

FORM 45-106F1
REPORT OF EXEMPT DISTRIBUTION

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report.

Citigroup Inc.
399 Park Avenue
New York, New York 10043

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

Citigroup Inc. is a reporting issuer in Saskatchewan, Ontario and Quebec. Application to cease to be a reporting issuer was filed with the applicable securities regulatory authorities on September 30, 2005.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> Financial Services | <input type="checkbox"/> production |
| <input type="checkbox"/> Investment companies and funds | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Hi-tech | <input checked="" type="checkbox"/> Other (describe) |
| <input type="checkbox"/> Industrial | |

financial services holding company

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates.

October 7, 2005

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Item 6: For each security distributed:

- (a) describe the type of security,
4.650% Fixed Rate/Floating Rate Subordinated Notes due 2022 (the "Notes")
- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

C\$500,000,000 principal amount of Notes

- (c) state the exemption(s) relied on.

Section 2.3 of National Instrument 45-106

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

| Each jurisdiction where purchasers reside | Number of purchasers | Price per security (Canadian \$) | Total dollar value raised from purchasers in the jurisdiction (Canadian \$) |
|--|----------------------|--------------------------------------|---|
| Alberta | 2 | 99.526% per principal amount of Note | \$49,763,000 |
| British Columbia | 2 | 99.526% per principal amount of Note | \$104,502,300 |
| Manitoba | 3 | 99.526% per principal amount of Note | \$61,706,120 |
| Ontario | 14 | 99.526% per principal amount of Note | \$171,433,535 |
| Quebec | 3 | 99.526% per principal amount of Note | \$24,135,055 |
| Saskatchewan | 1 | 99.526% per principal amount of Note | \$3,981,040 |
| USA | 4 | 99.526% per principal amount of Note | \$42,298,550 |
| Europe | 3 | 99.526% per principal amount of Note | \$39,810,400 |
| Total number of Purchasers | 32 | | |
| Total dollar value of distribution in all jurisdictions (Canadian \$) | | | \$497,630,000 |

Note 1: If securities are issued at different prices list the highest and lowest price the securities were sold for.

Commissions and finder's fees

Item 8: Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

| Full name and address of the person being compensated | Compensation paid or to be paid (cash and/or securities) | | | | |
|---|--|--------------------------------------|--------------------|--|---|
| | Cash (Canadian \$) | Securities | | | Total dollar value of compensation (Canadian \$) |
| | | Number and type of securities issued | Price per security | Exemption relied on and date of distribution | |
| Merrill Lynch Canada Inc. 181 Bay Street BCE Tower Toronto, Ontario M5J 2V8 | 1,743,750 | - | - | - | - |
| Citigroup Global Markets Inc. 390 Greenwich Street New York, NY 10013 | 281,250 | | | | |
| RBC Dominion Securities Inc. 2nd Floor, North Tower, Royal Bank Plaza Toronto, Ontario M5J 2W7 | 112,500 | | | | |
| TD Securities Inc. 222 Bay Street, 7th Floor Toronto, Ontario M5K 1A2 | 112,500 | | | | |

Item 9: If a distribution is made in Ontario, please include the attached "Authorization of Indirect Collection of Personal Information for Distributions in Ontario". The "Authorization of Indirect Collection of Personal Information for Distributions in Ontario" is only required to be filed with the Ontario Securities Commission.

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Certificate

On behalf of the issuer, I certify that the statements made in this report are true.


Date: October 17, 2005

Citigroup Inc.

Name of issuer (please print)

Charles E. Wainhouse, Assistant Treasurer, 1-212-559-8081

Print name, title and telephone number of person signing


Signature

Item 10: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

Usman Sikandar
Merrill Lynch Canada Inc.
181 Bay Street
BCE Tower
Toronto, Ontario M5J 2V8
416-369-2085

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.