

CITIBANK N.A., - PAKISTAN BRANCHES
(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

	Note	(Un-audited) March 31, 2016	(Audited) December 31, 2015
(Rupees in '000)			
ASSETS			
Cash and balances with treasury banks		5,047,700	4,809,308
Balances with other banks	9	996,449	704,912
Lendings to financial institutions	10	8,516,096	8,464,057
Investments - net	11	54,369,117	48,585,117
Advances - net	12	18,225,219	21,389,597
Fixed assets	13	454,724	458,331
Deferred tax assets - net		15,201	201,088
Other assets		2,722,385	4,031,075
		<u>90,346,891</u>	<u>88,643,485</u>
LIABILITIES			
Bills payable		1,274,972	1,766,257
Borrowings from financial institutions	14	7,873,805	7,003,479
Deposits and other accounts	15	63,379,804	61,742,683
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		-	-
Other liabilities		5,678,948	7,364,498
		<u>78,207,529</u>	<u>77,876,917</u>
NET ASSETS		<u><u>12,139,362</u></u>	<u><u>10,766,568</u></u>
REPRESENTED BY			
Head office capital account		6,812,671	6,812,671
Reserves		164,791	164,791
Unremitted profit		4,757,259	3,602,788
		<u>11,734,721</u>	<u>10,580,250</u>
Surplus on revaluation of assets - net of tax		404,641	186,318
		<u><u>12,139,362</u></u>	<u><u>10,766,568</u></u>

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

NADEEM LODHI
Managing Director and Citi Country Officer

SYED MUNEER AKHTAR ZAIDI
Acting Chief Financial Officer

CITIBANK N.A., - PAKISTAN BRANCHES
(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2016

	Note	Quarter ended	
		March 31, 2016	March 31, 2015
		(Rupees in '000)	
Mark-up / return / interest earned		1,437,626	1,659,372
Mark-up / return / interest expensed		639,169	643,389
Net mark-up / return / interest income		798,457	1,015,983
Reversal of provision against loans and advances - net		(25,590)	(52,121)
Bad debts written off directly		-	-
Reversal of provision against off-balance sheet obligations - net		-	-
		(25,590)	(52,121)
Net mark-up / interest income after provisions		824,047	1,068,104
NON MARK-UP / INTEREST INCOME			
Fee, commission and brokerage income		481,678	107,541
Income from dealing in foreign currencies	17	228,536	222,521
Gain on sale of securities		551,798	1,616,278
Unrealised gain / (loss) on revaluation of investments classified as held-for-trading		76,904	(361,704)
Other income	18	107,233	361,765
Total non mark-up / interest income - net		1,446,149	1,946,401
		2,270,196	3,014,505
NON MARK-UP / INTEREST EXPENSE			
Administrative expenses		468,223	443,421
Reversal of provision against diminution in the value of non-banking assets - net		-	(792)
Operating fixed assets written off		-	-
Other charges		25,794	50,371
Total non mark-up / interest expenses - net		494,017	493,000
PROFIT BEFORE TAXATION		1,776,179	2,521,505
Taxation			
- Current		551,642	837,386
- Prior years		-	-
- Deferred		68,936	45,164
		620,578	882,550
PROFIT AFTER TAXATION		1,155,601	1,638,955

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Acting Chief Financial Officer

CITIBANK N.A., - PAKISTAN BRANCHES
(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2016

	Quarter ended	
	March 31, 2016	March 31, 2015
	(Rupees in '000)	
Profit for the period after taxation	1,155,601	1,638,955
Items that will not be reclassified to profit and loss account		
Components of comprehensive income reflected in equity		
- Remeasurements of defined benefit plan loss	(1,739)	(20,427)
- Deferred tax asset on remeasurements of defined benefit plan	609	7,149
	(1,130)	(13,278)
Comprehensive income transferred to statement of changes in equity	1,154,471	1,625,677
Items that may be reclassified subsequently to profit and loss account		
Components of comprehensive income not reflected in equity		
- Surplus / (Deficit) on revaluation of available for sale securities	335,882	(437,813)
- Deferred tax (liability) / asset on revaluation of available for sale securities	(117,559)	153,235
	218,323	(284,578)
Total comprehensive income for the period	1,372,794	1,341,099

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CITIBANK N.A., - PAKISTAN BRANCHES
(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2016

	Quarter ended	
	March 31, 2016	March 31, 2015
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,776,179	2,521,505
Adjustments for :		
Depreciation	26,494	17,955
Amortisation	-	98
Reversals against loans and advances	(25,590)	(52,121)
Reversal against appreciation / diminution in the value of non-banking assets - net	-	(792)
Unrealised (gain) / loss on revaluation of investments classified as held-for-trading	(76,904)	361,704
Bad debts written off directly	-	-
Charge for defined benefit plan	9,626	10,794
Operating fixed assets written off	-	-
Gain on disposals of fixed assets	(158)	(787)
	<u>(66,532)</u>	<u>336,851</u>
	1,709,647	2,858,356
(Increase) / decrease in operating assets		
Lendings to financial institutions	(52,039)	(4,028,422)
Held-for-trading securities	(6,277,569)	2,610,580
Advances	3,189,968	1,982,056
Other assets	952,518	1,423,584
	<u>(2,187,122)</u>	<u>1,987,798</u>
Increase / (decrease) in operating liabilities		
Bills payable	(491,285)	(49,162)
Borrowings from financial institutions	853,131	(3,341,714)
Deposits and other accounts	1,637,121	7,463,542
Other liabilities (excluding current taxation, Head Office Expenses and payable to defined benefit plan)	(1,694,072)	(1,661,869)
	<u>304,895</u>	<u>2,410,797</u>
	(172,580)	7,256,951
Contribution to gratuity fund	(2,841)	(5,206)
Income tax paid	(195,470)	(622)
Net cash (used in) / generated from operating activities	<u>(370,891)</u>	<u>7,251,123</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	906,354	(3,981,768)
Investments in operating fixed assets	(23,870)	(71,547)
Sale proceeds from disposal of property and equipment	1,141	4,435
Net cash generated / (used in) investing activities	<u>883,625</u>	<u>(4,048,880)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Profit repatriated to Head Office during the period	-	-
Remittances made during the period on account of head office expenses	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
Increase in cash and cash equivalents	512,734	3,202,243
Cash and cash equivalents at beginning of the period	5,514,220	3,961,816
Cash and cash equivalents at end of the period	<u><u>6,026,954</u></u>	<u><u>7,164,059</u></u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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Managing Director and Citi Country Officer

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Acting Chief Financial Officer

CITIBANK N.A., - PAKISTAN BRANCHES
(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2016

	Head office capital account	Unremitted profit	Share based payment contribution reserve by the ultimate holding company	Total
	----- (Rupees in '000) -----			
Balance as at January 1, 2015	6,812,671	3,056,648	156,327	10,025,646
Profit for the quarter ended March 31, 2015	-	1,638,955	-	1,638,955
Other comprehensive income for the quarter ended March 31, 2015				
Remeasurements of defined benefit plan	-	(20,427)	-	(20,427)
Tax on remeasurements of defined benefit plan	-	7,149	-	7,149
	-	(13,278)	-	(13,278)
Transactions with owners				
Contribution by the ultimate holding company in respect of share based payments	-	-	1,014	1,014
Recharged balance payable to the ultimate holding company for share based payments	-	-	(1,014)	(1,014)
	-	-	-	-
Balance as at March 31, 2015	6,812,671	4,682,325	156,327	11,651,323
Profit after tax for the period April 01, 2015 to December 31, 2015	-	1,970,269	-	1,970,269
Other comprehensive income for the period April 2015 to December 2015				
Remeasurements of defined benefit plan	-	10,525	-	10,525
Tax on remeasurements of defined benefit plan	-	(3,683)	-	(3,683)
	-	6,842	-	6,842
Transactions with owners				
Contribution by the ultimate holding company in respect of share based payments	-	-	24,404	24,404
Recharged balance payable to the ultimate holding company for share based payments	-	-	(24,404)	(24,404)
Effect of re-measurement of cost under share based payment - net of tax	-	-	8,464	8,464
	-	-	8,464	8,464
Profit remittance made to head office	-	(3,056,648)	-	(3,056,648)
Balance as at December 31, 2015	6,812,671	3,602,788	164,791	10,580,250
Profit for the quarter ended March 31, 2016	-	1,155,601	-	1,155,601
Other comprehensive income for the quarter ended March 31, 2016				
Remeasurements of defined benefit plan	-	(1,739)	-	(1,739)
Tax on remeasurements of defined benefit plan	-	609	-	609
	-	(1,130)	-	(1,130)
Transactions with owners				
Contribution by the ultimate holding company in respect of share based payments	-	-	672	672
Recharged balance payable to the ultimate holding company for share based payments	-	-	(672)	(672)
	-	-	-	-
Balance as at March 31, 2016	<u>6,812,671</u>	<u>4,757,259</u>	<u>164,791</u>	<u>11,734,721</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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CITIBANK, N.A. - PAKISTAN BRANCHES

(INCORPORATED IN THE U.S.A. THE LIABILITY OF MEMBERS BEING LIMITED)

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2016

1 STATUS AND NATURE OF BUSINESS

Citibank, N.A. - Pakistan Branches (the Bank) operates as a branch of Citibank, N.A. which is a foreign banking company incorporated and domiciled in the U.S.A. with limited liability and is a member of Citigroup Inc., which is the ultimate holding company.

Credit ratings assigned to Citigroup Inc. and Citibank, N.A., by Moody's Investor Services are as follows:

	<u>Long-term senior debt</u>	<u>Short-term debt</u>
Citigroup Inc.	Baa1	P-2
Citibank, N.A.	A1	P-1

The Bank is engaged in banking activities permissible under the Banking Companies Ordinance, 1962. Its principal office is at AWT Plaza, I. I. Chundrigar Road, Karachi. The Bank operates through 3 branches (December 31, 2015: 3 branches) in Pakistan.

2 BASIS OF PRESENTATION

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade related modes of financing include purchasing of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchase and sale arising under these arrangements are not reflected in this condensed interim financial information as such but are restricted to the amount of facility actually utilised and appropriate portion of mark-up thereon.

3 STATEMENT OF COMPLIANCE

- 3.1 This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and the directives issued by State Bank of Pakistan (SBP). In case the requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and the directives issued by SBP prevail.
- 3.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has also deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3 The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the State Bank of Pakistan through BSD Circular Letter No. 2 dated May 12, 2004 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and this condensed interim financial information should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2015.
- 3.4 SBP vide its BSD Circular No. 07 dated April 20, 2010 has clarified that for the purpose of preparation of financial statements in accordance with International Accounting Standard - 1 (Revised), 'Presentation of Financial Statements', two statement approach shall be adopted i.e. separate 'Profit and Loss Account' and 'Statement of Comprehensive Income' shall be presented, and Balance Sheet shall be renamed as 'Statement of Financial Position'. Furthermore, the Surplus / (Deficit) on Revaluation of Available-for-sale (AFS) Securities only, may be included in the 'Statement of Comprehensive Income'. However, it should continue to be shown separately in the statement of financial position below equity. Accordingly, the above requirements have been adopted in the preparation of this condensed interim financial information.

4. BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except that certain investments and derivative financial instruments have been marked to market and are carried at fair value. In addition, obligation in respect of staff retirement benefit is carried at present value.

5. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in this condensed interim financial information are measured using the currency of the primary economic environment in which the Bank operates. This condensed interim financial information is presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2015.

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management and the key sources of estimates used in the preparation of this condensed interim financial information are the same as those applied to the annual financial statements for the year ended December 31, 2015.

8. FINANCIAL RISK MANAGEMENT

The Bank's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2015.

9. BALANCES WITH OTHER BANKS

	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
In Pakistan		
- Current accounts	33,662	40,705
Outside Pakistan		
- Current accounts	962,787	664,207
	<u>996,449</u>	<u>704,912</u>

10. LENDINGS TO FINANCIAL INSTITUTIONS

Placements	-	4,818,086
Repurchase agreement lendings (Reverse Repo)	8,516,096	3,645,971
	<u>8,516,096</u>	<u>8,464,057</u>

11 INVESTMENTS - NET

Note	March 31, 2016 (Un-audited)			December 31, 2015 (Audited)	
	Held by Bank	Given as collateral	Total	Held by Bank	Given as collateral
------(Rupees in '000)-----					
Investments by types					
Held-for-trading securities					
	59,724	-	59,724	3,554,265	-
Market Treasury Bills					
	14,109,407	-	14,109,407	4,337,297	-
Pakistan Investment Bonds					
	14,169,131	-	14,169,131	7,891,562	-
Available-for-sale securities					
	1,922,478	-	1,922,478	5,374,695	-
Market Treasury Bills					
	37,574,196	-	37,574,196	32,961,503	2,066,830
Pakistan Investment Bonds					
Fully paid-up ordinary shares	2,000	-	2,000	2,000	-
Unlisted Term Finance Certificates 11.1	-	-	-	-	-
	39,498,674	-	39,498,674	38,338,198	2,066,830
Investments at cost	53,667,805	-	53,667,805	46,229,760	2,066,830
Less: Provision for diminution in the value of investments	2,000	-	2,000	2,000	-
Investments - net of provisions	53,665,805	-	53,665,805	46,227,760	2,066,830
Surplus on revaluation of held-for-trading securities - net	80,787	-	80,787	3,884	-
Surplus on revaluation of available-for-sale securities - net	622,525	-	622,525	278,567	8,076
Investments at market value	54,369,117	-	54,369,117	46,510,211	2,074,906

11.1 Represents term finance certificates received as partial settlement from Azgard Nine Limited against over suspended mark-up amounting to Rs 248.090 million and are valued at NIL value.

	Note	(Un-audited) March 31, 2016 (Rupees)
12 ADVANCES - NET		
Loans, cash credits, running finances etc. - In Pakistan		20,418,491
Bills discounted and purchased (excluding Market treasury bills)		
Payable in Pakistan		724,838
Payable outside Pakistan		9,130
		733,968
Advances - gross		21,152,459
Provision against advances		
- Specific	12.2	(2,926,957)
- General	12.3	(283)
		(2,927,240)
Advances - net of provision		18,225,219

12.1 Advances include Rs. 2,926.957 million (December 31, 2015: Rs. 3,070.673 million) which have been non-performing status as detailed below:

(Audited)
Total

3,554,265
4,337,297
7,891,562

5,374,695
35,028,333
2,000
-
<u>40,405,028</u>
48,296,590

2,000

48,294,590

3,884

286,643

48,585,117

Due

(Audited)
December
31, 2015
in '000)

23,406,161

1,049,891
4,435
<u>1,054,326</u>
24,460,487

(3,070,673)
(217)
<u>(3,070,890)</u>
<u><u>21,389,597</u></u>

placed under

12.2 Category of classification

	March 31, 2016 (Un-audited)				
	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
(Rupees in '000)					
Substandard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	2,926,957	-	2,926,957	2,926,957	2,926,957
	<u>2,926,957</u>	<u>-</u>	<u>2,926,957</u>	<u>2,926,957</u>	<u>2,926,957</u>

	December 31, 2015 (Audited)				
	Classified Advances			Provision required	Provision held
	Domestic	Overseas	Total		
(Rupees in '000)					
Substandard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	3,070,673	-	3,070,673	3,070,673	3,070,673
	<u>3,070,673</u>	<u>-</u>	<u>3,070,673</u>	<u>3,070,673</u>	<u>3,070,673</u>

- 12.3 General provision represents provision held against consumer finance portfolio maintained at an amount equal to 1.5% of the fully secured performing portfolio and 5% of the unsecured performing portfolio as required under the Prudential Regulations issued by the State Bank of Pakistan.

13	FIXED ASSETS	Note	(Un-audited)	(Audited)
			March 31, 2016	December 31, 2015
(Rupees in '000)				
	Capital work-in-progress		17,621	17,909
	Property and equipment	13.1 & 13.2	437,103	440,422
	Intangible assets		-	-
			<u>454,724</u>	<u>458,331</u>

- 13.1 Additions to fixed assets are Rs 24.158 million (March 31, 2015: 0.132 million).

- 13.2 The written down value of fixed assets disposed of / written off during the period were as follows:

	(Un-audited)	
	For the quarter ended	
	March 31, 2016	March 31, 2015
(Rupees in '000)		
- Furniture and fixtures	-	-
- Electrical and office equipment	-	-
- Vehicles	983	3,648
	<u>983</u>	<u>3,648</u>

	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
14 BORROWINGS FROM FINANCIAL INSTITUTIONS		
In Pakistan	-	7,003,479
Outside Pakistan	7,873,805	-
	<u>7,873,805</u>	<u>7,003,479</u>
14.1 Particulars of borrowings from financial institutions		
In local currency	-	7,003,479
In foreign currencies	7,873,805	-
	<u>7,873,805</u>	<u>7,003,479</u>
14.2 Details of borrowings from financial institutions		
Secured		
Repurchase agreement borrowings	-	2,003,479
Unsecured		
Call borrowings	7,856,610	5,000,000
Overdrawn accounts	17,195	-
	<u>7,873,805</u>	<u>5,000,000</u>
	<u>7,873,805</u>	<u>7,003,479</u>
15 DEPOSITS AND OTHER ACCOUNTS		
Customers		
Fixed deposits	17,847,026	16,533,913
Savings deposits	35,766,864	34,407,487
Current accounts - non-remunerative	8,371,410	9,166,601
Other deposits	125,582	142,891
	<u>62,110,882</u>	<u>60,250,892</u>
Financial institutions		
Remunerative deposits	-	-
Non-remunerative deposits	1,268,922	1,491,791
	<u>1,268,922</u>	<u>1,491,791</u>
	<u>63,379,804</u>	<u>61,742,683</u>
16 CONTINGENCIES AND COMMITMENTS		
16.1 Direct credit substitutes		
Includes general guarantees of indebtedness, bank acceptance guarantees and standby letters of credit serving as financial guarantees for loans and securities.		
	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
(i) Government of Pakistan	202	202
(ii) Others	-	2,941,176
	<u>202</u>	<u>2,941,378</u>

16.2 Transaction-related contingent liabilities

Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and stand by letters of credit related to particular transactions.

	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
(i) Government of Pakistan	1,021,458	719,628
(ii) Banking companies and other financial institutions	79,053	34,676
(iii) Others	1,216,837	1,499,162
	<u>2,317,348</u>	<u>2,253,466</u>

16.3 Trade-related contingent liabilities

Includes short-term self liquidating trade related contingent liabilities arising from the movement of goods, such as documentary credits where the underlying shipment is used as security.

	Note	(Un-audited) March 31, 2016	(Audited) December 31, 2015
		(Rupees in '000)	
Letters of credit / acceptances		<u>11,180,833</u>	<u>10,036,491</u>

16.4 Other contingencies

Claims not acknowledged as debts		173,778	162,457
	16.4.1	<u>173,778</u>	<u>162,457</u>

16.4.1 These are not recognised as debt as the probability of these crystallising against the Bank is considered remote.

	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
16.5 Commitments in respect of forward transactions		
Forward agreement lending (reverse repos)	<u>8,517,593</u>	<u>3,648,557</u>
Forward agreement borrowings (repos)	<u>-</u>	<u>2,010,786</u>
Forward borrowings	<u>-</u>	<u>6,284,460</u>
Uncancellable commitments to extend credit	<u>1,575,015</u>	<u>1,947,363</u>

16.6 Commitments in respect of forward foreign exchange contracts

Purchase	<u>89,916,775</u>	<u>99,992,028</u>
Sale	<u>81,592,161</u>	<u>102,542,917</u>

The Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk.

	(Un-audited) March 31, 2016	(Audited) December 31, 2015
	(Rupees in '000)	
16.7 Other commitments		
Cross currency and interest rate derivative contracts (notional amount)	<u>6,083,675</u>	<u>6,083,675</u>
16.8 Commitments in respect of capital expenditure	<u>137,267</u>	<u>115,884</u>

17 INCOME FROM DEALING IN FOREIGN CURRENCIES

It includes income from foreign exchange dealings, forward settled interbank deals, revaluation of on balance sheet exposure and foreign exchange impact with respect to derivative contracts.

	Note	(Un-audited)	
		March 31, 2016	March 31, 2015
18 OTHER INCOME			
Income from interest rate derivative contracts	18.1	107,047	352,015
Net profit on sale of property and equipment		158	787
Credit losses recovered		-	583
Others		28	8,380
		<u>107,233</u>	<u>361,765</u>

18.1 This is net of funding cost of FX swaps amounting to Rs 34 million (March 31, 2015: Rs 94 million).

19 RELATED PARTY TRANSACTIONS

Transactions with related parties comprise of transactions in the normal course of business with other branches of Citibank, N.A. outside Pakistan, other direct and indirect subsidiaries of Citigroup, retirement benefit plans and key management personnel of the Bank.

Banking transactions with the related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk.

Contributions to and accruals in respect of staff retirements and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to executives is determined in accordance with the terms of their appointment.

19.1 Details of significant transactions with related parties and balances with them as at period end are as follows:

	Balance as at December 31, 2015	Net placements / disbursements / deposits / transfers	Net settlements / repayments / withdrawals / transfers	Balance as at March 31, 2016
------(Rupees in '000)-----				
Deposits				
Associated undertakings	583,903	86,203	(120,748)	549,358
Staff retirement benefit funds	9,572	49,101	(40,820)	17,853
			(Un-audited) March 31, 2016	(Audited) December 31, 2015
(Rupees in '000)				
Nostro balances / placements with Citibank Branches outside Pakistan			961,187	5,481,015
Call borrowings			7,856,610	-
Overdrawn Nostro Accounts			17,195	-
Unremitted head office expenses			845,040	792,257
Markup return interest payable			214	78
Markup return interest receivable			-	4,171
Payable for expenses and share based payment			194,445	194,154
Payable to defined benefit plan			152,582	144,058
Commitments in respect of forward exchange contracts				
Purchase			28,993,726	28,761,393
Sale			28,993,126	28,918,895
Unrealised gain / (loss) on forward foreign exchange contracts - purchase			293,419	(99,573)
Unrealised (loss) / gain on forward foreign exchange contracts - sale			(101,582)	(86,438)
Other receivables			3,366	-
Counter guarantees to branches			1,298,618	4,189,848

	(Un-audited)	
	For the quarter ended	
	March 31, 2016	March 31, 2015
	(Rupees in '000)	
19.2 Contribution to staff retirement benefit funds	15,230	11,414
19.3 Income / expense for the period		
Mark-up / return / interest earned	4,203	853
Mark-up / return / interest expensed	4,652	2,230
Fee, commission and brokerage income	17,248	-
Other income	7,038	5,670
Regional expenses for support services	6,980	17,706
Head office expenses	52,783	49,357
Remuneration paid to key management personnel	21,075	14,126
Gain on sale of securities	566	-
Gain on sale of fixed assets	63	-

20 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) is the Managing Director and Citi Country Officer of the Bank. The segment analysis with respect to business activity presented to the CODM is as follows:

	For the quarter ended March 31, 2016 (Un-audited)		
	Trading & sales	Corporate & Retail banking	Total
	----- (Rupees in '000) -----		
Total income	1,076,566	1,807,209	2,883,775
Total expenses	495,921	1,232,253	1,728,174
Net income	580,645	574,956	1,155,601
Segment return on net assets (ROA) (%)**	3.33%	11.11%	5.12%
Segment cost of funds (%)***	2.93%	3.68%	3.59%

	As at March 31, 2016 (Un-audited)		
	Trading & sales	Corporate & Retail banking	Total
	----- (Rupees in '000) -----		
Segment assets (gross)	69,649,083	23,635,002	93,284,085
Segment non-performing loans	-	2,926,957	2,926,957
Segment provision required*	-	2,937,194	2,937,194
Segment liabilities	8,844,326	69,363,203	78,207,529

	For the quarter ended March 31, 2015 (Un-audited)		
	Trading & sales	Corporate & Retail banking	Total
	----- (Rupees in '000) -----		
Total income	2,250,368	1,355,405	3,605,773
Total expenses	941,639	1,025,179	1,966,818
Net income	1,308,729	330,226	1,638,955
Segment return on net assets (ROA) (%)**	9.61%	4.39%	7.75%
Segment cost of funds (%)***	8.53%	4.18%	4.52%

	As at December 31, 2015 (Audited)		
	Trading & sales	Corporate & Retail banking	Total
	----- (Rupees in '000) -----		
Segment assets (gross)	63,344,640	28,379,688	91,724,328
Segment non-performing loans	-	3,070,673	3,070,673
Segment provision required*	-	3,080,843	3,080,843
Segment liabilities	7,267,320	70,609,597	77,876,917

* The provision against each segment represents provision held against advances, investments and other assets.

** Segment ROA = Net income / (Segment Assets - Segment Provisions)

*** Segment cost of funds have been computed based on the average balances.

**** The ROA on Corporate business includes an episodic income. Had the income not been considered the ROA would have been 4.3%.

21 GENERAL

21.1 This condensed interim financial information was authorised for issue by the management of the Bank on April 21, 2016.

21.2 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

NADEEM LODHI
Managing Director and Citi Country Officer

SYED MUNEER AKHTAR ZAIDI
Acting Chief Financial Officer