

U.S. DEPARTMENT OF THE TREASURY

Press Center



Taxpayers Receive \$10.5 Billion in Proceeds Today from Final Sale of Treasury Department Citigroup Common Stock

12/10/2010

Locks in Total Profit of at Least \$12 Billion on Citigroup Investment

WASHINGTON – The U.S. Department of the Treasury announced that it today received \$10.5 billion in proceeds from the sale of its final 2.4 billion shares of Citigroup Inc. common stock – locking in a profit of at least \$12 billion on its overall investment in Citigroup.

“Treasury was able to exit its common stock investment in Citigroup much more quickly than many had anticipated, while also delivering a significant profit to taxpayers,” said Tim Massad, Acting Assistant Secretary for Financial Stability. “As the economy and financial sector continue to heal, we’re achieving our dual goals of getting the government out of the business of owning stakes in private companies and making sure that TARP funds are returned to taxpayers.”

On December 6, Treasury announced that it priced an underwritten public offering of approximately 2.4 billion shares of Citigroup common stock at \$4.35 per share. This offering disposed of Treasury’s remaining shares of Citigroup common stock. Today, Treasury received \$10.5 billion in proceeds from this transaction.

Treasury received approximately 7.7 billion shares of Citigroup common stock at a price of \$3.25 per share from the exchange offers in July 2009 in consideration for the \$25 billion in preferred stock received in connection with Citigroup’s participation in the Capital Purchase Program. The exchange was part of exchange offers conducted by Citigroup to strengthen its capital base. With the completion of this offering, Treasury has fully disposed of its stake of Citigroup common stock. Following the completion of the offering at \$4.35 per share, Treasury’s average selling price for the entire 7.7 billion shares is \$4.14.

Treasury invested a total of \$45 billion in Citigroup pursuant to TARP (and made a \$5 billion commitment under the Asset Guarantee Program that was never funded). With this offering, Treasury has recovered all of the \$45 billion plus approximately \$12 billion in profits, consisting of dividends, interest, and gains on the sale of Citigroup common stock and other securities.

