U.S. Retail Banking: Capitalizing on Citigold and Citi Priority Launch

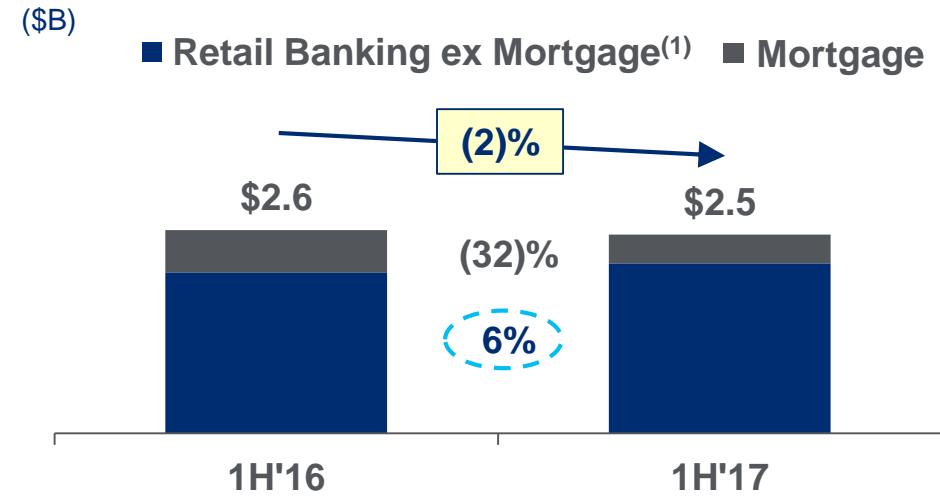
## Execution Priorities

- Illustrative revenue CAGR of ~10% through 2020 (~5% ex U.S. rates)
- Capitalize on Citigold and Citi Priority launch by leveraging Asia wealth management playbook
- Drive digital acquisition and engagement
- Build next generation network, including digitally enabled wealth management centers
- Continued Commercial Banking growth
- Benefit from expected U.S. rate increases

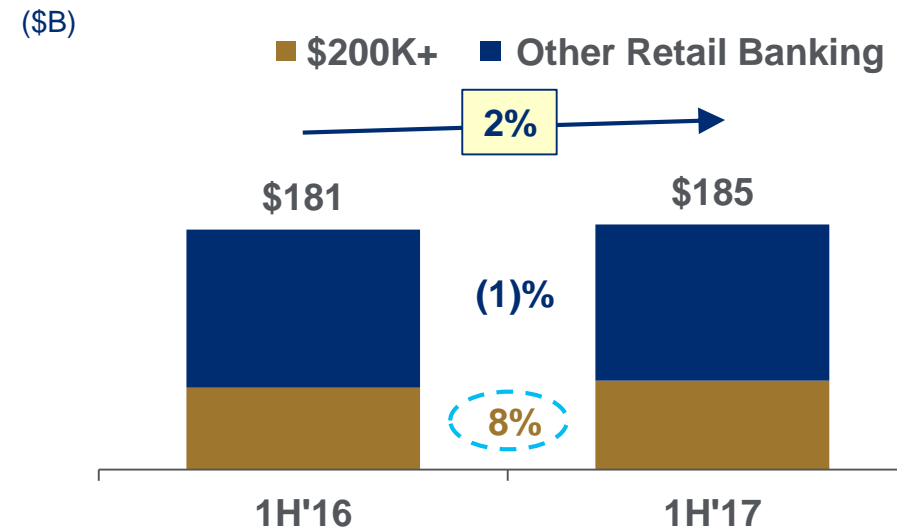
## Average Loans



## Revenues



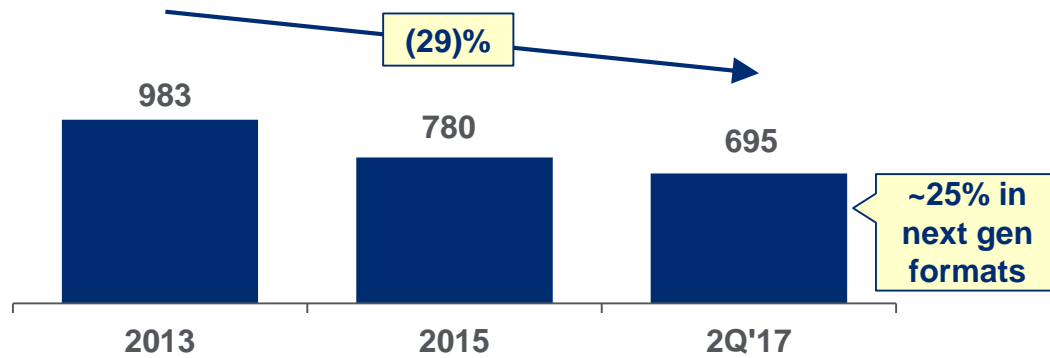
## Average Deposits



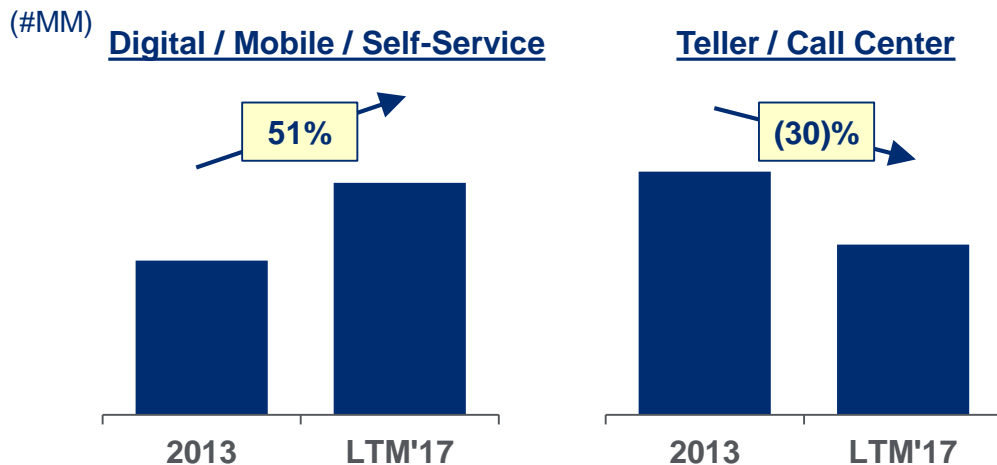
# U.S. Retail Banking: Network Transformation

Building next generation network, including digitally enabled wealth management centers

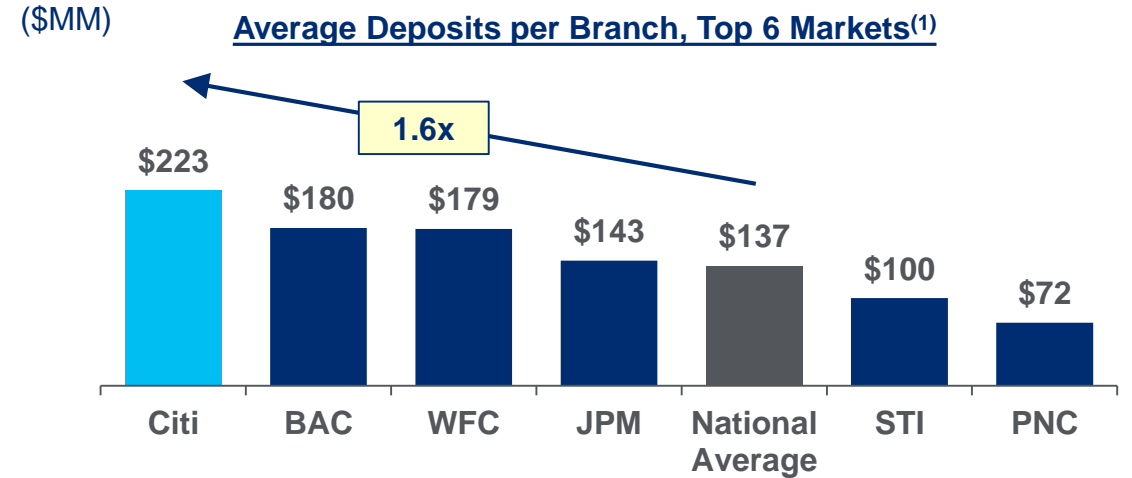
## Reduced & Upgraded Branch Footprint



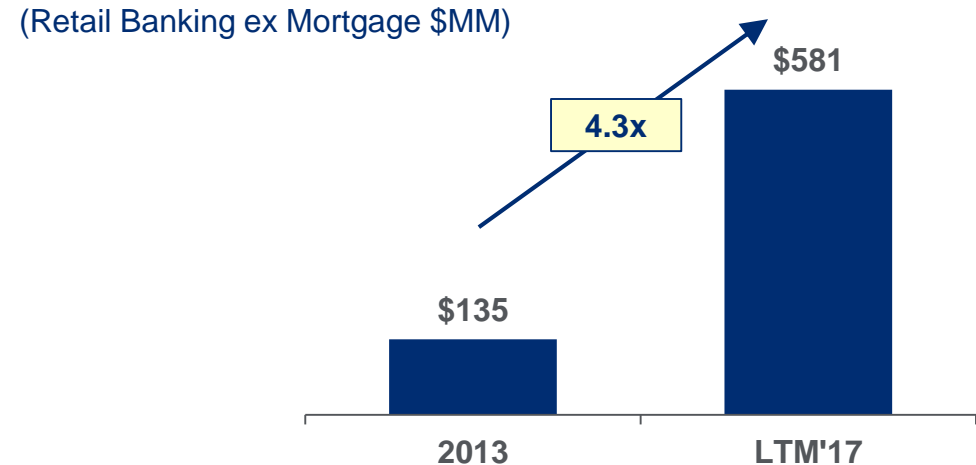
## Transactions Migrating to Lower Cost Channels



## Maintaining Deposit Leadership

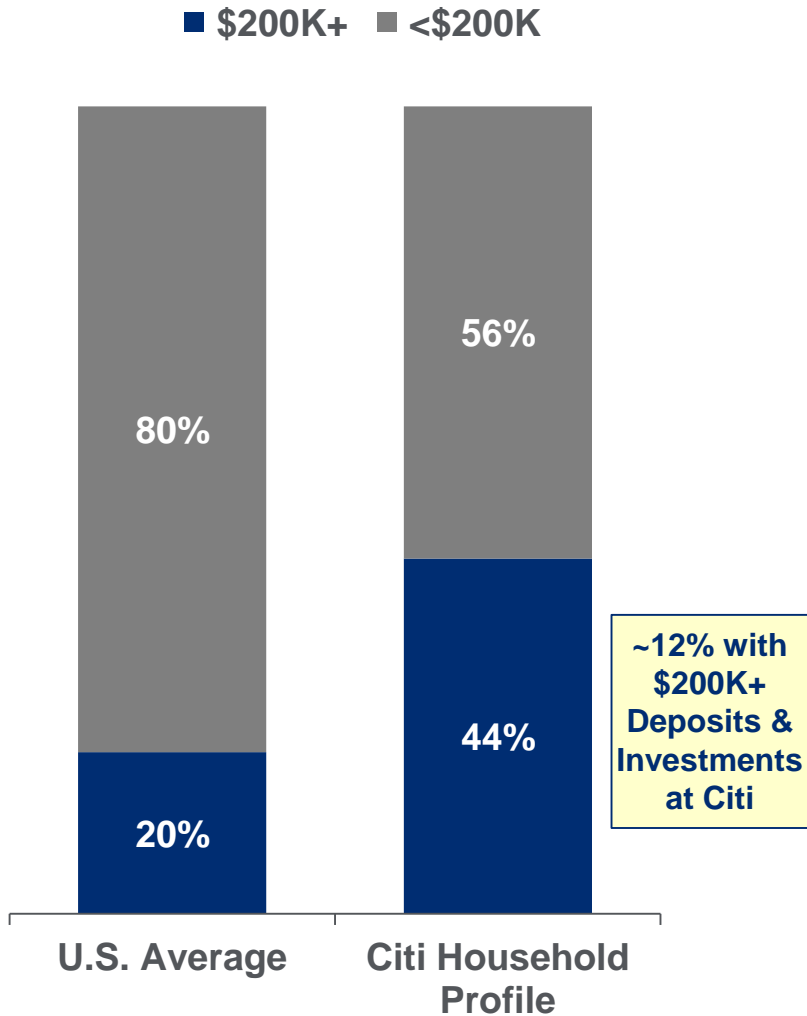


## Delivering EBT Growth

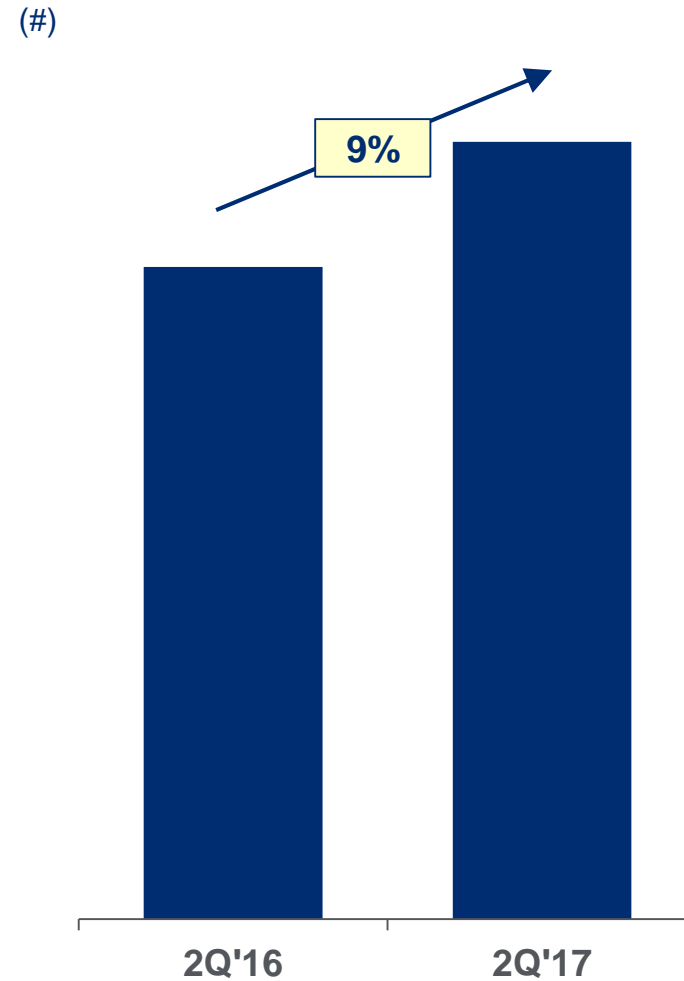


# U.S. Retail Banking: Deepening Citigold Penetration

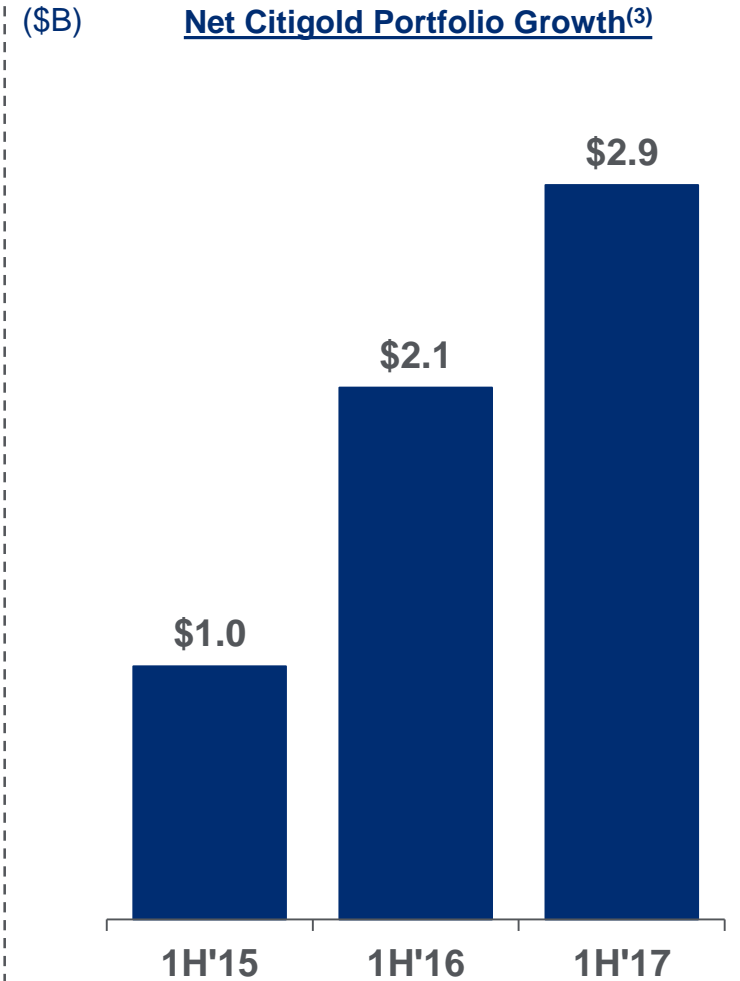
## Underpenetrated Client Base<sup>(1)</sup>



## Growth in Affluent Client Households<sup>(2)</sup>



## Deepening Relationships



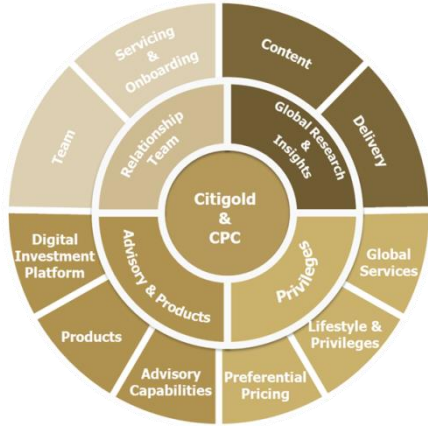
~40% Investment Penetration Among Citigold Clients<sup>(4)</sup>

Note:

- (1) Source: Equifax IXI (June 2016), total household deposits & investments held at financial institutions.
- (2) Number of U.S. client households with combined deposits & investment balances greater than \$200K at Citi.
- (3) Increase in balances held by Citigold clients with Relationship Managers (includes net new money and market impact).
- (4) Citigold client households with investment products at Citi.

# U.S. Retail Banking: Focused Roll-Out in Manhattan

## Citigold Playbook



Revamped Value Proposition

## Next Generation Network



Opened 3 Citigold Centers

## ATMs



Increased Manhattan ATM presence by ~50% in 1H'17

## Manhattan Results

Citigold Clients, YoY % $\Delta$

**+16%**

Checking Deposits

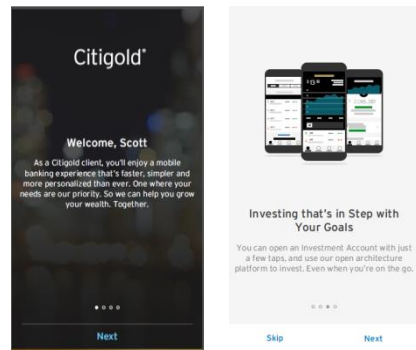
**+18%**

AUMs Managed

**+35%**

Personal & Home Equity Loans

## Digital Adoption



Rolled out new Mobile App

## Salesforce



Added 70+ Relationship Managers / Financial Advisors

## Perceptual Scale



Launched "Stay Gold" Campaign, +7pps Awareness<sup>(1)</sup>

28 Note: RM: Relationship Manager; FA: Financial Advisor.

(1) Among affluent segment customers in Manhattan, Nov'16 to June'17.

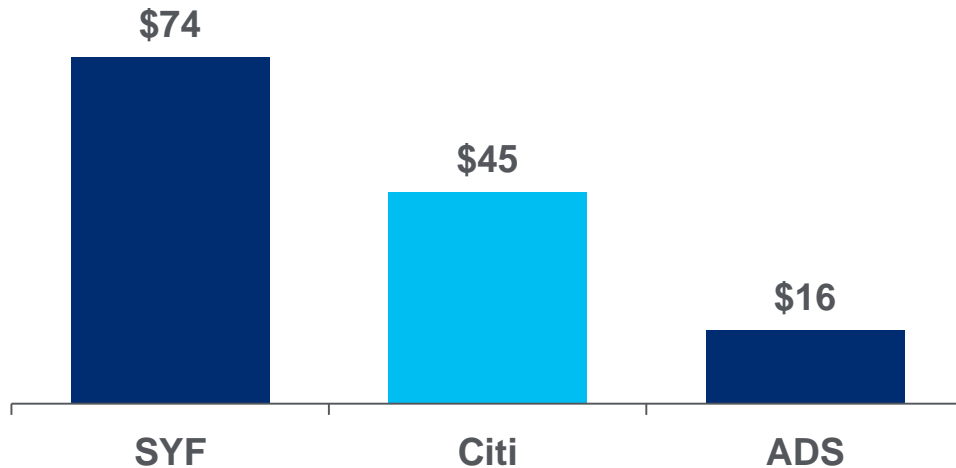
# U.S. Retail Services: ~98% of Asset Base Secured Through 2020+

## Our Execution Priorities

- Illustrative revenue CAGR of ~1% through 2020
- Organic growth with key merchants by driving higher partner sales, increased credit penetration and out-of-store spend
- Inorganic growth through new partner opportunities
- Expand digital capability and customer engagement
- Grow EBT by ~2-3% annually
- Maintain ROA of ~250bps and operating efficiency in the mid-30%

## Leading Retail Partner Card Issuer<sup>(2)</sup>

(ANR, \$B)



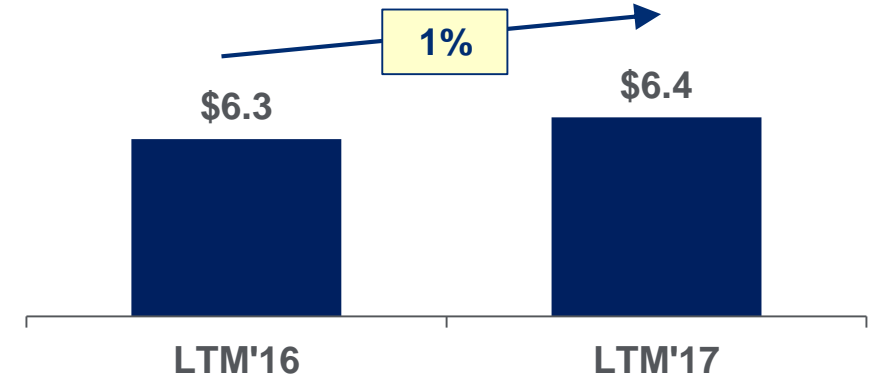
Note: SYF: Synchrony Financial; ADS: Alliance Data.

(1) LTM revenues excludes the impact of gains related to portfolio sales in Retail Services in 1Q'16.

(2) Source: Company reports as of 1Q'17.

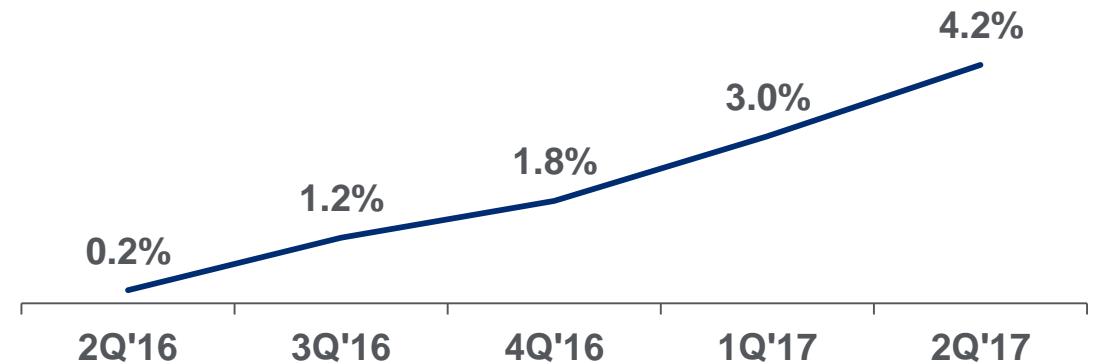
## Revenues<sup>(1)</sup>

(\$B)



## YoY Loan Growth

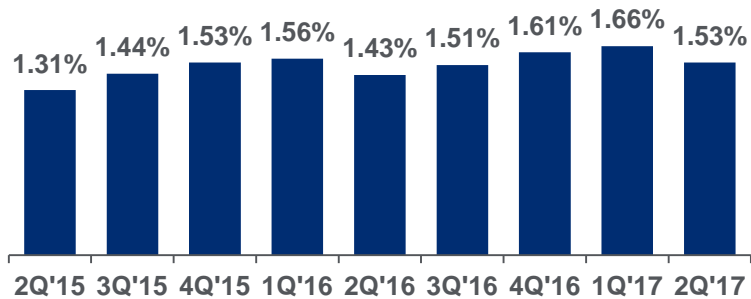
(ANR)



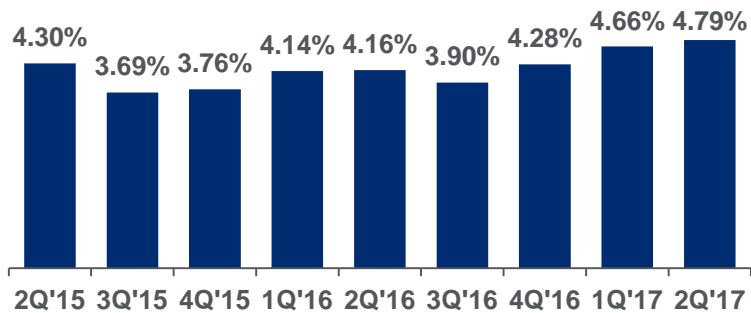
# U.S. Retail Services: Credit Trends and Portfolio Quality

## Credit Trends

### 90+ DPD as % of EOP Loans

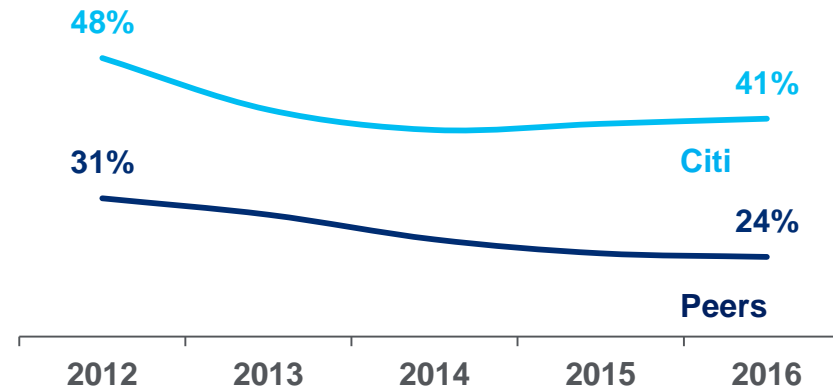


### NCL as % of Average Loans

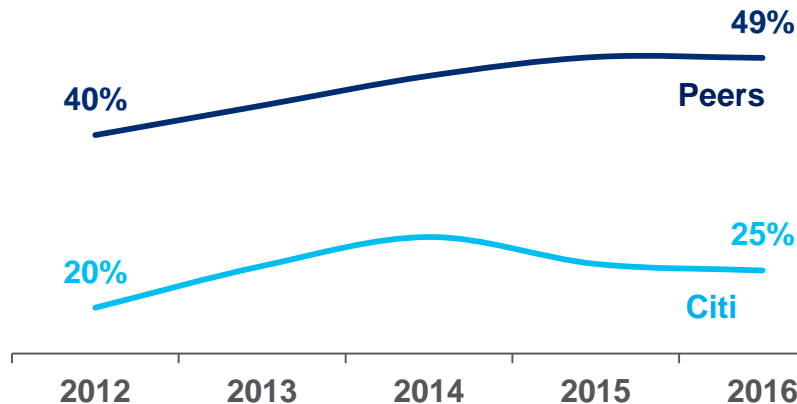


## Portfolio Transformation<sup>(1)</sup>

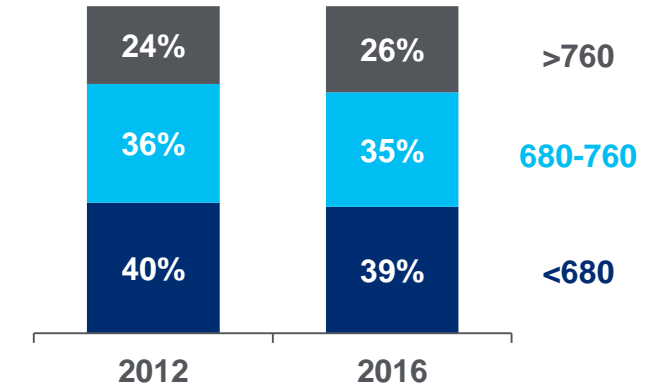
### Acquiring higher quality accounts % of New Accounts ERS >760



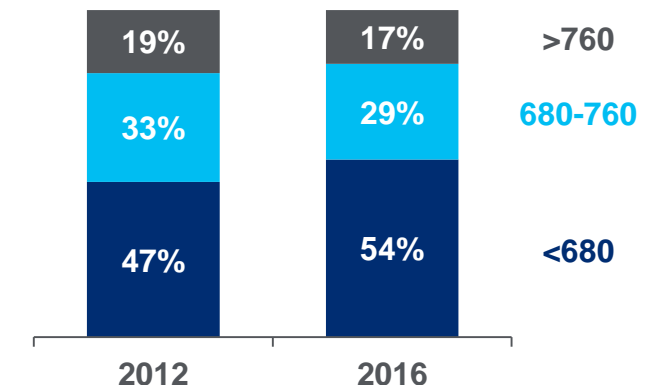
### % of New Accounts ERS <680



### De-risking the portfolio Citi EOP Loans by ERS Score



### Peer EOP Loans by ERS Score



Note:

30 (1) Source: Equifax Monthly Key Trends Report: ERS Equifax Risk Score (ERS) is a proprietary credit scoring model created by Equifax that is comparable to industry leading credit scores. Peers represent specific group that most closely resemble the Retail Services business.



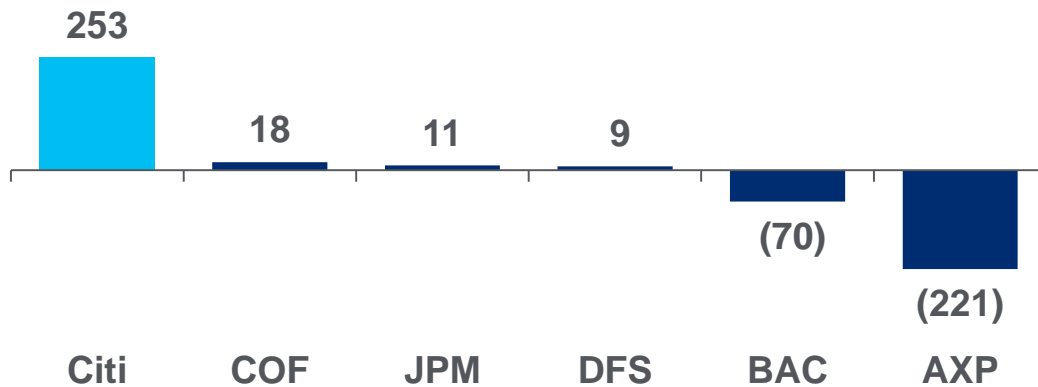
# U.S. Branded Cards: Driving Sustained Growth

## Execution Priorities

- Illustrative revenue CAGR of ~3% through 2020
- Deliver differentiated client experiences and value
- Capitalize on recent investments to build balanced portfolio
- Grow full rate balances
- Transform digital client experience
- Evolve risk and analytic capabilities
- Operate at or above 215bps ROA over time and with operating efficiency in the mid-40%

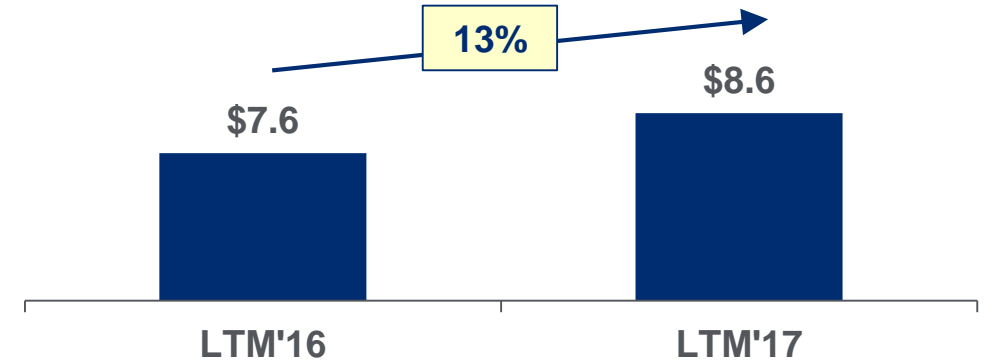
## Market Share Growth (2015-2016)<sup>(1)</sup>

(bps)



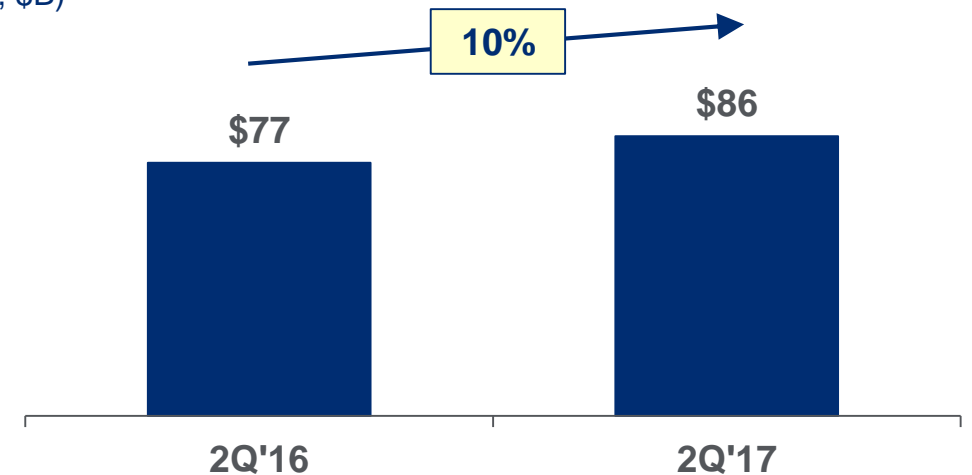
## Revenues

(\$B)



## Loan Growth

(EOP, \$B)



31 Note:  
(1) Market share based on EOP loans, source: Company quarterly earnings disclosures.



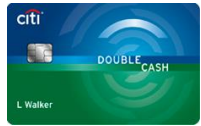
# U.S. Branded Cards: New Products Are Breaking Through With Consumers

## Breakthrough Products



### Travel + Leisure Magazine:

*“Citi Prestige offers one of the best credit card perks in existence”*



### Money Magazine:

*“With no annual fee and an industry-leading cash-back rate, Double Cash sets the standard for flat-rate cards.”*

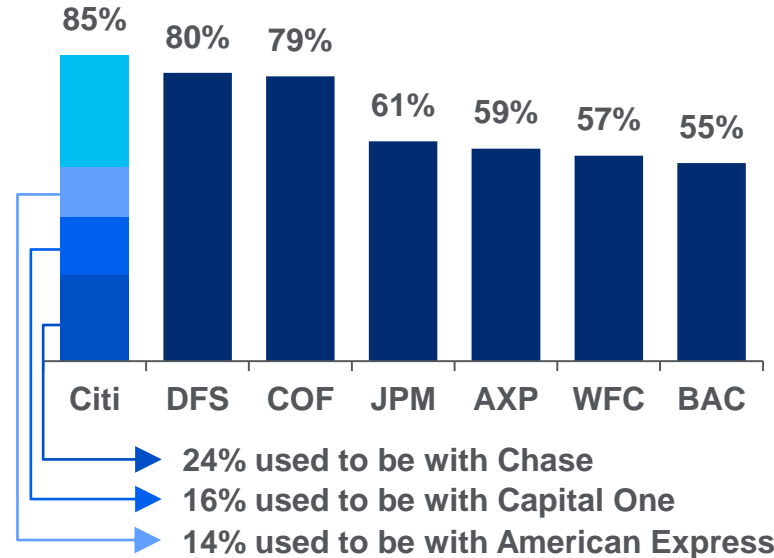


### Barron’s Magazine:

*“Citigroup’s new Costco Wholesale rewards card [is] ‘significantly more appealing’ than the one American Express used to offer, and a lesson to American Express on how to ‘step it up’”*

## Customer Response

**#1** In replacing competitors to become customers’ primary card<sup>(1)</sup>

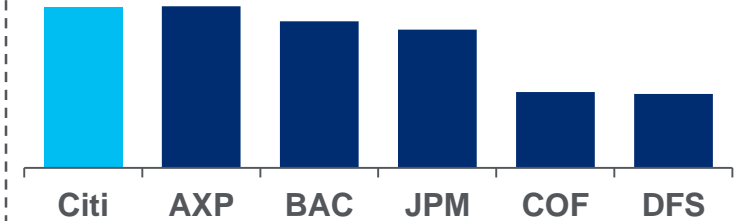


**#1** 62% of new Citi customers do not consider searching for any other cards<sup>(1)</sup>

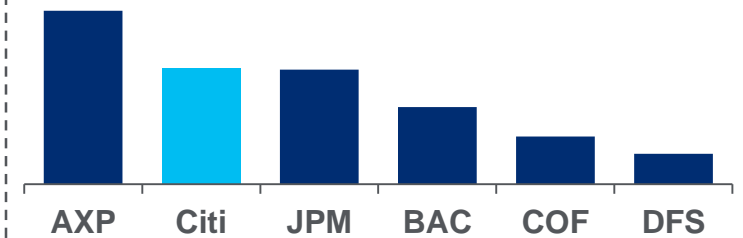
**#1** 50% of new Citi customers cancelled or stopped using their old cards<sup>(1)</sup>

## Higher Customer Engagement<sup>(2)</sup>

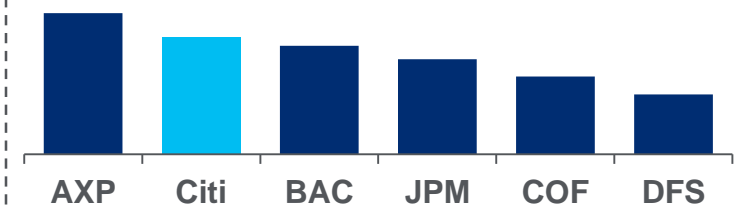
### Balance per Account



### Spend per Account



### Revenue per Account



Note:

(1) Source: Lightspeed FSG New Card Acquisition Study, March 2-27, 2017. Metric Definition: Out of new customers who are using their newly acquired credit card as their primary credit card, the % of customers who used to use a card issued by a competing issuer as their primary card.

32 (2) Peer Group: Chase (Card Services), Discover Credit Card, American Express (U.S. Consumer Services, including Charge card business and Travel & Lifestyle revenue), Bank of America U.S. Cards, Capital One Domestic Card; Sources: External disclosure, Nilson Report Issue 1104, Citi internal estimates; Data as of Dec 2016 or for FY 2016.

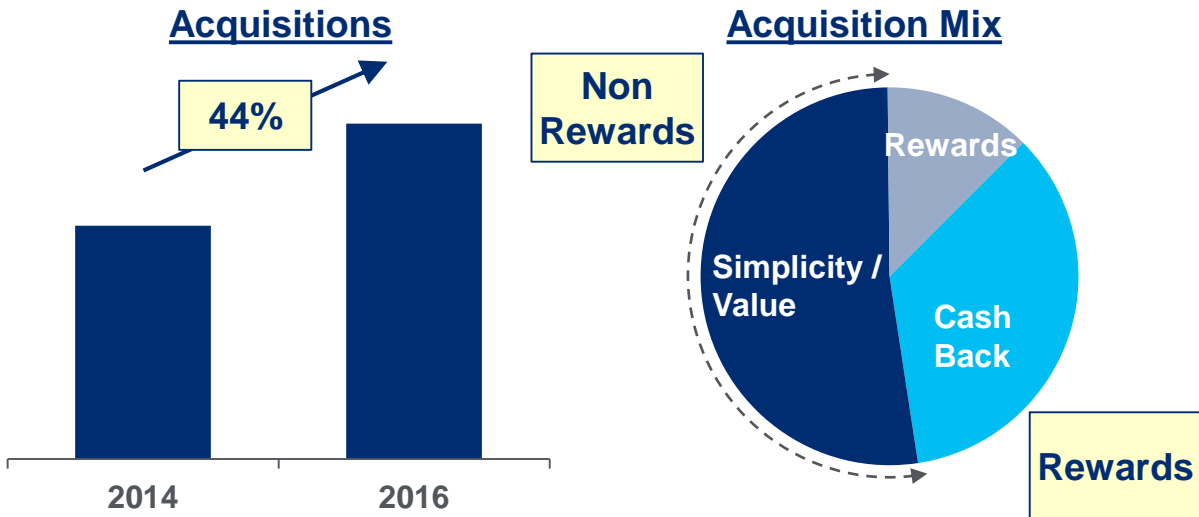
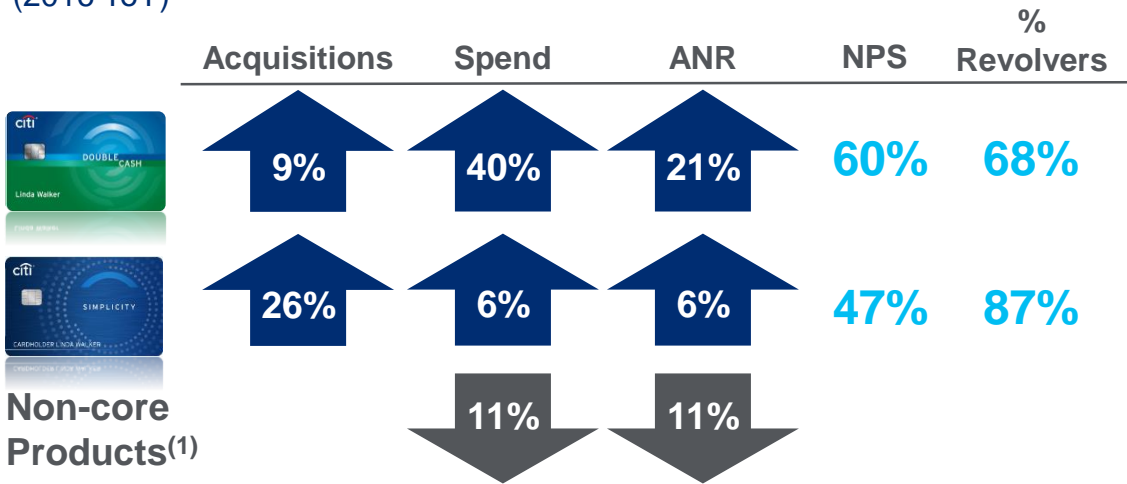


# U.S. Branded Cards: Building a Balanced Portfolio

Higher return, more lend centric proprietary business drives 2/3 of revenue

## Proprietary Products

(2016 YoY)

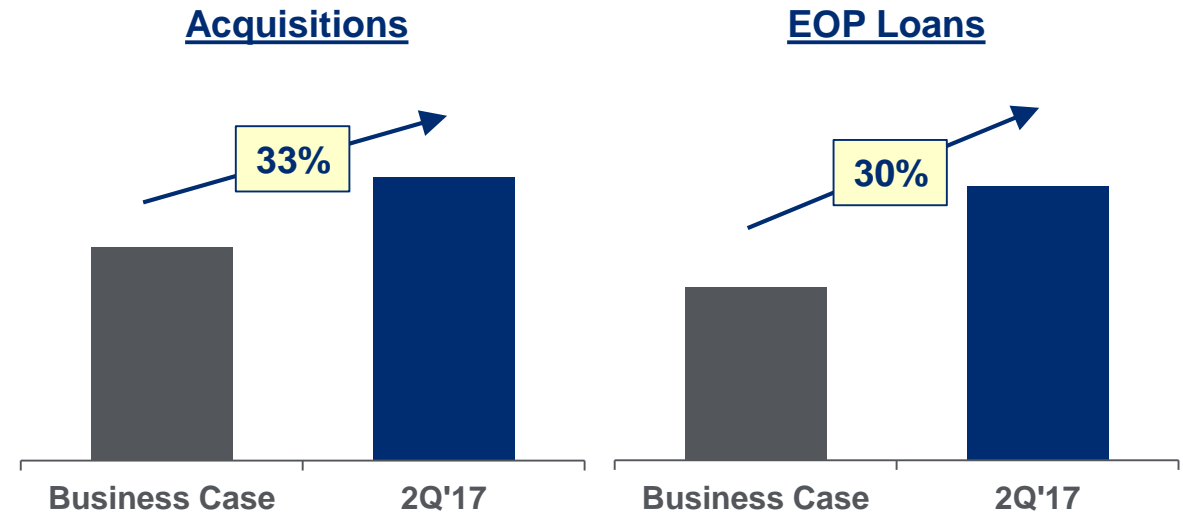


## Costco



### Since conversion as of 2Q'17:

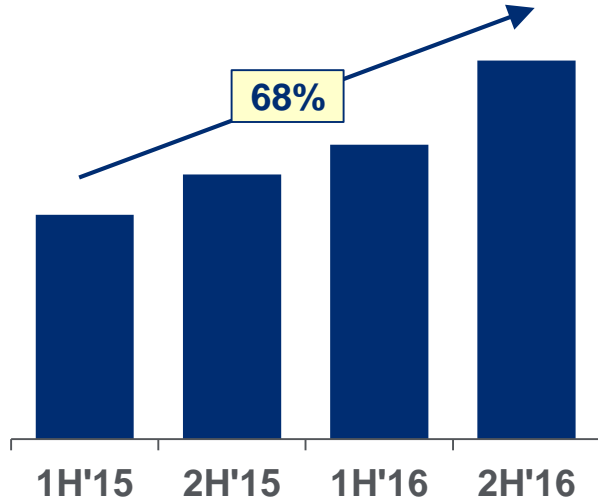
- 1.6MM new accounts
- \$106B purchase sales
- ~\$7B of loan growth
- 73% spend out of warehouse, 400bps+



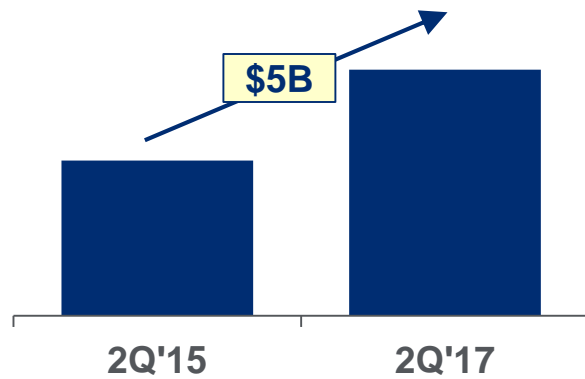
Note:  
 (1) Non-core products refer to products no longer marketed for new customer acquisition. Non-core represents <15% of total loan portfolio.

# U.S. Branded Cards: Investments Driving Full Rate Balance Growth

Significantly more new acquisitions in second half of 2016

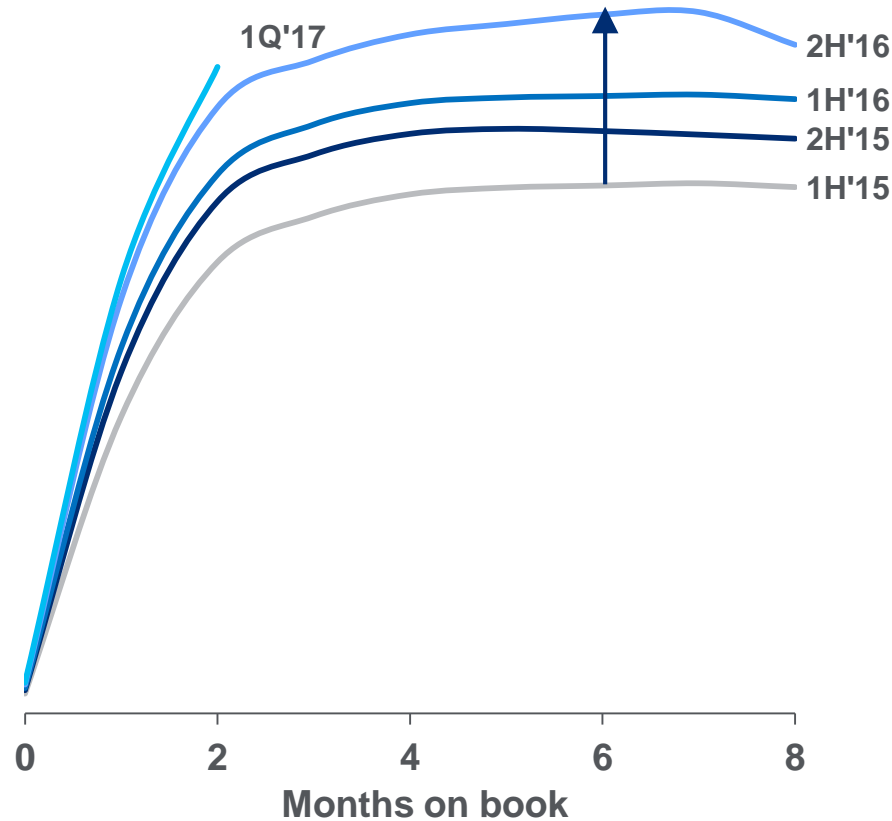


Driving significant increase in new loan volumes<sup>(1)</sup>



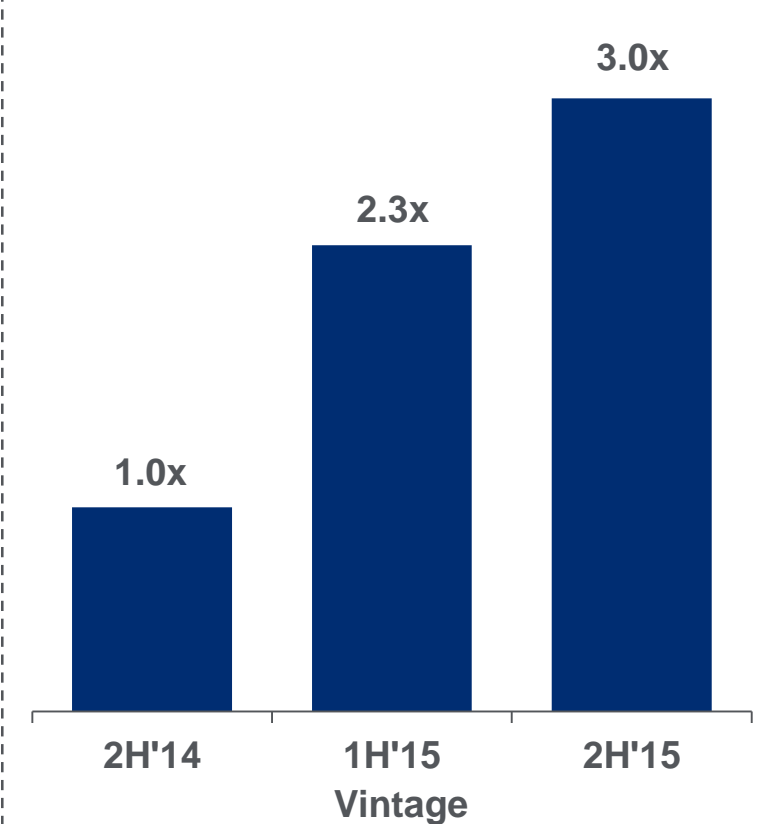
Each new vintage generating significantly more loan volume

Average loans by vintage over first 8 months



Each maturing vintage driving more full rate volume as result

Full rate balance at time of maturity



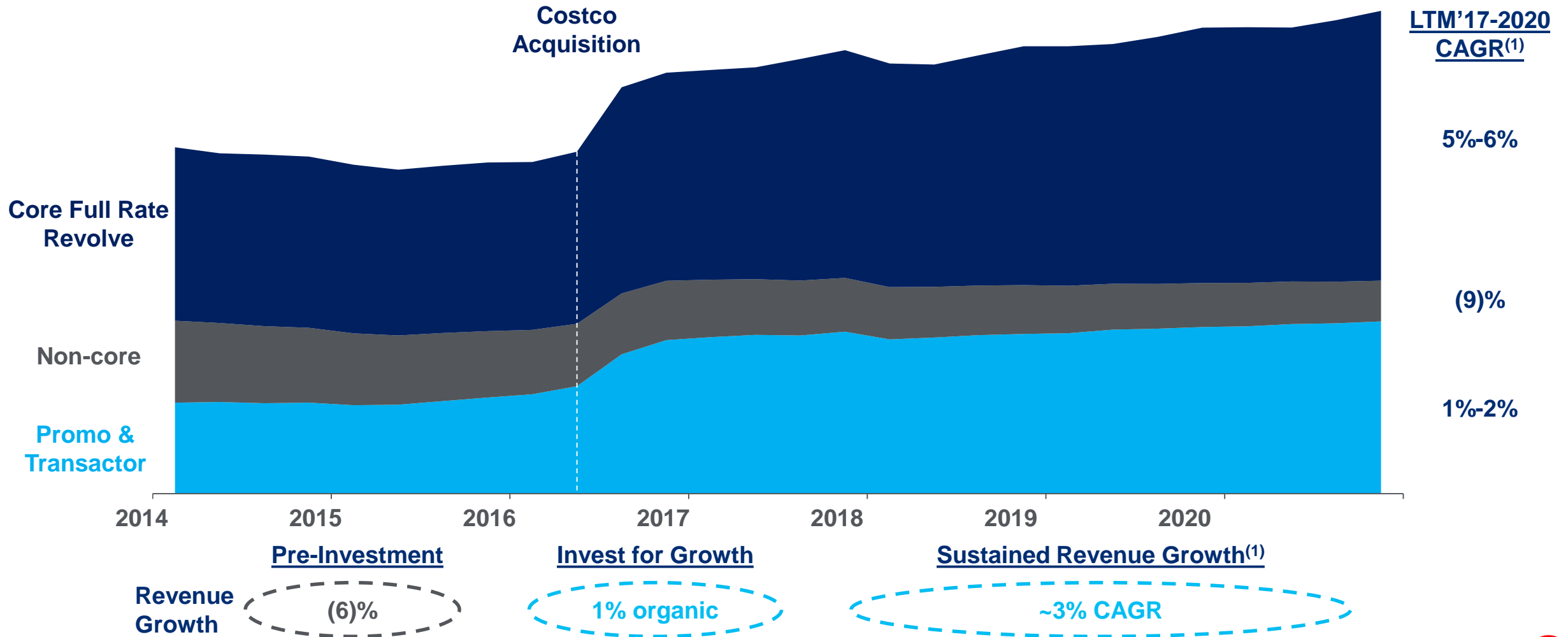
34 Note:  
 (1) Loans on accounts originated in last 24 months, data as of 2Q'17.



# U.S. Branded Cards: Maturing of Investments Driving Sustained Revenue Growth

Revenue growth driven by revolving balances offsetting impact of promotions and non-core attrition

## ANR Composition



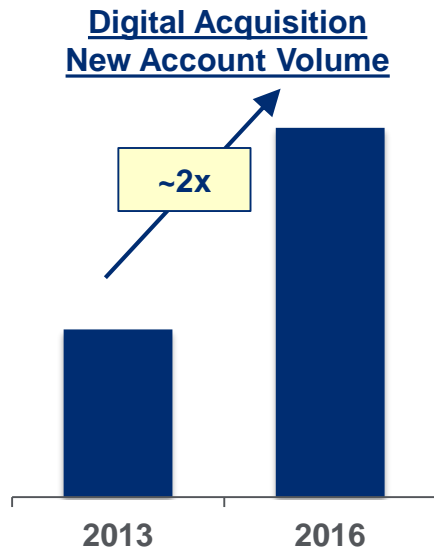
35 Note:  
(1) Illustrative results through 2020.

# U.S. Branded Cards: We Are Building a Digital, Mobile First Business

## Digital Focus – Changing Model



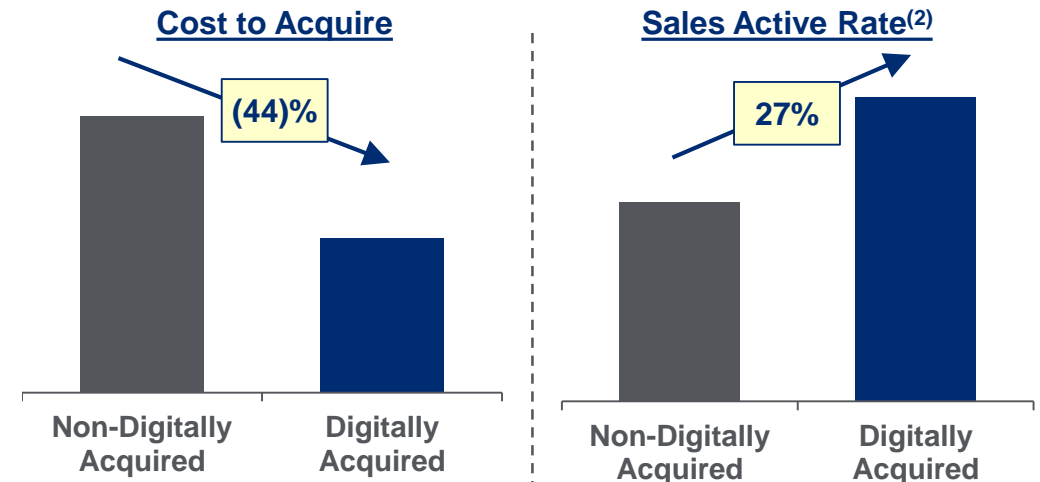
## Digital Acquisitions Example



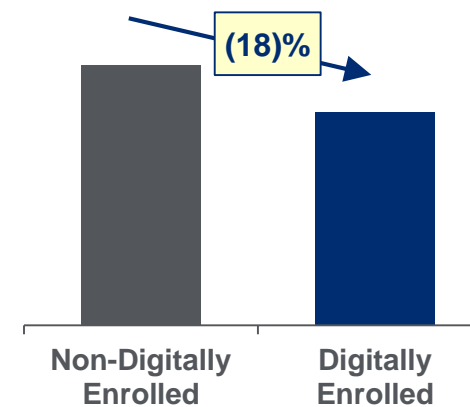
- **Proprietary** digital targeting tools
- **27 terabytes** of data each month
- **10,000+ variables** evaluated
- **550+ models** utilized
- **20+ billion P&Ls** calculated
- Offers optimized and presented within **200 milliseconds** in digital channels

**Doubled digital acquisitions through advanced analytic capabilities**

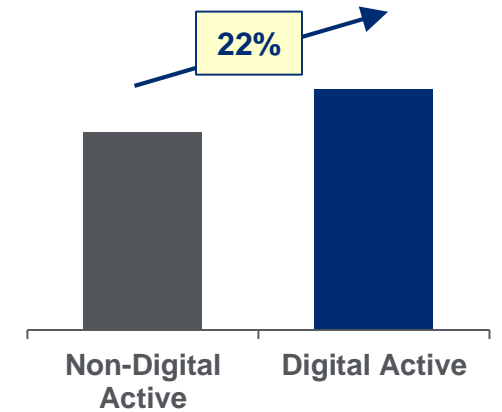
## Drives Lower Costs and Higher Engaged Customers<sup>(1)</sup>



### Operating Expenses per Account



### Balances



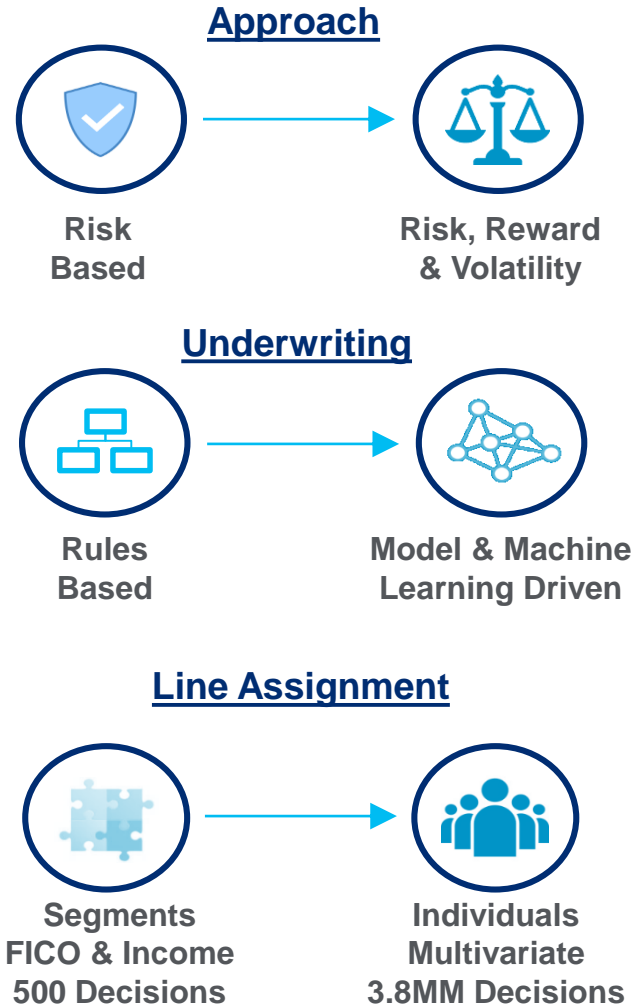
**Driving lower cost and higher engagement**

Note:

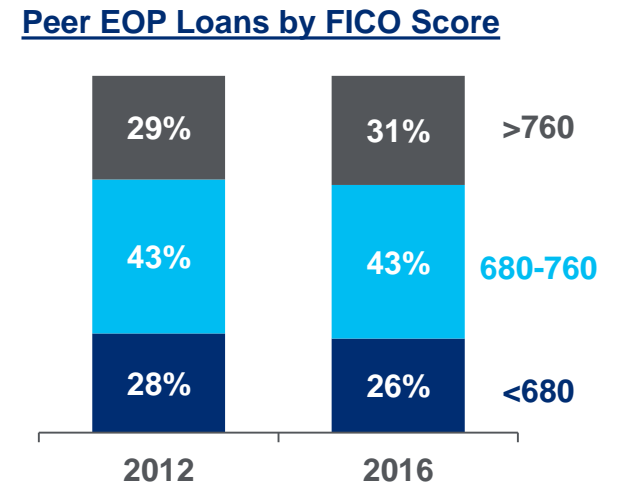
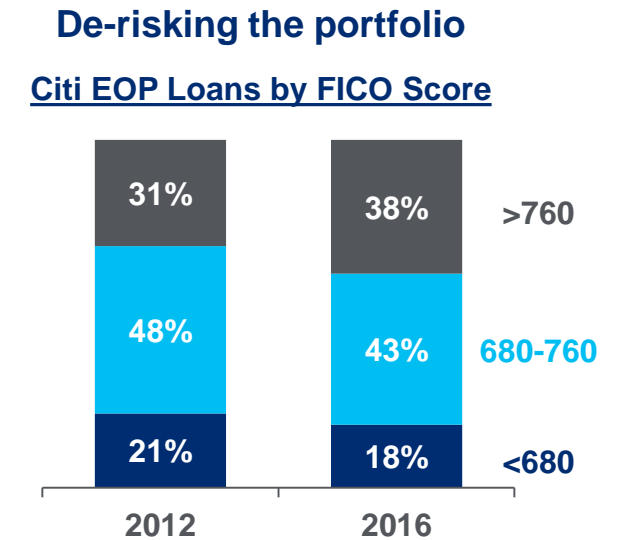
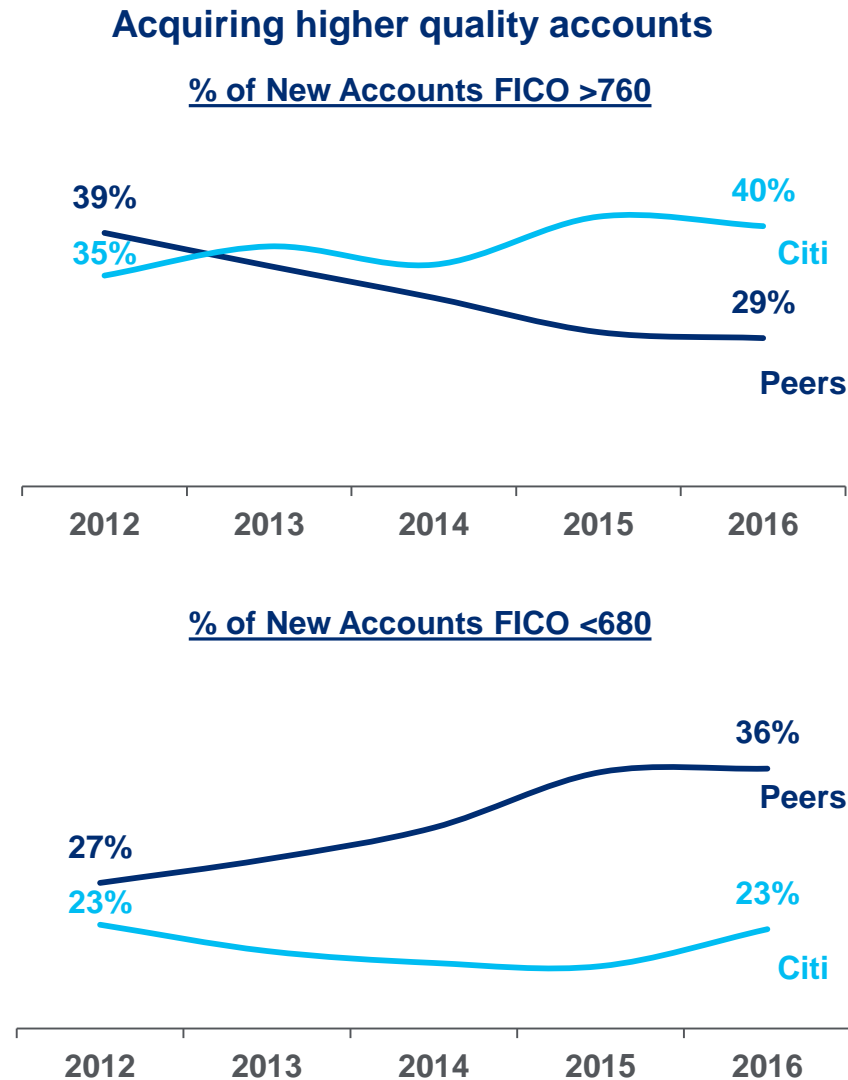
- (1) Based on U.S. Branded Cards results as of 4Q'16.  
 (2) Sales active is accounts with purchase activity as a percentage of total open accounts for the quarter.

# U.S. Branded Cards: Credit Trends Remain Stable, Driven by Portfolio Quality

## Evolving Our Risk Capabilities



## Portfolio Transformation<sup>(1)</sup>

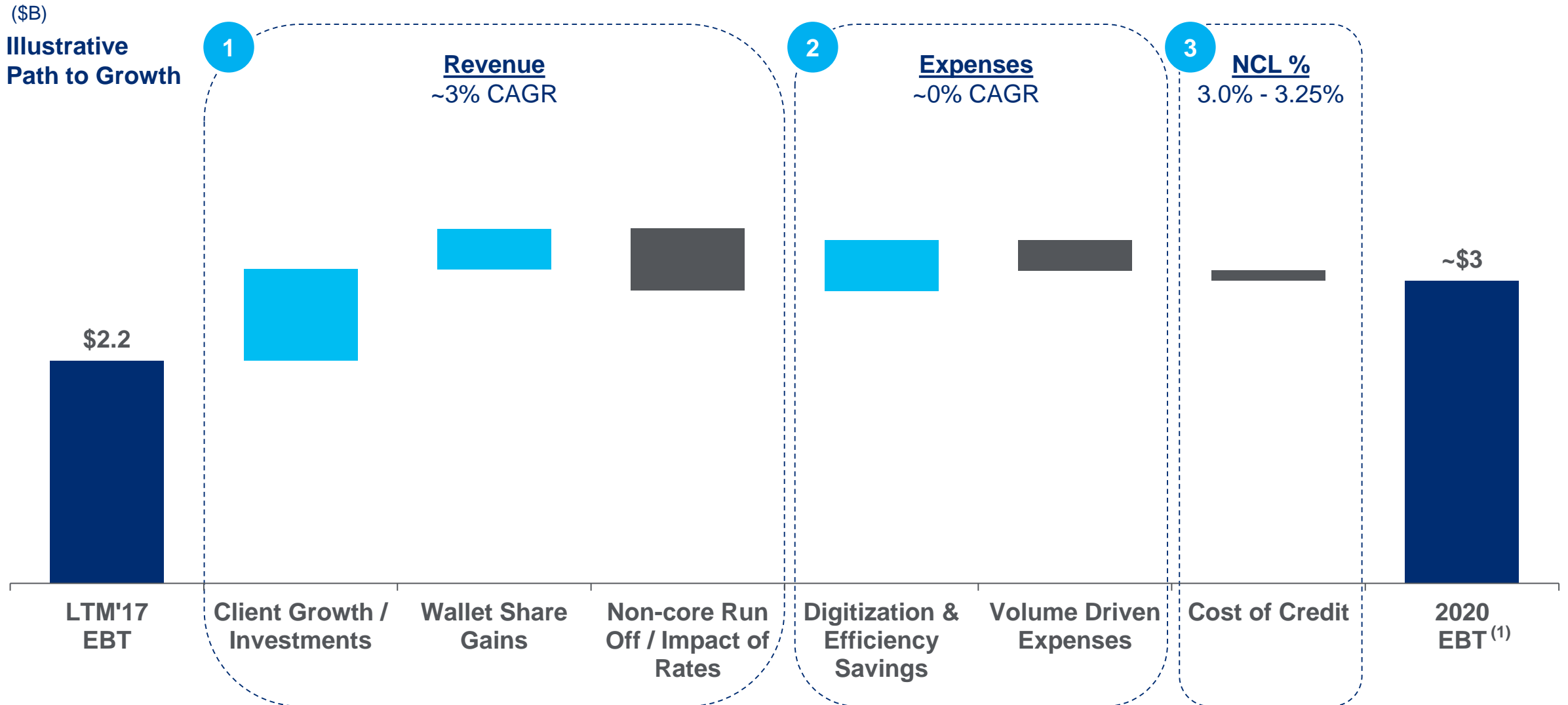


Note: 37 (1) FICO distribution different from regulatory filings in order to benchmark to industry. Source: Argus and internal Citi analysis; Full year new Account Mix by FICO; EOP Loans as of December 2012 and 2016.



# U.S. Branded Cards: Investments, Expense Discipline and Credit Drive EBT Growth

Business poised to generate sustained revenue and earnings growth



38 Note:  
(1) Illustrative results through 2020.

# Cards: Using Our Playbook to Drive Opportunity Outside U.S.

## Global Proprietary Assets



### Class Leading Value Propositions

- Citi Prestige – 14 markets
- Citi Rewards – 14 markets
- Citi Simplicity – 7 markets, 10 by year end



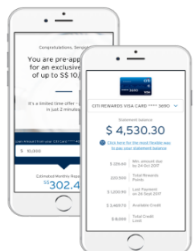
### Single Rewards Platform

- Consolidated 11 platforms to 1
- Covers 90% of card revenue base



### Single Entertainment Platform

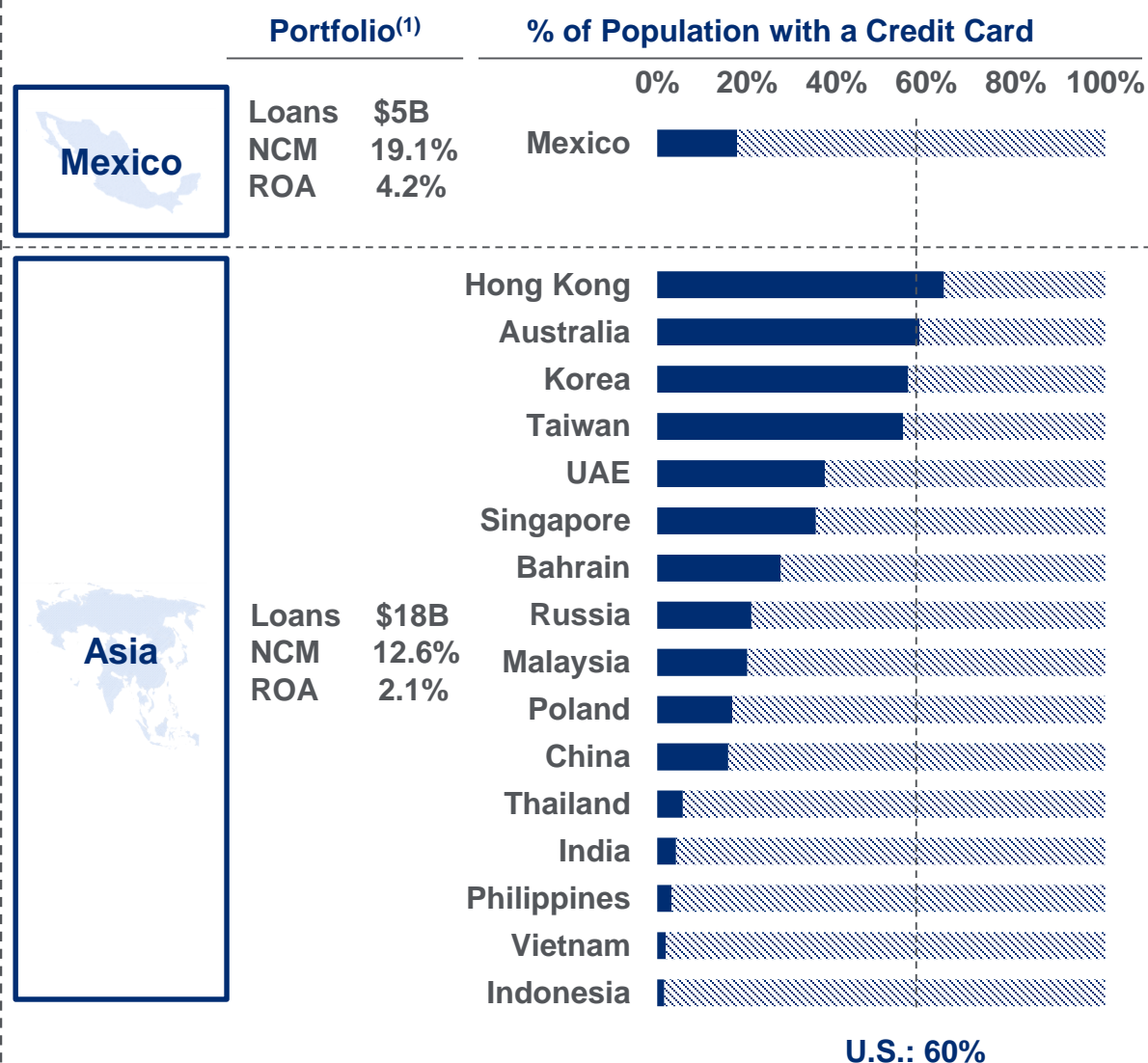
- Unique partnership with Live Nation
- 6,500 events hosted in US (2016)
- Expanded to Hong Kong, Macau, Singapore, Taiwan and Thailand in 2017



### Differentiated Lending Programs

- Easy Payment Plans
- Loan on Phone

## Presence in Faster Growing, Under Penetrated Markets





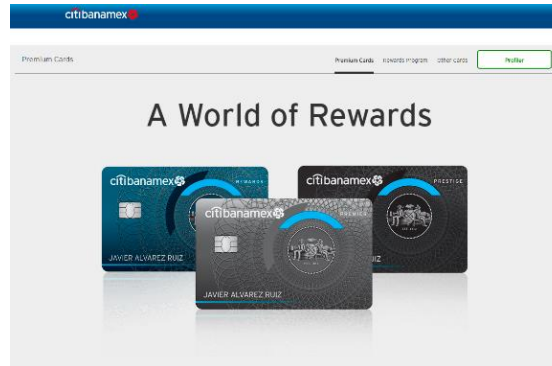
# Cards: Using Our Proprietary Assets to Drive Growth

In Mexico, consolidated 6 legacy products and reward schemes to global platforms

From



To



Results<sup>(1)</sup>

New Account Acquisition



# Accounts



Spend



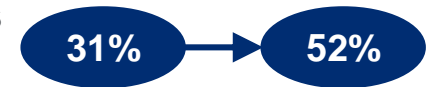
Rewards Redemptions



Points Redeemed



% Redemptions Digital



**Improvement in all metrics since new products introduced**

(1) Data compares first 12 months of new products (May 2016-2017) compared to prior 12 months under the old products (May 2015-April 2016).

# Cards: Innovating to Grow Both Spend and Lend

## Spend

### Shop With Points

#### U.S.

Eligible Citi cardmembers can use ThankYou Points at Amazon.com

**MasterCard**  
 30,348 Citi ThankYou Points available (Learn more)  
 (\$242.78 on Amazon.com)

- Pay for entire order with points \$8.97 (1,121 points)
- Choose a different amount
- Do not apply points

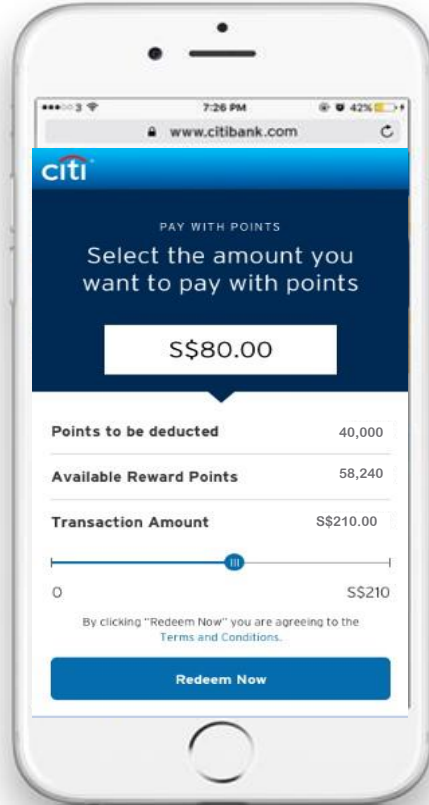
#### Asia



#### Mexico



### Any Purchase – Pay with Points



**\$50MM+ year in savings in reward costs and call center volumes**

## Lend

### Convert any purchase to installment

Citi EasyPay, installments in a click.

Pay light for your special moments.  
 Flexible, easy installments in a click.

**Convert to EasyPay**

Dear Sergio,  
 You can now convert your recent big spend into easy installments. Enjoy EasyPay by Citi at a rate especially for you. ^

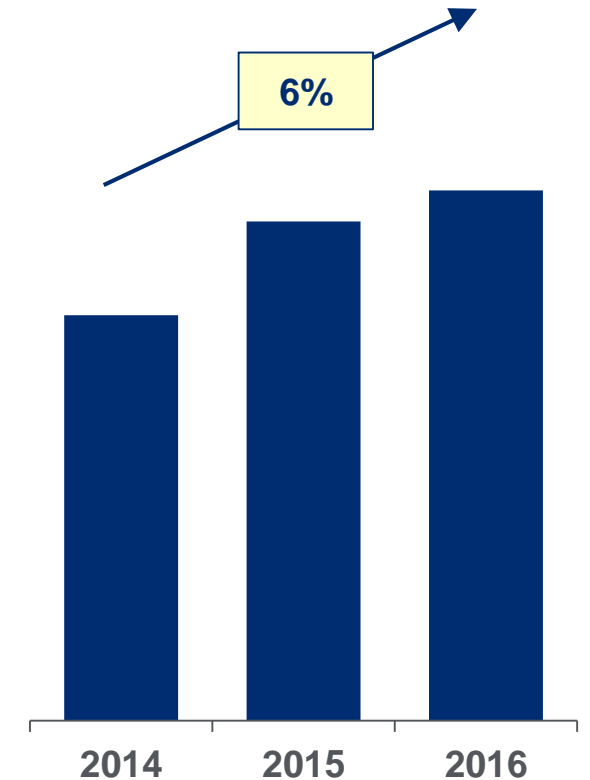
Purchases amount upto	<b>\$10,000</b>
Repayment Tenure	<b>24 Months</b>
Nominal Interest Rate	<b>15.0%</b>

Installment **\$1,000 / Month**

**Convert to EasyPay**

**6% growth in new originations with 20% reduction in direct sales headcount and cost**

### Asia Card Based Installment Sales



# Cards: Capturing Growth in e-Commerce

Focus on eCommerce – ~25% of consumer spending and fastest growing spend category globally

## Digital Wallets

### Operating System / Devices



### Commerce Platforms



### Network Solutions



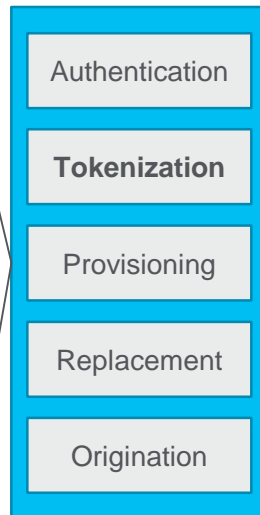
## Our Digital Wallet Strategy

### Build Centrally

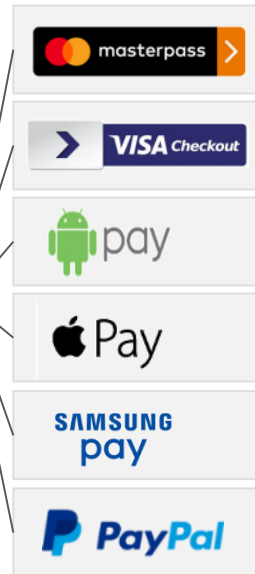
#### Citi Credit Card



#### Citi Debit Card

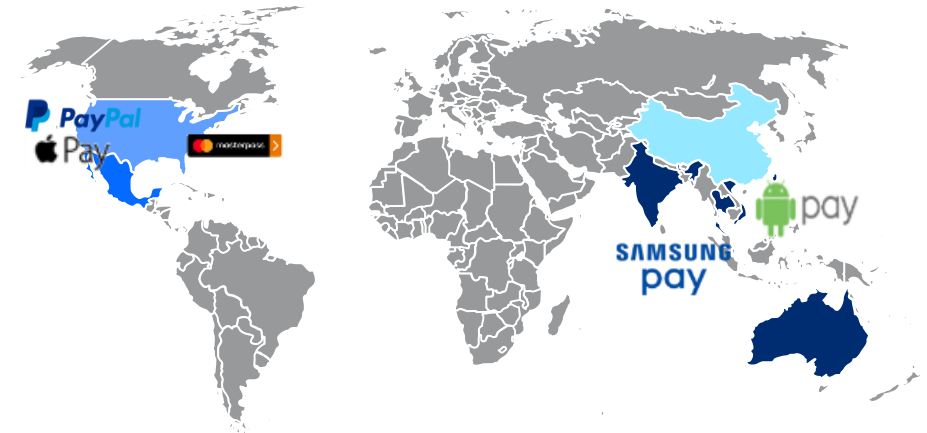


### Wallet Solutions



### Deploy Locally

Go to market approach varies based on local market needs



Build one platform with capability to support multiple solutions and geographies

Learn fast and be where our clients and partners need us to be

# Cards: Global View

## Our Client-Led Strategy

Our Clients



### Class-Leading Value Propositions & Partnerships

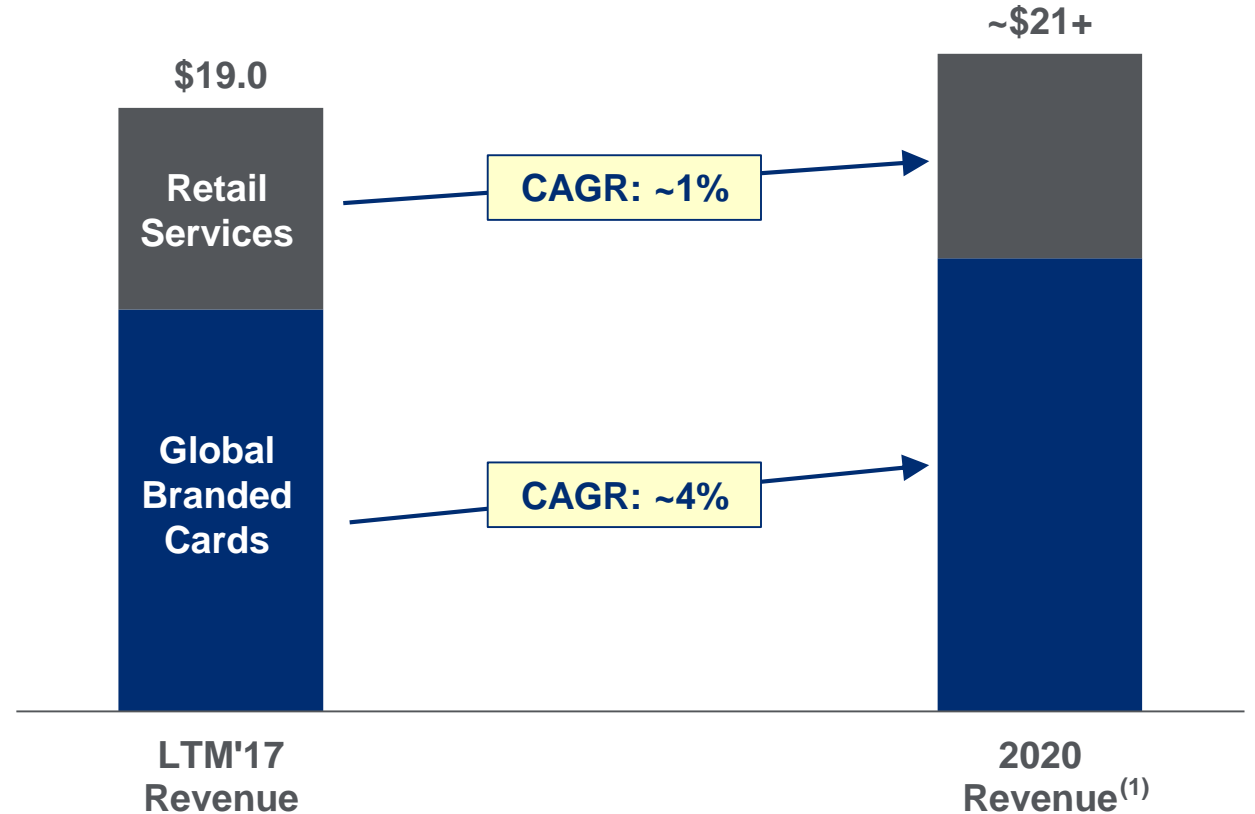


Our Capabilities



## Global Cards

(Constant \$B)



Revenue growth will come from sustained investing in client growth, wallet share gains and optimizing portfolio mix

43 Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.  
 (1) Illustrative results through 2020.

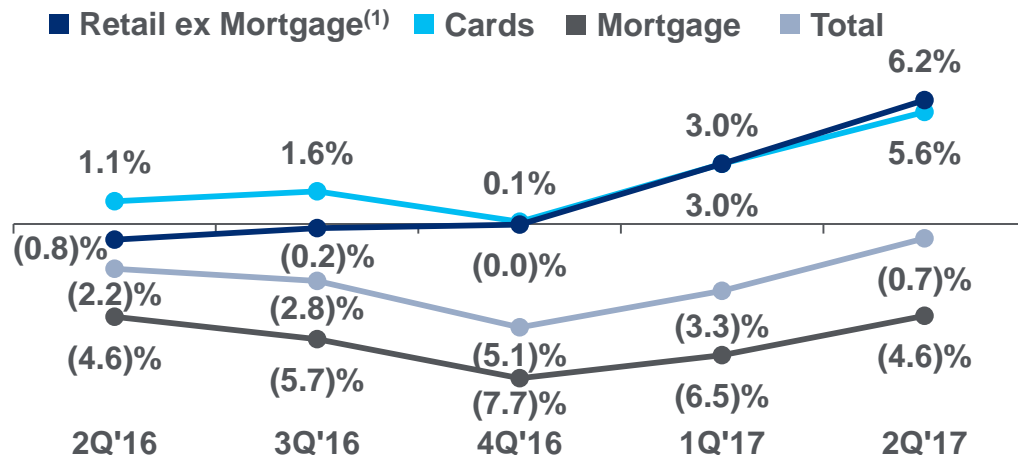
# Asia: Extending Our Leading Wealth Position and Growing Unsecured Lending

## Execution Priorities

- Illustrative revenue CAGR of ~4% through 2020
- Extend leadership in wealth management
- Grow Cards and personal unsecured lending with digital / mobile capabilities
- Expand digital partnerships with regional players
- Regulatory headwinds continue, albeit moderating

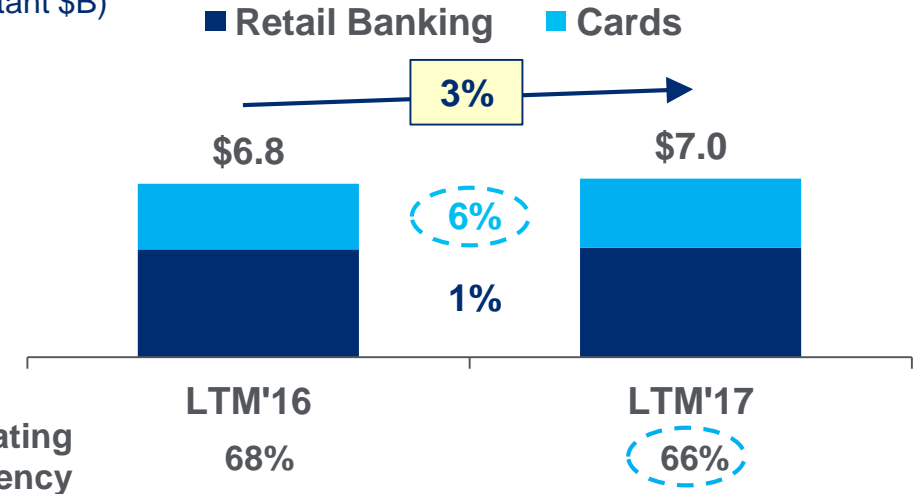
## Average Loans

(Constant \$ YoY %Δ)



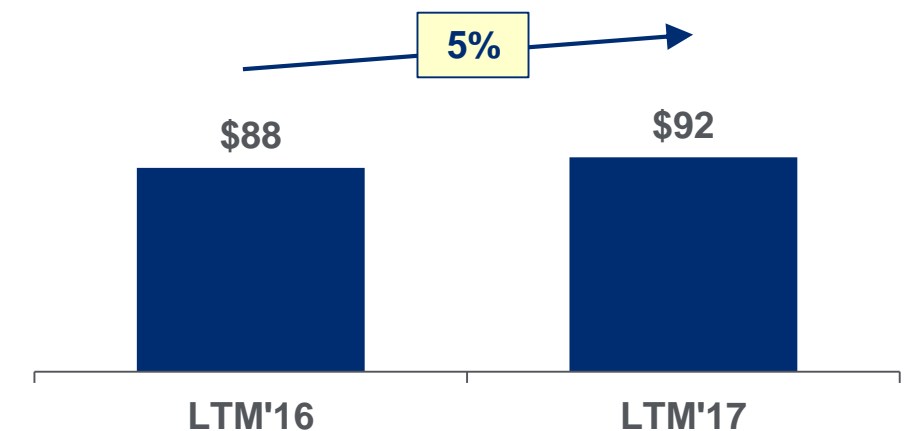
## Revenues

(Constant \$B)



## Average Deposits

(Constant \$B)

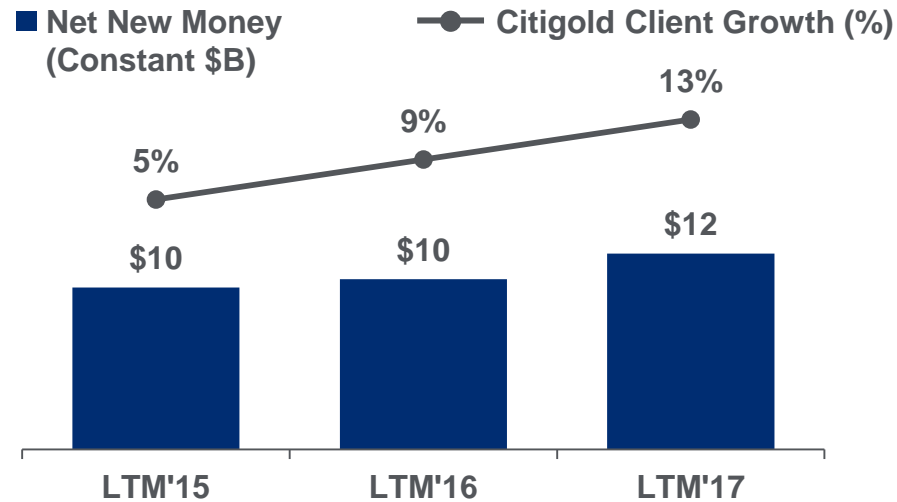


44 Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.  
(1) Retail ex mortgage does not include non-core personal loan portfolio of \$1.6B as of 2Q'17.



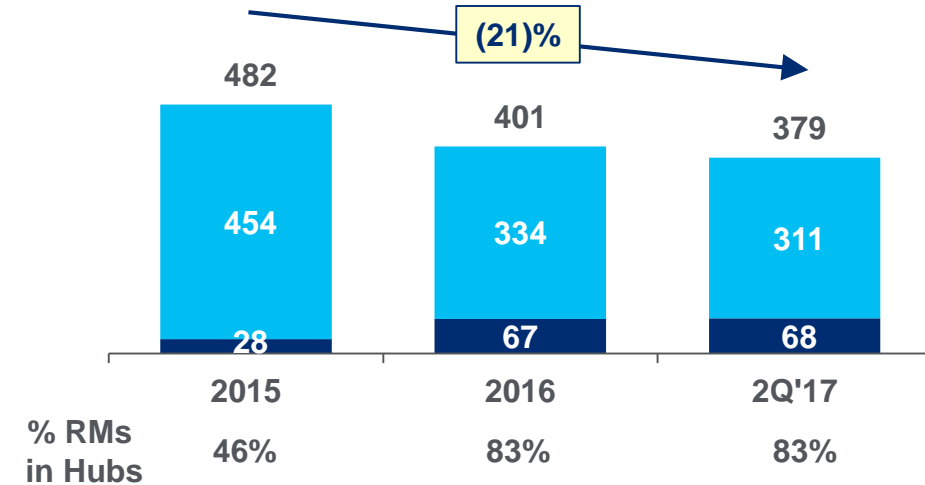
# Asia: Continued Leadership in Wealth Management

## Leading Position with Affluent Clients



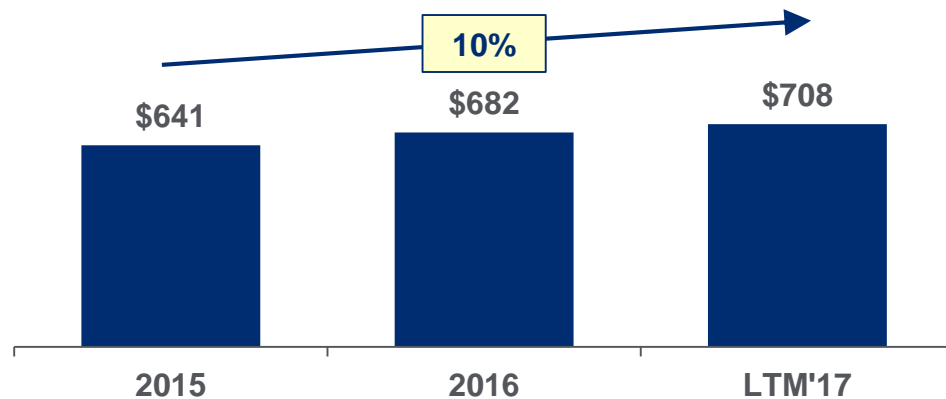
## Network Optimization & Wealth Hubs

Branch count (Wealth Hubs shown in dark blue)



## Relationship Manager Productivity

Revenue per Relationship Manager<sup>(1)</sup>  
(Constant \$000's)



Digital Wealth Advisory

Citigold Center



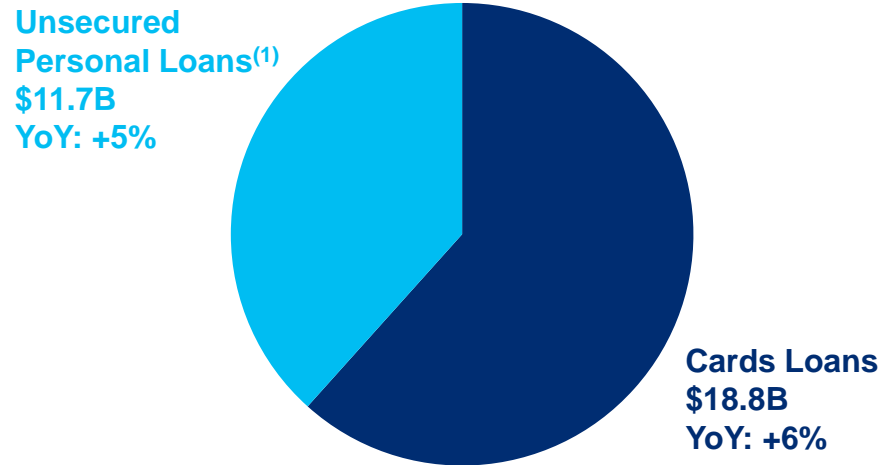
Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.

45 (1) Average revenue per Citigold Relationship Manager. Includes investment products, FX, premium accounts, and non-credit insurance. LTM'17 represents YTD 2017 annualized average revenue per Citigold Relationship Manager.

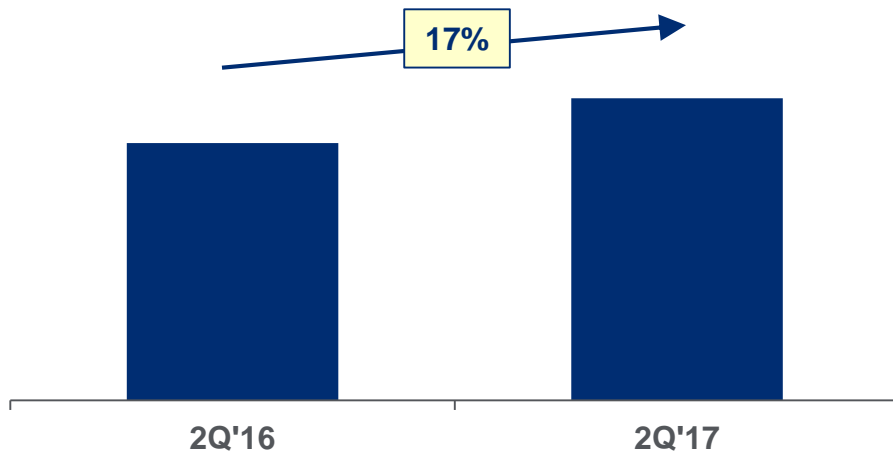
# Asia: Driving Growth in Unsecured Lending

## \$30B Growing Unsecured Lending Portfolio

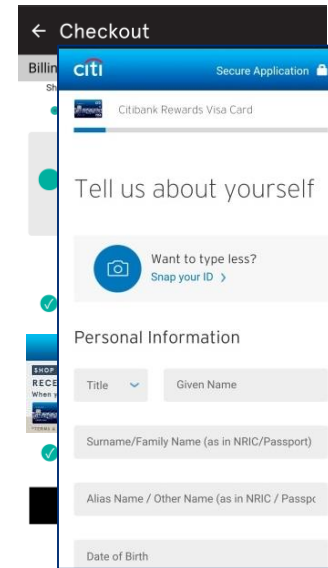
(Constant \$B)



## Accelerating New Customer Growth



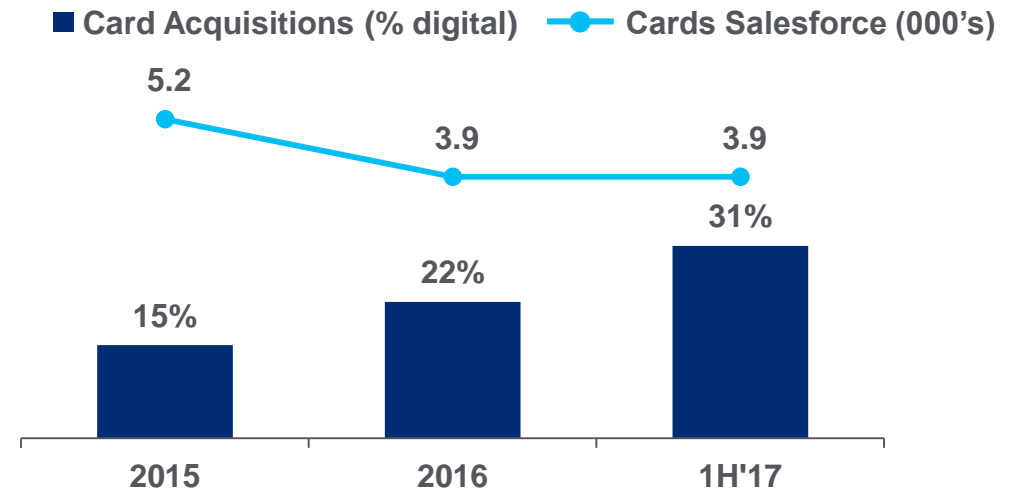
## Digital Origination Platform and Partnerships



### Partners & Aggregators



## Shifting Acquisitions to Digital



46 Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.  
 (1) Reported in Asia Retail Banking; Does not include margin lending and other non-core run-off portfolios totaling \$7.1 billion as of 2Q'17.

# Mexico: Leading Positions in Deposits, Lending and Cards

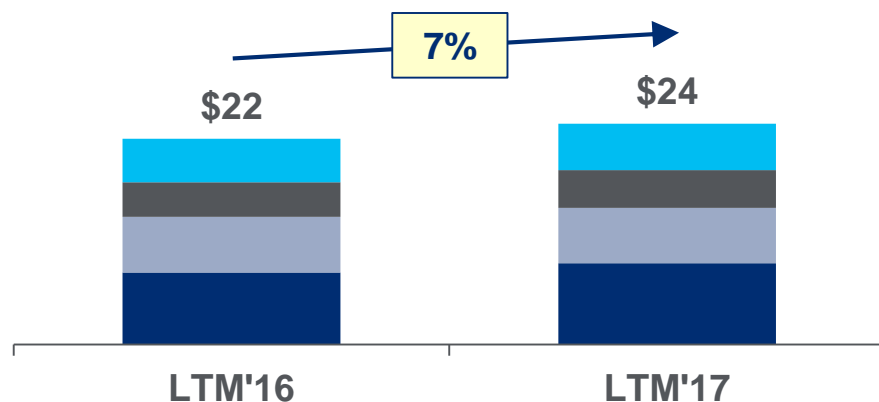
## Execution Priorities

- Illustrative revenue CAGR of ~10% through 2020
- Deepen Citigold and Citi Priority client penetration leveraging global segmentation strategy
- Drive continued Citi Business growth
- Grow Cards by leveraging global products and rewards program
- Invest \$1B through 2020 including infrastructure to modernize core banking platform and branch network, as well as transform digital client experience

## Average Loans

(Constant \$B)

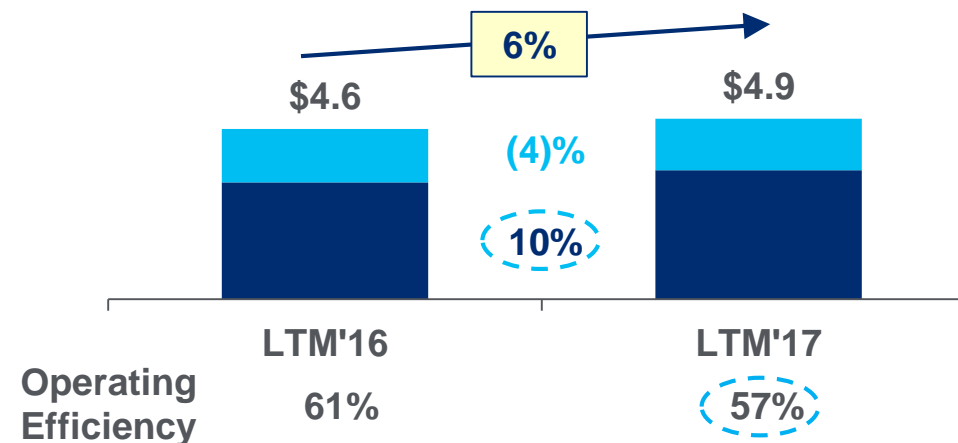
■ Commercial ■ Personal / Other ■ Mortgage ■ Cards



## Revenues<sup>(1)</sup>

(Constant \$B)

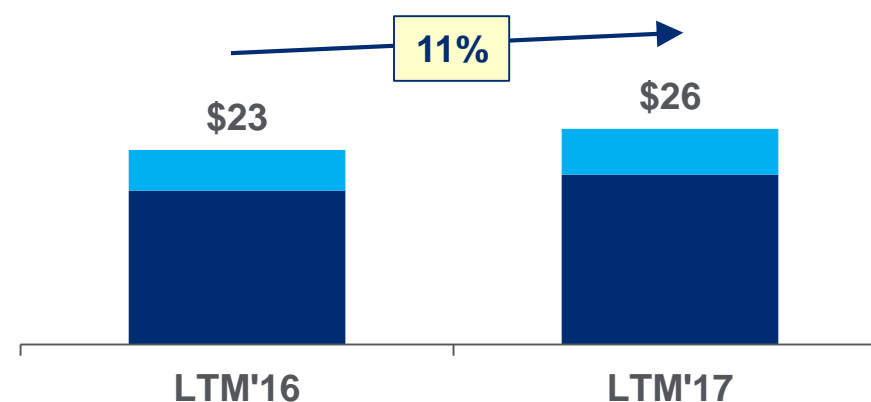
■ Retail Banking ■ Cards



## Average Deposits

(Constant \$B)

■ Retail Banking ■ Commercial Banking



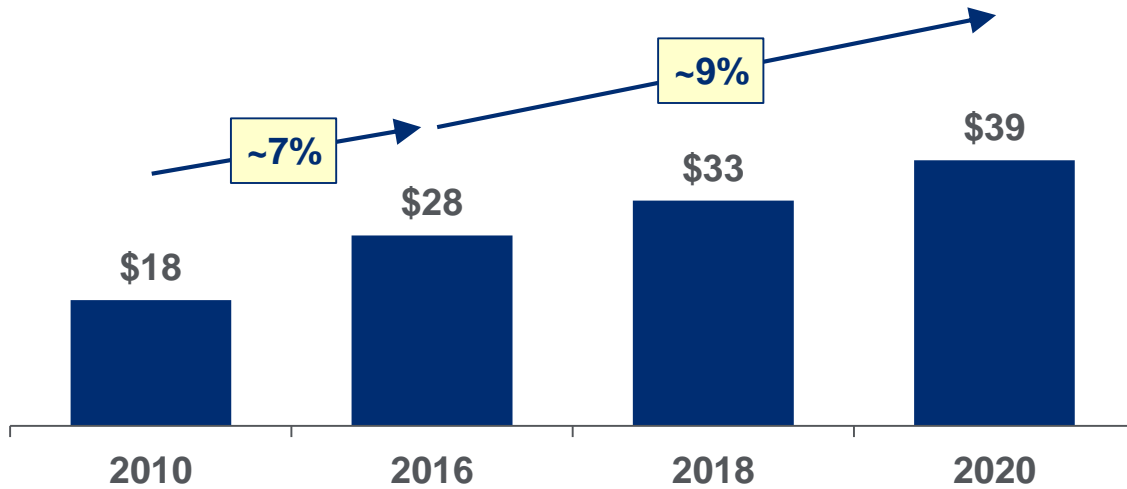
47 Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes. For a reconciliation of constant dollars to reported results, please refer to Slide 55.  
 (1) YoY variance excludes ~\$160MM one-time gain in constant dollars (\$180MM as reported), related to the 3Q'15 sale of Citi's merchant acquiring business in Mexico.



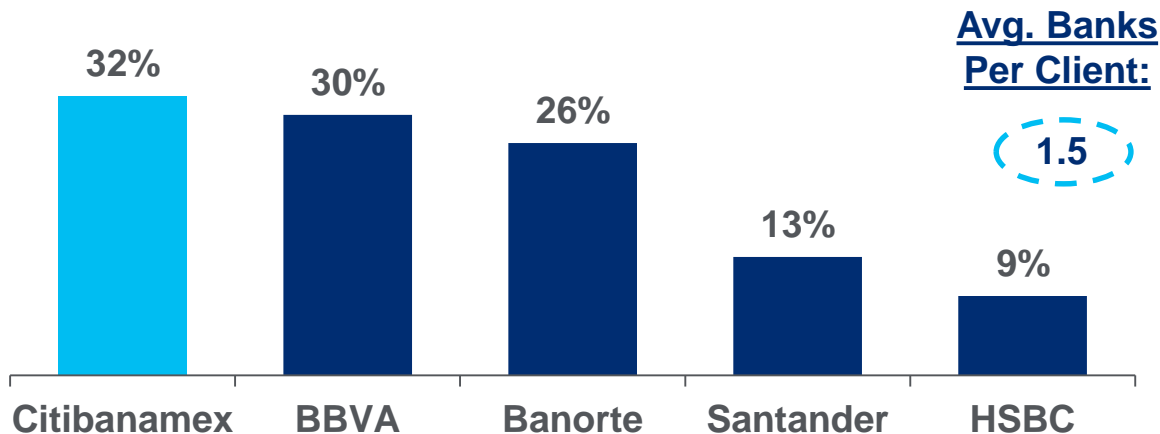
# Mexico: Strong Franchise in a Growing Market

## GCB Market Revenue Pool<sup>(1)</sup>

(Constant \$B)



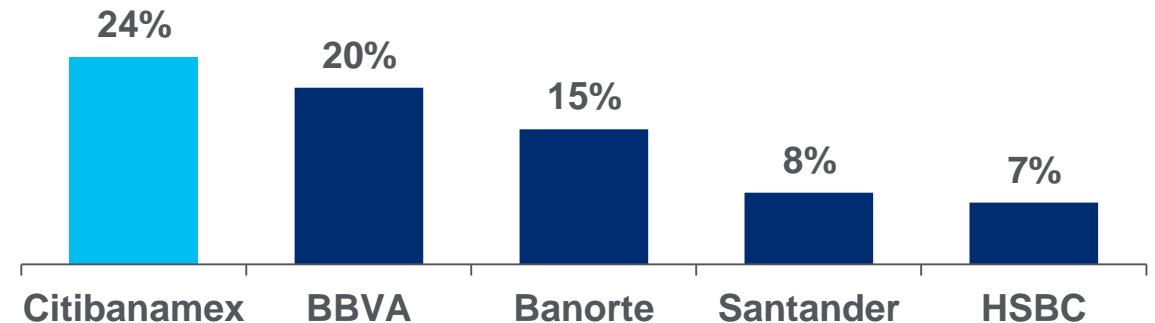
## Leading Share of Banking Relationships<sup>(3)</sup>



## Market Leading Franchise<sup>(2)</sup>

Rank	Category	Market Share
#1	Top of Mind	38%
#1	AUM + Deposits	18%
#2	Personal Loans	21%
#2	Cards	28%
#2	ATMs	17%
#3	Branches	12%

## Leading Share of Client Acquisition<sup>(3)</sup>



Note:

(1) McKinsey Global Banking Pool, local franchise estimates and Citi Velocity. Growth rates are compounded annually.

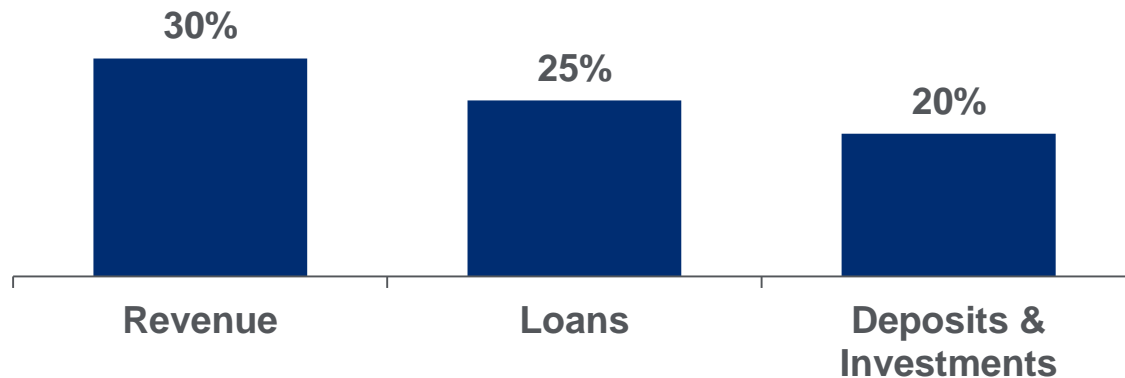
(2) Source: GFK Mexico. Publicity tracking to measure brand perception for Citibanamex based on 2,200 monthly surveys made; CNBV and competitive analysis.

(3) PRM Base study on banking market in Mexico 2016.

# Mexico: Achieving Measurable Results

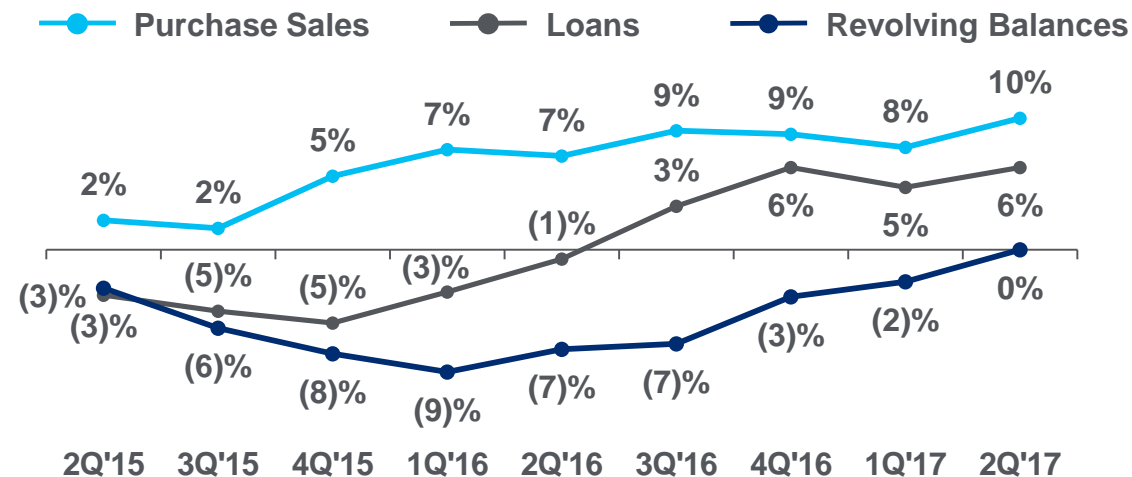
## Citi Priority Strong Revenue and Driver Growth

(Constant \$ YoY % $\Delta$  as of 1Q'17)



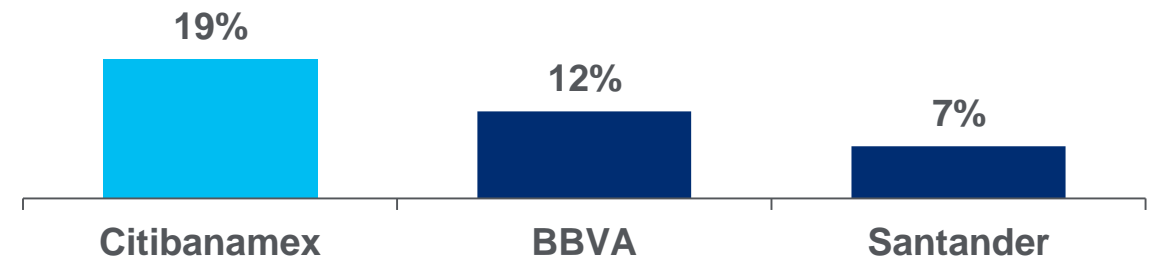
## Cards Building Growth Momentum

(Constant \$ YoY % $\Delta$ )



## Citi Business Outperforming Competitors' Growth<sup>(1)</sup>

(Constant \$ YoY Loan growth as of 4Q'16)



## Increased Branch Productivity and Lower Cost to Serve

Transaction activity<sup>(2)</sup> in refurbished branches



Note: Constant dollar excludes the impact of foreign exchange translation into U.S. dollars for reporting purposes.

49 (1) Source: CNBV. Total wallet size.

(2) Change in branches from previous format to 6 months into transformation.



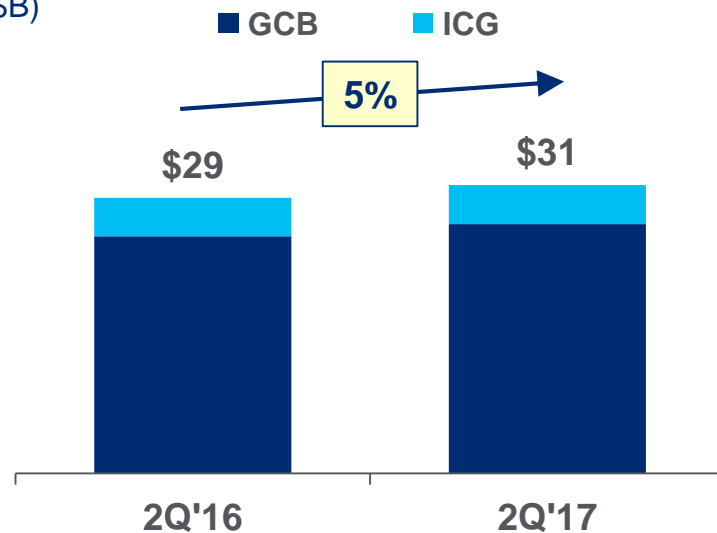
# Commercial Banking: ICG and GCB Partnership

## Execution Priorities

- Reported in Retail Banking in U.S., Asia and Mexico
- Leverage ICG global network including cash management services, lending and FX capabilities
- Focus on clients / segments that value Citi's network and form part of the global supply chain for target industries
- Transform digital client experience
- Leverage client data insights to drive solutions and deepen client relationships

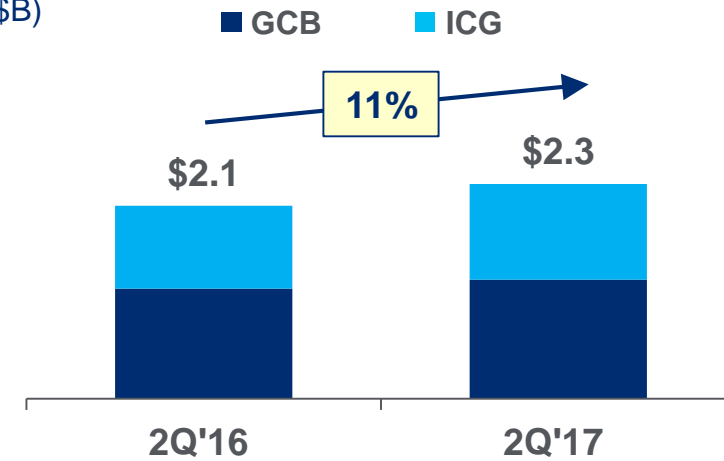
## Loan Volumes

(Constant \$B)



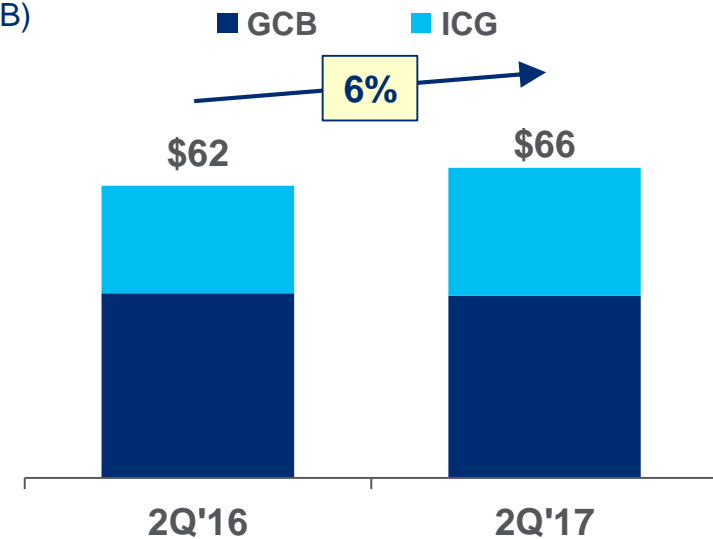
## LTM Revenues

(Constant \$B)



## Deposits

(Constant \$B)



**Strong Foundation For Growth**

**Path to Achieving Our Targets**

**Our Businesses**

**Key Takeaways**

# Key Takeaways

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- 1 Global consumer franchise in attractive growth markets and segments**
  - 2 High quality, affluent-oriented client base**
  - 3 Disciplined expense and credit management**
  - 4 Transforming towards a digital and agile model that is less reliant on costly physical infrastructure, yet serves our clients with distinction**
- 
- 5 On a path to growth and positioned to deliver ~19% RoTCE by 2020 and 20%+ longer-term**

Certain statements in this presentation are “forward-looking statements” within the meaning of the rules and regulations of the U.S. Securities and Exchange Commission (SEC). Such statements may be identified by words such as believe, expect, anticipate, intend, estimate, may increase, may fluctuate, target, illustrative and similar expressions or future or conditional verbs such as will, should, would and could. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements are not guarantees of future results or occurrences. Actual results and capital and other financial condition may differ materially from those included in these statements due to a variety of factors, including, among others, the efficacy of Citi’s business strategies and execution of those strategies, such as those relating to its key investment, efficiency and capital optimization initiatives, governmental or regulatory actions or approvals, macroeconomic challenges and conditions, such as the level of interest rates, the precautionary statements included in this presentation and those contained in Citigroup’s filings with the SEC, including without limitation the “Risk Factors” section of Citigroup’s 2016 Form 10-K. Any forward-looking statements made by or on behalf of Citigroup speak only as to the date they are made, and Citi does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

The Citi logo is centered on a blue gradient background. It features the word "citi" in a white, lowercase, sans-serif font. A red, curved arch is positioned above the letters "i" and "t". To the right of the word "citi" is a small white registered trademark symbol (®).

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# Reconciliations

(\$MM, except balance sheet items in \$B)

<b>Global Consumer Banking</b>	<b>LTM'17</b>	<b>LTM'16</b>	<b>LTM'15</b>	<b>LTM'14</b>
Reported Revenues	\$31,983	\$31,273	\$33,767	\$33,694
Impact of FX Translation	-	(521)	(2,002)	(2,819)
<b>Adjusted Revenues</b>	<b>\$31,983</b>	<b>\$30,752</b>	<b>\$31,765</b>	<b>\$30,875</b>

<b>Global Consumer Banking</b>	<b>LTM'17</b>	<b>LTM'14</b>
Reported Expenses	\$17,697	\$18,543
Impact of FX Translation	-	(1,514)
<b>Adjusted Expenses</b>	<b>\$17,697</b>	<b>\$17,029</b>

<b>Global Consumer Banking</b>	<b>2Q'17</b>	<b>2Q'16</b>	<b>2Q'15</b>
Reported EOP Loans	\$299	\$285	\$274
Impact of FX Translation	-	1	(5)
<b>EOP Loans in Constant Dollar</b>	<b>\$299</b>	<b>\$286</b>	<b>\$269</b>
Reported EOP Deposits	\$309	\$300	\$299
Impact of FX Translation	-	1	(5)
<b>EOP Deposits in Constant Dollar</b>	<b>\$309</b>	<b>\$301</b>	<b>\$295</b>

<b>Global Consumer Banking</b>	<b>LTM'17</b>	<b>LTM'16</b>	<b>LTM'15</b>
Reported Purchase Sales (\$B)	\$478	\$365	\$352
Impact of FX Translation	-	(1)	(10)
<b>Adjusted Purchase Sales (\$B)</b>	<b>\$478</b>	<b>\$364</b>	<b>\$342</b>

<b>Global Consumer Banking</b>	<b>LTM'17</b>
Reported Net Income	\$4,598
Average Allocated TCE	\$36
Return on Tangible Common Equity	12.8%

<b>Latam GCB</b>	<b>LTM'17</b>	<b>LTM'16</b>
Reported Revenues	\$4,898	\$5,347
Impact of FX Translation	-	(568)
<b>Adjusted Revenues</b>	<b>\$4,898</b>	<b>\$4,779</b>
Reported Average Loans	\$24	\$25
Impact of FX Translation	-	(2)
<b>Average Loans in Constant Dollar</b>	<b>\$24</b>	<b>\$22</b>
Reported Average Deposits	\$26	\$26
Impact of FX Translation	-	(2)
<b>Average Deposits in Constant Dollar</b>	<b>\$26</b>	<b>\$23</b>

<b>Asia GCB</b>	<b>LTM'17</b>	<b>LTM'16</b>
Reported Revenues	\$6,977	\$6,728
Impact of FX Translation	-	44
<b>Adjusted Revenues</b>	<b>\$6,977</b>	<b>\$6,772</b>
Reported Average Deposits	\$92	\$87
Impact of FX Translation	-	0
<b>Average Deposits in Constant Dollar</b>	<b>\$92</b>	<b>\$88</b>