

## U.S. DEPARTMENT OF THE TREASURY

## Press Center

**Treasury Announces Further Sales of Citigroup Securities and Cumulative Return to Taxpayers of \$41.6 Billion**

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**WASHINGTON** – The U.S. Department of the Treasury announced today that it priced a secondary offering of all Citigroup trust preferred securities (T ruPS®) received pursuant to the Asset Guarantee Program (AGP). The aggregate gross proceeds from the offering, all of which represent a net gain or profit to the taxpayer under the AGP, will be \$2.246 billion. The closing of the T ruPS® sale is expected to occur on Tuesday, October 5, 2010. The entirety of Treasury's proceeds from this sale represents a profit to taxpayers, because Treasury did not incur any losses on the Citigroup assets it guaranteed in exchange for these T ruPS®.

Treasury also announced today the sale of 1.5 billion shares of Citigroup common stock pursuant to the completion of its third trading plan with Morgan Stanley as sales agent. To date, Treasury has sold approximately 4.1 billion shares of Citigroup common stock for gross proceeds of approximately \$16.4 billion. Treasury currently owns approximately 3.6 billion shares of Citigroup common stock, representing 12.4% ownership of the outstanding common stock. Treasury expects to continue selling its shares in the market in an orderly fashion, after the blackout period set by Citigroup related to its third quarter earnings release ends.

Treasury invested a total of \$45 billion in Citigroup pursuant to the Troubled Asset Relief Program (TARP). To date, the combined proceeds to the taxpayer from the sale of the T ruPS® and Citigroup common stock, together with Citigroup repayments, dividends and other distributions received to date, total \$41.6 billion. The remaining shares of Citigroup common stock held by Treasury have a value of \$14.0 billion at today's closing price. In addition, the taxpayer will ultimately receive proceeds from the sale of the warrants for Citigroup common stock received under TARP as well as the sale of up to \$800 million in T ruPS® held by the Federal Deposit Insurance Corporation for Treasury's benefit.

On the T ruPS® sale, BofA Merrill Lynch, J.P. Morgan, Morgan Stanley, UBS Investment Bank, and Wells Fargo Securities acted as joint lead managers and Citigroup Global Markets Inc. acted as global coordinator but not as underwriter or sales agent. On the common stock sale, Morgan Stanley acted as sales agent.

The results of these sales will be posted on Treasury's TARP transactions report within two business days of their completion at [www.financialstability.gov](http://www.financialstability.gov).

Copies of the prospectuses relating to these securities may be obtained from Morgan Stanley, Attn: Prospectus Department, 180 Varick Street, New York, NY 10014, by emailing [prospectus@morganstanley.com](mailto:prospectus@morganstanley.com) or by calling toll-free in the United States 1-866-718-1649.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities.

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