

Press Release

Citibank, N.A., Indonesia Reported Net Income of IDR 750 Billion for the First Half of 2022



Photo Description: Press Conference on Citi Indonesia's Economic Outlook & Financial Performance – Second Quarter 2022, from left to right: Puni A. Anjungsari, Country Head of Corporate Affairs Citi Indonesia; Suryadi Ong, Country Treasurer Citi Indonesia; Batara Sianturi, CEO of Citi Indonesia; Helmi Arman, Chief Economist Citi Indonesia; Rudy Ahmad, CFO Citi Indonesia; and Pranadi Wangsa, Financial Controller for Citi Indonesia.

Jakarta, August 11, 2022 – Citibank, N.A., Indonesia (Citi Indonesia) reported Net Income of IDR 750 billion for the first half of 2022, which is 63% higher compared to the prior-year period. This increase is primarily driven by lower credit impairment charge in Institutional Banking.

Citi's loan portfolio grew by 9.8% year-on-year in the first semester of 2022 to IDR 43.7 trillion. The Institutional Banking business was the main contributor, with growth seen primarily in manufacturing and financial intermediary sectors.

The growth in Citi's loan portfolio is supported by a sustained level of quality third-party deposits, which increased by 11.1%, enabling the Bank to maintain a healthy Loan to Deposit Ratio (LDR) of 64%. Aside from being highly liquid, Citi Indonesia also continues to be well capitalized with a Capital Adequacy Ratio (CAR) at 26%.

Citi Indonesia reported an improvement in gross Non-Performing Loan (NPL) from 3.61% to 2.86% from the prior-year period. This reflects an improvement in asset quality. We are confident that the quality of our existing loan portfolio remains in good condition as we consistently maintain a prudent risk management approach in overcoming the impact of the pandemic. In addition, we also continue to ensure adequate credit loss provisions, where we maintain a low Net NPL ratio of 0.26%.

CEO Citi Indonesia, Batara Sianturi, stated, "We continue to deliver strong financial performance in the first half of the year amidst the volatile global market environment. Net profit accelerated in the first half of 2022, while business momentum and asset quality improved. Indonesia remains a key market for Citi and we will continue to support our clients to accelerate the economic recovery and growth for the country".



Photo Description: CEO Citi Indonesia Batara Sianturi in his statement to the press in Jakarta on August 11, 2022, revealed that the company managed to record revenue of IDR 750 billion, an increase of 63 percent yoy in the first semester of 2022.

In the Institutional Clients Group (ICG), Citi continued to deliver end-to-end service and solutions to clients in local corporations, multinationals, financial institutions, and the public sector. As of the Second Quarter 2022, the number of Institutional group loans managed to grow by IDR 4.1 trillion or 13% year-on-year compared to the prior-year period driven by credit growth in the Banking, Capital Markets and Advisory (BCMA) and Commercial lines.

The Global Subsidiaries Group also continued to record double-digit growth in the first half of 2022 and an increase in market share in the MNC segment amidst challenging market conditions. This was achieved through various initiatives, including Asia-to-Asia which increased by 14% by the end of the second quarter of 2022 compared to the prior-year period.

In line with digital initiatives in the Treasury and Trade Solutions business, Citi is seeing rapid growth in usage and number of transactions on its web-based corporate banking platform, CitiDirect. Almost all fund transfer transactions (99%) have been carried out through electronic platforms so that the number of transactions involving transfers of funds at home and abroad has increased by 54% year-on-year. Account opening has also been done electronically, thus accelerating the customer onboarding process. The increase in supply chain financing assets which grew by 28% was supported by the existence of a digital platform to facilitate transactions between suppliers and buyers.

In addition, Citi Commercial Bank posted a revenue growth of 24% during the second quarter 2022 compared to the prior-year period. The continued growth in credit coupled with more varied cash management contributed to this revenue growth. As in recent years, several customer segments remain the engine of growth.

Furthermore, in Retail Banking business, Citi Indonesia is proud to participate in the launch of the USD-denominated Republic of Indonesia Sharia Bonds, namely INDOIS27NEW and INDOIS32 in June 2022 to further complement the range of products offered by Citi. Given the volatility that occurs in the global market, Citi Indonesia always recommends its customers to diversify their portfolios so that investors are ready to face all investment cycles. In the Cards business, Citi has reached the Credit Card Issuing Sales recovery to the pre-pandemic level.

Citi Indonesia also successfully raised its digital investment transaction during the first half of 2022, with a growth of 181% compared to the prior-year period. This played a vital role in supporting the growth of the wealth management business in the midst of the COVID-19 pandemic.

In relations to the progress of Citi's consumer banking sale process to UOB Group (UOB), **Batara** stated, "Citi has entered into Sale and Purchase of Assets and Liabilities agreements with UOB, as the purchaser of our successful Consumer Banking franchise to ensure a seamless transition for our customers, employees and partners. Until the completion of the acquisition, all products and services offered to our consumer banking customers remain the same. Our operational activities,



including all branch offices, call centers and employees, will continue to run normally". This sale transaction includes retail banking and credit card businesses, but does not include institutional banking business where Citi will remain committed and focused on serving institutional clients both locally, regionally, and globally.

All these accomplishments have not gone unnoticed. This year, Citi Indonesia is honored to have won several awards and accolades from various prestigious institutions, namely Best Global Bank in Indonesia, Best Bond in Indonesia and Digital Bank of the Year in Indonesia from The Asset Magazine, and one of the Best Bank in Indonesia from Forbes Magazine. We were also bestowed with 4 awards by Infobank Magazine, namely Corporate Brand, Debit Card from Foreign Bank, Credit Card from Foreign Bank, and Wealth Management for Citigold.

Percentage comparisons throughout this press release are calculated for the second quarter or first half of 2022 versus the second quarter or first half of 2021, unless otherwise specified.

[Click here](#) to see the highlight video of the press conference.

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