



PRESS RELEASE

For Immediate Publication

The Indonesian Investment Coordinating Board (BKPM) and Citi Indonesia Sign Memorandum of Understanding to Increase Investment in Indonesia

Jakarta, 20 September 2016 – The Indonesian Investment Coordinating Board (BKPM) and Citi Indonesia (also known as Citibank N.A. Indonesia) today announced a landmark collaboration in an effort to enhance investment in Indonesia. This agreement of cooperation was marked by a signing of a Memorandum of Understanding by the **Chairman of BKPM Thomas Lembong** and **CEO Citi Indonesia Batara Sianturi**. The signing of this Memorandum of Understanding reaffirms Citi's commitment to increasing economic growth in Indonesia at present and in the future, through cooperation in joint promotions and the utilization of banking products and services related to investment activities.

Chairman of BKPM Thomas Lembong stated that fostering a climate of investment is a priority of President Joko Widodo's government, including foreign direct investment that can contribute to the development of the country's economy and infrastructure.

"In light of this, strategic measures which are consistent with our primary functions are required, including through collaborations with global-scale financial institutions that bridge between us and foreign investors in terms of consultations and investment activities," said the Chairman of BKPM after the signing of the Memorandum of Understanding with Citibank at the BKPM's office in Jakarta on Tuesday (20/9).

The Chairman of BKPM, who is more commonly known as **Tom**, expressed his optimism with regard to the signing of the cooperation agreement with Citi Indonesia. "We are optimistic that this collaboration will have many benefits as well as reinforce the relationship between the government, regulators and investors, so as to encourage further growth in the flow of investment into Indonesia," he explained.

Meanwhile, **CEO Citi Indonesia Batara Sianturi** stated, "We are proud to be collaborating with the BKPM in promoting investment in Indonesia, in line with Citi's commitment to consistently support economic growth and investment in the country. This collaboration incorporates the utilization of our world-class banking products and services, which have always been considered to be Citi's main attributes."

Citi has the ability to enhance positive connectivity between the government of the Republic of Indonesia, regulators and multinational corporations, in particular by utilizing its global network and capabilities that prioritize consistency, scalability and reliability. **Global Head of Citi Global Subsidiaries Group Marc Merlino** added, "Globally, Citi is trusted as a credible strategic banking



advisor and partner in more than a hundred countries, to the extent that 95% of the Fortune 100 Companies choose Citi as their preferred banking partner. Together with these companies, we have built solid and long-established institutional relationships covering major corporations, financial institutions, public sector entities and local market infrastructures, to compliment important personal relationship at Banker level.”

According to data held by the BKPM, investment realization in the period from January to June 2016 2016 rose by 14.8% compared to the same period last year. The value of incoming investment in this period stood at Rp 298.1 trillion. Foreign Direct Investment (FDI) contributed Rp 195.5 trillion, up 12.3% from the same period in 2015. The five biggest contributing countries to the realization of this FDI were Singapore with USD 4.9 billion, Japan with USD 2.9 billion, Hong Kong with USD 1.1 billion, China with USD 1 billion and the Netherlands with USD 0.63 billion

Head of Global Subsidiaries Group Citi Indonesia Riko Tasmaya, pointed out that the multinational companies among Citi’s clients are always eager to ensure that their business and investments are complied with government regulations and policies, and are in accordance to the prevailing Indonesian Laws. “Through this collaboration with BKPM, our clients can obtain the latest insights and information, swiftly and accurately, as well as get the best advice based on our pervasive market intelligence and insight, combined with deeply embedded businee connections across sectors and geographies. In addition, Citi is also one of the foremost institutions when it comes to supporting government regulations, by disseminating and discussing them with our clients, as well as matching investors with the best partners possible.”

Riko went on to say that as a strategic financial advisor, Citi provides a wide range of solutions for our clients, especially those related to capital raising, equity and debt capital market, investment banking, FX market, as well as integrated cash management and trade solutions supported by world-class technology platform.

As of now, Citi processes client payments to the value of USD 3 trillion each day through connections to over 300 clearing systems gloobally, transacting in over 140 currencies. Furthermore, Citi processed USD 600 billion trade flows each year and managing 1,000 buyers and 65,000 suppliers on our supply chain finance program globally. In Indonesia, Citi manages the largest amount of tax collection flows (in 2015, the Citi E-Tax service managed to help in submitting customers’ tax to the value of Rp 60 trillion), and operates with one of the most widespread distribution networks in Indonesia, with 4,800 locations in 34 provinces.

“We really hope that this collaboration will help increase foreign direct investment in Indonesia in order to enhance economic growth in the country. This is in line with Citi’s mission of enabling growth and progress to our stakeholders.” said **Batara** in closing.



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Overview BKPM

BKPM is the Investment Coordinating Board of the Republic of Indonesia. As the main liaising agency between businesses and the government, the BKPM is mandated to encourage direct investment, from both within the country and abroad, through the creation of a favorable investment climate. After the BKPM had its status as a ministry restored in 2009, meaning it reports directly to the President of the Republic of Indonesia, the aim of this investment promotion agency became not only to increase the amount of investment from both within and outside the country, but also to attract good quality investment with the potential to improve social inequality and reduce unemployment.

The agency not only acts as a proactive advocate in the field of investment, but also as a facilitator between the government and investors. Since July 2016, the BKPM has been led by Thomas Lembong, better known as Tom Lembong.

More complete information on the BKPM can be found at: Website: www.bkpm.go.id | Twitter: @bkpm | Youtube: thebkpmvideo | Facebook : fanpagebkpm | LinkedIn: Indonesia Investment Coordinating Board (BKPM)

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 | 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.



BKPM



PHOTO GALLERY

Photo 1



The signing of this Memorandum of Understanding reaffirms Citi's commitment to increase economic growth in Indonesia at present and in the future, through cooperation in joint promotions and the utilization of banking products and services related to investment activities. On the picture (left to right), **Modal MM Azhar Lubis**, **CEO Citi Indonesia Batara Sianturi**, **Chairman of BKPM Thomas Lembong**, **Global Head Citi Global Subsidiaries Group Marc Merlino**, dan **Head of Global Subsidiaries Group Citi Indonesia Riko Tasmaya** during the signing ceremony session of Memorandum of Understanding between BKPM and Citi Indonesia

Photo 2



Citi has the ability to enhance positive connectivity between the government of the Republic of Indonesia, regulators and multinational corporations, in particular by utilizing its global network and capabilities that prioritize consistency, scalability and reliability. As stated by **CEO Citi Indonesia Batara Sianturi** on his opening remarks during the Memorandum of Understanding between BKPM and Citi Indonesia which held today in BKPM building in Jakarta