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ZAO Citibank and Stockmann launch their 1st co-branded card in the world in Russia

The new product to meet the needs of the fast growing segment of middle-class families in Russia



Moscow, March 19, 2008 - ZAO Citibank and Stockmann today announced launch of the 1st co-branded credit card for Stockmann and the 4th co-branding project for Citibank in Russia.

The project, which started one year ago, included numerous researches of the market and potential customers, which led to the development of the new co-branded credit card that will take the Stockmann loyalty program up to a new level. It will serve

Stockmann customers as a secure and convenient payment tool, helping them to earn bonus points anywhere they spend, and enable them to save on purchases that they make in Stockmann.

According to Citibank's data, "department stores spend" is the 3rd largest expense category of credit cardholders after clothing and apparel stores and travel related expenses. For the married consumers this may even be the top-spending category, depending on the segment. Therefore benefits in department stores are a real and relevant value provided to consumers.

Stockmann, being one of the leading department stores chain in Russia with 4,8 million customers a year and almost half million loyal customers, creates a huge market for this product. According to Citibank's data Stockmann customers represent one of the most active groups of Russian middle class aged between 25-45 and with average monthly income of more than 50,000 Rubles. Majority of them drive a car and travel abroad and spend a significant portion of their income at merchants accepting cards, making it easy for them to collect bonuses while paying securely and conveniently with credit cards.

The new Stockmann-Citibank credit card offers a maximum credit line of 160,000 Rubles for silver cards and 600,000 Rubles for gold cards, 50 Grace days, 1 bonus point (equals 1 Ruble and can be redeemed at all Stockmann stores in Russia) for every 100 Rubles spent in Russia and abroad. Currently the card is available to individuals older than 22 years, living and working in Moscow and Moscow region. For more information please visit www.citibank.ru.

For this new product Citibank and Stockmann jointly developed easy and accessible application process. In addition to regular channels of application like Phone, Internet or Branches - customers will be able to apply for a card at any Stockmann store in Russia.

Selim Ergoz, Vice-president, Head of Citibank credit cards business in Russia, commented: "We are always trying to anticipate our customers' needs to make their experience with Citi uniquely pleasant. Research on our customers' spending behavior demonstrated that our customers love to shop at Stockmann - it is one of the top department stores in Russia. And we realized how they would appreciate additional bonuses and discounts at Stockmann. Today we are very happy to offer them this credit card".

Tove Westermarck, Sales director of Stockmann department stores in Moscow, noted: "Russian market is the fastest growing business of Stockmann internationally. And we see a huge development in customers' behavior going on here: increasing number of customers is paying cashless in Stockmann every year and their demands of the service level are growing. Therefore partnership with Citibank, leading Russian and global credit card issuer, is not only a very important experience for us, but also a chance to become even closer to our customers needs and expectations".