



PRESS RELEASE

FOR IMMEDIATE RELEASE

## Citi Indonesia's Optimism on Growth of 2016

- As of 30<sup>th</sup> September, Citi Indonesia total asset is IDR 82.9T or an increase of 18.9% yoy. Citi's loan is at IDR41.3T or an increase of 6.7% yoy. Third Parties Fund is at IDR56.2T or an increase of 20%. Citi's Capital Adequacy Ratio is at 25.38% or an increase of 0.25%. Non-Performing Loan (NPL) net has successfully decreased from 0.7% to 0.4%.
- Three global trends shaping Citi's business strategy are globalization, urbanization and digitalization. Citi Indonesia asserts its position in digital space by focusing on innovative digital banking solutions. These are based on 3 pillars namely, Customer Centric, Globally Common, and Digitally Connected.
- Recognitions received by Citi this year include *Best Bank, Best Foreign Bank, Best Consumer Digital Bank, Best Bank in Digital Service, Best Wealth Management Bank, Best Corporate & Investment Bank, and Best Loan House.*

**Jakarta, 8 December 2015** – Closing the year, Citi Indonesia provided an overview of this year's achievements as well as its business focus and economic projections in 2016 during 'Citi Media Appreciation Night 2015'.

During the event, **Chief Executive Officer Citi Indonesia, Batara Sianturi** stated, "Despite the challenges in the economy, we take pride in our performance this year and remain optimistic for growth next year."

He continues, "Currently the world is experiencing three major trends which are globalization, urbanization, and digitalization. These trends will fundamentally change the way we view the world including the way businesses operate. These fast growing trends will ultimately reshape the world's economy, including that of Asia and Indonesia. These three trends become the basis of Citi's business strategy which focuses on innovative services and digital banking solutions. We believe that by following these trends we will be able to meet the needs of our customers today and tomorrow."

According to Citi Indonesia Economist **Helmi Arman**, "In 2015, structural reform were initiated but were held back by external environment. Next year, exports may not be fully stabilized and the need for external funding will continue to increase which may effect the stability of Rupiah. However, there is ample of new hope as government spending increase and infrastructure projects picks up. We see better prospects of growth for these sectors."

### Citi for Cities

During his overview, Batara further explained the three trends "With globalization, the world is becoming more interconnected. Meanwhile urbanization shows that cities from different parts of the world are growing rapidly and play key roles in advancing the world's economy."

In 1990, 43% of the world's population lives in cities. Now, this number has increased to 50% and will reach 70% by 2050. With these trends, Cities will significantly contribute to the global GDP. By



2025, 100 of the world's best cities will contribute 36% of Global GDP growth. On digitization, Batara believes that mobile technologies and digital will influence every aspect of life and business.

Citi for Cities. Citi is present in major cities in Indonesia. These cities, along with other large cities in the world are in the midst of major transformations. It is estimated that more than 100 million people will migrate to cities each year. This rapid growth will create large demands in infrastructure, transportation, and resources such as water and energy. "It is estimated that an investment of \$40 billion is required for urban infrastructure in the next 20 years." Said Batara.

### **Citi and Financial Technology (FinTech)**

In regards to Fintech, Batara said that they are a force to reckon with as they are able to change the way individuals and businesses conduct transactions and banking activities. "In Pacific Asia, investments in FinTech has skyrocketed, from the initial \$880million in 2014 to \$3,5 billion within the first 9 months of 2015, with the biggest investments in (40%) payments and (25%) lending."

"FinTech may be viewed as disruptive, but this development also present opportunities for us to grow and develop with various tech innovators," said Batara.

### **Citi: The Bank of the Future**

Citi holds a unique position in providing services which meets the needs of corporate and retail customers. "We have a solid position in digital banking which focuses on 3 pillars of Customer Centric, Globally Common and Digitally Connected," said Batara.

According to the latest study from Citi, more than 5 billion people in the world uses mobile phones. This number is 2,5 times more than the amount of bank accounts in the world. This trend is also reflected in ASEAN, including Indonesia with consumers becoming more active online. Figures have shown that mobile penetration is at 110% with average internet penetration of 25%. "These statics solidify our commitment in digital banking. For us, mobile banking is the way of the future," he said.

"Recent study demonstrates that 95% of our customers' banking activities are conducted outside of our branches, more than 50% of Citi Customers are actively using their Digital Banking channels, more than 50% of the Citi customers are using e-statements, and 14% credit cards usage are being conducted online. Through this development, we are confident that : **Citi will be The Bank of the Future,**" Batara stated.

Citi bring forth innovations to provide current banking solutions within the digital space. Recently Citi establishes Digital Innovation Lab in Singapore which focuses on exploring possibilities of digital solutions that are fast, safe, and efficient. "In Indonesia we are transitioning to digital space through the openings of smart banking services whereby in this year alone we have successfully opened 4 smart branches and 6 smart ATMs boutiques in Jakarta," said Batara. He further added, "These achievements is further recognized through the awards we received, namely The Best Consumer Digital Bank from Global Finance Magazine and Best Bank in Digital Service from Tempo Magazine."

Citi Indonesia's retail banking business also reached a satisfying growth. By putting forth wealth management services, Citigold customers has increased by 15%. This service also has successfully attained Best Wealth Management Bank in Indonesia from Asian Banker Magazine.

On corporate banking, Citi was entrusted as the *leading bookrunner* for the issuance of the largest Indonesian Government Bonds amounting to USD \$ 4 Trillion.



Moving forward we will continue to develop and strengthen our digital innovations and solutions. Through our global network, Citi provides an integrated financial solutions to our customers which include providing access to market within and outside the country, provide unlimited access/connection to our investment banking experts, as well as other financial services and products services and other financial products that are integrated an in accordance to the needs of our customers, be it individuals or corporate.

In addition to our business, Citi also understands its role as a responsible corporate citizen. Through the umbrella brand of Citi Peka (Indonesian acronym for caring and creating something meaningful) and in collaborations with various prominent non-profit organizations such as Indonesia Mengajar, Mercy Corps, Yayasan Cinta Anak Bangsa, dan Universitas Indonesia, Citi works to increase the financial literacy and inclusion level of the country, improving access to education, empowering women and children, etc. Most of these are part of our effort to support government's agenda, especially that of the Financial Services Authority (OJK) Program to increase the financial literacy level of the country," he said in closing.

**Citi Indonesia Media Appreciation Night 2015** event was held as part of our appreciation to the Indonesian media community for their relentless support and cooperation to Citi since its first establishment in Indonesia until today. Citi has been in Indonesia since 1968 and has become one of the most trusted foreign bank in Indonesia.

Throughout 2015, Citi received various accolades and recognitions from various reputable institutions domestically and abroad such as **Best Bank** from *The Asset*, **Best Foreign Bank** from *Alpha Southeast Asia*, **Best Transaction Bank for Indonesia** from *The Asset*, **Best Global Bank** from Euromoney, **Best Consumer Digital Banking for Indonesia** from Global Finance, **Best Wealth Management Bank in Indonesia** from The Asian Banker and **Best Bank in Digital Services** from Tempo Media.

###

### **About Citi Indonesia**

Citi Indonesia is a branch of and is fully owned (100%) by Citigroup, Inc – New York, USA. In Indonesia Citi has been established since 1968 which become one of the largest foreign banks in the country. Citi operates 20 branches in six major cities – Jakarta, Bandung, Surabaya, Semarang, Medan, and Denpasar. Citi has one of the largest customer payment networks in the nation with more than 33,000 payment points and one of the largest corporate distribution networks in the country with 4,800 locations across 34 provinces.

Citi also plays an important role in citizenship and community outreach initiatives under the umbrella name of Citi Peka (**Peduli dan Berkarya**, meaning care and create something meaningful). In 2015, Citi Peka disbursed a total of USD 900,000 from Citi Foundation to run various programs that focus on: financial education for children, mature women and farmers group; youth entrepreneurship and micro entrepreneurship. Over 1,500 employees volunteer each year in Citi Peka programs.

In 2014-2015 Citi has received various awards and recognitions including "Best Foreign Bank in Indonesia" from Global Banking & Finance Review, "Best Tax Payment Bank in Indonesia" from KPPN VII Kantor Pajak Indonesia, "Best Service Provider - Transaction Bank" from The Asset Magazine, "Best Foreign Bank in Indonesia" from Alpha Southeast Asia, "Best Wealth



Management in Indonesia” from The Asian Banker, “Best Consumer Digital Bank (Indonesia)” from Global Finance Magazine and “Best Bank in Digital Services” from Tempo Media.

For digital banking experience, please visit: [www.citibank.co.id](http://www.citibank.co.id)

For media information, please contact:

**Elvera N. Makki**

Head of Country Corporate Affairs

Citi Indonesia

+62 21 529 08327

[elvera.makki@citi.com](mailto:elvera.makki@citi.com)