



MEDIA RELEASE

GOOD MONEY MANAGEMENT PROVES CHILD'S PLAY

A ground-breaking school education program developed jointly by Citi and YWCA NSW, is proving Australian primary children have what it takes to master basic money skills. And rather than leaving personal finance to chance, a growing band of parents are heading back to school and joining their kids in the classroom to take better control of their cash.

Sydney, 24 April 2008: The innovative school program entitled MakingCents, is part of the Finance First initiative – a joint collaboration between YWCA NSW and Citi Australia. The project's unique approach of running financial education programs for parents in tandem with class programs for students is pitched at breaking the chain of financial illiteracy that spans generations of Australian families.

Recently MakingCents was evaluated by a team of leading educators spearheaded by Associate Professor Christine Halse of the Centre for Educational Research, University of Western Sydney (UWS).

Ron Bunker, Chairman the Finance First partnership, says the Finance First team has been astounded at the success of the MakingCents program both in the classroom and the community. "There is a clear need for financial education at all levels in Australia, and with household costs and debt levels rising significantly, this learning program couldn't have arrived at a better time".

Gayle Osborne, Head of Community Services and Programs, YWCA NSW, confirms, "The MakingCents program has delivered outstanding results to date with exceptional feedback from parents and teaching staff as well as the UWS evaluation team."

Money management – not just an 'adult' issue

In addition to equipping youngsters with valuable financial skills, one of the more startling aspects of the MakingCents student program has been the ease with which the small fry can grasp money management – a readiness that often amazed classroom teachers. One teacher commented:

"To actually realise that I should start teaching my five and six year olds about saving money and planning for the future was a real eye opener."

Other teachers were taken back by the ability of primary children to take on concepts often regarded as 'adult'. As one teacher explained:

"I thought things as complex as budgeting and debit and credit would be far too abstract for the kids to grasp. But I taught it for the first time to a grade 3/4 class and they got it just like that!"

Another teacher went as far as saying, "A lot of these kids are now better at budgeting than their parents...sad but true."



Youngsters forge a path for parents

A unique aspect of the MakingCents program is the two-pronged approach incorporating a MakingCents for Parents program run in conjunction with the student program. This tack is designed to address the financial literacy among parents thereby breaking the cycle of financial disadvantage that typically passes between generations.

Mr Bunker confirms that a lack of financial literacy is a burden facing many Australian families citing the results of Citi's latest Fin-Q Survey, which measure the financial well-being of Australian adults.

Among the Fin-Q Survey findings:

- 29% of adults worry about their financial future
- 21% of adults don't use a household budget
- 13% of Australian adults rate their financial understanding as 'poor' or 'very poor'
- Only 9% of adults rate their financial understanding as 'very good'.

Among those adults with poor financial understanding:

- 36% only make minimum credit card payments.
- 96% don't have a formal retirement plan.
- 70% would last less than one month on their current savings if they lost their job – including 40% would only last one week.
- 62% worry about their financial future.

Ms Osborne said, "Programs like MakingCents can go a long way to breaking the cycle of financial illiteracy in our community. Both the children and parents who have participated in the program have shown how easy it can be to master basic money skills – and how life changing this skill set can be."

MakingCents makes good financial management a family affair

Feedback from parents completing the MakingCents for Parents program was consistently positive, opening new doors for families to take better control of their finances.

With some shared money skills under their belts, both parents and children viewed spending and saving in a different light – often reaching a common ground. As one parent enthused,

"This is great! Now when the kids ask for something I can say, 'Is it a need, or is it a want?' And it really makes them stop and think."

A high return for zero outlay

The MakingCents program of financial education continues to be rolled out across Australia. Free online teaching resources are available from the program's website www.makingcents.com.au. Information that can assist families manage their household



spending can also be downloaded from the site along with useful tools including a budget calculator.

Citi's Ron Bunker says, "Our goal now is to extend the MakingCents program, building on the first-hand understanding we now have of the way children and parents can work together to improve their financial literacy."

Confirming this view, Ms Osborne noted, "Ultimately we believe MakingCents is a vital tool in turning the tide of financial exclusion in Australia."

A copy of the Summary Report on the Finance First project and MakingCents programs can be downloaded from www.makingcents.com.au.

The Citi Fin-Q Survey can be downloaded from www.citibank.com.au.

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Notes to editors:

Over 3,000 teachers across Australia have received MakingCents professional development, the MakingCents website averages 1,000 downloads of resources every week and 320 adults have benefited from the parent program.

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