

February 3, 2005
Moscow

Citibank first Credit Card issuer to offer up to 50 days interest free credit in Russia.

ZAO Citibank, a subsidiary of Citigroup, the largest provider of credit cards in the world with more than 150 million cards in more than 40 countries, today launched Russia's first credit card with an interest free grace period, providing Russian consumers with greater choice and value for money when making their purchases and managing their finances.

Citibank is offering its customers up to 50 days of interest-free credit effective from 15 February 2005. From now on, when a customer spends on a Citibank credit card no interest is paid on the amount spent until the bill is generated and the payment due date. Bills are generated every 30 days and the payment due date is 20 days after the billing date. Therefore customers can enjoy up to 50 days of interest-free credit.

Credit cards around the world already offer this benefit to customers but it was not available in Russia until December 2004 when the Russian Federation (RF) Tax Code¹ was changed to allow credit card issuers to offer consumers truly Western credit cards with an interest free period. Citibank is the first bank in the country to respond to the RF Tax Code change and leads the market in repositioning credit cards as a payment vehicle for everyday purchases. Until now, most credit cards in Russia were used only for short-term financing and overseas travel.

Commenting on the introduction of interest free grace periods, William Keliehor, Credit Card Business Manager, Citibank Russia, said: "Like millions of other people around the world, Russian consumers can now experience the true value of the Citibank Credit Card as a convenient and secure method to make everyday purchases with interest free grace days."

Citibank's credit cards can be used to purchase goods and services at over 30 million MasterCard accepting locations and to withdraw cash from over 820,000 ATMs around the world. Unlike a debit card, customers do not need to have a bank account at Citibank and deposit any funds to it. In addition, Citibank credit card holders can take advantage of attractive discounts negotiated with a range of retailers at the point of sale at selected stores in Moscow and St Petersburg. They can also choose to repay their purchases in equal monthly installments with the bank's "Pay In Installments" program.

William Keliehor added: "Here in Russia we are using the global expertise of Citigroup, the world's largest issuer of credit cards, to offer Russian consumers top quality banking products and services. We offer a very attractive credit card package including 24-hour customer service, card security, card insurance, special discounts and competitive rates."

For further information about Citibank credits cards call **775-75-75** or visit www.citibank.ru

¹ Federal Law "About introducing amendments to Articles 2121 and 217, Part 2 of the RF Tax Code, about revoking Article 3 of the FL 'About introducing amendments to Part 2 of the RF Tax Code, the amendment to Article 19 of the RF Law 'About Fundamentals of the RF Tax System", about revoking certain legislative acts of the RF".