

CITIBANK, N. A. COLOMBO, SRI LANKA

A Company incorporated in the USA with limited liabilities

Rated 'AAA (lka)' by Fitch Ratings Lanka Ltd.



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Rupees
Thousands

INCOME STATEMENT

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/20 to 31/12/20 (Audited)	01/01/19 to 31/12/19 (Audited)
Interest income	2,822,488	3,313,398
Interest expenses	(681,698)	(789,695)
Net interest income	2,140,790	2,523,703
Fee and commission income	682,214	766,069
Fee and commission expenses	(165,222)	(219,858)
Net fee and commission income	516,992	546,211
Net gains/(losses) from trading	722,617	(261,494)
Net fair value gains on financial assets at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets at fair value through other comprehensive income	76,042	-
Net other operating income	628,009	1,336,739
Total operating income	4,084,450	4,145,159
Impairment charge	(32,406)	(6,029)
Net operating income	4,052,044	4,139,130
Personnel expenses	(722,895)	(672,323)
Depreciation expenses	(132,727)	(139,772)
Other expenses	(609,861)	(724,328)
Operating profit before VAT and NBT on financial services and DRL	2,586,561	2,602,707
Value Added Tax ("VAT") on financial services	(381,073)	(407,288)
Nation Building Tax ("NBT") on financial services	-	(55,999)
Debt Repayment Levy ("DRL")	13,248	(216,779)
Profit before tax	2,218,736	1,922,641
Income tax expenses	(649,179)	(681,724)
Profit for the period	1,569,557	1,240,917

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STATEMENT OF CASH FLOWS

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/20 (Audited)	31/12/19 (Audited)
Cash flows from operating activities		
Interest receipts	2,835,807	4,156,662
Interest payments	(712,691)	(1,069,901)
Net commission receipts/Payment	515,773	(1,383,688)
Trading income	1,412,341	1,103,668
Payments to employees	(690,027)	(661,787)
VAT & NBT on financial services DRL	(374,363)	(463,287)
Receipts from other operating activities	1,122	1,614,783
Payments on other operating activities	(654,263)	(863,706)
Operating profit before change in operating assets & liabilities	2,333,701	2,432,744
(Increase)/decrease in operating assets	(3,571,026)	(1,205,478)
Balances with Central Bank of Sri Lanka	(5,282,174)	523,435
Financial assets at amortised cost – loans & advances	321,551	2,752,211
Financial assets recognized through profit or loss	(4,931,425)	(3,000,341)
Other assets	6,321,023	(1,480,783)
Increase/(decrease) in operating liabilities	2,902,149	4,452,974
Financial liabilities at amortised cost – due to depositors	726,753	7,144,350
Financial liabilities at amortised cost – due to debt securities holders	2,144,114	(1,227,458)
Financial liabilities at amortised cost – due to other borrowers	101,177	(64,653)
Other liabilities	(69,895)	(1,399,265)
Net cash generated from operating activities before income tax	1,664,823	5,680,241
ROU adjustment	15,441	-
Income tax paid	(577,332)	(984,167)
Net cash (used in)/from operating activities	1,102,932	4,696,074
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,456)	(23,980)
Proceeds from the sale of property, plant and equipment	28	587
Purchase of financial investments	(940,853)	(83,996)
Proceeds from the sale and maturity of financial investments		
Net purchase of intangible assets		
Net cash flow from acquisition of investment in subsidiaries, associates and joint ventures		
Net cash flow from disposal of subsidiaries, associates and joint ventures		
Dividends received from investment in subsidiaries and associates		1,389
Others	-	-
Net cash (used in)/from investing activities	(960,281)	(106,001)
Cash flows from financing activities		
Net proceeds from the issue of ordinary share capital		
Net proceeds from the issue of other equity instruments		
Net proceeds from the issue of subordinated debt		
Repayment of subordinated debt		
Interest paid on subordinated debt Dividend paid to non-controlling interest		
Dividend paid to shareholders of the parent company		
Dividend paid to holders of other equity instruments		
Others	-	(1,659,014)
Net cash (used in) / from financing activities	-	(1,659,014)
Net increase/(decrease) in cash & cash equivalents	142,651	2,931,059
Cash and cash equivalents at the beginning of the year	4,652,896	1,721,836
Exchange difference in respect of cash & cash equivalent		
Cash and cash equivalents at the end of the year	4,795,547	4,652,895

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STATEMENT OF COMPREHENSIVE INCOME

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/20 to 31/12/20 (Audited)	01/01/19 to 31/12/19 (Audited)
Profit for the period	1,569,557	1,240,917
Items that will be reclassified to Income Statement;		
Exchange differences on translation of foreign operations	104,752	(21,862)
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	(13,177)	31,487
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others	-	-
Less: Tax expense/relating to items that will be reclassified to income statement	3,162	(8,816)
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	-	-
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	(37,577)	33,909
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
Others	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	9,018	(9,495)
Other Comprehensive Income (OCI) for the period, net of taxes	66,179	25,223
Total comprehensive income for the period	1,635,736	1,266,140
Attributable to:		
Equity holders of the parent	1,635,736	1,266,140
Non-controlling interests	-	-

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ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/20	31/12/19
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	4,259,959	8,092,553
Term loans	3,962,642	4,494,293
Other loans	3,186	1,376
Sub total	8,225,787	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	3,447,976
Total	15,708,770	16,036,198
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	1,567,460	1,633,348
Sub total	76,061,520	72,313,786
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	4,131,027	6,826,298
Sub total	106,066,967	88,629,002
Total	182,128,486	160,942,789
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	197,837,256	176,978,986
Less: Expected Credit Losses under Stage 1	(10,909)	(28,951)
Less: Expected Credit Losses under Stage 2	(50,965)	(1,363)
Less: Expected Credit Losses under Stage 3	-	-
Net value of loans and advances, commitments and contingencies	197,775,382	176,948,672
Movement of impairment during the period		
Under Stage 1		
Balance as at 01/01/2020 (Opening balance)	28,951	23,261
Charge/ (Write back) to Income Statement	(18,042)	5,330
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/12/2020 (Closing balance)	10,909	28,951
Under Stage 2		
Balance as at 01/01/2020 (Opening balance)	1,363	-
Charge/ (Write back) to Income Statement	49,602	1,363
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/12/2020 (Closing balance)	50,965	1,363
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)	-	-

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STATEMENT OF FINANCIAL POSITION

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/20 (Audited)	As at 31/12/19 (Audited)
Assets		
Cash and cash equivalents	4,795,376	4,652,896
Balances with central banks	9,557,875	4,275,701
Placements with banks	-	6,574,088
Derivative financial instruments — Assets	564,987	331,366
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	15,665,115	16,018,969
— debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	9,893,392	8,864,749
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	351,054	479,766
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	70,308	26,546
Other assets	30,462	39,572
Total assets	53,768,047	49,154,743
Liabilities		
Due to banks	5,592,204	3,449,165
Derivative financial instruments — Liabilities	308,182	378,077
Financial liabilities recognized through profit or loss		
— measured at fair value	-	-
— designated at fair value	-	-
Financial liabilities at amortized cost		
— due to depositors	31,285,804	30,588,969
— due to other borrowers	107,399	6,222
Debt securities issued	-	-
Retirement benefit obligations	274,775	208,998
Current tax liabilities	398,697	295,270
Deferred tax liabilities	-	-
Other liabilities	1,120,446	1,183,239
Due to subsidiaries	-	-
Total liabilities	39,087,507	36,109,940
Equity		
Assigned capital	1,524,250	1,524,250
Statutory reserve fund	824,321	792,930
FVOCI reserve	3,024	13,038
Retained earnings	10,837,849	9,328,242
Exchange equalization reserve	1,491,095	1,386,343
Total equity	14,680,540	13,044,803
Total equity and liabilities	53,768,047	49,154,743
Contingent liabilities and commitments	182,128,486	160,942,788
Memorandum Information		
Number of Employees	85	85
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;

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- 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

31st May, 2021

Signed

Feroze Kamaldeen

(Sgd.) Country Finance Officer

31st May, 2021

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ANALYSIS OF DEPOSITS

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/20	As at 31/12/19
Product-wise Deposits		
By product – Domestic currency		
Demand deposits (current accounts)	6,277,424	6,204,284
Savings deposits	3,036,563	833,261
Fixed deposits	8,788,055	13,454,548
Other deposits	168,639	174,492
Sub total	18,270,681	20,666,586
By product – Foreign currency		
Demand deposits (current accounts)	10,215,367	7,256,493
Savings deposits	2,293,423	2,582,387
Fixed deposits	440,140	27,250
Other deposits	66,194	56,253
Sub total	13,015,124	9,922,383
Total	31,285,805	30,588,969

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STATEMENT OF CHANGES IN EQUITY AND RESERVES

Rupees
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	Assigned Capital	Reserves					Total
		Statutory Reserve Fund	FVOCI Reserve	Revaluation Earnings	Retained Earnings	Other Reserve s	
Balance as at 01.01.2019	1,524,250	768,111	(9,632)	-	9,746,744	1,408,205	13,437,678
Total comprehensive income for the year							
Profit/(loss) for the year (net of tax)	-	-	-	-	1,240,917	-	1,240,917
Other comprehensive income (net of tax)	-	-	22,671	-	24,414	(21,862)	25,223
Total comprehensive income for the year	-	-	22,671	-	1,265,331	(21,862)	1,266,140
Transactions with equity holders, recognised directly in equity							
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-
Transfers to reserves during the period	-	24,819	-	-	(24,819)	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	(1,659,014)	-	(1,659,014)
Gain/(loss) on revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total transactions with equity holders	-	24,819	-	-	(1,683,833)	-	(1,659,014)
Balance as at 31.12.2019	1,524,250	792,930	13,039	-	9,328,242	1,386,343	13,044,804
Balance as at 01.01.2020	1,524,250	792,930	13,039	-	9,328,242	1,386,343	13,044,804
Total comprehensive income for the year							
Profit/(loss) for the year (net of tax)	-	-	-	-	1,569,557	-	1,569,557
Other comprehensive income (net of tax)	-	-	(10,014)	-	(28,559)	104,752	66,179
Total comprehensive income for the year	-	-	(10,014)	-	1,540,999	104,752	1,635,736
Transactions with equity holders, recognised directly in equity							
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-
Transfers to reserves during the period	-	31,391	-	-	(31,391)	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total transactions with equity holders	-	31,391	-	-	(31,391)	-	-
Balance as at 31.12.2020	1,524,250	824,321	3,024	-	10,837,849	1,491,095	14,680,540

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ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

Rupees
Thousands

As at 31 December 2020

a. Bank — Current Period

	AMC	FVTPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	4,795,376	-	-	4,795,376
Balances with central banks	9,557,875	-	-	9,557,875
Placements with banks	-	-	-	-
Derivative financial instruments — Assets	-	564,987	-	564,987
Loans and advances	15,665,115	-	-	15,665,115
Debt instruments	-	12,839,478	9,892,352	22,731,830
Equity instruments	-	-	1,040	1,040
Other Assets	30,462	-	-	30,462
Total financial assets	30,048,828	13,404,465	9,893,392	53,346,685
LIABILITIES				
Due to banks	5,592,204	-	-	5,592,204
Derivative financial instruments — Liabilities	-	308,182	-	308,182
Financial liabilities				
— due to depositors	31,285,804	-	-	31,285,804
— due to other borrowers	107,399	-	-	107,399
Other Liabilities	1,120,446	-	-	1,120,446
Total financial liabilities	38,105,853	308,182	-	38,414,035

b. Bank — Previous Period

ASSETS				
Cash and cash equivalents	4,652,896	-	-	4,652,896
Balances with central banks	4,275,701	-	-	4,275,701
Placements with banks	6,574,088	-	-	6,574,088
Derivative financial instruments	-	331,366	-	331,366
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
Other Assets	39,572	-	-	39,572
Total financial assets	31,561,225	8,222,457	8,865,789	48,649,471
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
Other Liabilities	1,183,239	-	-	1,183,239
Total financial liabilities	35,227,595	378,077	-	35,605,672

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

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SELECTED PERFORMANCE INDICATORS

(Based on regulatory reporting)	CURRENT PERIOD 31/12/20	PREVIOUS PERIOD 31/12/19
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	14,388	12,107
Core (Tier 1) Capital	14,388	12,107
Total Capital Base	14,425	12,136
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement -2020 - 6.5%, 2019 - 7.0%)	41.2%	30.9%
Tier 1 Capital Ratio (%) (Minimum Requirement - 2020 - 8.0%, 2019- 8.5%)	41.2%	30.9%
Total Capital Ratio (%) (Minimum Requirement - 2020 -12.0%, 2019 - 12.5%)	41.3%	30.9%
Leverage Ratio (%) (Minimum Requirement - 3%)	7.7%	7.1%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	39,213	33,833
Statutory Liquid Assets Ratio (%) (Minimum Requirement — 20%)		
Domestic Banking Unit (%)	115.0%	87.0%
Off-Shore Banking Unit (%)	60.6%	158.3%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	23,952	16,707
Liquidity Coverage Ratio (%) (Minimum Requirement — 100%)		
Rupee (%)	325.8%	730.9%
All Currency (%)	553.2%	303.0%
Net Stable Funding Ratio (%) - (Minimum Requirement — 100%)	192.3%	147.6%
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 (%)	2.3%	3.3%
Return on Assets (before Tax) (%)	5.0%	5.5%
Return on Equity (%)	11.3%	9.4%