

# U.S. DEPARTMENT OF THE TREASURY

## Press Center

### **TREASURY RECEIVES \$45 BILLION IN REPAYMENTS FROM WELLS FARGO AND CITIGROUP**

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#### ***TARP Repayments Now Total \$164 Billion***

**WASHINGTON** – Today, the U.S. Department of the Treasury received repayments on its Troubled Asset Relief Program (TARP) investments in Wells Fargo and Citigroup in the sum of \$45 billion, bringing the total amount of repaid TARP funds to \$164 billion. Wells Fargo repaid \$25 billion under the Capital Purchase Program (CPP) and Citigroup repaid \$20 billion under the Targeted Investment Program (TIP), both of which will wind down at the end of this year. Treasury now estimates that total bank repayments should exceed \$175 billion by the end of 2010, cutting total taxpayer exposure to the banks by three-quarters.

In addition, effective today, Treasury, the Federal Reserve, the Federal Deposit Insurance Corporation and Citigroup terminated the agreement under which the U.S. government agreed to share losses on a pool of originally \$300 billion of Citigroup assets. This arrangement was entered into in January of this year under Treasury's Asset Guarantee Program (AGP) and was originally expected to last for 10 years. The U.S. government parties did not pay any losses under the agreement and will keep \$5.2 billion of \$7 billion in trust preferred securities as well as warrants for common shares that were issued by Citigroup as consideration for such guarantee. With this termination, the AGP is being terminated at a profit to the taxpayer.

Treasury currently estimates that TARP programs aimed at stabilizing the banking system will earn a profit thanks to dividends, interest, early repayments, and the sale of warrants. Total bank investments of \$245 billion in FY2009 that were initially projected to cost \$76 billion are now projected to bring a profit. Taxpayers have already received over \$16 billion in profits from all TARP programs and that profit could be considerably higher as Treasury sells additional warrants in the weeks ahead.

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