

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 31/12/20 (Unaudited)	01/01/19 to 31/12/19 (Audited)
Interest income	2,822,487	3,313,398
Interest expenses	(681,698)	(789,695)
Net interest income	2,140,789	2,523,703
Fee and commission income	682,214	766,069
Fee and commission expenses	(23,200)	(219,858)
Net fee and commission income	659,014	546,211
Net gains/(losses) from trading	286,100	(738,779)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	436,517	477,285
Net gains/(losses) on derecognition of financial assets at fair value through other comprehensive income	76,042	-
Net other operating income	628,008	1,336,739
Total operating income	4,226,470	4,145,159
Impairment (charge)/ reversal	(32,408)	(6,029)
Net operating income	4,194,062	4,139,130
Personnel expenses	(716,105)	(672,323)
Depreciation expenses	(122,496)	(139,772)
Other expenses	(752,105)	(724,328)
Operating profit/(loss) before VAT and NBT on financial services and DRL	2,603,356	2,602,707
Value Added Tax ("VAT") on financial services	(381,975)	(407,288)
Nation Building Tax ("NBT") on financial services	-	(55,999)
Debt Repayment Levy ("DRL")	13,248	(216,779)
Profit/(loss) before tax	2,234,629	1,922,641
Income tax expenses	(646,149)	(681,724)
Profit/(loss) for the period	1,588,480	1,240,917

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STATEMENT OF CASH FLOWS

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/20 (Unaudited)	31/12/19 (Audited)
Cash flows from operating activities		
Interest and commission receipts	3,424,812	4,156,662
Interest and commission payments	(736,259)	(1,069,901)
Receipts from other operating activities	1,375,572	1,334,763
Payments to employees	(708,934)	(638,688)
Other overhead expenses and other taxes paid	(1,120,832)	(1,326,993)
Operating Profit before changes in Operating Assets & Liabilities	2,234,359	2,455,843
(Increase)/Decrease in Operating Assets		
Financial assets at amortised cost - loans and advances	324,565	2,752,211
Net proceeds from Sale, Maturity, and Purchases of Financial Investments	(5,883,172)	(3,084,337)
Deposits held for regulatory purposes	392,278	554,718
Placements with Bank	895,315	(3,625,380)
Other Assets	187,509	2,113,315
Increase / (decrease) in operating liabilities		
Financial liabilities at amortised cost – due to depositors	329,196	7,144,350
Financial liabilities at amortised cost – due to banks		(1,227,458)
Financial liabilities at amortised cost – due to debt securities holders	101,177	(64,653)
Other liabilities	(382,947)	(1,377,403)
Net cash generated from operating activities before income tax	(1,801,720)	5,641,206
Income tax paid	(1,003,401)	(984,167)
Gratuity Paid	(7,171)	(23,099)
Net unrealized gains arising from translating the financial statements of foreign operation	79,781	(21,862)
Net cash (used in)/from operating activities	(2,732,510)	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	2,217	587
Net cash (used in) / from investing activities	2,217	(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	(2,730,292)	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	1,922,603	4,652,896
Reconciliation of Cash & Cash Equivalents		
Cash in hand	1,164,524	714,673
Balances with banks	758,080	3,938,223
Money at call and short notice	-	-
Gross Cash & Cash Equivalents	1,922,603	4,652,896
Less: Accumulated impairment - Balance with banks	-	-
Net Cash & Cash Equivalents	1,922,603	4,652,896

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STATEMENT OF FINANCIAL POSITION

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/20 (Unaudited)	As at 31/12/19 (Audited)
Assets		
Cash and cash equivalents	1,922,603	4,652,896
Balances with central banks	276,731	669,009
Placements with banks	9,280,973	10,180,779
Derivative financial instruments - Assets	564,987	331,367
Financial assets recognized through profit or loss measured at fair value	12,839,478	7,891,091
Financial assets at amortized cost		
- loans and advances	15,661,929	16,018,969
- debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	9,893,392	8,864,749
Property, plant and equipment	355,081	479,766
Deferred tax assets	39,361	26,546
Other assets	47,336	39,572
Total assets	50,881,871	49,154,744
Liabilities		
Due to banks	2,719,260	3,449,165
Derivative financial instruments - Liabilities	308,183	378,077
Financial liabilities at amortized cost		
- due to depositors	31,616,710	30,588,969
- due to other borrowers	107,399	6,222
Retirement benefit obligations	274,775	208,998
Current tax liabilities	379,604	295,270
Other provisions	18,220	8,686
Other liabilities	795,723	1,174,553
Total liabilities	36,219,873	36,109,940
Equity		
Assigned capital	1,524,250	1,524,250
Statutory reserve fund	792,930	792,930
FVOCI reserve	(137)	13,039
Retained earnings	10,878,831	9,328,242
Exchange equalization reserve	1,466,124	1,386,343
Total equity	14,661,998	13,044,804
Total equity and liabilities	50,881,871	49,154,744
Contingent liabilities and commitments	181,307,332	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: 25/02/2021

Signed
Feroze Kamaldeen
Country Finance Officer
Date: 25/02/2021

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CITIGROUP - FINANCIAL SUMMARY

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

	CURRENT PERIOD Twelve Months 2020 (Unaudited)	PREVIOUS PERIOD Twelve Months 2019 (Unaudited)
Total revenues, net of interest expense	\$ 74,298	\$ 74,286
Total operating expenses	42,781	42,002
Provisions for credit losses and for benefits and claims	17,495	8,383
Income from continuing operations before income taxes	14,022	23,901
Citigroup's net income	\$ 11,370	\$ 19,401
<u>Diluted earnings per share:</u>		
Income from continuing operations	\$ 4.88	\$ 8.04
Citigroup's net income	\$ 4.87	\$ 8.04
<u>Shares (in millions):</u>		
Average basic	2,085.8	2,249.2
Average diluted	2,099.0	2,265.3
	CURRENT PERIOD 4Q 2020 (Unaudited)	PREVIOUS PERIOD 4Q 2019 (Unaudited)
<u>Regulatory capital ratios and performance metrics:</u>		
Common Equity Tier 1 (CET 1) Capital Ratio (1) (2)	11.8%	11.81%
Tier 1 Capital ratio (1) (2)	13.4%	13.36%
Total Capital ratio (1) (2)	15.7%	15.97%
Supplementary Leverage ratio (SLR) (1) (2)	7.0%	6.21%
Return on average assets	0.80%	0.99%
Return on average common equity	9.8%	10.6%
Efficiency ratio (total operating expenses/total revenues, net)	64.9%	56.9%
<u>Balance sheet data (in billions of dollars, except per share amounts): (2)</u>		
Total assets	\$ 2,260.3	\$ 1,951.2
Total average assets	2,299.4	1,996.6
Total deposits	1,280.7	1,070.6
Citigroup's stockholders' equity	199.8	193.2
Book value per share	86.59	82.90

(1) Citi's reportable CET1 Capital and Tier 1 Capital ratios were derived under the U.S. Basel III Advanced Approaches framework as of March 31, 2020 and all subsequent periods, and the U.S. Basel III Standardized Approach framework as of December 31, 2019, whereas Citi's reportable Total Capital ratios were derived under the U.S. Basel III Advanced Approaches framework for all periods presented. The reportable ratios represent the lower of each of the three risk-based capital ratios (CET1 Capital, Tier 1 Capital and Total Capital) under both the Standardized Approach and the Advanced Approaches under the Collins Amendment. For the composition of Citi's CET1 Capital and ratio, see page 27.

(2) December 31, 2020 is preliminary.

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

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Rupees
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STATEMENT OF CHANGES IN EQUITY

	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)	-	-	-	1,588,480	-	1,588,480
Other comprehensive income (net of tax)	-	-	(13,176)	(37,891)	79,781	28,714
Total comprehensive income for the period	-	-	(13,176)	1,550,589	79,781	1,617,194
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 31/12/2020 (Closing balance) [Unaudited]	1,524,250	792,930	(137)	10,878,831	1,466,124	14,661,998

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STATEMENT OF COMPREHENSIVE INCOME

	CURRENT PERIOD	PREVIOUS PERIOD
	From 01/01/20 to 31/12/20 (Unaudited)	From 01/01/19 to 31/12/19 (Audited)
Profit/(loss) for the period	1,588,480	1,240,917
Items that will be reclassified to Income Statement;		
Exchange differences on translation of foreign operations	79,781	(21,862)
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income (net of tax)	(13,176)	31,487
Less: Tax expense relating to items that will be reclassified to income statement	-	(8,816)
Items that will not be reclassified to Income Statement;		
Re-measurement of post-employment benefit obligations (net of tax)	(37,891)	33,909
Less: Tax expense relating to items that will not be reclassified to income statement	-	(9,495)
Other Comprehensive Income (OCI) for the period, net of taxes	28,714	25,223
Total comprehensive income for the period	1,617,194	1,266,140

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SELECTED PERFORMANCE INDICATORS

(Based on regulatory reporting)	CURRENT REPORTING PERIOD	PREVIOUS REPORTING PERIOD
	As at 31/12/20	As at 31/12/19
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	13,070	12,107
Core (Tier 1) Capital	13,070	12,107
Total Capital Base	13,107	12,136
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement as of 01.01.2019 - 7%)	37.42%	30.85%
Tier 1 Capital Ratio (%) (Minimum Requirement as of 01.01.2019 - 8.5%)	37.42%	30.85%
Total Capital Ratio (%) (Minimum Requirement as of 01.01.2019 - 12.5%)	37.52%	30.92%
Leverage Ratio (%) (Minimum Requirement -2019 - 3%)	7.70%	7.10%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	39,213	33,833
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	115.00%	87.01%
Off-Shore Banking Unit (%)	60.63%	158.32%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	23,952	16,707
Liquidity Coverage Ratio (%) (Minimum Requirement -2019 onwards- 100%)		
Rupee (%)	325.84%	730.91%
All Currency (%)	553.20%	303.02%
Net Stable Funding Ratio (%) - (Minimum Requirement as of 01.07.2019 - 100%)	192.25%	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 (%)	2.0%	3.3%
Return on Assets (before Tax) (%)	5.2%	5.5%
Return on Equity (%)	11.5%	9.4%

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ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rupees
Thousands

As at 31 December 2020

a. Bank - Current period	AMC Rs. '000	FVPL Rs. '000	FVOCI Rs. '000	Total Rs. '000
ASSETS				
Cash and cash equivalents	1,922,603	-	-	1,922,603
Balances with central banks	276,731	-	-	276,731
Placements with banks	9,280,973	-	-	9,280,973
Derivative financial instruments - Assets	-	564,987	-	564,987
Loans and advances	15,661,929	-	-	15,661,929
Debt instruments	-	12,839,478	9,892,352	22,731,830
Equity instruments	-	-	1,040	1,040
Total financial assets	27,142,236	13,404,465	9,893,392	50,440,093
LIABILITIES				
Due to banks	2,719,260	-	-	2,719,260
Derivative financial instruments - Liabilities	-	308,183	-	308,183
Financial liabilities				
- due to depositors	31,616,710	-	-	31,616,710
- due to other borrowers	107,399	-	-	107,399
Total financial liabilities	34,443,369	308,183	-	34,751,552

b. Bank - Previous period	AMC Rs. '000	FVPL Rs. '000	FVOCI Rs. '000	Total 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

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ANALYSIS OF DEPOSITS

Rupees
Thousands

As At 31 December 2020	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/20	As at 31/12/19
By product – Domestic currency		
Demand deposits (current accounts)	6,277,424	7,729,243
Savings deposits	3,036,563	833,261
Fixed deposits	8,788,055	13,454,548
Other deposits	478,373	219,704
Sub total	18,580,415	22,236,756
By product – Foreign currency		
Demand deposits (current accounts)	10,215,367	5,731,533
Savings deposits	2,293,423	2,582,387
Fixed deposits	440,140	27,250
Other deposits	87,365	11,043
Sub total	13,036,295	8,352,213
Total	31,616,710	30,588,969

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ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

Rupees
Thousands

As at 31 December 2020	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/20	As at 31/12/19
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	4,259,959	8,092,553
Term loans	3,962,642	4,495,669
Other loans	-	-
Sub total	8,222,601	12,588,222
By product – Foreign currency		
Overdrafts	1,412,360	1,273,531
Term loans	6,070,623	2,174,444
Other loans	-	-
Sub total	7,482,983	3,447,975
Total	15,705,584	16,036,197
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	1,737,404	1,878,126
Bonds	32,105	36,968
Undrawn credit lines	72,724,551	68,765,344
Other commitments	750,000	1,636,437
Sub total	75,244,060	72,316,875
By product – Foreign currency		
Guarantees	4,469,451	4,411,338
Bonds	199,226	682,205
Undrawn credit lines	16,046,831	9,767,059
Foreign Exchange Contracts	81,220,432	66,942,102
Other commitments	4,127,332	6,823,209
Sub total	106,063,272	88,625,913
Total	181,307,332	160,942,789
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	197,012,916	176,978,986
Less: Expected Credit Losses under Stage 1	10,909	22,525
Less: Expected Credit Losses under Stage 2	50,965	3,390
Less: Expected Credit Losses under Stage 3	-	-
Net value of loans and advances, commitments and contingencies	197,074,790	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	(14,972)	2,260
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/12/2020 (Closing balance)	10,909	25,881
Under Stage 2		
Balance as at 01/01/2020 (Opening balance)	4,433	-
Charge/ (Write back) to Income Statement	46,532	4,433
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/12/2020 (Closing balance)	50,965	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 31/12/2020 (Closing balance)	-	-