

CITIBANK, N. A. SRI LANKA BRANCH

A Company incorporated in the USA with limited liabilities

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

Quarterly Financial Statements

31-Mar-22

INCOME STATEMENT

FOR THE PERIOD ENDED 31/03/2022

In Rupees Thousands

	Bank	
	Current Period From 01/01/2022 To 31/03/2022 (Unaudited)	Previous Period 01/01/2021 To 31/03/2021 (Unaudited)
Interest income	724,010	491,017
Interest expenses	(36,818)	(60,058)
Net interest income	687,192	430,959
Fee and commission income	285,924	181,793
Fee and commission expenses	(6,103)	(5,167)
Net fee and commission income	279,821	176,626
Net gains/(losses) from trading	867,215	(186,000)
Net fair value gains/(losses) on:	-	-
financial assets at fair value through profit or loss	5,768	19,212
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	1,351	2,138
Net other operating income	(118,247)	602,407
Total operating income	1,723,100	1,045,342
Impairment charges	(138,511)	20,630
Net operating income	1,584,589	1,065,972
Personnel expenses	(221,507)	(186,892)
Depreciation and amortization expenses	(7,716)	(14,453)
Other expenses	(224,288)	(170,768)
Operating profit/(loss) before VAT on financial services	1,131,078	693,859
Value Added Tax (VAT) on financial services	(91,135)	(90,473)
Operating profit/(loss) after VAT on financial services	1,039,943	603,386
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	1,039,943	603,386
Income tax expenses	(309,992)	(190,397)
Profit/(loss) for the period	729,951	412,989

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31/03/2022

In Rupees Thousands

	Bank	
	Current Period From 01/01/2022 To 31/03/2022 (Unaudited)	Previous Period From 01/01/2021 To 31/03/2021 (Unaudited)
Profit/(loss) for the period	729,951	412,989
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	2,624,722	267,427
Net gains/(losses) on cash flow hedges	(3,946)	(13,421)
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	-	-
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	(3,983)	(669)
Changes in revaluation surplus	-	-
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	2,616,793	253,337
Total comprehensive income for the period	3,346,744	666,326

**STATEMENT OF FINANCIAL POSITION
AS AT 31/03/2022**

In Rupees Thousands

	Bank	
	Current Period As at 31/03/2022 (Unaudited)	Previous Period As at 31/12/2021 (Unaudited)
Assets		
Cash and cash equivalents	4,619,657	2,080,359
Balances with central banks	690,624	739,657
Placements with banks	32,048,603	20,568,444
Derivative financial instruments	2,736,767	254,353
Financial assets recognized through profit or loss		
- measured at fair value	3,242,549	5,148,672
- designated at fair value	-	-
Financial assets at amortised cost		
- loans and advances	20,868,100	17,240,404
- debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	6,392,311	4,708,095
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	82,985	278,326
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	70,308	70,308
Other assets	319,087	29,205
Total assets	71,070,992	51,117,823
Liabilities		
Due to banks	3,267,521	527,133
Derivative financial instruments	1,897,437	279,499
Financial liabilities recognized through profit or loss		
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortised cost		
- due to depositors	44,514,367	32,564,678
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	218,211	228,197
Current tax liabilities	670,668	431,157
Deferred tax liabilities	-	-
Other provisions	167,117	103,990
Other liabilities	774,580	768,822
Due to subsidiaries	-	-
Total liabilities	51,509,901	34,903,476
Equity		
Stated capital/Assigned capital	1,524,250	1,524,250
Statutory reserve fund	824,321	824,321
OCI reserve	(10,941)	(6,995)
Retained earnings	12,731,317	12,139,802
Other reserves	4,492,144	1,732,969
Total shareholders' equity	19,561,091	16,214,347
Non-controlling interests	-	-
Total equity	19,561,091	16,214,347
Total equity and liabilities	71,070,992	51,117,823
Contingent liabilities and commitments	101,751,210	86,614,172
Memorandum Information		
Number of Employees	87	88
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
(a) the above statements have been prepared in compliance with the format and definitions prescribed
(b) the information contained in these statements have been extracted from the unaudited financial

Ravin Basnayake
(Sgd.) Citi Country Officer / Managing Director
31/03/2022

Feroze Kamaldeen
(Sgd.) Country Finance Officer
31/03/2022

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31/03/2022**

In Rupees Thousands

	Stated capital/Assigned capital			Reserves					Total
	Ordinary equity voting shares	Ordinary nonvoting shares	Assigned capital	Statutory Reserve fund	OCI reserve	Revaluation reserve	Retained earnings	ECL Stage 01 Reserve	
Balance as at 01/01/2022 (Opening balance) (Unaudited)	-	-	1,524,250	824,321	(6,995)	1,732,969	12,139,802	-	16,214,347
Total comprehensive income for the period	-	-	-	-	-	-	729,951	-	-
Profit/(loss) for the year (net of tax)	-	-	-	-	-	-	729,951	-	729,951
Other comprehensive income (net of tax)	-	-	-	-	(3,946)	2,624,722	(3,983)	-	2,616,793
Total comprehensive income for the period	-	-	-	-	(3,946)	2,624,722	725,968	-	3,346,744
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	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-
Others (transfer to ECL Stage 01 Reserve)	-	-	-	-	-	-	(134,453)	134,453	-
Total transactions with equity holders	-	-	-	-	-	-	(134,453)	134,453	-
Balance as at 31/03/2022 (Closing balance)(Unaudited)	-	-	1,524,250	824,321	(10,941)	4,357,691	12,731,317	134,453	19,561,091

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31/03/2022

In Rupees Thousands

	Bank	
	Current Period From 01/01/2022 To 31/03/2022 (Unaudited)	Previous Period 01/01/2021 To 31/12/2021 (Unaudited)
Cash flows from operating activities		
Interest receipts	696,735	2,224,455
Interest payments	(30,613)	(227,713)
Net commission receipts	268,964	838,285
Trading income	755,222	1,367,158
Payments to employees	(298,176)	(703,653)
VAT on financial services	(91,711)	(372,587)
Receipts from other operating activities	2,621,641	233,065
Payments on other operating activities	(224,288)	(857,901)
Operating profit before change in operating assets & liabilities	3,697,774	2,501,110
(Increase) / decrease in operating assets		
Balances with Central Bank of Sri Lanka	49,033	8,818,218
Financial assets at amortised cost – loans & advances	(3,676,954)	(1,566,235)
Financial assets recognized through profit or loss	1,906,123	7,638,252
Other assets (please specify)	(14,240,450)	(20,271,919)
Increase / (decrease) in operating liabilities		
Financial liabilities at amortised cost – due to depositors	11,943,529	1,315,722
Financial liabilities at amortised cost – due to debt securities holders	2,740,388	(5,065,071)
Financial liabilities at amortised cost – due to other borrowers	(44)	(107,038)
Other liabilities (please specify)	1,686,972	(409,274)
Net cash generated from operating activities before income tax	4,106,370	(7,146,236)
ROU adjustment	-	-
Income tax paid	(70,481)	(620,630)
Net cash (used in) / from operating activities	4,035,889	(7,766,866)
Cash flows from investing activities		
Purchase of property, plant and equipment	187,625	(14,677)
Proceeds from the sale of property, plant and equipment	-	16
Purchase of financial investments	-	-
Proceeds from the sale and maturity of financial investments	(1,684,216)	5,066,339
Net purchase of intangible assets	-	-
Net cash flow from acquisition of investment in subsidiaries, joint ventures and associates	-	-
Net cash flow from disposal of subsidiaries, associates and joint ventures	-	-
Dividends received from investment in subsidiaries and associates	-	-
Others (please specify)	-	-
Net cash (used in) / from investing activities	(1,496,591)	5,051,678
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 (please specify)	-	-
Net cash (used in) / from financing activities	-	-
Net increase / (decrease) in cash & cash equivalents	2,539,298	(2,715,188)
Cash and cash equivalents at the beginning of the period	2,080,358	4,795,546
Exchange difference in respect of cash & cash equivalents	-	-
Cash and cash equivalents at the end of the period (Gross)	4,619,657	2,080,358

**ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS
AS AT 31/03/2022**

a. Bank - Current period

In Rupees Thousands

	AMC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	4,619,657	-	-	4,619,657
Balances with central banks	690,624	-	-	690,624
Placements with banks	32,048,603	-	-	32,048,603
Derivative financial instruments	-	2,736,767	-	2,736,767
Loans and advances	20,868,100	-	-	20,868,100
Debt instruments	-	3,242,549	6,391,271	9,633,820
Equity instruments	-	-	1,040	1,040
Others (specify)	-	-	-	-
Total financial assets	58,226,985	5,979,316	6,392,311	70,598,612
LIABILITIES				
Due to banks	3,267,521	-	-	3,267,521
Derivative financial instruments	-	1,897,437	-	1,897,437
Financial liabilities				
- due to depositors	44,514,367	-	-	44,514,367
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Others (specify)	-	-	-	-
Total financial liabilities	47,781,888	1,897,437	-	49,679,325

b. Bank – Previous period

In Rupees Thousands

	AMC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	2,080,359	-	-	2,080,359
Balances with central banks	739,657	-	-	739,657
Placements with banks	20,568,444	-	-	20,568,444
Derivative financial instruments	-	254,353	-	254,353
Loans and advances	17,240,404	-	-	17,240,404
Debt instruments	-	5,148,672	4,708,095	9,856,767
Equity instruments	-	-	1,040	1,040
Others (specify)	-	-	-	-
Total financial assets	40,628,864	5,403,025	4,709,135	50,741,024
LIABILITIES				
Due to banks	527,133	-	-	527,133
Derivative financial instruments	-	279,499	-	279,499
Financial liabilities				
- due to depositors	32,564,678	-	-	32,564,678
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Others (specify)	-	-	-	-
Total financial liabilities	33,091,811	279,499	-	33,371,310

AMC Amortised Cost

FVPL Fair Value through Profit or Loss

FVOCI Fair Value through Other Comprehensive Income

**ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT
AS AT 31/03/2022**

In Rupees Thousands

	Bank	
	Current Period As at 31/03/2022	Previous Period As at 31/12/2021
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	5,251,493	5,273,214
Term loans	5,582,260	5,130,988
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Other loans (specify)	-	-
Sub total	10,833,753	10,404,202
By product – Foreign currency		
Overdrafts	4,134,070	3,517,569
Term loans	6,017,051	3,360,937
Guarantees	-	-
Bonds	-	-
Other loans (specify)	-	-
Sub total	10,151,121	6,878,506
Total	20,984,874	17,282,708
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	1,650,668	1,723,883
Bonds	10,880	3,700
Undrawn credit lines	49,600,611	43,699,716
Other commitments (specify)	145,418	-
Other contingencies (specify)	-	-
Sub total	51,407,577	45,427,299
By product – Foreign currency		
Guarantees	4,771,252	3,149,860
Bonds	226,723	135,751
Undrawn credit lines	11,852,203	12,813,636
Other commitments	16,389,739	9,448,876
Foreign Exchange Contracts	17,103,717	15,638,750
Sub total	50,343,633	41,186,873
Total	101,751,210	86,614,172
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	122,736,084	103,896,880
Less: Accumulated impairment under stage 1	(6,214)	(1,405)
Less: Accumulated impairment under stage 2	(294,977)	(144,889)
Less: Accumulated impairment under stage 3	-	-
Net value of loans and advances, commitments and contingencies	122,434,893	103,750,586
Movement of impairment during the period		
Under Stage 1		
Balance as at 01/01/2022 (Opening balance)	1,405	10,909
Charge/(Write back) to income statement	4,809	(9,504)
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/03/2022 (Closing balance)	6,214	1,405
Under Stage 2		
Balance as at 01/01/2022 (Opening balance)	144,889	50,965
Charge/(Write back) to income statement	150,088	93,923
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/03/2022 (Closing balance)	294,977	144,889
Under Stage 3		
Balance as at 01/01/2022 (Opening balance)	-	-
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Balance as at 31/03/2022 (Closing balance)	-	-

ANALYSIS OF DEPOSITS
AS AT 31/03/2022

In Rupees Thousands

	Bank	
	Current Period As at 31/03/2022	Previous Period As at 31/12/2021
By product – Domestic currency		
Demand deposits (current accounts)	19,449,386	16,406,628
Savings deposits	4,708,548	3,248,030
Fixed deposits	1,889,680	2,165,472
Others (Specify)	470,205	539,034
Sub total	26,517,819	22,359,164
By product – Domestic currency		
Demand deposits (current accounts)	12,998,962	7,171,721
Savings deposits	4,595,137	2,738,141
Fixed deposits	73,419	45,485
Others (Specify)	329,030	250,168
Sub total	17,996,548	10,205,515
Total	44,514,367	32,564,679

SELECTED PERFORMANCE INDICATORS
AS AT 31/03/2022
(Based on Regulatory Reporting)

	Current Reporting Period	Previous Reporting Period
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	14,473	14,211
Core (Tier 1) Capital	14,473	14,211
Total Capital Base	14,626	14,293
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	22.92%	32.73%
Tier 1 Capital Ratio (%) (Minimum Requirement 8.5%)	22.92%	32.73%
Total Capital Ratio (%) (Minimum Requirement 12.5%)	23.17%	32.92%
Leverage Ratio (%) (Minimum Requirement - 3%)	14.44%	18.33%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	34,329	37,027
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	107.96%	105.28%
Off-Shore Banking Unit (%)	72.17%	67.37%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	11,687	11,564
Liquidity Coverage Ratio (%) (Minimum Requirement 100%)		
Rupee (%)	239.32%	335.97%
All Currency (%)	179.06%	297.77%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	169.79%	203.64%
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%
Stage 3 Loans (net of stage 3 impairment) to Total Loans (net of stage 3 impairment) ratio (%)	0.0%	0.0%
SLFRS 9 based Stage 3 provision coverage ratio (%)	0.0%	0.0%
Profitability		
Interest Margin (%)	1.2%	2.1%
Return on Assets (before Tax) (%)	2.5%	4.3%
Return on Equity (%)	5.4%	7.9%

Note : Amounts stated are net of impairment and depreciation

CITIGROUP -- FINANCIAL SUMMARY

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

Item	Current Period First Three Months 2022 (Unaudited)	Previous Period First Three Months 2 021 (Unaudited)
Total revenues, net of interest expense(1)	\$ 19,186	\$ 19,667
Total operating expenses(1)	13,165	11,413
Provisions for credit losses and for benefits and claims	755	-2,055
Income from continuing operations before income taxes	5,266	10,309
Citigroup's net income	\$ 4,306	\$ 7,942
<u>Diluted earnings per share:</u>		
Income from continuing operations	\$ 2.02	\$ 3.62
Citigroup's net income	\$ 2.02	\$ 3.62
<u>Shares (in millions):</u>		
Average basic	1,971.7	2,082.0
Average diluted	1,988.2	2,096.6
	Current Period 1Q 2022 (Unaudited)	Previous Period 1Q 2021 (Unaudited)
<u>Regulatory capital ratios and performance metrics:</u>		
Common Equity Tier 1 (CET1) Capital ratio(2)(3)(4)	11.40%	11.57%
Tier 1 Capital ratio(2)(3)(4)	13.00%	13.24%
Total Capital ratio(2)(3)(4)	14.80%	15.36%
Supplementary Leverage ratio (SLR)(2)(4)(5)	5.60%	6.95%
Return on average assets	0.74%	1.39%
Return on average common equity	9.0%	17.2%
Efficiency ratio (total operating expenses/total revenues, net)	68.6%	58.0%
<u>Balance sheet data (in billions of dollars, except per share amounts):</u>		
Total assets	\$ 2,394.1	\$ 2,314.3
Total average assets	2,374.0	2,316.8
Total loans	659.7	666.0
Total deposits	1,333.7	1,301.0
Citigroup's stockholders' equity	197.7	202.5
Book value per share	92.03	88.18

(1) During the fourth quarter of 2021, Citi reclassified deposit insurance expenses from Interest expense to Other operating expenses for all periods presented. For additional information, see Note 1 to the Consolidated Financial Statements in Citi's 2021 Annual Report on Form 10-K.

(2) 1Q22 is preliminary.

(3) Citi's reportable CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Advanced Approaches framework as of March 31, 2021, and the Basel III Standardized Approach framework for the subsequent periods presented. Citi's reportable Total Capital ratios were derived under the Basel III Advanced Approaches framework for all periods presented. These reportable ratios reflect the more binding ratios 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 18 of Citigroup's 1Q22 Quarterly Financial Data Supplement.

(4) Citi's regulatory capital ratios reflect certain deferrals based on the modified regulatory capital transition provision related to the Current Expected Credit Losses (CECL) standard. For additional information, see "Capital Resources" in Citi's 2021 Annual Report on Form 10-K.

(5) For the composition of Citi's SLR, see page 18 of Citigroup's 1Q22 Quarterly Financial Data Supplement.

Supplementary Citigroup information has been extracted from Citigroup's 1Q22 Quarterly Financial Data Supplement available at

www.citigroup.com/citi/investor/qr.htm