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St Petersburg consumers choose cashless payments for security and convenience

Citi issues its 100'000th credit card and marks its 4 years of consumer banking in the Northern-West region

Saint-Petersburg, 20 May, 2008 — Svetlana Kotkova, the holder of the anniversary 100'000th Citi credit card in St Petersburg received a 100,000 Ruble credit award which she can spend with her new [credit card](#).

It's not surprising that the 100,000th card in St Petersburg is a cash-back card, which offers clients a 1% cash return back to their account. Cash back credit cards are the most popular in St Petersburg based on the research Citibank conducted in 2007. The same research revealed that a high level of security and convenience were among the key reasons why Citibank customers prefer credit cards to cash transactions.

According to the Central Bank of Russia (CBR) the total amount of banking cards in the St Petersburg region exceeded 5 million by 2007, which is 2,5 times more than at the end of 2003. However, industry experts estimate the 7% share of revolving [credit cards](#) with [grace period](#) is much lower than in more developed markets.

The share of retail spend using banking cards in St Petersburg has been growing steadily. According to the CBR, 2003 retail spend amounted to only 5% of all spend on cards in the region but by 2007 the amount has grown up to 11%. St Petersburg is one of the leading regions in Russia when it comes to credit card spend.

Other aspects of consumer banking have been expanding just as significantly. The Northern-West Banks Association' claims that the total number of ATMs in the region has grown from 1,000 to 3,000 machines during last 4 years, while the number of POS terminals grew from 5,000 to almost 14,000.

"A high degree of financial literacy, fast disposable income growth and a buoyant retail sector make this region unique. Without doubt, St Petersburg is the most dynamic region for our cards business in Russia. We will continue to invest in our business and people in St Petersburg and aim to be in the top 3 consumer banks in the region by 2012" said Joel Kornreich, the Country Business Manager of the Consumer Bank in Russia.

Selim Ergoz, Head of Citibank credit cards business in Russia noted: "When Citi entered the Russian market in 2004, revolving [credit cards](#) were new in Russia. Today we can see how quickly credit cards became an integral part of Russians' lifestyle. For its convenience and security, Russians use it everyday and everywhere - at gas stations, paying bills in restaurants and doing online purchases like millions of customers in more mature markets."

In St Petersburg, Citibank opened its first branch for consumers in the spring of 2004 (It has served its Corporate customers here since 1996). In the past 4 years Citibank has become one the leaders in retail banking of the region with 15 branches and more then 100 ATM located in the most popular malls and gas stations. Today Citibank services more then 120,000 customers in St Petersburg and offer them [credit cards](#), loans, mortgages, [deposits](#), [investment products](#) and 24/7 customer service through Internet and Phone. All Citibank credit and debit cards holders enjoy discounts at more than 100 Citibank partner-merchants in St Petersburg.