

# INCOME STATEMENT

Rupees  
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/19 to 31/12/19 (Audited)	01/01/18 to 31/12/18 (Audited)
Interest income	3,313,398	3,225,313
Interest expenses	(789,695)	(878,574)
<b>Net interest income</b>	<b>2,523,703</b>	<b>2,346,739</b>
Fee and commission income	766,069	858,198
Fee and commission expenses	(219,858)	(157,843)
<b>Net fee and commission income</b>	<b>546,211</b>	<b>700,355</b>
Net gains/(losses) from trading	(738,779)	546,158
Net fair value gains on financial assets at fair value through profit or loss	477,285	374,121
Net gains/(losses) on derecognition of financial assets at fair value through other comprehensive income	-	-
Net other operating income	1,336,739	622,783
<b>Total operating income</b>	<b>4,145,159</b>	<b>4,590,156</b>
Impairment charge	(6,029)	(8,491)
<b>Net operating income</b>	<b>4,139,130</b>	<b>4,581,665</b>
Personnel expenses	(672,323)	(658,723)
Depreciation expenses	(139,772)	(102,699)
Other expenses	(724,328)	(571,342)
<b>Operating profit before VAT and NBT on financial services and DRL</b>	<b>2,602,707</b>	<b>3,248,901</b>
Value Added Tax ("VAT") on financial services	(407,288)	(471,963)
Nation Building Tax ("NBT") on financial services	(55,999)	(69,290)
Debt Repayment Levy ("DRL")	(216,779)	(63,698)
<b>Profit before tax</b>	<b>1,922,641</b>	<b>2,643,950</b>
Income tax expenses	(681,724)	(897,619)
<b>Profit for the period</b>	<b>1,240,917</b>	<b>1,746,331</b>

## STATEMENT OF COMPREHENSIVE INCOME

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/19 to 31/12/19 (Audited)	01/01/18 to 31/12/18 (Audited)
<b>Profit for the period</b>	<b>1,240,917</b>	<b>1,746,331</b>
<b>Items that will be reclassified to Income Statement;</b>		
Exchange differences on translation of foreign operations	(21,862)	542,257
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	31,487	(50,457)
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
<b>Less:</b> Tax (expense)/ reversal relating to items that will be reclassified to income statement	(8,816)	14,128
<b>Items that will not be reclassified to Income Statement;</b>		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	33,909	43,663
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
<b>Less:</b> Tax expense relating to items that will not be reclassified to income statement	(9,495)	(12,226)
<b>Other Comprehensive Income (OCI) for the period, net of taxes</b>	<b>25,223</b>	<b>537,365</b>
<b>Total comprehensive income for the period</b>	<b>1,266,140</b>	<b>2,283,696</b>

## STATEMENT OF FINANCIAL POSITION

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/19 (Audited)	As at 31/12/18 (Audited)
<b>Assets</b>		
Cash and cash equivalents	4,652,896	1,721,611
Balances with central banks	669,009	1,223,727
Placements with banks	10,180,779	6,559,072
Derivative financial instruments — Assets	331,366	2,444,682
Financial assets recognized through profit or loss measured at fair value	7,891,091	4,890,750
Financial assets at amortized cost		
— loans and advances	16,018,969	18,770,128
— debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	8,864,749	9,093,061
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	479,766	247,847
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	26,546	20,671
Other assets	39,572	41,179
<b>Total assets</b>	<b>49,154,744</b>	<b>45,012,728</b>
<b>Liabilities</b>		
Due to banks	3,449,165	4,675,856
Derivative financial instruments — Liabilities	378,077	1,755,480
Financial liabilities recognized through profit or loss		
— measured at fair value	-	-
— designated at fair value	-	-
Financial liabilities at amortized cost		
— due to depositors	30,588,969	23,506,938
— due to other borrowers	6,222	70,875
Debt securities issued	-	-
Retirement benefit obligations	208,998	224,665
Current tax liabilities	295,270	573,527
Deferred tax liabilities	-	-
Other liabilities	1,183,239	767,709
Due to subsidiaries	-	-
<b>Total liabilities</b>	<b>36,109,940</b>	<b>31,575,050</b>
<b>Equity</b>		
Assigned capital	1,524,250	1,524,250
Statutory reserve fund	792,930	768,111
FVOCI reserve	13,038	(9,632)
Retained earnings	9,328,242	9,746,744
Exchange equalization reserve	1,386,343	1,408,205
<b>Total equity</b>	<b>13,044,803</b>	<b>13,437,678</b>
<b>Total equity and liabilities</b>	<b>49,154,744</b>	<b>45,012,728</b>
<b>Contingent liabilities and commitments</b>	<b>160,942,788</b>	<b>185,073,329</b>
<b>Memorandum Information</b>		
Number of Employees	85	84
Number of Branches	1	1

Note: Amounts stated are net of impairment and depreciation

**CERTIFICATION:**

We, the undersigned, being the Citi Country Officer and the Country Finance Officer of Citibank, N. A. Sri Lanka Branch jointly certify that;

- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- (b) the information contained in these statements have been extracted from the unaudited financial statements of the bank unless indicated as audited.

Signed

**Ravin Basnayake**

(Sgd.) Citi Country Officer/Managing Director

Date: 27/05/2020

Signed

**Feroze Kamaldeen**

(Sgd.) Country Finance Officer

Date: 27/05/2020

# STATEMENT OF CASH FLOWS

Rupees  
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/19 (Audited)	31/12/18 (Audited)
<b>Cash flows from operating activities</b>		
Interest and commission receipts	4,156,662	3,946,823
Interest and commission payments	(1,069,901)	(963,816)
Receipts from other operating activities	1,334,763	1,541,935
Payments to employees	(638,688)	(617,973)
Other overhead expenses and other taxes paid	(1,326,993)	(1,176,293)
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>	<b>2,455,843</b>	<b>2,730,676</b>
<b>(Increase)/Decrease in Operating Assets</b>		
Financial assets at amortised cost - loans and advances	2,752,211	(3,562,567)
Net proceeds from sale, maturity, and purchases of financial investments	(3,084,337)	(6,992,926)
Deposits held for regulatory purposes	554,718	(341,013)
Placements with bank	(3,625,380)	4,473,862
Derivative Financial assets	2,113,315	(1,407,499)
<b>Increase/(decrease) in operating liabilities</b>		
Financial liabilities at amortised cost - due to depositors	7,144,350	3,766,544
Due to Banks	(1,227,458)	(150,010)
Securities sold under repurchase agreements	(64,653)	-
Derivative Financial Liabilities	(1,377,403)	1,039,481
<b>Net cash generated from operating activities before income tax</b>	<b>5,641,206</b>	<b>(443,451)</b>
Income tax paid	(984,167)	(954,749)
Gratuity Paid	(23,099)	(8,901)
Net unrealized gains arising from translating the financial statements of foreign operation	(21,862)	542,257
<b>Net cash (used in)/from operating activities</b>	<b>4,612,078</b>	<b>(864,844)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant & Equipment	(23,980)	(38,631)
Dividend income received from financial investments	1,389	1,127
Proceeds from Sale of Property, Plant & Equipment	587	-
<b>Net cash (used in)/from investing activities</b>	<b>(22,005)</b>	<b>(37,504)</b>
<b>Cash flows from financing activities</b>		
Profit remittance to Head office	(1,659,014)	(1,459,115)
<b>Net cash used in financing activities</b>	<b>(1,659,014)</b>	<b>(1,459,115)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>2,931,060</b>	<b>(2,361,463)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,721,836</b>	<b>4,083,299</b>
<b>Exchange difference in respect of cash &amp; cash equivalents</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,652,896</b>	<b>1,721,836</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash in hand	714,673	868,702
Balances with banks	3,938,223	853,134
Money at call and short notice	-	-
<b>Gross Cash &amp; Cash Equivalents</b>	<b>4,652,896</b>	<b>1,721,836</b>
Less: Accumulated impairment - Balance with banks	-	(225)
<b>Net Cash &amp; Cash Equivalents</b>	<b>4,652,896</b>	<b>1,721,611</b>

# ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

Rupees  
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/19	31/12/18
<b>Product-wise Gross loans &amp; advances</b>		
<b>By product – Domestic currency</b>		
Overdrafts	8,092,553	6,923,138
Term loans	4,494,293	5,933,134
Other loans	1,376	4,456
<b>Sub total</b>	<b>12,588,222</b>	<b>12,860,728</b>
<b>By product – Foreign currency</b>		
Overdrafts	1,273,531	2,279,150
Term loans	2,174,444	3,643,268
Other loans	-	-
<b>Sub total</b>	<b>3,447,976</b>	<b>5,922,419</b>
<b>Total</b>	<b>16,036,198</b>	<b>18,783,146</b>
<b>Product-wise commitments and contingencies</b>		
<b>By product – Domestic currency</b>		
Guarantees	1,878,126	1,862,132
Bonds	36,968	35,484
Undrawn credit lines	68,765,344	71,921,512
Other commitments	1,633,348	1,530,033
<b>Sub total</b>	<b>72,313,786</b>	<b>75,349,161</b>
<b>By product – Foreign currency</b>		
Guarantees	4,411,338	5,081,000
Bonds	682,205	789,596
Undrawn credit lines	9,767,059	11,364,196
Foreign Exchange Contracts	66,942,102	87,821,591
Other commitments	6,826,298	4,667,786
<b>Sub total</b>	<b>88,629,002</b>	<b>109,724,169</b>
<b>Total</b>	<b>160,942,789</b>	<b>185,073,330</b>
<b>Stage-wise impairment on loans &amp; advances, commitments and contingencies</b>		
<b>Gross loans and advances, commitments and contingencies</b>	<b>176,978,986</b>	<b>203,856,476</b>
Less: Expected Credit Losses under Stage 1	(28,951)	21,371
Less: Expected Credit Losses under Stage 2	(1,363)	-
Less: Expected Credit Losses under Stage 3	-	-
<b>Net value of loans and advances, commitments and contingencies</b>	<b>176,948,672</b>	<b>203,877,847</b>
<b>Movement of impairment during the period</b>		
<b>Under Stage 1</b>		
Balance as at 01/01/2019 (Opening balance)	23,621	28,650
Charge/ (Write back) to Income Statement	5,330	8,491
Write-off during the year	-	-
Other movements	-	(13,520)
<b>Balance as at 31/12/2019 (Closing balance)</b>	<b>28,951</b>	<b>23,621</b>
<b>Under Stage 2</b>		
Balance as at 01/01/2019 (Opening balance)	-	-
Charge/ (Write back) to Income Statement	1,363	-
Write-off during the year	-	-
Other movements	-	-
<b>Balance as at 31/12/2019 (Closing balance)</b>	<b>1,363</b>	<b>-</b>
<b>Under Stage 3</b>		
Balance as at 01/01/2019 (Opening balance)	-	-
Charge/ (Write back) to Income Statement	-	-
Write-off during the year	-	-
Other movements	-	-
<b>Balance as at 31/12/2019 (Closing balance)</b>	<b>-</b>	<b>-</b>

# ANALYSIS OF DEPOSITS

Rupees  
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/19	As at 31/12/18
<b>Product-wise Deposits</b>		
<b>By product – Domestic currency</b>		
Demand deposits (current accounts)	6,204,284	5,717,297
Savings deposits	833,261	1,334,626
Fixed deposits	13,454,548	7,336,921
Other deposits	174,492	1,287,530
<b>Sub total</b>	<b>20,666,586</b>	<b>15,676,374</b>
<b>By product – Foreign currency</b>		
Demand deposits (current accounts)	7,256,493	3,979,076
Savings deposits	2,582,387	3,332,434
Fixed deposits	27,250	430,417
Other deposits	56,253	88,637
<b>Sub total</b>	<b>9,922,383</b>	<b>7,830,564</b>
<b>Total</b>	<b>30,588,969</b>	<b>23,506,938</b>

# STATEMENT OF CHANGES IN EQUITY AND RESERVES

Rupees  
Thousands

	Assigned Capital	Reserves				Total Equity
		Statutory Reserve Fund	FVOCI Reserve	Retained Earnings	Exchange Equalization Reserve	
<b>Balance as at 01/01/2019 (Opening balance) [Audited]</b>	<b>1,524,250</b>	<b>768,111</b>	<b>(9,632)</b>	<b>9,746,744</b>	<b>1,408,205</b>	<b>13,437,678</b>
<b>Total comprehensive income for the period</b>						
Profit for the year (net of tax)	-	-	-	1,240,917	-	<b>1,240,917</b>
Other comprehensive income (net of tax)	-	-	22,670	24,414	(21,862)	<b>25,222</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>22,670</b>	<b>1,265,331</b>	<b>(21,862)</b>	<b>1,266,139</b>
<b>Transactions with equity holders, recognized directly in equity</b>						
Transfers to Statutory reserve fund during the period	-	24,819	-	(24,819)	-	-
Profit transferred to head office	-	-	-	(1,659,014)	-	<b>(1,659,014)</b>
<b>Total transactions with equity holders</b>	<b>-</b>	<b>24,819</b>	<b>-</b>	<b>(1,683,833)</b>	<b>-</b>	<b>(1,659,014)</b>
<b>Balance as at 31/12/2019 (Closing balance) [Audited]</b>	<b>1,524,250</b>	<b>792,930</b>	<b>13,038</b>	<b>9,328,242</b>	<b>1,386,343</b>	<b>13,044,803</b>

# ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

Rupees  
Thousands

As at 31 December 2019

a. Bank — Current Period	AMC	FVTPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	4,652,896	-	-	4,652,896
Balances with central banks	669,009	-	-	669,009
Placements with banks	10,180,779	-	-	10,180,779
Derivative financial instruments — Assets	-	331,366	-	331,366
Loans and advances	16,018,969	-	-	16,018,969
Debt instruments	-	7,891,091	8,863,709	16,754,800
Equity instruments	-	-	1,040	1,040
Other Assets	39,572	-	-	39,572
Total financial assets	31,561,225	8,222,457	8,864,749	48,648,431
LIABILITIES				
Due to banks	3,449,165	-	-	3,449,165
Derivative financial instruments — Liabilities	-	378,077	-	378,077
Financial liabilities	-	-	-	-
— due to depositors	30,588,969	-	-	30,588,969
— due to other borrowers	6,222	-	-	6,222
Other Liabilities	1,183,239	-	-	1,183,239
Total financial liabilities	35,227,595	378,077	-	35,605,672
b. Bank — Previous Period				
ASSETS				
Cash and cash equivalents	1,721,611	-	-	1,721,611
Balances with central banks	1,223,727	-	-	1,223,727
Placements with banks	6,559,072	-	-	6,559,072
Derivative financial instruments	-	2,444,682	-	2,444,682
Loans and advances	18,770,128	-	-	18,770,128
Debt instruments	-	4,890,750	9,093,061	13,983,811
Equity instruments	-	-	1,040	1,040
Other Assets	41,179	-	-	41,179
Total financial assets	28,315,717	7,335,432	9,094,101	44,745,250
LIABILITIES				
Due to banks	4,675,856	-	-	4,675,856
Derivative financial instruments	-	1,755,480	-	1,755,480
Financial liabilities	-	-	-	-
— due to depositors	23,506,938	-	-	23,506,938
— due to other borrowers	70,875	-	-	70,875
Other Liabilities	767,709	-	-	767,709
Total financial liabilities	29,021,378	1,755,480	-	30,776,858

AMC - Financial assets/liabilities measured at amortised cost | FVTPL - Financial assets/liabilities measured at fair value through profit or loss  
FVOCI - Financial assets measured at fair value through other comprehensive income

# SELECTED PERFORMANCE INDICATORS

Rupees  
Thousands

(Based on regulatory reporting)	CURRENT PERIOD 31/12/19	PREVIOUS PERIOD 31/12/18
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	12,107	13,692
Core (Tier 1) Capital	12,107	13,692
Total Capital Base	12,136	13,715
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 8.5%)	30.9%	39.4%
Tier 1 Capital Ratio (%) (Minimum Requirement - 10%)	30.9%	39.4%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	30.9%	39.5%
Leverage Ratio (%) (Minimum Requirement - 2019 - 3%; 2018 — n.a)		
	7.1%	n.a.
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	33,833	26,234
Statutory Liquid Assets Ratio (%) (Minimum Requirement — 20%)		
Domestic Banking Unit (%)	87.0%	60.6%
Off-Shore Banking Unit (%)	158.3%	91.1%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	16,707	14,238
Liquidity Coverage Ratio (%) (Minimum Requirement — 2019 — 100%; 2018 — 90%)		
Rupee (%)	730.9%	758.7%
All Currency (%)	303.0%	260.5%
Net Stable Funding Ratio (%) - (Minimum Requirement — 100%)	147.6%	123.7%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances Ratio (%) (net of interest in suspense)	0.0%	0.0%
Net-Non Performing Advances (%) (net of interest in suspense and provision)	0.0%	0.0%
Profitability		
Interest Margin (%)	3.3%	5.0%
Return on Assets (before Tax) (%)	5.5%	6.5%
Return on Equity (%)	9.4%	9.2%