CITIBANK, N. A. SRI LANKA BRANCH

Pillar III Disclosures – Market Discipline

31-Mar-24

Basel III Computation of Capital Ratios

Item	Current Period As at 31/03/2024 (Unaudited) LKR '000	Previous Period As at 31/12/2023 (Audited) LKR '000
Common Equity Tier I (CETI) Capital after Adjustments	**23,724,867**	**17,004,832**
Total Common Equity Tier I (CET1) Capital	**24,046,492**	**24,700,482**
Equity capital or stated capital/assigned capital	1,524,250	1,524,250
Reserve fund	1,124,634	1,124,634
Published retained earnings/(Accumulated retained losses)	21,267,324	21,267,324
Accumulated other comprehensive income (OCI)	770,991	770,991
General and other disclosed reserves	13,283	13,283
Unpublished current year's profit/(losses) and gains reflected in OCI	(653,990)	-
Total Adjustments to CET1 Capital	**321,625**	**807,047**
Goodwill (net)		
Deferred tax assets (net)	117,974	159,852
Shortfall of capital in financial subsidiaries		
Amount due from head office & branches outside Sri Lanka in Sri Lanka Rupees	-	-
Amount due to head office & branches outside Sri Lanka in Sri Lanka Rupees	(978,401)	(1,447,878)
Amount due from head office & branches outside Sri Lanka in Foreign Currency (net)	1,182,052	2,095,073
Additional Tier 1 (AT1) Capital after Adjustments	**-**	**-**
Total Additional Tier 1 (ATI) Capital	**-**	**-**
Qualifying Additional Tier 1 Capital Instruments		
Total Adjustments to AT1 Capital	**-**	**-**
Tier 2 Capital after Adjustments	**440,915**	**421,952**
Total Tier 2 Capital	**440,915**	**421,952**
General provisions	440,915	421,952
Total Adjustments to Tier 2 Capital	**-**	**-**
Total Tier 1 Capital	**23,724,867**	**23,893,435**
Total Capital	**24,165,782**	**24,315,387**
Total Risk Weighted Assets (RWA)	**67,958,491**	**64,725,863**
RWAs for Credit Risk	35,273,163	33,756,167
RWAs for Market Risk	19,223,208	18,211,800
RWAs for Operational Risk	13,462,120	12,757,896
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**34.91**	**36.92**
of which: Capital Conservation Buffer	593,122	597,336
of which: Countercyclical Buffer		
of which: Capital Surcharge on D-SIBs	-	-
Total Tier 1 Capital Ratio (%)	**34.91**	**36.92**
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**35.56**	**37.57**
of which: Capital Conservation Buffer	-	-
of which: Countercyclical Buffer	-	-
of which: Capital Surcharge on D-SIBs	-	-

Computation of Leverage Ratio

Item	Amount (LKR '000)	
	Reporting Period (Unaudited)	Previous Reporting Period (Audited)
	As at 31/03/24	As at 31/12/23
Tier 1 Capital	**23,724,868**	**23,893,435**
Total Exposures	**109,625,710**	**104,475,687**
On-Balance Sheet Items (Excluding Derivatives and Securities Financing Transactions, but including Collateral)	99,217,922	95,593,368
Derivative Exposures	1,400,561	1,468,031
Securities Financing Transaction Exposures	-	
Other Off-Balance Sheet Exposures	9,007,227	7,414,288
Basel III Leverage Ratio (%) (Tier 1 / Exposure)	**21.64%**	**22.87%**

Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)			
	Current Period As at 31/03/24		Previous Period As at 31/12/23	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	**54,366,204**	**54,366,204**	**40,098,417**	**40,098,417**
Total Adjusted Level 1A Assets	54,366,204	54,366,204	40,098,417	40,098,417
Level 1 Assets	54,366,204	54,366,204	40,098,417	40,098,417
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets				
Total Cash Outflows	**146,616,037**	**30,635,367**	**150,280,216**	**30,747,471**
Deposits	-	-	-	-
Unsecured Wholesale Funding	66,330,297	26,572,844	65,572,003	26,765,338
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	77,058,388	835,170	81,535,035	808,955
Additional Requirements	3,227,353	3,227,353	3,173,178	3,173,178
Total Cash Inflows	**39,892,426**	**30,513,248**	**64,568,260**	**30,753,903**
Maturing Secured Lending Transactions backed by Collateral				
Committed Facilities	-	-	9,719,700	-
Other Inflows by Counterparty which are Maturing within 30 Days	38,237,328	30,375,153	36,984,275	30,573,979
Operational Deposits	1,512,977	-	17,684,361	-
Other Cash Inflows	142,121	138,095	179,924	179,924
Liquidity Coverage Ratio (%) (Stock of				
High Quality Liquid Assets/Total Net Cash		**709.85%**		**521.65%**
Outflows over the Next 30 Calendar Days) * 100				

Credit Risk under Standardised Approach
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Asset Class	Amount (LKR'000) as at 31.03.2024					
	Exposures before Credit		Exposures post CCF and		RWA and RWA	
	On- Balance Sheet Amount	Off- Balance Sheet Amount	On- Balance Sheet Amount	Off- Balance Sheet Amount	RWA	RWA Density
Claims on Central Government and CBSL	53,598,431	-	53,598,430	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	1,744,158	-	1,744,158	-	872,079	0.50
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	21,473,190	22,434,282	21,473,190	926,587	7,462,499	0.33
Claims on Financial Institutions	6,759,043	3,001,075	6,759,043	1,501,075	7,060,118	0.85
Claims on Corporates	15,499,704	24,269,311	15,499,704	7,259,416	18,910,265	0.83
Retail Claims	-	-	-	-	-	-
Claims Secured by Residential Property	-	-	-	-	-	-
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non-Performing Assets (NPAs)(i)	-	-	-	-	-	-
Higher-risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	2,186,697	56,222,720	2,186,697	-	968,202	0.44
Total	**101,261,222**	**105,927,388**	**101,261,222**	**9,687,078**	**35,273,163**	**0.32**

Market Risk under Standardised Measurement Method

Item	RWA Amount (LKR'000) as at 31.03.2024
(a) RWA for Interest Rate Risk	**382,228**
General Interest Rate Risk	382,228
(i) Net Long or Short Position	382,228
(ii) Horizontal Disallowance	
(iii) Vertical Disallowance	
(iv) Options	
Specific Interest Rate Risk	
(b) RWA for Equity	**-**
(i) General Equity Risk	-
(ii) Specific Equity Risk	
Foreign Exchange & Gold = (e)	**2,020,673**
(c) RWA for Foreign Exchange & Gold	**2,402,901**
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	**19,223,208**

Operational Risk under Basic Indicator Approach / The Standardized Approach / The Alternative Standardized Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31.03.2024		
			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		13,570,718	15,332,481	4,752,102
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0			
Commercial Banking	15%	0			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach	1,682,765				
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach	**13,462,120**				
The Standardised Approach					
The Alternative Standardised Approach					

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Accounting Classification	Current Reporting Period 000 'LKR	Previous Reporting Period 000 'LKR
Assigned Capital Relates to capital assigned to the branch by the Head Office at the time setting up the branch in Sri Lanka.	Equity	1,524,250	1,524,250
Reserve Fund Comprise of mandatory appropriations made out of profit after tax, per the Banking Act requirements.	Equity	1,124,634	1,124,634
Retained Earnings Comprise of un-remitted profits (after tax) of the branch, after making statutory appropriations to the Statutory Reserve.	Equity	21,267,324	21,267,324
Accumulated Other Comprehensive Income (OCI) Comprise of gains/(losses) arising from fair valuation of assets faired valued through OCI, actuarial valuation of defined benefit schemes and exchange gains/(losses) arising from the translation of OBU net assets. The amounts are net of deferred tax where relevant.	Equity	770,991	770,991
General and other Disclosed Reserves Exchange gains/(losses) arising from foreign currency translation and Un-published Current Year's Profit/Loss and Gains reflected in OCI	Equity	13,283	13,283

Key Regulatory Ratios - Capital and Liquidity

	As at 31st Mar 2024 (Unaudited)	As at 31st Dec 2023 (Audited)
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	23,725	23,893
Core (Tier 1) Capital	23,725	23,893
Total Capital Base	24,166	24,315
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	34.91%	36.92%
Tier 1 Capital Ratio (%) (Minimum Requirement 8.5%)	34.91%	36.92%
Total Capital Ratio (%) (Minimum Requirement 12.5%)	35.56%	37.57%
Leverage Ratio (%) (Minimum Requirement - 3%)	21.64%	22.87%
Regulatory Liquidity		
Statutory Liquid Assets (DBU LKR in Millions)	66,587	53,798
Statutory Liquid Assets (Off-shore USD in Millions)	63	87
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	136.62%	114.59%
Off-Shore Banking Unit (%)	79.74%	131.80%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	54,366	40,098
Liquidity Coverage Ratio (%) (Minimum Requirement 100%)		
Rupee (%)	506.00%	465.02%
All Currency (%)	709.85%	521.65%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	329.00%	224.91%

Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories

Item	Amount (LKR '000) as at 31/03/2024				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Assets	**101,068,284**	**101,068,284**			
Cash and cash equivalents	2,768,228	2,768,228	1,510,564		1,257,665
Balances with central banks	14,452,408	14,452,408	14,452,408	-	-
Placements with banks	27,161,972	27,161,972	27,161,972	-	-
Derivative financial instruments	511,480	511,480	-	-	-
Financial assets recognized through profit or loss					
- measured at fair value	30,990,845	30,990,845	30,990,845	30,990,845	-
- designated at fair value	-	-	-	-	-
Financial assets at amortized cost	-				
- loans and advances	16,453,547	16,453,547	16,453,547	-	-
Financial assets measured at fair value through other comprehensive Income	8,156,217	8,156,217	8,156,217	8,156,217	-
Property, plant and equipment	210,145	210,145	210,145	-	-
Deferred tax assets	117,974	117,974	-	-	117,974
Other assets	245,468	245,468	245,468	-	-
Item	Amount (LKR '000) as at 31/03/2024				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Liabilities and equity	**101,068,284**	**101,068,284**			
Due to banks	539,922	539,922	-		38,858
Derivative financial instruments	271,613	271,613	-	-	-
Financial liabilities at amortized cost	-				
- due to depositors	65,731,214	65,731,214	-	-	-
Retirement benefit obligations	415,605	415,605	-	-	-
Current tax liabilities	1,946,885	1,946,885	-	-	-
Other provisions	162,472	162,472	-	-	-
Other liabilities	3,732,419	3,732,419	-	-	-
Off-Balance Sheet Liabilities	**113,338,254.47**	**113,338,254**			
Guarantees	8,872,352	8,872,352	8,872,352		-
Performance Bonds	-	-	-	-	-
Letters of Credit	-	-	-	-	-
Other Contingent Items			-	-	-
Undrawn Loan Commitments	56,222,720	56,222,720	56,222,720		-
Other Commitments	13,063,397	13,063,397	13,063,397		-
Foreign Exchange Contracts	35,179,785	35,179,785	9,310,785		9,310,785
Shareholders' Equity					
Assigned Capital	1,524,250	1,524,250	-	-	1,524,250
of which Amount Eligible for CET1	*1,524,250*	*1,524,250*	-	-	1,524,250
Retained Earnings	22,205,465	22,205,465	-	-	22,205,465
Accumulated OCI	3,943	3,943	-	-	3,943
Other Reserves	4,534,495	4,534,495	-	-	4,534,495