

INCOME STATEMENT

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/19 to 30/06/19 (Unaudited)	01/01/18 to 30/06/18 (Unaudited)
Interest income	1,669,283	1,563,633
Interest expenses	373,427	404,747
Net interest income	1,295,856	1,158,886
Fee and commission income	386,277	453,000
Fee and commission expenses	10,688	8,338
Net fee and commission income	375,589	444,662
Net gains/(losses) from trading	(496,110)	289,647
Net fair value gains/(losses) on:		
financial assets at fair value through profit or loss	-	-
financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:		
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	1,063,525	608,387
Total operating income	2,238,860	2,501,582
Impairment charges	5,674	36,134
Net operating income	2,233,185	2,465,448
Personnel expenses	329,043	287,510
Depreciation and amortization expenses	52,977	51,392
Other expenses	408,865	322,404
Operating profit before VAT, NBT and DRL	1,442,301	1,804,142
Value Added Tax (VAT) on financial services	354,797	270,839
Operating profit/(loss) after VAT & NBT on financial services	1,087,504	1,533,303
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	1,087,504	1,533,303
Income tax expenses	338,935	498,967
Profit/(loss) for the period	748,569	1,034,336
Profit attributable to:		
Equity holders of the parent	748,569	1,034,336
Non-controlling interests	-	-
	748,569	1,034,336
Earnings per share on profit		
Basic earnings per ordinary share	-	-
Diluted earnings per ordinary share	-	-

STATEMENT OF COMPREHENSIVE INCOME

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	From 01/01/19 to 30/06/19 (Unaudited)	From 01/01/18 to 30/06/18 (Unaudited)
Profit/(loss) for the period	748,569	1,034,336
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	(133,840)	70,635
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
Items that will not be reclassified to income statement		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	76,847	(23,568)
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 Changes in revaluation surplus	(2,641)	(27,057)
Share of profits of associates and joint ventures	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	-	-
Other Comprehensive Income (OCI) for the period, net of taxes	(58,634)	20,010
Total comprehensive income for the period	689,935	1,054,345
Attributable to:		
Equity holders of the parent	689,935	1,054,345
Non-controlling interests	-	-

STATEMENT OF CASH FLOWS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	30/06/19 (Unaudited)	31/12/18 (Audited)
Cash flows from operating activities		
Interest and commission receipts	2,055,560	3,946,823
Interest and commission payments	(384,115)	(963,816)
Receipts from other operating activities	567,415	1,541,935
Payments to employees	(329,043)	(617,973)
Other overhead expenses and other taxes paid	(763,662)	(1,176,293)
Operating Profit before changes in Operating Assets & Liabilities	1,146,155	2,730,676
(Increase)/Decrease in Operating Assets		
Financial assets at amortised cost - loans and advances	1,014,541	(3,562,567)
Net proceeds from Sale, Maturity, and Purchases of Financial Investments	458,854	(6,992,926)
Deposits held for regulatory purposes	600,678	(341,013)
Placements with Bank	1,315,385	4,473,862
Other Assets	2,151,391	(1,746,652)
	5,540,849	(8,169,296)
Increase / (decrease) in operating liabilities		
Financial liabilities at amortised cost – due to depositors	(4,387,984)	7,824,396
Financial liabilities at amortised cost – due to debt securities holders	125,012	(150,010)
Other liabilities (please specify)	(1,519,639)	1,032,529
Net cash generated from operating activities before income tax	904,393	3,268,295
Income tax paid	(335,526)	(615,596)
Gratuity Paid	-	(8,901)
Net unrealized gains arising from translating the financial statements of foreign operation	(58,634)	542,257
Net cash (used in) / from operating activities	510,233	3,186,055
Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(7,786)	(38,631)
Dividend income received from financial investments	-	1,127
Proceeds from Sale of Property, Plant & Equipment	-	-
Net cash (used in) / from investing activities	(7,786)	(37,504)
Cash flows from financing activities		
Profit remittance to Head office	-	(1,459,115)
Net cash (used in) / from financing activities	-	(1,459,115)
Net increase / (decrease) in cash & cash equivalents	502,447	1,689,436
Cash and cash equivalents at the beginning of the period	5,772,735	4,083,299
Exchange difference in respect of cash & cash equivalents	-	-
Cash and cash equivalents at the end of the period	6,275,183	5,772,735
Reconciliation of Cash & Cash Equivalents		
Cash in hand	717,642	868,702
Balances with banks	5,501,025	4,904,033
Money at call and short notice	56,516	-
	6,275,183	5,772,735
Less: Accumulated impairment - Stage 1 for Balances with banks.	(208)	(225)
Net Cash & Cash Equivalents	6,274,975	5,772,510

STATEMENT OF FINANCIAL POSITION

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/06/19 (Unaudited)	As at 31/12/18 (Audited)
Assets		
Cash and cash equivalents	6,274,975	5,772,510
Balances with central banks	623,049	1,223,727
Placements with banks	5,242,613	6,559,072
Derivative financial instruments	237,379	2,444,682
Financial assets recognized through profit or loss		
-measured at fair value	4,780,186	4,890,750
-designated at fair value	-	-
Financial assets at amortised cost		
-loans and advances	17,752,695	18,770,128
-debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	8,743,731	9,092,021
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	202,656	247,847
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	20,671	20,671
Other assets	847,317	381,372
Total assets	44,725,273	49,402,780
Liabilities		
Due to banks	2,828,915	8,726,754
Derivative financial instruments	538,002	1,755,480
Financial liabilities recognized through profit or loss		
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortised cost		
-due to depositors	25,023,386	23,513,531
-due to debt securities holders	-	-
-due to other borrowers	195,886	70,875
Debt securities issued	-	-
Retirement benefit obligations	239,533	224,665
Current tax liabilities	1,326,123	912,680
Deferred tax liabilities	-	-
Other provisions	-	-
Other liabilities	645,814	761,117
Due to subsidiaries	-	-
Total liabilities	30,597,659	35,965,102
Equity		
Stated capital/Assigned capital	1,524,250	1,524,250
Statutory reserve fund	768,111	768,111
OCI reserve	1,337,410	1,393,403
Retained earnings	10,492,672	9,746,744
Other reserves	5,170	5,170
Total shareholders' equity	14,127,613	13,437,678
Non-controlling interests	-	-
Total equity	14,127,613	13,437,678
Total equity and liabilities	44,725,273	49,402,780
Contingent liabilities and commitments	93,586,859	97,981,763
Memorandum Information		
Number of Employees	82	84
Number of Branches	1	1

Signed
Ravin Basnayake
(Sgd.) Citi Country Officer
Date: 30/08/19

Signed
Feroze Kamaldeen
(Sgd.) Chief Finance Officer
Date: 30/08/19

CITIGROUP - FINANCIAL SUMMARY

(In millions of dollars, except per share amounts, and as otherwise noted)

	CURRENT PERIOD Six Months 2019 (Unaudited)	PREVIOUS PERIOD Six Months 2018 (Unaudited)
Total revenues, net of interest expense	\$ 37,334	\$ 37,341
Total operating expenses	\$ 21,084	\$ 21,637
Total provisions for credit losses and for benefits and claims	\$ 4,073	\$ 3,669
Income from continuing operations before income taxes	\$ 12,177	\$ 12,035
Citigroup's net income	\$ 9,509	\$ 9,110
<u>Diluted earnings per share</u>		
Income from continuing operations	\$ 3.81	\$ 3.30
Net income	\$ 3.82	\$ 3.31
<u>Shares (in millions):</u>		
Weighted average common shares outstanding (in millions)	2,313.2	2,546.2
Adjusted weighted average common shares outstanding (in millions)	2,315.7	2,547.6
	CURRENT PERIOD 2Q 2019 (Unaudited)	PREVIOUS PERIOD 2Q 2018 (Unaudited)
<u>Basel III ratios and Performance metrics</u>		
Common Equity Tier 1 Capital (1)	11.89%	12.14%
Tier 1 Capital (1)	13.43	13.77
Total Capital(1)	16.36	16.31
Supplementary Leverage ratio	6.38	6.60
Return on average assets	0.97%	0.94%
Return on average common stockholders' equity(2)	10.1	9.2
Efficiency ratio (total operating expenses/total revenues)	56.0	58.0
<u>Balance Sheet Data (In millions of dollars, except per-share amounts and ratios)</u>		
Total assets	\$ 1,988,226	\$ 1,912,334
Total deposits	1,045,607	996,730
Citigroup common stockholders' equity	179,379	181,059
Total Citigroup stockholders' equity	197,359	200,094
Book value per common share	\$ 79.40	\$ 71.95
Tangible book value (TBV) per share	67.64	61.29

- (1) Citi's reportable Common Equity Tier 1 (CET1) Capital and Tier 1 Capital ratios were the lower derived under the U.S. Basel III Standardized Approach, whereas the reportable Total Capital ratio was the lower derived under the U.S. Basel III Advanced Approaches framework. This reflects the U.S. Basel III requirement to report the lower of risk-based capital ratios under both the Standardized Approach and Advanced Approaches in accordance with the Collins Amendment of the Dodd-Frank Act.
- (2) The return on average common stockholders' equity is calculated using net income less preferred stock dividends divided by average common stockholders' equity. The return on average total Citigroup stockholders' equity is calculated using net income divided by average Citigroup stockholders' equity.

Supplementary Citigroup information has been extracted from interim financials available on www.citigroup.com/citi/investor/sec.htm

STATEMENT OF CHANGES IN EQUITY AND RESERVES

Rupees
Thousands

	Stated capital/Assigned capital			Reserves					Total	Non-Controlling Interest	Total Equity
	Ordinary Voting Shares	Ordinary Non-voting Shares	Assigned Capital	Statutory Reserve Fund	OCI reserve	Revaluation reserve	Retained earnings	Other reserves			
Balance as at 01/01/19 (Opening balance)	-	-	1,524,250	768,111	(9,632)	1,403,035	9,746,744	5,170	13,437,678	-	13,437,678
Total comprehensive income for the period											
Profit/(loss) for the year (net of tax)	-	-	-	-	-	-	748,569	-	748,569	-	748,569
Other comprehensive income (net of tax)	-	-	-	-	76,847	(132,840)	(2,641)	-	(58,634)	-	(58,634)
Total comprehensive income for the period	-	-	-	-	76,847	(132,840)	745,298	-	689,935	-	689,934
Transactions with equity holders, recognised directly inequity											
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-	-
Others (Please specify)	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30/06/19 (Closing balance)	-	-	1,524,250	768,111	67,215	1,270,195	10,492,672	5,170	14,127,614	-	14,127,613

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rupees
Thousands

As at 30 June 2019

	FVPL* Rs. '000	Amortised Cost Rs. '000	FVOCI Rs. '000	Total Rs. '000
Financial Assets				
Cash and cash equivalents	-	6,274,975	-	6,274,975
Balances with central banks	-	623,049	-	623,049
Placements with banks	-	5,242,613	-	5,242,613
Derivative financial instruments	237,379	-	-	237,379
Financial assets recognised through profit or loss- measured at fair value	4,780,186	-	-	4,780,186
Financial assets at amortised cost - loans and advances	-	17,752,695	-	17,752,695
Financial assets measured at fair value through other comprehensive income	-	-	8,743,731	8,743,731
Other Assets	-	24,640	1,040	25,680
Total financial assets	5,017,565	29,917,973	8,744,771	43,680,309

	FVPL* Rs. '000	Amortised Cost Rs. '000	Total Rs. '000
Financial Liabilities			
Due to banks	-	2,828,915	2,828,915
Derivative financial instruments	338,002	-	338,002
Other financial liabilities at fair value through profit or loss	-	-	-
Financial liabilities at amortised cost - due to depositors	-	25,023,386	25,023,386
Securities sold under repurchase agreements	-	195,886	195,886
Debt securities issued	-	-	-
Other liabilities	-	390,052	390,052
Total financial liabilities	338,002	28,438,239	28,776,241

As at 31 December 2018

	FVPL* Rs. '000	Amortised Cost Rs. '000	FVOCI Rs. '000	Total Rs. '000
Financial Assets				
Cash and cash equivalents	-	5,772,510	-	5,772,510
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
Financial assets recognised through profit or loss- measured at fair value	4,890,750	-	-	4,890,750
Financial assets recognised through profit or loss	-	-	-	-
Financial assets at amortised cost - loans and advances	-	18,791,616	-	18,791,616
Financial assets measured at fair value through other comprehensive income	-	-	9,092,021	9,092,021
Other Assets	-	20,890	1,040	21,930
Total financial assets	7,335,432	32,367,815	9,093,061	48,796,308

	FVPL* Rs. '000	Amortised Cost Rs. '000	Total Rs. '000
Financial Liabilities			
Due to banks	-	8,726,754	8,726,754
Derivative financial instruments	1,755,480	-	1,755,480
Other financial liabilities at fair value through profit or loss	-	-	-
Financial liabilities at amortised cost - due to depositors	-	23,513,531	23,513,531
Securities sold under repurchase agreements	-	70,875	70,875
Debt securities issued	-	-	-
Other liabilities	-	368,113	368,113
Total financial liabilities	1,755,480	32,679,273	34,434,753

SELECTED PERFORMANCE INDICATORS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/06/19 (Unaudited)	As at 31/12/18 (Audited)
Regulatory Capital (LKR'000)		
Common Equity Tier 1	11,107,927	13,691,677
Tier 1 Capital	11,107,927	13,691,677
Total Capital	11,137,223	13,715,299
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement -7%)	23.32%	39.38%
Tier 1 Capital Ratio (Minimum Requirement - 8.5%)	23.32%	39.38%
Total Capital Ratio (Minimum Requirement -12.5%)	23.38%	39.45%
Leverage Ratio (Minimum Requirement =3)	8.13	-
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000)	26,046,657	26,234,474
Statutory Liquid Assets Ratio (Minimum Requirement = 20%)		
Domestic Banking Unit (%)	72.36%	60.57%
Off-Shore Banking Unit (%)	223.79%	91.13%
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 100%)	801.76%	758.70%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement -100%)	357.85%	260.47%
Net Stable Funding Ratio (%) (Minimum Requirement = 90%)	155.27%	123.72%
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances (%) (net of interest in Suspense)	-	-
Net-Non Performing Advances (%) (net of interest in suspense and provision)	-	-
Profitability		
Interest Margin (%)	-	-
Return on Assets (Before Tax %)	5.90%	5.01%
Return on Equity (%)	6.45%	6.49%
	20.42%	23.88%

ANALYSIS OF LOANS & ADVANCES COMMITMENTS,
CONTINGENCIES AND IMPAIRMENT

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/06/19 (Unaudited)	As at 31/12/18 (Audited)
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	9,059,847	6,923,138
Term loans	4,551,086	5,933,134
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Other loans (specify)	2,030	4,456
Sub Total	13,612,964	12,860,728
By product – Foreign currency		
Overdrafts	1,518,976	2,279,150
Term loans	2,636,666	3,643,268
Guarantees	-	-
Bonds	-	-
Other loans (specify)	-	-
Sub Total	4,155,641	5,922,419
Total	17,768,605	18,783,146
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	1,484,978	1,862,132
Bonds	662,871	35,484
Undrawn credit lines	73,579,208	83,285,707
Other commitments (specify)	3,062,890	2,260,058
Other contingencies (specify)	-	-
Sub Total	78,789,948	87,443,382
By product – Foreign currency		
Guarantees	3,089,220	5,081,000
Bonds	787,887	789,596
Undrawn credit lines	-	-
Other commitments (specify)	10,919,804	4,667,786
Other contingencies (specify)	-	-
Sub total	14,796,911	10,538,382
Total	93,586,859	97,981,763
Stage-wise impairment on loans & advances,commitments and contingencies		
Gross loans and advances, commitments and contingencies		
Less: Accumulated impairment under stage 1	(24,078)	(21,371)
Accumulated impairment under stage 2	(1,911)	-
Accumulated impairment under stage 3	-	-
Net value of loans and advances, commitments and contingencies	111,329,475	116,743,538
Movement of impairment during the period		
Under Stage 1		
Charge/(Write back) to income statement	3,763	8,491
Write-off during the year	-	-
Other movements	-	-
Closing balance at 30.06.2019	27,835	23,622
Under Stage 2		
Charge/(Write back) to income statement	1,911	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at 30.06.2019	1,911	-
Under Stage 3		
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at.....	-	-
Total impairment	29,296	23,622
	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/06/19 (Unaudited)	As at 31/12/18 (Audited)
Analysis of Deposits		
By product – Domestic currency		
Demand deposits (current accounts)	6,340,551	5,717,297
Savings deposits	887,489	1,334,626
Fixed deposits	6,542,077	7,336,921
Others (Specify)	265,388	1,294,126
Sub Total	14,035,505	15,682,970
By product – Foreign currency		
Demand deposits (current accounts)	7,824,495	3,979,076
Savings deposits	3,075,907	3,332,434
Fixed deposits	26,545	430,417
Others (Specify)	60,934	88,637
Sub Total	10,987,881	7,830,564
Total	25,023,386	23,513,534