



**For Immediate Release
Citigroup Inc. (NYSE: C)
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Citi Partners with the Foundation for Development Cooperation and the Banking With The Poor Network to Strengthen Microfinance in Asia

Hong Kong – Asia's microfinance industry will benefit from a new regional program announced today by Citi, the Foundation for Development Cooperation (FDC), and the Banking with the Poor Network (BWTP).

A grant worth US\$570,000 from the Citigroup Foundation will be used by FDC and BWTP to expand the provision of microfinance services across 10 Asian countries including India, Indonesia, Philippines, Sri Lanka and Vietnam. The two-year program will promote public-private partnerships and industry best practices that will help existing microfinance providers to expand the reach and range of services delivered to the poor. These efforts are also aimed at stimulating the development of more internationally recognized and commercially viable microfinance providers in Asia such as ASA, BRAC and Grameen Bank in Bangladesh.

South Asia is generally viewed as the birthplace of microfinance, and thousands of microfinance institutions (MFIs) are now operating in Asia, but the Asian Development Bank estimates that around 200 million poor and low-income households in the Asia region may not have access to financial services. To reach more microfinance clients, many Asian MFIs need to build their capacity through partnerships and strategic alliances, and by adopting best practices.

Speaking about this new program, Robert Morse, CEO, Corporate & Investment Banking, Citi Asia Pacific, said: "Our continued support for the Foundation for Development Cooperation and the Banking with the Poor Network reflects Citi's commitment to help build a more inclusive financial sector in the Asia region. Our collective efforts will increase access to basic financial services, such as credit, savings, insurance and remittances, which can help lift entire communities out of poverty."

Craig Wilson, Executive Director, FDC, said: "This program builds on Citi's existing strong support of microfinance in the region and the BWTP's greater involvement in Asia. Importantly, this program helps to take microfinance into new territory. New partnerships within the microfinance industry will help introduce new technology such as mobile phone banking and diversified products such as assets leases, life insurance and pensions, giving rise to better services for the poor. Partnerships can also help improve social service delivery, for example, financial literacy or community education, helping poor beneficiaries to make better choices."

The new program will help to accelerate the development, sustainability and reach of the microfinance industry in Asia through several key initiatives:

- Training for microfinance providers to increase their ability to build business partnerships and strategic alliances so that they can be more effective in serving poor communities, especially in remote areas. These partnerships and alliances may be with government bodies, other non-profit organizations/NGOs, and private sector companies such as retailers, telecom operators and large financial institutions.
- National workshops and technical assistance from and between BWTP members to share best practices and skills – for example, Microfinance and Disaster Management (previously developed by FDC for tsunami-affected areas), and Microfinance Innovations.
- The second Asia Microfinance Forum to be held in 2008 that will bring together over 250 delegates from banks, regulatory bodies and microfinance networks to promote constructive dialogue, connect potential partners from the private and public sectors, and showcase international best practices to benefit the Asia microfinance sector.

FDC has an established record and commitment to improving the outreach and efficiency of financial services to the poor. The BWTP Network is the leading pan-Asian microfinance network with a diverse and inclusive membership of stakeholders involved in the financing, regulation, and delivery of microfinance to the poor.

Citi supports the microfinance sector through both commercial relationships and grants. Citi is one of the world's largest donors to the microfinance sector, granting some US\$32 million to support microfinance programs and organizations in more than 50 countries. In Asia alone, the Citigroup Foundation has committed more than US\$13 million in grants for microfinance related programs since 1997.

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Citi

Citi, the leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Major brand names under Citi's trademark red arc include Citibank, CitiFinancial, Primerica, Citi Smith Barney and Banamex. Additional information may be found at www.citigroup.com or www.citi.com

Citigroup Foundation

The Citigroup Foundation focuses its grants primarily in three areas: financial education, educating the next generation, and building communities and entrepreneurs. Additional information may be found at www.citigroupfoundation.org

Foundation for Development Cooperation (FDC)

The Foundation for Development Cooperation is a not-for-profit international development organization, based in Brisbane, Australia. It has extensive regional activities and its early work in microfinance led to the creation of the BWTP Network in 1997. In relation to microfinance, FDC has undertaken in-depth studies on policy, regulatory frameworks, the roles of central and commercial banks, and capacity building. With Citigroup Foundation sponsorship, FDC and BWTP organized the "Pan-Asia Forum on Capacity Building for Microfinance in Crisis Situations" in Colombo, Sri Lanka in June 2005, and the first Asia Microfinance Forum "Partnerships and Innovations: Increasing the impact of Microfinance in Asia" in Beijing, China in March 2006. Additional information may be found at www.fdc.org.au

Banking With the Poor (BWTP)

BWTP is an expanding network of some 30 national policy institutions, commercial banks and NGOs from eight countries in Asia. Its objective is to support the development of the microfinance sector in the Asia region. BWTP members include ASA (Bangladesh), Credit Development Forum (Bangladesh), Janata Bank (Bangladesh), PKSF (Bangladesh), Shakti Foundation (Bangladesh), Sajida Foundation (Bangladesh), Swanirvar Bangladesh, PKSF (Bangladesh), Bandhan (India), BWDA (India), Canara Bank (India), Friends of Women's World Banking (India), MYRADA (India), NABARD (India), Vysya Bank (India), Bank Rakyat Indonesia, Bina Swadaya (Indonesia), PPSW - Center for Women's Resources Development (Indonesia), Dian Mandiri Foundation (Indonesia), Rural Microfinance Development Centre (Nepal), Swabalamban Bikas Bank (Nepal), First Microfinance Bank Ltd (Pakistan), ASKI (Philippines), KMBI (Philippines), TSPI Development Corporation (Philippines), Bangko Sentral ng Pilipinas, Hatton National Bank (Sri Lanka), Lakjaya (Sri Lanka), SANASA Development Bank (Sri Lanka), SEEDS (Sri Lanka), and Small Enterprise Development Company (Thailand). Additional information may be found at www.bwtp.org