

Citi Priority, Banking Service Solution for Indonesian Young Professionals and Entrepreneurs

Jakarta, 7 September 2016 – Citi Indonesia today launched its latest banking service, Citi Priority, to demonstrate its commitment to addressing the need for financial planning priorities and investment targets for young professional and entrepreneurial customers in Indonesia. Citi Priority cements Citi Indonesia's position as the leading provider of banking services in this segment.

CEO of Citi Indonesia Batara Sianturi said, “The growing middle class in Asia, including in Indonesia, is allowing Citi to expand our portfolio of banking services while continuing to provide the best quality for our customers, especially young professionals and entrepreneurs. Citi Priority is a testament to Citi's commitment to utilize our expertise in digital banking while also constantly innovating, as well as to strengthen Citi's standing as a global-scale bank which espouses the concept of simpler, smaller, safer and stronger.”

Data from the *Citi Global Qualitative Consumer Portrait* in the regions of Latin America, Asia Pacific, including Indonesia, as well as in Europe, the Middle East and Africa, largely shows the same trend – that there is a generation of successful young professionals and entrepreneurs, aged 21-45, who are hard-working, high earners, and enjoy their life with exciting things, like entertainment and traveling, but who often do not consider making financial investments.

A survey conducted by Citi Indonesia in conjunction with BDRC Asia indicates that young professionals and entrepreneurs in the 21 to 45 age group have diverse and different financial investment priorities. For example, in the 21 to 30 age group, consumers are more concerned about spending on lifestyle needs such as traveling, gadgets and entertainment, while spending on financial investments is not yet considered a main priority. In contrast, consumers in the 30 to 45 age group are more likely to prioritize owning a residence and vehicle as well as start to prioritize financial investments for the future.¹ However, these conditions are not aligned with the inflation of other primary needs, such as children's education and health services. As such consumers need to prioritize the proper financial planning from an early stage.

Retail Bank Head of Citi Indonesia Harsya Prasetyo, said, “Citi Priority is an advanced banking service that is intended for clients who have investable amounts of Rp 300,000.000,- (three hundred million rupiah) or more. Citi Priority features the following three main pillars, which are access to a team of personal bankers, digital and global banking, and appreciation and digital rewards.”

It turns out there is slightly different composition between the results of the survey and the current general profile of Citi customers. More specifically, the Citi Priority target segment, which has an age range of 21 to 45, already enjoys fairly high investment penetration, accounting for 62% out of the

¹ Citi Indonesia Survey conducted in conjunction with BDRC Asia, September 2016

total population. “This demonstrates that financial consultations with a team of experts are the key to success in terms of customer financial management. This is what we are offering through Citi Priority,” explained **Harsya**.

Harsya went on to say, “With respect to the pillar of digital and global banking, the trend is for many e-commerce users to be active in this segment. In fact, our data shows an increase in e-commerce transactions of as much as 54% over the last two years, mainly in business lines, lifestyle, travel and transportation. Users of Internet Banking at Citi presently account for 54% of all customers in this segment, a figure in excess of the average penetration of digital banking in Indonesia, which remains in the 30% to 40% range.”

Data from the World Bank indicates that the growth of the middle class in developing countries, especially in Asia, is playing a very important role in terms of the growth of the global economy². As to Middle Class Consumption, Indonesia's name did not appear in the list of Top 10 Country spenders seven years ago, in 2009. However, 4 years from now in 2020, Indonesia is projected to occupy 8th position on this list, replacing Italy, and is expected to rise even further in the ranks by 2030, to 4th position replacing Japan. These means that if certain groups of people, in particular young professionals and entrepreneurs are not equipped with knowledge of appropriate financial investments and priorities from an early stage, their behavior will be increasingly consumptive, thus causing them to miss out on achieving the main priorities they are supposed to have set. In contrast, the more fluent the middle class is in managing and growing their financial assets, the greater their contribution will be to fostering widespread economic growth as well as safeguarding their own welfare and prosperity.

Furthermore, insight gleaned from the research conducted by Citi Indonesia demonstrates that there is currently a real urgency for young professionals and entrepreneurs to obtain the integrated support of financial products and services which might allow them to acquire financial assets that are protected, have the potential to grow and, at the same time, satisfy their life priorities.

Meanwhile, **Financial Planner Mike Rini Sutikno, CFP** said, “Young professionals and entrepreneurs in Indonesia are quite optimistic about achieving their long-term financial goals. But their financial knowledge and literacy are still low, to the extent that they require tools or services that can help them manage their finances in a way that strikes a balance between spending on daily needs and making future investments.”

Harsya added, “Financial knowledge and literacy are indispensable for customers in determining their financial planning priorities. Through Citi Priority, our customers no longer need to worry as we provide them with access to a team of personal bankers who are always on hand to assist in managing their savings and financial assets in an optimal manner. Citi Priority represents an excellent banking service solution for young professionals and entrepreneurs who wish for comfort, convenience and flexibility when it comes to accomplishing their financial goals for themselves and their families.”

² The Emerging Middle Class in Developing Countries, Brookings Institute, Homi Kharas, World Bank, 2011, sitesources.worldbank.org



Batara Sianturi concluded by expressing his optimism that Citi Priority will be well received by young professionals and entrepreneurs alike. "Citi Priority further solidifies Citibank's commitment and standing as a global bank that understands and answers the various needs, wishes and aspirations of its customers. We really hope that this banking service will help our customers to determine their priorities and achieve their primary goals, be it in the short, medium or long term."

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Overview of Citi Indonesia

Citi Indonesia is a fully-owned subsidiary of Citigroup, Inc – New York, USA. Citi has been in Indonesia since 1968 and is one of the country's largest foreign banks. Citi operates 11 branches in six major cities in Indonesia - Jakarta, Bandung, Surabaya, Semarang, Medan and Denpasar. Citi also has one of the largest consumer transaction networks with 33,000 payment points and one of the largest corporate distribution networks with 4,800 locations in 34 provinces.

Established in 1998, *Citi Peka* (Citi Cares and Creates) acts as an umbrella for all Citi Indonesia community activities funded by the Citi Foundation. *Citi Peka* focuses on empowerment programs and the presentation of awards to and microfinance institutions. It also seeks to enhance the abilities of young , as well as to develop the financial capacities of school-age children, farmers and mature aged women in the operational areas of Citi Indonesia. For more than 17 years, *Citi Peka* has partnered with over 31 organizations to implement 23 programs with funding of more than U\$ 8 million which has reached more than 800,000 individuals. Guided by the principle of "More than Philanthropy", *Citi Peka* involves more than 90% of Citi employees as volunteers in various community activities.

In 2016, Citi Indonesia has received various awards, including in the Triple-A Asset Awards and from Global Finance as **The Best Digital Bank**, from Finance Asia and Alpha Southeast Asia as the **Best Foreign Bank in Indonesia**, from SWA Magazine as one of the **Best Companies in Creating Leaders from Within**, from Warta Ekonomi magazine for **Best Digital Innovation Award for Banking in the Category of Top 1 Foreign Bank**, from Global Finance as **Best Digital Corporate/Institutional Bank**, from Euromoney at the Asian level of **Best Bank for Transaction Services in Asia**, as well as from Mix magazine in the Best Corporate Social Initiative 2016 as **Best Employee Volunteering**. Over the course of 2015, Citi also received various awards including **Best Foreign Bank** in the Triple-A Asset Awards, **Best Tax Payment Bank** in Indonesia from Treasury Office VII of the Indonesian Tax Office, **Best Service Provider - Transaction Bank** from The Asset Magazine, **2015 Service Quality Award** from Service Excellence Magazine in collaboration with Carre – the Centre for Customer Satisfaction & Loyalty (Carre CCSL), **Best Foreign Bank in Indonesia** from Global Banking & Finance Review, and **Best Consumer Digital Bank in 2015 (Indonesia)** from Global Finance Magazine.

Further information can be obtained at: Website: www.citigroup.com | Twitter: [Youtubeciti: www.youtube.com/citi](https://www.youtube.com/citi) | Blog: <http://new.citi.com> | Facebook: www.facebook.com/citi | LinkedIn: www.linkedin.com/company/citi

To enjoy a digital banking experience, please visit www.citibank.co.id.



Overview of Citi Global Consumer Banking (GCB)

Citi Global Consumer Banking (GCB) operates in 11 branches and has access to more than 50,000 ATMs in the ATM Bersama network in Indonesia. Our payment network is one of the largest in the country with over 10,000 payment points where our customers can enjoy a wide range of loyalty programs.

In 2015, Citi developed a new innovation in customer banking experience with the introduction of *Smart Branch* which brought global technology to Indonesia and offers a simpler and more convenient digital banking experience.

The main lines of business for GCB are credit cards, wealth management, financing, savings and deposits, investment products and treasury products.

GCB is a pioneer in the credit card industry. We are constantly striving to provide value-added and innovative programs for our customers. We also provide our customers with banking services featuring leading-edge technology, reinforced through our strong presence in Indonesia along with our excellent level of global connectivity.

PHOTO GALLERY



Citi Indonesia today launched its latest banking service, Citi Priority, to demonstrate its commitment to addressing the need for financial planning priorities and investment targets for young professional and entrepreneurial customers in Indonesia. On the picture, **Batara Sianturi CEO Citi Indonesia**, **Amol Gupte Head of ASEAN, Citi Country Officer for Singapore**, **Henny Segment Marketing Head Citi Indonesia**, dan **Harsya Prasetyo Retail Bank Head Citi Indonesia** during the Citi Priority launched held today in Hotel Indonesia Kempinski, Jakarta



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Citi Priority is an advanced banking service that is intended for customer who have investable amounts of Rp 300,000.000,- (three hundred million rupiah) or more. Citi Priority features the following three main pillars, which are access to a team of personal bankers, digital and global banking, and appreciation and digital rewards. On the picture **Harsya Prasetyo Retail Bank Head Citi Indonesia** at talk show session presenting Citi Priority feature during the launched today in Jakarta.