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Citi Alternative Investments Structured Investment Vehicle Update Fed Update Call

CitiGroup: Alternative Investments

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***Citi Alternative Investments
Structured Investment Vehicle Update
Fed Update Call***

November 30, 2007

CAI Advised SIVs – Update 11/29

(US\$ in Billions)

	9/28	10/31	11/23	11/29	▶ Rating Agency Actions
Assets					
Long Term	\$67.3	\$61.1	\$55.2	\$52.3	– Moody's watchlist junior notes
Breakable Deposits	6.9	6.9	7.0	7.0	– Fitch watchlist Sedna SPS Notes
Cash	6.5	5.6	4.7	3.1	– Possible Moody's watchlist Senior debt
Unsettled Trades	2.5	3.2	1.0	3.4	
Total	83.2	76.8	67.9	65.8	▶ Client reactions to losses
Senior Debt					
Repo	\$0.2	\$1.8	\$1.2	\$0.8	– Sinopac
CP	22.9	18.0	13.0	12.1	– Lloyds
MTN	55.5	52.6	49.6	49.5	
Total	78.6	72.4	63.8	62.4	▶ Asset Prices Decline from 9/28
Other Liabilities	\$0.6	\$0.6	\$1.1	\$0.5	– Financial Institutions
Junior Notes					– Insurance Company wraps
MV	\$4.0	\$3.8	\$3.0	\$2.9	– US RMBS (Mostly Alt A)
NAV	75%	73%	60%	57%	
Asset Sales	\$6.8	\$3.7	\$3.4	\$3.9	▶ Senior Debt Funding market closed
Capital Exchanges	\$5.7	\$2.4	\$2.5	\$4.4	– Funding requirements:
CP Issued					• Funded through Jan. 22
3rd Party	\$0.9	\$2.0	\$0.0	\$0.0	• End of Jan (\$1.7)
Citi	\$4.2	\$6.8	\$0.0	\$0.0	• End of Mar (\$13.4)
					• End of Dec (\$35.4)

Citi Alternative Investments



Asset Ratings Quality Composition as of 11/29

	Avg Asset Mix ¹	Moody's			Standard and Poors		
		Avg. Credit Quality ^{1/2}			Avg. Credit Quality ^{1/2}		
		Aaa	Aa	A	AAA	AA	A
Financial Institutions Debt	58%	12%	44%	2%			
Structured Finance							
MBS- Non-US Residential	11%	11%	-	-			
CBOs, CLOs, CDOs	8%	8%	-	-			
MBS - US Residential	7%	7%	-	-			
CMBS	6%	6%	-	-			
Student Loans	5%	5%	-	-			
Credit Cards	4%	4%	-	-			
Other	1%	1%	-	-			
Total Structured Finance	42%	42%	-	-	49%	38%	
Total 9/28	100%	54%	44%	2%	38%	13%	
Total 10/31	100%	52%	45%	3%	38%	14%	
Total 11/29	100%	54%	42%	3%	37%	13%	

(1)/(2) Average asset mix quality based on credit definition of assets which is basically cost basis plus accrued interest and notional value of CDS
(1) Credit Ratings based on Moody's ratings as of 9/28

Citi Alternative Investments



Average Asset Mix Trends

	Avg Asset Mix	
	9/28	11/29
Financial Institutions Debt	58%	58%
Sovereign/Government Debt	0%	1%
Structured Finance		
MBS- Non-US Residential	12%	11%
CBOs, CLOs, CDOs	7%	7%
MBS - US Residential	8%	8%
CMBS	6%	4%
Student Loans	5%	5%
Credit Cards	4%	5%
Other	1%	1%
Total Structured Finance	42%	41%
Total	100%	100%

Citi Alternative Investments



CAI SIV Balances as of 11/29

(US\$ in Billions)

	Senior Notes			MTN	Other Liabilities	Junior Notes	
	Assets	Repo	CP			MV	NAV
Beta	\$15.5	\$0.0	\$0.2	\$14.5	\$0.1	\$0.7	57%
Centauri	16.3	0.0	0.2	15.2	0.2	0.7	57%
Dorada	8.6	0.5	0.3	7.4	0.0	0.4	63%
Five	10.5	0.3	3.6	6.1	0.1	0.4	50%
Sedna	11.2	0.0	6.0	4.6	0.1	0.5	53%
Zela	2.7	0.0	1.5	1.1	0.0	0.1	60%
Vetra	1.0	0.0	0.3	0.6	0.0	0.1	70%
Total	65.8	0.8	12.1	49.5	0.5	2.9	57%

Citi Alternative Investments

