

CITIBANK, N. A. COLOMBO, SRI LANKA

A Company incorporated in the USA with limited liabilities
Rated ‘AAA (lka)’ by Fitch Ratings Lanka Ltd.



INCOME STATEMENT			Rupees Thousands	
	CURRENT PERIOD	PREVIOUS PERIOD		
	01/01/20 to 30/09/20 (Unaudited)	01/01/19 to 30/09/19 (Unaudited)		
Interest income	2,255,583	2,531,764		
Interest expenses	(576,149)	(597,354)		
Net interest income	1,679,434	1,934,410		
Fee and commission income	507,923	581,980		
Fee and commission expenses	(15,951)	(18,287)		
Net fee and commission income	491,972	563,693		
Net gains/(losses) from trading	144,775	(688,396)		
Net fair value gains/(losses) on financial assets at fair value through profit or loss	438,655	366,884		
Net gains/(losses) on derecognition of financial assets at fair value through other comprehensive income	74,006	21,494		
Net other operating income	498,474	1,136,468		
Total operating income	3,327,316	3,334,553		
Impairment (charge)/ reversal	(57,662)	1,835		
Net operating income	3,269,654	3,336,388		
Personnel expenses	(534,300)	(489,117)		
Depreciation expenses	(92,877)	(80,630)		
Other expenses	(551,316)	(632,577)		
Operating profit/(loss) before VAT and NBT on financial services and DRL	2,091,161	2,134,064		
Value Added Tax (VAT) on financial services	(311,513)	(316,118)		
Nation Building Tax (NBT) on financial services	-	(49,957)		
Debt Repayment Levy (DRL)	9,944	(172,542)		
Profit/(loss) before tax	1,789,592	1,595,447		
Income tax expenses	(491,727)	(556,604)		
Profit/(loss) for the period	1,297,865	1,038,843		

STATEMENT OF FINANCIAL POSITION			Rupees Thousands	
	CURRENT PERIOD	PREVIOUS PERIOD		
	As at 30/09/20 (Unaudited)	As at 31/12/19 (Audited)		
Assets				
Cash and cash equivalents	3,927,522	4,652,896		
Balances with central banks	10,626	669,009		
Placements with banks	4,243,807	10,180,779		
Derivative financial instruments - Assets	589,678	331,367		
Financial assets recognized through profit or loss measured at fair value	9,736,227	7,891,091		
Financial assets at amortized cost				
- loans and advances	17,706,732	16,018,969		
- debt and other instruments	-	-		
Financial assets measured at fair value through other comprehensive income	9,702,447	8,864,749		
Property, plant and equipment	385,264	479,766		
Deferred tax assets	39,361	26,546		
Other assets	60,415	39,572		
Total assets	46,402,080	49,154,744		
Liabilities				
Due to banks	92,940	3,449,165		
Derivative financial instruments - Liabilities	479,222	378,077		
Financial liabilities at amortized cost				
- due to depositors	30,008,467	30,588,969		
- due to other borrowers	14,887	6,222		
Retirement benefit obligations	228,355	208,998		
Current tax liabilities	372,198	295,270		
Other provisions	28,303	8,686		
Other liabilities	793,462	1,174,553		
Total liabilities	32,017,834	36,109,940		
Equity				
Assigned capital	1,524,250	1,524,250		
Statutory reserve fund	792,930	792,930		
FVOCI reserve	13,550	13,039		
Retained earnings	10,628,241	9,328,242		
Exchange equalization reserve	1,425,275	1,386,343		
Total equity	14,384,246	13,044,804		
Total equity and liabilities	46,402,080	49,154,744		
Contingent liabilities and commitments	182,805,484	160,942,789		
Memorandum Information				
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
Citi Country Officer/Managing Director
Date: 30/11/20

Signed
Feroze Kamaldeen
Country Finance Officer
Date: 30/11/20

STATEMENT OF CASH FLOWS			Rupees Thousands	
	CURRENT PERIOD	PREVIOUS PERIOD		
	30/09/20 (Unaudited)	31/12/19 (Audited)		
Cash flows from operating activities				
Interest and commission receipts	2,704,202	4,156,662		
Interest and commission payments	(598,982)	(1,069,901)		
Receipts from other operating activities	1,158,526	1,334,763		
Payments to employees	(534,300)	(638,688)		
Other overhead expenses and other taxes paid	(852,885)	(1,326,993)		
Operating Profit before changes in Operating Assets & Liabilities	1,876,562	2,455,843		
(Increase)/decrease in operating assets				
Financial assets at amortised cost - loans and advances	(1,724,434)	2,752,211		
Net proceeds from Sale, Maturity, and Purchases of Financial Investments	(2,616,948)	(3,084,337)		
Deposits held for regulatory purposes	658,383	554,718		
Placements with Bank	5,928,893	(3,625,380)		
Other Assets	149,739	2,113,315		
Increase/(decrease) in operating liabilities				
Financial liabilities at amortised cost – due to depositors	(3,929,845)	7,144,350		
Financial liabilities at amortised cost – due to banks		(1,227,458)		
Financial liabilities at amortised cost – due to debt securities holders	8,665	(64,653)		
Other liabilities	(260,589)	(1,377,403)		
Net cash generated from operating activities before income tax	90,425	5,641,206		
Income tax paid	(856,385)	(984,167)		
Gratuity Paid	-	(23,099)		
Net unrealized gains arising from translating the financial statements of foreign operation	38,932	(21,862)		
Net cash (used in) / from operating activities	(727,028)	4,612,078		
Cash flows from investing activities				
Purchase of Property, Plant & Equipment	-	(23,980)		
Dividend income received from financial investments	-	1,389		
Proceeds from Sale of Property, Plant & Equipment	1,654	587		
Net cash (used in) / from investing activities	1,654	(22,005)		
Cash flows from financing activities				
Profit remittance to Head office	-	(1,659,014)		
Net cash used in financing activities	-	(1,659,014)		
Net increase/(decrease) in cash & cash equivalents	(725,373)	2,931,059		
Cash and cash equivalents at the beginning of the period	4,652,896	1,721,836		
Exchange difference in respect of cash & cash equivalents	-	-		
Cash and cash equivalents at the end of the period	3,927,522	4,652,896		
Reconciliation of Cash & Cash Equivalents				
Cash in hand	959,128	714,673		
Balances with banks	2,968,394	3,938,223		
Money at call and short notice	-	-		
Gross Cash & Cash Equivalents	3,927,522	4,652,896		
Less: Accumulated impairment - Balance with banks	-	-		
Net Cash & Cash Equivalents	3,927,522	4,652,896		

CITIGROUP - FINANCIAL SUMMARY		
(In millions of dollars, except per share amounts, and as otherwise noted)	CURRENT PERIOD Nine Months 2020 (Unaudited)	PREVIOUS PERIOD Nine Months 2019 (Unaudited)
Revenues, net of interest expense	\$ 57,799	\$ 55,908
Operating expenses	31,973	31,548
Provisions for credit losses and for benefits and claims	17,192	6,161
Income from continuing operations before income taxes	\$ 8,634	\$ 18,199
Citigroup's net income	\$ 7,068	\$ 14,422
Diluted earnings per share:		
Income from continuing operations	\$ 2.97	\$ 5.89
Net income	2.96	5.89
Shares (in millions):		
Weighted-average common shares outstanding applicable to basic EPS	2,087.1	2,282.4
Adjusted weighted-average common shares outstanding applicable to diluted EPS	2,100.1	2,298.2
	CURRENT PERIOD 3Q 2020 (Unaudited)	PREVIOUS PERIOD 3Q 2019 (Unaudited)
Regulatory capital ratios and performance metrics:		
Common Equity Tier 1 Capital (1)	11.75%	11.58%
Tier 1 Capital (1)	13.25%	13.20%
Total Capital (1)	15.66%	16.07%
Supplementary Leverage ratio	6.83%	6.27%
Return on average assets	0.57%	0.97%
Return on average common stockholders' equity (2)	6.7%	10.4%
Efficiency ratio (total operating expenses/total revenues)	63.4%	56.3%
Balance sheet data (in millions of dollars, except per share amounts):		
Total assets	\$ 2,234,459	\$ 2,014,802
Average assets	2,259,416	2,000,082
Total deposits	1,262,623	1,087,769
Total Citigroup's stockholders' equity	193,876	196,373
Book value per common share	\$ 84.48	\$ 81.02
(1) Citi's reportable Common Equity Tier 1 Capital and Tier 1 Capital ratios were derived under the Basel III Advanced Approaches framework as of September 30, 2020 and the Basel III Standardized Approach as of September 30, 2019, whereas Citi's reportable Total Capital ratio was the lower derived under the Basel III Advanced Approaches framework for all periods presented. 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.		
Supplementary Citigroup information has been extracted from interim financials available on www.citigroup.com/citi/investor/sec.htm		

STATEMENT OF CHANGES IN EQUITY						Rupees Thousands	
	Assigned Capital	Reserves			Total Equity		
		Statutory Reserve Fund	FVOCI Reserve	Retained Earnings	Exchange Equalization Reserve		
Balance as at 01/01/2020 (Opening balance) [Audited]	1,524,250	792,930	13,039	9,328,242	1,386,343	13,044,804	
Total comprehensive income for the period							
Profit for the year (net of tax)	-	-	-	1,297,865	-	1,297,865	
Other comprehensive income (net of tax)	-	-	511	2,134	38,932	41,577	
Total comprehensive income for the period	-	-	511	1,299,999	38,932	1,339,442	
Transactions with equity holders, recognized directly in equity							
Transfers to Statutory reserve fund during the period	-	-	-	-	-	-	
Profit transferred to head office	-	-	-	-	-	-	
Total transactions with equity holders	-	-	-	-	-	-	
Balance as at 30/09/2020 (Closing balance) [Unaudited]	1,524,250	792,930	13,550	10,628,241	1,425,275	14,384,246	

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STATEMENT OF COMPREHENSIVE INCOME

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	From 01/01/20 to 30/09/20 (Unaudited)	From 01/01/19 to 30/09/19 (Unaudited)
Profit/(loss) for the period	1,297,865	1,038,843
Items that will be reclassified to Income Statement;		
Exchange differences on translation of foreign operations	38,932	(27,645)
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income (net of tax)	511	50,302
Less: Tax expense relating to items that will be reclassified to income statement		
Items that will not be reclassified to Income Statement;		
Re-measurement of post-employment benefit obligations (net of tax)	2,134	(2,641)
Less: Tax expense relating to items that will not be reclassified to income statement		
Other Comprehensive Income (OCI) for the period, net of taxes	41,577	20,016
Total comprehensive income for the period	1,339,442	1,058,859

SELECTED PERFORMANCE INDICATORS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/09/20	As at 31/12/19
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	10,201	12,107
Core (Tier 1) Capital	10,201	12,107
Total Capital Base	10,256	12,136
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement as of 01.01.2019 - 7%)	24.50%	30.85%
Tier 1 Capital Ratio (%) (Minimum Requirement as of 01.01.2019 - 8.5%)	24.50%	30.85%
Total Capital Ratio (%) (Minimum Requirement as of 01.01.2019 - 12.5%)	24.63%	30.92%
Leverage Ratio (%) (Minimum Requirement - 2019 - 3%)	6.01%	7.10%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	28,550	33,833
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	82.29%	87.01%
Off-Shore Banking Unit (%)	55.67%	158.32%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	20,487	16,707
Liquidity Coverage Ratio (%) (Minimum Requirement -2019 onwards- 100%)		
Rupee (%)	266.00%	730.91%
All Currency (%)	421.65%	303.02%
Net Stable Funding Ratio (%) - (Minimum Requirement as of 01.07.2019 - 100%)	156.89%	147.55%
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 (%)	1.4%	3.3%
Return on Assets (before Tax) (%)	5.8%	5.5%
Return on Equity (%)	12.6%	9.4%

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ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rupees
Thousands

As at 30 September 2020				
a. Bank - Current period	AMC	FVPL	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
ASSETS				
Cash and cash equivalents	3,927,522	-	-	3,927,522
Balances with central banks	10,626	-	-	10,626
Placements with banks	4,243,807	-	-	4,243,807
Derivative financial instruments - Assets	-	589,678	-	589,678
Loans and advances	17,706,732	-	-	17,706,732
Debt instruments	-	9,736,227	9,701,407	19,437,634
Equity instruments	-	-	1,040	1,040
Total financial assets	25,888,688	10,325,905	9,702,447	45,917,040
LIABILITIES				
Due to banks	92,940	-	-	92,940
Derivative financial instruments - Liabilities	-	479,222	-	479,222
Financial liabilities	-	-	-	-
- due to depositors	30,008,467	-	-	30,008,467
- due to other borrowers	14,887	-	-	14,887
Total financial liabilities	30,116,294	479,222	-	30,595,516
b. Bank - Previous period				
	AMC	FVPL	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
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	-	331,367	-	331,367
Loans and advances	16,018,969	-	-	16,018,969
Debt instruments	-	7,891,091	8,864,749	16,755,840
Equity instruments	-	-	1,040	1,040
Total financial assets	31,521,653	8,222,458	8,865,789	48,609,900
LIABILITIES				
Due to banks	3,449,165	-	-	3,449,165
Derivative financial instruments	-	378,077	-	378,077
Financial liabilities	-	-	-	-
- due to depositors	30,588,969	-	-	30,588,969
- due to other borrowers	6,222	-	-	6,222
Total financial liabilities	34,044,356	378,077	-	34,422,433
AMC - Financial assets/liabilities measured at amortised cost				
FVPL - Financial assets/liabilities measured at fair value through profit or loss				
FVOCI - Financial assets measured at fair value through other comprehensive income				

ANALYSIS OF DEPOSITS

Rupees
Thousands

As At 30 September 2020		
	CURRENT PERIOD	PREVIOUS PERIOD
	As at 30/09/20	As at 31/12/19
By product – Domestic currency		
Demand deposits (current accounts)	6,343,329	7,729,243
Savings deposits	1,312,930	833,261
Fixed deposits	5,564,959	13,454,548
Other deposits	484,338	219,704
Sub total	13,705,556	22,236,756
By product – Foreign currency		
Demand deposits (current accounts)	10,077,994	5,731,533
Savings deposits	3,119,255	2,582,387
Fixed deposits	3,034,619	27,250
Other deposits	71,043	11,043
Sub total	16,302,911	8,352,213
Total	30,008,467	30,588,969

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

Rupees
Thousands

As At 30 September 2020		CURRENT PERIOD	PREVIOUS PERIOD
		As at 30/09/20	As at 31/12/19
Product-wise Gross loans & advances			
By product – Domestic currency			
Overdrafts		4,749,356	8,092,553
Term loans		2,799,126	4,495,669
Other loans		-	-
Sub total		7,548,482	12,588,222
By product – Foreign currency			
Overdrafts		1,753,968	1,273,531
Term loans		8,458,957	2,174,444
Other loans		-	-
Sub total		10,212,925	3,447,975
Total		17,761,407	16,036,197
Product-wise commitments and contingencies			
By product – Domestic currency			
Guarantees		1,825,272	1,878,126
Bonds		16,092	36,968
Undrawn credit lines		70,141,055	68,765,344
Other commitments		2,850,000	1,636,437
Sub total		74,832,419	72,316,875
By product – Foreign currency			
Guarantees		5,041,436	4,411,338
Bonds		230,931	682,205
Undrawn credit lines		12,850,344	9,767,059
Foreign Exchange Contracts		85,494,589	66,942,102
Other commitments		4,355,766	6,823,209
Sub total		107,973,066	88,625,913
Total		182,805,484	160,942,789
Stage-wise impairment on loans & advances, commitments and contingencies			
Gross loans and advances, commitments and contingencies		200,566,891	176,978,986
Less: Expected Credit Losses under Stage 1		16,664	22,525
Less: Expected Credit Losses under Stage 2		66,314	3,390
Less: Expected Credit Losses under Stage 3		-	-
Net value of loans and advances, commitments and contingencies		200,649,869	177,004,901
Movement of impairment during the period			
Under Stage 1			
Balance as at 01/01/2020 (Opening balance)		25,881	23,621
Charge/ (Write back) to Income Statement		(4,218)	2,260
Write-off during the year		-	-
Other movements		-	-
Balance as at 30/09/2020 (Closing balance)		21,663	25,881
Under Stage 2			
Balance as at 01/01/2020 (Opening balance)		4,433	-
Charge/ (Write back) to Income Statement		61,881	4,433
Write-off during the year		-	-
Other movements		-	-
Balance as at 30/09/2020 (Closing balance)		66,314	4,433
Under Stage 3			
Balance as at 01/01/2020 (Opening balance)		-	-
Charge/ (Write back) to Income Statement		-	-
Write-off during the year		-	-
Other movements		-	-
Balance as at 30/09/2020 (Closing balance)		-	-