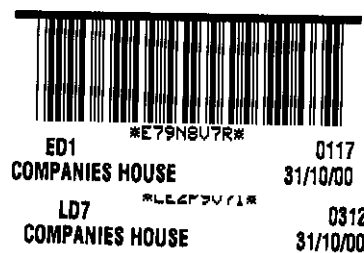


Company No. 2698894

CITICORP DINERS CLUB LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 DECEMBER 1999.



CITICORP DINERS CLUB LIMITED

DIRECTORS AND OFFICERS

Directors

Mr Peter W Randall

Mr Jeffrey R Walsh.

Secretary

Citicorporate Limited
336 Strand
LONDON WC2R 1HB

Registered Office

336 Strand
LONDON WC2R 1HB

Auditors

KPMG Audit Plc
Chartered Accountants & Registered Auditor
8 Salisbury Square
LONDON EC4Y 8BB

CITICORP DINERS CLUB LIMITED**REPORT OF THE DIRECTORS**

The Directors present their Report together with the audited financial statements ('Accounts') of the Company for the year ended 31 December 1999 ('the year') which have been prepared in accordance with the provisions of the Companies Act 1985 (as amended).

Principal Activities and Review of the Business

The Company's only activity during the year was the receipt of interest income from deposits with its bankers.

Future Developments

The Directors have no plans or intentions, at this time, to develop any activities of the Company.

Results and Dividends

The Company made a profit for the year, before taxation, of £30,761 (1998: £41,695) which arose from interest earned on cash held in a bank account in the Company's name. After providing for taxation of £9,306 (1998: £15,669) the Company retained a profit for the year of £21,456 (1998: £26,026).

No dividends were declared or paid by the Company during the year and the Directors do not recommend the declaration of a dividend in respect of the year.

Directors

The names of the present Directors are as given on page 1. There have been no changes in the composition of the Board during or since the year.

No service contracts have subsisted between the Company and any of its Directors during the year and no such contracts have come into being since the year.

Directors' Interests

According to the register of Directors' Interests none of the Directors, during the year, nor any member of their respective families had any material interests in contracts involving the Company or interests in the share or loan capitals of the ultimate holding company, or its subsidiaries, at the relevant dates which required disclosure.

CITICORP DINERS CLUB LIMITED**REPORT OF THE DIRECTORS** continued**Directors' Responsibilities for Financial Statements**

Company law requires the Directors to prepare financial statements for each accounting reference period which give a true and fair view of the state of affairs of the Company and of the profit or, as the case may be, loss of the Company for that period (the 'financial statements').

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the provisions of the Companies Act 1985 as amended.

They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Employees

There were no persons employed by the Company during the year or in the preceding year and no persons have been employed by the Company since the year end.

Year 2000 issues

The Directors have considered the potential issues posed by the Year 2000 date change ('Y2K') in relation to the Company and its activities.

The Directors are satisfied that, based on events since 1 January 2000, there are no implications for the Company presented by Y2K.

Charitable Donations and Political Contributions

There were no charitable donations nor any contributions for political purposes made by the Company during the year or the preceding year.

Close Company Provisions

In the opinion of the Directors, the close company provisions of the Income and Corporation Taxes Act 1988, as amended, do not, and did not at 31 December 1999, apply to the Company.

CITICORP DINERS CLUB LIMITED

REPORT OF THE DIRECTORS continued

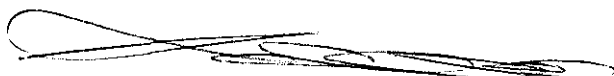
Ultimate Holding Company

Following the merger between Citicorp and Travelers Group Inc on 8 October 1998 and the change of name of Travelers Group Inc to Citigroup Inc, the Directors regard Citigroup Inc, which is incorporated in the United States of America under the laws of the State of Delaware, as the ultimate holding company at 31 December 1999.

Auditors

The Company's Auditor KPMG Audit Plc, Chartered Accountants and Registered Auditor, has indicated its willingness to continue in office and, accordingly, a resolution for its re-appointment will be proposed at the forthcoming Annual General Meeting in accordance with the provisions of Section 385 of the Companies Act 1985, as amended.

Approved by the Board of Directors on 24 October 2000 and signed on their behalf by:

A handwritten signature in black ink, appearing to be a cursive script, located below the approval text.

for **Citicorporate Limited**
Secretary.

Registered Office:
336 Strand, LONDON WC2R 1HB

CITICORP DINERS CLUB LIMITED**REPORT OF THE AUDITORS KPMG AUDIT Plc
TO THE MEMBERS OF CITICORP DINERS CLUB LIMITED**

We have audited the financial statements on pages 6 to 8.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Directors' Report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc

Chartered Accountants
Registered Auditor

24 London
October 2000

CITICORP DINERS CLUB LIMITED**PROFIT AND LOSS ACCOUNT**
for the year ended 31 December 1999

		1999	1998
	Note	£	£
Interest Receivable	2	30,761	52,687
Interest Payable	2	-	(10,992)
Profit on ordinary activities before tax		30,761	41,695
Tax on ordinary activities	3	(9,305)	(15,669)
Retained profit for the year		21,456	26,026
Profit for the year b/fwd		136,236	110,210
Profit for the year c/fwd		157,692	136,236

The Company has no recognised gains and losses during the year (1998 nil) other than those passing through the profit and loss account.

The notes on pages 8, 9 and 10 form an integral part of these Accounts.

CITICORP DINERS CLUB LIMITED

BALANCE SHEET

as at 31 December 1999

		1999	1998
	Note	£	£
CURRENT ASSETS			
Accrued interest	4	2,586	3,909
Cash at bank		1,218,694	1,213,271
		<u>1,221,280</u>	<u>1,217,180</u>
Creditors: amounts due within one year	5	(63,588)	(80,944)
NET CURRENT ASSETS		<u>1,157,692</u>	<u>1,136,236</u>
CAPITAL AND RESERVES:			
Called up share capital	6	1,000,000	1,000,000
Profit and Loss account		157,692	136,236
Equity shareholders' funds		<u>1,157,692</u>	<u>1,136,236</u>

These Accounts were approved by the Board of Directors on 24 October 2000 and signed on their behalf by:



Jeffrey R Walsh
Director.

The notes on pages 8, 9 and 10 form an integral part of these Accounts.

CITICORP DINERS CLUB LIMITED**NOTES TO THE ACCOUNTS**

for the year ended 31 December 1999

1 BASIS OF ACCOUNTING

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements ('Accounts'):

Basis of preparation:

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Taxation:

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Related Party Transactions:

Under Financial Reporting Standard number 8, the Company is exempt from the requirement to disclose the detail of related party transactions with other Citigroup Inc controlled companies.

2 PROFIT AND LOSS ACCOUNT

The profit for the year arises from interest earned on cash held in a bank account in the Company's name. The interest payable was charged on an underpayment of tax in prior years.

3 TAXATION ON ORDINARY ACTIVITIES

	1999	1998
	£	£
United Kingdom Corporation tax at 30.25% (1998: 31%) on the profit on ordinary activities for the year	9,305	16,333
Over provision of tax in prior years	-	(664)
	-----	-----
	9,305	15,669
	=====	=====

4 DEBTORS

	1999	1998
	£	£
Accrued Interest	2,586	3,909
	=====	=====

CITICORP DINERS CLUB LIMITED

NOTES TO THE ACCOUNTS continued
for the year ended 31 December 1999

5 CREDITORS

	1999	1998
	£	£
Amounts due to fellow subsidiary	54,283	54,283
Corporation tax payable	9,305	16,333
Accrued Interest	-	10,328
	<u>63,588</u>	<u>80,944</u>

6 SHARE CAPITAL

	1999	1998
	£	£
Authorised:		
100,000,000 Ordinary shares of £1 each	100,000,000	100,000,000
	<u>=====</u>	<u>=====</u>
Allotted, called up and fully paid:		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	<u>=====</u>	<u>=====</u>

7 CASH FLOW STATEMENT

Under Financial Reporting Standard No.1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is wholly owned and controlled by a company incorporated in the United States of America. The ultimate parent company is Citigroup Inc, incorporated in the United States of America under the laws of the State of Delaware. The Company's cash flows are included within the cash flow statement of that company and its accounts are publicly available from its offices at 153 East 53rd Street, New York, New York 10043, United States of America.

8 DIRECTORS' EMOLUMENTS

None of the Directors received any emoluments during the year in respect of their services to the Company (1998 £nil).

9 CONTINGENT LIABILITIES

Under a group registration made pursuant to the provisions of the Value Added Tax Act 1994, the Company is jointly and severally liable for VAT due by other group companies. At 31 December 1999 this liability amounted in aggregate to £nil (1998: £nil). No valuable consideration has been provided by the Company in respect of this contingency.

CITICORP DINERS CLUB LIMITED

NOTES TO THE ACCOUNTS continued
for the year ended 31 December 1999

10 ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING OF LARGER GROUP OF WHICH THE COMPANY IS A MEMBER

The Company is a subsidiary undertaking of Citigroup Inc which is incorporated in the United States of America under the laws of the State of Delaware.

The largest group in which the results of the Company are consolidated is that headed by Citigroup Inc. Copies of these group accounts are available to the public and may be obtained from their offices at 153 East 53rd Street, New York, New York 10043, United States of America.

The smallest group in which the results of the accounts are consolidated is that headed by Citibank Investments Limited. Copies of these group accounts are available to the public and may be obtained from its offices at 336 Strand, London WC2R 1HB.