
CITIBANK, N.A.

New Zealand Branch
and Associated Banking Group

DISCLOSURE STATEMENT

30 June 2013

GENERAL DISCLOSURE STATEMENT

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP

GENERAL DISCLOSURES

The financial statements are those of the aggregated financial statements for the New Zealand Branch and the Associated Banking Group (the "Banking Group").

The ultimate holding company of the Banking Group is Citigroup Inc. which is a global diversified financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers.

Registered Bank: Directorate and Responsible Persons

Responsible Person of Citibank, N.A. in New Zealand

Derek Syme
Citi Country Officer
Citibank, N.A. New Zealand Branch

Responsible Person of Citibank, N.A. signing as agent for all Citibank, N.A. directors

Stephen Roberts
Citi Country Officer
Citi Australia

Directors of Citibank, N.A.

Anthony M. Santomero
Franz B. Humer
Robert L. Joss
Eugene M. McQuade
Gary M. Reiner
Robert L. Ryan
Joan E. Spero
Diana L. Taylor
James S. Turley

On 24 April 2013 Lawrence R. Ricciardi resigned and Diana L. Taylor was appointed to Citibank, N.A.'s board of directors. On 09 July 2013 Gary M. Reiner and James S. Turley were appointed to Citibank, N.A.'s board of directors. There have been no other changes since the last full year disclosure statement dated 31 December 2012.

Guarantee Arrangements

Citibank, N.A. New Zealand Branch

Citibank, N.A. New Zealand Branch does not have any guarantees over any material obligations as at 29 August 2013.

Auditors of Citigroup Inc. and Citibank, N.A. New Zealand Branch and Associated Banking Group

Name and address for Service of any auditor whose report is referred to in the Disclosure Statement

Citigroup Inc.	KPMG LLP Independent Registered Public Accountant Firm 345 Park Avenue New York, New York 10154
----------------	--

Citibank, N.A. New Zealand Branch and Associated Banking Group	KPMG Chartered Accountants 10 Shelley Street Sydney, NSW 2000 Australia
--	---

Conditions of Registration

There have been no changes to Citibank, N.A.'s Conditions of Registration since the last disclosure statement dated 31 March 2013.

Non-consolidated Activities

Citibank, N.A. does not conduct any insurance business or non-financial business in New Zealand.

Credit Ratings

Citibank, N.A. has the following long-term debt ratings which are applicable to the New Zealand Branch's long-term senior unsecured obligations which are payable in New Zealand in New Zealand dollars.

Citibank, N.A.

	Current Rating
Moody's	A3 (stable)
Standard & Poor's	A (stable)
Fitch	A (stable)

Citibank, N.A. New Zealand Branch

Standard & Poor's, Moody's and Fitch have an implied rating equal to Citibank, N.A. as Citibank, N.A. New Zealand Branch is part of the same legal vehicle.

No material qualifications attach to the obligations and the ratings have not been withdrawn.

Other Material Matters

There are no matters relating to the business affairs of Citibank, N.A. New Zealand Branch and Associated Banking Group which are not contained elsewhere in the General Disclosure Statement which if disclosed would materially adversely affect the decision of a person to subscribe for Debt Securities of which Citibank, N.A. New Zealand Branch is an issuer.

Financial Statements of the Registered Bank, Overseas Banking Group and Overseas Bank

Any person, upon request and without charge, may obtain a copy of Citibank, N.A. New Zealand Branch and Associated Banking Group's most recent Disclosure Statement, which contains a copy of the most recent publicly available consolidated financial statements of Citibank, N.A. (the Citibank Call Report for the six months ended June 30, 2013), and the Citigroup Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, immediately by requesting a copy from Citibank, N.A.'s New Zealand office in Auckland. It is available on the Bank's website 'www.citi.co.nz'.

The information relating to Citibank, N.A. contained in the General Disclosure Statement is derived from, and is qualified in its entirety by reference to, the detailed information and consolidated financial statements included in the Citibank Call Report for the six months ended June 30, 2013, which is included as part of the Disclosure Statement. Citibank, N.A. prepares its Call Reports in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. In 1997, the FFIEC adopted U.S. GAAP as the reporting basis for the balance sheet, income statement and related schedules included in the Call Report. However, the presentation of financial statements in the Call Reports differs significantly from the presentation of financial statements included in Citigroup Inc.'s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission and Citibank, N.A.'s audited financials filed with the Federal Deposit Insurance Corporation. In addition, the Call Reports generally contain less disclosure than audited financial statements prepared in accordance with U.S. GAAP.

Citibank, N.A. is an indirect wholly-owned subsidiary of Citigroup Inc.

Financial Information of the Overseas Banking Group

(The following information has not been audited)

	(Thousands of US Dollars)	
	30-Jun-13	30-Jun-12
Profitability		
Net Profit/(Loss) after tax for the six months ended	7,544,000	6,009,000
Net Profit/(Loss) after tax over the previous twelve months as a percentage of average total assets	1.01%	1.13%
Size		
Total Assets	1,319,359,000	1,347,841,000
Percentage Change in total assets over the previous twelve months	-2.11%	10.82%
Asset Quality		
Total Impaired Assets	22,235,000	26,301,000
Total Impaired Assets as a percentage of Total Assets	1.69%	1.95%
Total Individual Credit Impaired Allowance	-	-
Total Individual Credit Impaired Allowance as a percentage of Total Impaired Assets	0.00%	0.00%
Total Collective Credit Impairment Allowance	-	-
Total Collective Credit Impairment Allowance as a percentage of Total Impaired Assets	0.00%	0.00%

Impaired assets for Citibank, N.A. consist of non-accrual loans, restructured loans, other non-accrual assets and other real estate owned. Citibank, N.A. maintains an allowance that is available to absorb all probable credit losses inherent in its portfolio. The allowance for loan and lease losses at 30 June 2013 is US\$17,839 million (30 June 2012: US\$23,054 million).

Total individually impaired assets for Citibank, N.A. are not included because such figures are not publicly available.

**CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	NOTE	Banking Group		
		30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Interest Income		33,710	36,305	73,841
Interest Expense		16,752	18,371	38,631
NET INTEREST INCOME		16,958	17,934	35,210
Operating Revenue/(Loss)	3	4,679	6,828	9,563
		21,637	24,762	44,773
Operating Expenses		13,021	14,854	27,021
PROFIT BEFORE INCOME TAX		8,616	9,908	17,752
Income Tax Expense		2,583	2,718	4,914
PROFIT AFTER INCOME TAX		6,033	7,190	12,838
Other Comprehensive Income				
Available For Sale Reserve				
† Fair value gain taken directly to equity		(310)	(45)	(42)
Tax on movements and transfers		87	13	12
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		(223)	(32)	(30)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,810	7,158	12,808

The accompanying notes form part of these financial statements and supplementary information.

**CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

NOTE	Banking Group		
	30-Jun-13 S(000's) unaudited	30-Jun-12 S(000's) unaudited	31-Dec-12 S(000's) audited
Capital			
Citicorp Services Limited			
Authorized, Issued and Paid-Up Capital			
- 25,000,000 (2012: 25,000,000) Ordinary Shares, fully paid	28,595	28,595	28,595
	<u>28,595</u>	<u>28,595</u>	<u>28,595</u>
Head Office Account			
Citibank, N.A. New Zealand Branch			
At the beginning of the period	33,271	33,071	33,071
Contribution from Head Office	62	30	200
At the end of the period	<u>33,333</u>	<u>33,101</u>	<u>33,271</u>
Available For Sale Reserve			
At the beginning of the period	(30)	-	-
Other comprehensive income	(223)	(32)	(30)
At the end of the period	<u>(253)</u>	<u>(32)</u>	<u>(30)</u>
Retained earnings			
At the beginning of the period	115,983	103,145	103,145
Profit after tax	6,033	7,190	12,838
At the end of the period	<u>122,016</u>	<u>110,335</u>	<u>115,983</u>
Equity at the end of the period	<u>183,691</u>	<u>171,999</u>	<u>177,819</u>
Represented by :			
Equity at the beginning of the period	177,819	164,811	164,811
Transactions with owners, recorded directly in equity			
Contribution from Head Office	62	30	200
Total transactions with owners	<u>62</u>	<u>30</u>	<u>200</u>
Total Comprehensive Income for the six months			
Profit for the six months	6,033	7,190	12,838
Other comprehensive income			
Net change in fair value of available for sale securities to profit or loss on disposal	(310)	(45)	(42)
Income tax on other comprehensive income	87	13	12
Total other comprehensive income	<u>(223)</u>	<u>(32)</u>	<u>(30)</u>
Total Comprehensive Income for the period	<u>5,810</u>	<u>7,158</u>	<u>12,808</u>
Equity at the end of the period	<u>183,691</u>	<u>171,999</u>	<u>177,819</u>

The accompanying notes form part of these financial statements and supplementary information.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	NOTE	Banking Group		
		30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
ASSETS				
Cash and Demand Deposits with Central Banks		680,296	670,477	487,154
Advances to Financial Institutions at Call		350	41	2,131
Due from Related Parties	7	142,110	101,095	193,873
Financial Assets at Fair Value through the Income Statement		807,904	779,375	669,488
Derivative Financial Instruments		23,189	28,161	32,206
Current Tax Assets		9,676	157	4,330
Available for Sale Securities		53,358	102,027	51,257
Loans and Advances	5	705,448	910,683	732,107
Other Assets		6,391	11,790	5,681
Deferred Tax Assets		983	996	1,182
Property Plant and Equipment		379	151	376
TOTAL ASSETS		2,430,084	2,604,953	2,179,785
LIABILITIES				
Deposits from Other Banks		23,584	23,124	29,135
Due to Related Parties	7	1,047,626	1,370,423	1,024,980
Other Deposits		1,151,238	999,618	914,093
Derivative Financial Instruments		16,011	28,566	22,323
Provisions		176	201	201
Other Liabilities		7,758	11,022	11,234
TOTAL LIABILITIES		2,246,393	2,432,954	2,001,966
EQUITY				
Issued and Paid-Up Capital		28,595	28,595	28,595
Head Office Account		33,333	33,101	33,271
Available for sale reserves		(253)	(32)	(30)
Retained Earnings		122,016	110,335	115,983
TOTAL EQUITY		183,691	171,999	177,819
TOTAL LIABILITIES AND EQUITY		2,430,084	2,604,953	2,179,785
Total Interest Earning and Discount Bearing Assets		2,389,466	2,563,698	2,136,010
Total Interest and Discount Bearing Liabilities		2,222,448	2,393,165	1,968,208

The accompanying notes form part of these financial statements and supplementary information.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Banking Group		
	30-Jun-13	30-Jun-12	31-Dec-12
NOTE	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	audited
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Interest Income	33,325	35,109	72,758
Trading Income	1,182	-	-
Other Income	4,469	9,866	14,928
Decrease in placements/loans	26,659	-	50,520
Decrease in financial assets at fair value	-	-	59,816
Decrease in placements due from related companies	52,069	86,052	-
Increase in deposits due to related parties	22,679	497,586	152,228
Increase in customer deposits	231,594	-	-
	<u>371,977</u>	<u>628,613</u>	<u>350,250</u>
Cash was applied to:			
Interest Expense	17,193	18,593	39,290
Trading Loss	-	10,882	24,726
Tax Paid	7,666	5,430	12,052
Other Expenses	13,750	23,247	27,103
Increase in placements due from related companies	-	-	33,355
Increase in financial assets at fair value	138,841	49,765	-
Increase in placements/loans	-	128,056	-
Increase in available for sale financial assets	2,785	101,475	50,645
Decrease in customer deposits	-	37,178	116,692
Decrease in deposits due to related parties	-	-	-
Net cashflow from operating activities	<u>191,742</u>	<u>253,987</u>	<u>46,387</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was applied to:			
Purchase of property, plant and equipment	(142)	(16)	(429)
Disposal of property, plant and equipment	15	-	-
Net cashflow from investing activities	<u>(127)</u>	<u>(16)</u>	<u>(429)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Increase in Head Office account	85	42	278
Net cashflow from financing activities	<u>85</u>	<u>42</u>	<u>278</u>
Net increase/(decrease) in cash	191,700	254,013	46,236
Opening cash and cash equivalents	532,842	486,606	486,606
Closing cash and cash equivalents	<u>724,542</u>	<u>740,619</u>	<u>532,842</u>

The accompanying notes form part of these financial statements and supplementary information.

**CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

The financial statements are those of the aggregated financial statements for the New Zealand Branch and the Associated Banking Group (the "Banking Group").

The ultimate holding company of the Banking Group is Citigroup Inc. which is a global diversified financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The entity's interim financial statements have been prepared in accordance with the requirements of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2013, with New Zealand Generally Accepted Accounting Practice ("NZGAAP") and the New Zealand equivalent to International Financial Reporting Standard NZ IAS 34 *Interim Financial Reporting*, as appropriate for profit-oriented entities. They comply with International Accounting Standard 34 *Interim Financial Reporting*.

These financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2012.

These interim financial statements were authorised for issue by Citibank, N.A. under power of attorney and by the boards of directors of Citicorp Services Limited and its subsidiaries on this 29th day of August 2013.

b) Basis of preparation

The financial report is presented in New Zealand dollars.

The financial report is prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments at fair value through the income statement, and available for sale securities.

The amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

c) Adoption of new and revised accounting standards

From 01 January 2013 the Banking Group has applied NZ IFRS 13: Fair Value Measurement. The change in accounting policy only relates to disclosures and has no impact on net income.

d) Changes in accounting policy

There have been no material changes in accounting policies since the last annual financial statements dated 31 December 2012, except as amended for the changes required due to the adoption of NZ IFRS 13 as explained in (c) Above.

2. FINANCIAL RISK MANAGEMENT

There have been no material changes in the Banking Group's policies for managing risk, or material exposure to any new types of risk since the last annual financial statements dated 31 December 2012.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

3. OPERATING REVENUE/(LOSS)	Banking Group		
	30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Net Trading Gains/(Losses)	(2,252)	(2,820)	(6,640)
Other Operating Revenue	6,931	9,648	16,203
	<u>4,679</u>	<u>6,828</u>	<u>9,563</u>

4. TOTAL LIABILITIES TO THIRD PARTIES	Branch		
	30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Deposits from Other Banks	23,584	23,124	29,135
Other Deposits	1,151,238	999,618	914,093
Other Liabilities	7,020	9,189	9,793
	<u>1,181,842</u>	<u>1,031,931</u>	<u>953,021</u>

5. IMPAIRED ASSETS

Citibank, N.A. New Zealand Branch and Associated Banking Group have no impaired assets, restructured assets, assets (including real estate) acquired through the enforcement of security or other assets under administration.

Past Due Assets	Banking Group		
	30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
less than 30 days past due	-	4	24
at least 30 days but less than 60 days past due	-	4	24
at least 60 days but less than 90 days past due	-	4	24
at least 90 days past due	-	37	78
	<u>-</u>	<u>49</u>	<u>150</u>

6. CASHFLOW STATEMENT

The cashflow statement that forms part of the Financial Statements has been prepared on the net cash flows of this entity. The reason for this presentation is that the business of banking produces cash receipts and payments for items in which their turnover is quick, the amounts are large and the maturities are short. The reporting of gross turnover of these items would not assist in the understanding of these Financial Statements.

Cash and cash equivalents include cash on hand, deposits held overnight or on call with financial institutions, nostro accounts and other short term highly liquid assets which are subject to insignificant risk of change in their fair value and are used by the entity in the management of its short term commitments.

CASH AND CASH EQUIVALENTS COMPRISE	Banking Group		
	30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Cash Balances with Third Parties	680,646	670,518	489,285
Cash Balances with Related Parties	43,896	70,101	43,557
	<u>724,542</u>	<u>740,619</u>	<u>532,842</u>

RECONCILIATION OF NET PROFIT AFTER TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

Net Profit after Tax	6,033	7,190	12,838
Add back			
Depreciation	124	24	212
Increase in accrual of fees and commissions	203	-	-
Decrease in accrual of revaluations	3,434	-	-
Increase in operating assets and liabilities	191,375	267,164	61,872
Deduct			
Decrease in accrual of other expenses/income	3,493	7,992	936
Decrease in accrual of interest expense	441	222	659
Increase in accrual of interest income	385	1,196	1,083
Decrease in accrual of fees and commissions	-	207	633
Decrease in accrual of provisions	25	-	-
Increase in accrual of revaluations	-	8,062	18,086
Increase in accrual of tax	5,083	2,712	7,138
Net Cash Flow from Operating Activities	<u>191,742</u>	<u>253,987</u>	<u>46,387</u>

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

7. RELATED PARTIES TRANSACTIONS

(a) ULTIMATE HOLDING COMPANY

The ultimate parent of Citibank, N.A. New Zealand Branch, Citicorp Services Limited and Citibank Nominees (New Zealand) Limited (Associated Banking Group) is Citigroup Inc. These financial statements reflect only the operations of the New Zealand branch of Citibank, N.A. and Associated Banking Group. The financial statements of Citigroup Inc. should be read in conjunction with these statements.

	Banking Group		
	30-Jun-13 \$(000's) unaudited	30-Jun-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
(b) TRANSACTIONS			
Interest Received - Head Office (including other branches)	1,403	1,748	3,197
Interest Received - Other Related Parties	528	355	687
Interest Paid - Head Office (including other branches)	6,270	7,442	15,165
Interest Paid - Other Related Parties	387	1,256	3,194
Net Trading Gains/(Losses) - Head Office (including other branches)	23,338	(16,356)	(41,670)
Management Fees (Paid) - Head Office (including other branches)	(2,216)	(1,404)	(3,227)
Management Fees (Paid) - Other Related Parties	(4,470)	(7,295)	(11,272)
(c) BALANCES			
Due from Related Parties - Head Office (including other branches)	68,825	68,202	174,955
Due from Related Parties - Other Related Parties	73,285	32,893	18,918
Derivative Financial Instruments - Head Office (including other branches)	23,189	28,161	32,206
Other Assets - Head Office (including other branches)	1,392	7,793	921
Other Assets - Other Related Parties	102	6	8
	<u>166,793</u>	<u>137,055</u>	<u>227,008</u>
Due to Related Parties - Head Office (including other branches)	996,206	1,273,632	954,350
Due to Related Parties - Other Related Parties	51,420	96,791	70,630
Derivative Financial Instruments - Head Office (including other branches)	16,011	28,566	22,323
Other Liabilities - Head Office (including other branches)	826	1,494	1,569
Other Liabilities - Other Related Parties	88	540	73
	<u>1,064,551</u>	<u>1,401,023</u>	<u>1,048,945</u>
Interest Rate - Swap (Notional Value) - Head Office (including other branches)	458,000	398,000	408,000
Foreign Exchange Forwards (Notional Value) - Head Office (including other branches)	522,652	523,791	520,496

All transactions with related parties are at commercial arms length terms and rates. These are conducted predominantly with other Citibank, N.A. branches and in the case of the Branch, the Associated Banking Group as well.

All Citigroup Inc. entities within New Zealand are grouped for tax reporting purposes. This group includes the Branch, the Associated Banking Group and Citigroup Global Markets entities. There were no outstanding tax balances at 30 June 2013 between these entities.

8. CAPITAL MANAGEMENT

Citibank, N.A. New Zealand Branch, as a full branch of Citibank, N.A., has a banking license but is not subject to any minimum capital requirements in New Zealand due to its branch status other than the requirement to comply with Thin Capitalisation Rules. The compliance with the minimum capital adequacy requirements is administered at the US parent entity level.

The major business is conducted in Citibank, N.A. with no significant activity carried out in the banking group. The capital management plan is therefore prepared on a consolidated level covering both branch and banking group.

The objectives of this Capital Management Plan are:

- To ensure that the entity maintains an appropriate level of capital commensurate to its risks and to support new business initiatives and growth;
- To ensure that capital is maintained at a level that meets Thin Capitalisation Rules and to support the case for any capital surplus repatriation back to New York;
- To ensure sufficient liquidity, limits and ratios are in place to support any asset growth.

Financial instruments, both on and off-balance sheet, are entered into by the bank in the normal course of business to provide financial services to customers, to manage its exposure to risk and for trading purposes.

Financial instrument transactions are subject to credit standards, financial controls, and risk-limiting and monitoring procedures. Collateral requirements are determined by evaluating each customer and product, and will include cash and mortgages.

The contract or notional values of these instruments reflect the volume of the bank's activities in these products and do not represent the much smaller amounts potentially subject to risk.

All liabilities are unsecured and were transacted at the prevailing market rates.

The credit equivalent amounts for off balance sheet exposures are determined in accordance with the current exposure method under the Reserve Bank of New Zealand's risk weighted capital adequacy guidelines.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

9. CONCENTRATIONS OF CREDIT EXPOSURE

	Banking Group		
	30-Jun-13	30-Jun-12	31-Dec-12
	\$(000's)	\$(000's)	\$(000's)
Industry Sectors	unaudited	unaudited	audited
Financial	1,706,154	1,626,344	1,428,593
Communication	96,813	95,899	94,401
Government	76,052	122,231	74,031
Mining	48,092	58,535	45,543
Other Manufacturing	72,566	186,027	71,850
Real Estate	157,037	156,113	157,810
Retail Trade	225,031	226,524	226,441
Transport	120,574	104,960	154,958
Wholesale Trade	37,653	105,810	39,751
Other	47,186	80,663	49,440
	2,587,158	2,763,106	2,342,818
Other Assets	13,072	9,063	7,666
	2,600,230	2,772,169	2,350,484

ANZSIC codes have been used as the basis for disclosing industry sectors.
The concentration of credit exposure includes both on and off balance sheet items.

10. CONCENTRATIONS OF FUNDING

	Banking Group		
	30-Jun-13	30-Jun-12	31-Dec-12
	\$(000's)	\$(000's)	\$(000's)
(a) Counterparty Type	unaudited	unaudited	audited
Finance	1,481,706	1,734,857	1,308,086
Communication	80,649	74,955	62,656
Food Manufacturing	45,473	74,490	35,139
Other Manufacturing	239,065	204,955	215,758
Property and Business Services	130,659	110,440	151,272
Transport	36,431	27,985	43,276
Wholesale Trade	163,518	126,648	136,928
Other	64,377	70,055	41,072
	2,241,878	2,424,385	1,994,187
Income Tax Liabilities, Provisions and Other Liabilities	4,515	8,569	7,779
	2,246,393	2,432,954	2,001,966

ANZSIC codes have been used as the basis for disclosing industry sectors.

(b) Geographical Areas

Exposures within New Zealand	724,902	665,495	545,235
Exposures to other countries (in NZD) -			
Australia	110,212	194,572	122,100
Great Britain	191,985	288,498	16,393
Hong Kong	3,295	42,564	11,166
Luxembourg	189,143	144,086	171,510
Singapore	260,084	414,230	936,490
United States	563,727	555,718	28,078
Other	198,530	119,222	163,215
	2,241,878	2,424,385	1,994,187
Income Tax Liabilities, Provisions and Other Liabilities	4,515	8,569	7,779
	2,246,393	2,432,954	2,001,966

11. FAIR VALUE HIERARCHY

- Level 1. Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2. Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3. Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

	Banking Group		
	30-Jun-13		
	Level 1	Level 2	Total
	\$(000's)	\$(000's)	\$(000's)
ASSETS			
Financial Assets at Fair Value through the income statement	756,476	51,428	807,904
Derivative Financial Instruments	-	23,189	23,189
Available For Sale Assets	53,358	-	53,358
LIABILITIES			
Derivative Financial Instruments	-	16,011	16,011

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

12. CREDIT EXPOSURES TO INDIVIDUAL COUNTERPARTIES

Based on actual credit exposures, no credit exposure to any individual counterparty of Citibank, N.A. New Zealand Branch and Associated Banking Group equaled or exceeded 10% of Citibank, N.A.'s equity during this accounting period.

13. INTEREST RATE RISK REPRICING SCHEDULE

The effective interest rates and contractual repricing or maturity periods (whichever dates are earlier) of financial instruments are as follows:

	Call \$(000's)	0-3 mths \$(000's)	3-6 mths \$(000's)	6-12 mths \$(000's)	1-2 years \$(000's)	More than 2 years \$(000's)	Total \$(000's)
Banking Group - as at 30 June 2013 (unaudited)							
Cash and Demand Deposits with Central Banks	680,296	-	-	-	-	-	680,296
Advances to Financial Institutions at call	350	-	-	-	-	-	350
Due from Related Parties	142,110	-	-	-	-	-	142,110
Financial Assets at Fair Value through profit and loss	-	657,300	99,176	51,428	-	-	807,904
Available for Sale Securities	-	-	-	-	53,358	-	53,358
Loans and Advances	35,953	502,317	155,000	12,098	80	-	705,448
	<u>858,709</u>	<u>1,159,617</u>	<u>254,176</u>	<u>63,526</u>	<u>53,438</u>	<u>-</u>	<u>2,389,466</u>
Deposits from Other Banks	23,584	-	-	-	-	-	23,584
Due to Related Parties	299,311	658,315	90,000	-	-	-	1,047,626
Other Deposits	1,070,291	80,947	-	-	-	-	1,151,238
	<u>1,393,186</u>	<u>739,262</u>	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,222,448</u>
Foreign Exchange Contracts	-	522,652	-	-	-	-	522,652
Interest Rate Swaps	100,000	-	-	(50,000)	(50,000)	-	-
OFF BALANCE SHEET	<u>100,000</u>	<u>522,652</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>522,652</u>
Banking Group - as at 30 June 2012 (unaudited)							
Cash and Demand Deposits with Central Banks	670,477	-	-	-	-	-	670,477
Advances to Financial Institutions at call	41	-	-	-	-	-	41
Due from Related Parties	87,233	13,862	-	-	-	-	101,095
Financial Assets at Fair Value through profit and loss	-	727,217	-	-	52,158	-	779,375
Available for Sale Securities	-	49,760	52,267	-	-	-	102,027
Loans and Advances	128,596	529,887	250,040	99	2,061	-	910,683
	<u>886,347</u>	<u>1,320,726</u>	<u>302,307</u>	<u>99</u>	<u>54,219</u>	<u>-</u>	<u>2,563,698</u>
Deposits from Other Banks	23,124	-	-	-	-	-	23,124
Due to Related Parties	419,148	861,275	90,000	-	-	-	1,370,423
Other Deposits	888,288	109,830	1,500	-	-	-	999,618
	<u>1,330,560</u>	<u>971,105</u>	<u>91,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,393,165</u>
Foreign Exchange Contracts	-	523,791	-	-	-	-	523,791
Interest Rate Swaps	50,000	-	-	-	(50,000)	-	-
OFF BALANCE SHEET	<u>50,000</u>	<u>523,791</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>523,791</u>
Banking Group - as at 31 December 2012 (audited)							
Cash and Demand Deposits with Central Banks	487,154	-	-	-	-	-	487,154
Advances to Financial Institutions at call	2,131	-	-	-	-	-	2,131
Due from Related Parties	193,873	-	-	-	-	-	193,873
Financial Assets at Fair Value through the profit and loss	-	617,637	-	-	51,851	-	669,488
Available for Sale Securities	-	-	51,257	-	-	-	51,257
Loans and Advances	22,237	544,135	155,067	9,000	1,668	-	732,107
	<u>705,395</u>	<u>1,161,772</u>	<u>206,324</u>	<u>9,000</u>	<u>53,519</u>	<u>-</u>	<u>2,136,010</u>
Deposits from Other Banks	29,135	-	-	-	-	-	29,135
Due to Related Parties	137,758	587,222	100,000	-	-	200,000	1,024,980
Other Deposits	839,235	74,858	-	-	-	-	914,093
	<u>1,006,128</u>	<u>662,080</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>1,968,208</u>
Foreign Exchange Contracts	-	520,496	-	-	-	-	520,496
Interest Rate Swaps	50,000	-	-	-	(50,000)	-	-
OFF BALANCE SHEET	<u>50,000</u>	<u>520,496</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>520,496</u>

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
 FOR THE SIX MONTHS ENDED 30 JUNE 2013

14. LIQUIDITY RISK - MATURITY PROFILE

The contractual maturity periods of financial instruments are as follows:

	Call \$(000's)	0-12 mths \$(000's)	1-2 years \$(000's)	2-5 years \$(000's)	More than 5 years \$(000's)	Gross nominal inflow/ (outflow) \$(000's)	Carrying Amount \$(000's)
Banking Group - as at 30 June 2013 (unaudited)							
Assets							
Cash and Demand Deposits with Central Banks	680,296	-	-	-	-	680,296	680,296
Advances to Financial Institutions at call	350	-	-	-	-	350	350
Due from Related Parties	142,110	-	-	-	-	142,110	142,110
Financial Assets at Fair Value through profit or loss	-	807,904	-	-	-	807,904	807,904
Available for Sale Securities	-	-	53,358	-	-	53,358	53,358
Loans and Advances	35,953	156,144	91,372	329,589	96,835	709,893	705,448
Other Financial Assets	307	4,050	-	-	-	4,357	4,357
	859,016	968,098	144,730	329,589	96,835	2,398,268	2,393,823
Liabilities							
Deposits from Other Banks	23,584	-	-	-	-	23,584	23,584
Due to Related Parties	299,311	652,322	101,760	-	-	1,053,393	1,047,626
Other Deposits	1,070,291	81,075	-	-	-	1,151,366	1,151,238
Other Financial Liabilities	1,072	2,347	-	-	-	3,419	3,419
	1,394,258	735,744	101,760	-	-	2,231,762	2,225,867
Banking Group - as at 30 June 2012 (unaudited)							
Assets							
Cash and Demand Deposits with Central Banks	670,477	-	-	-	-	670,477	670,477
Advances to Financial Institutions at call	41	-	-	-	-	41	41
Due from Related Parties	87,233	13,866	-	-	-	101,099	101,095
Financial Assets at Fair Value through profit or loss	-	727,217	52,158	-	-	779,375	779,375
Available for Sale Securities	-	102,027	-	-	-	102,027	102,027
Loans and Advances	128,596	190,877	68,180	424,281	104,354	916,288	910,683
Other Financial Assets	175	3,856	-	-	-	4,031	4,031
	886,522	1,037,843	120,338	424,281	104,354	2,573,338	2,567,729
Liabilities							
Deposits from Other Banks	23,124	-	-	-	-	23,124	23,124
Due to Related Parties	419,148	759,134	5,660	203,458	-	1,387,400	1,370,423
Other Deposits	888,288	111,789	-	-	-	1,000,077	999,618
Other Financial Liabilities	1,248	1,406	-	-	-	2,654	2,654
	1,331,808	872,329	5,660	203,458	-	2,413,255	2,395,819
Banking Group - as at 31 December 2012 (audited)							
Assets							
Cash and Demand Deposits with Central Banks	487,154	-	-	-	-	487,154	487,154
Advances to Financial Institutions at call	2,131	-	-	-	-	2,131	2,131
Due from Related Parties	193,873	-	-	-	-	193,873	193,873
Financial Assets at Fair Value through profit or loss	-	617,637	51,851	-	-	669,488	669,488
Available for Sale Securities	-	51,257	-	-	-	51,257	51,257
Loans and Advances	22,237	183,770	377,517	52,279	100,655	736,458	732,107
Other Financial Assets	143	3,760	-	-	-	3,903	3,903
	705,538	856,424	429,368	52,279	100,655	2,144,264	2,139,913
Liabilities							
Deposits from Other Banks	29,135	-	-	-	-	29,135	29,135
Due to Related Parties	137,758	694,530	5,780	200,618	-	1,038,686	1,024,980
Other Deposits	839,235	74,946	-	-	-	914,181	914,093
Other Financial Liabilities	851	2,805	-	-	-	3,656	3,656
	1,006,979	772,281	5,780	200,618	-	1,985,658	1,971,864

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

Liquidity risk is managed on the basis of expected maturity dates for certain products (see below). The main assumption made is that the balance sheet does not mature and is based on a business-as-usual view of the Banking Group's funding requirements.

All related party assets and liabilities are managed on a contractual maturity basis.

It is assumed that third party assets will roll over as management is not expecting any reduction in the balance sheet and are therefore shown in the > 2 years category. The only exception is cash with central banks which is treated as contractual.

Third party liabilities are split in to two main categories -

- a) Long-term debt which is managed on a contractual maturity basis
- b) Corporate and other deposits. Non-volatile balances are reported in the >2 years and volatile balances in the overnight bucket. The methodology for calculating the volatile and non-volatile balances is based on an analysis of 2.36 standard deviations of the previous twelve months balances and the resulting percentages are applied to the balance sheet.

The expected maturity periods of financial instruments are based on the carrying value of the balance sheet.

The expected maturity periods of financial instruments are as follows:

	Call \$(000's)	0-12 mths \$(000's)	1-2 years \$(000's)	> 2 years \$(000's)	Total \$(000's)
Banking Group - as at 30 June 2013 (unaudited)					
Assets					
Cash and Demand Deposits with Central Banks	680,296	-	-	-	680,296
Advances to Financial Institutions at call	-	-	-	350	350
Due from Related Parties	142,110	-	-	-	142,110
Financial Assets at Fair Value through profit or loss	-	-	-	807,904	807,904
Available for Sale Securities	-	-	-	53,358	53,358
Loans and Advances	-	-	-	705,448	705,448
Other Financial Assets	250	-	-	4,107	4,357
	<u>822,656</u>	<u>-</u>	<u>-</u>	<u>1,571,167</u>	<u>2,393,823</u>
Liabilities					
Deposits from Other Banks	3,538	-	-	20,046	23,584
Due to Related Parties	299,311	648,315	100,000	-	1,047,626
Other Deposits	172,686	-	-	978,552	1,151,238
Other Financial Liabilities	295	616	-	2,508	3,419
	<u>475,830</u>	<u>648,931</u>	<u>100,000</u>	<u>1,001,106</u>	<u>2,225,867</u>
Net Assets and Liabilities	<u>346,826</u>	<u>(648,931)</u>	<u>(100,000)</u>	<u>570,061</u>	<u>167,956</u>
Banking Group - as at 30 June 2012 (unaudited)					
Assets					
Cash and Demand Deposits with Central Banks	670,477	-	-	-	670,477
Advances to Financial Institutions at call	-	-	-	41	41
Due from Related Parties	87,233	13,862	-	-	101,095
Financial Assets at Fair Value through profit or loss	-	-	-	779,375	779,375
Available for Sale Securities	-	-	-	102,027	102,027
Loans and Advances	-	-	-	910,683	910,683
Other Financial Assets	67	15	-	3,949	4,031
	<u>757,777</u>	<u>13,877</u>	<u>-</u>	<u>1,796,075</u>	<u>2,567,729</u>
Liabilities					
Deposits from Other Banks	3,469	-	-	19,655	23,124
Due to Related Parties	419,148	751,275	-	200,000	1,370,423
Other Deposits	271,579	-	-	728,039	999,618
Other Financial Liabilities	657	1,288	-	709	2,654
	<u>694,853</u>	<u>752,563</u>	<u>-</u>	<u>948,403</u>	<u>2,395,819</u>
Net Assets and Liabilities	<u>62,924</u>	<u>(738,686)</u>	<u>-</u>	<u>847,672</u>	<u>171,910</u>

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013

Banking Group - as at 31 December 2012 (audited)	Call \$(000's)	0-12 mths \$(000's)	1-2 years \$(000's)	> 2 years \$(000's)	Total \$(000's)
Assets					
Cash and Demand Deposits with Central Banks	487,154	-	-	-	487,154
Advances to Financial Institutions at call	-	-	-	2,131	2,131
Due from Related Parties	193,873	-	-	-	193,873
Financial Assets at Fair Value through profit or loss	-	-	-	669,488	669,488
Available for Sale Securities	-	-	-	51,257	51,257
Loans and Advances	-	-	-	732,107	732,107
Other Financial Assets	73	-	-	3,830	3,903
	681,100	-	-	1,458,813	2,139,913
Liabilities					
Deposits from Other Banks	4,370	-	-	24,765	29,135
Due to Related Parties	137,758	687,222	-	200,000	1,024,980
Other Deposits	137,114	-	-	776,979	914,093
Other Financial Liabilities	510	1,226	-	1,920	3,656
	279,752	688,448	-	1,003,664	1,971,864
Net Assets and Liabilities	401,348	(688,448)	-	455,149	168,049

15. EXPOSURES TO MARKET RISK

	Implied Risk Weighted Exposure \$(000's)	Notional Capital Charge \$(000's)	Notional Capital Charge - % of Citibank, N.A.'s Equity \$(000's)
	Banking Group 30-Jun-13 unaudited		
Interest Rate Risk	1,850	148	-
Peak Interest Rate Risk 01/01/13-30/06/13	1,850	148	-
Foreign Currency Risk	1,675	134	-
Peak Foreign Currency Risk 01/01/13-30/06/13	3,025	242	-
	30-Jun-12 unaudited		
Interest Rate Risk	688	55	-
Peak Interest Rate Risk 01/01/12-30/06/12	1,163	93	-
Foreign Currency Risk	1,913	153	-
Peak Foreign Currency Risk 01/01/12-30/06/12	1,913	153	-
	31-Dec-12 audited		
Interest Rate Risk	613	49	-
Peak Interest Rate Risk 01/07/12-31/12/12	1,300	104	-
Foreign Currency Risk	788	63	-
Peak Foreign Currency Risk 01/07/12-31/12/12	17,300	1,384	-

Market risk notional capital charges are derived in accordance with the Capital Adequacy Framework (Standardised Approach) (BS2A) per the Registered Bank Disclosure Statement (Overseas Incorporated Registered Banks) Order 2013.

Peak Exposure has been derived using the Overseas Banking Group's equity as at the end of the quarter.

The branch segregates its exposure to market risk between trading and non-trading portfolios. Trading portfolios cover risks arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis. Non-trading portfolios cover risks resulting from mainstream banking activities.

**CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

16. CAPITAL ADEQUACY

Citibank, N.A. New Zealand Branch is a branch of, and each member of the Associated Banking Group is a wholly-owned subsidiary of, Citibank, N.A., which is an indirect wholly-owned subsidiary of Citigroup Inc. The following sets forth the capital ratios of Citibank, N.A.

CITIBANK, N.A.	As at 30-Jun-13 unaudited	As at 30-Jun-12 unaudited	As at 31-Dec-12 audited
Tier 1 Capital as a percentage of risk weighted exposures	13.34%	15.23%	14.21%
Total Capital (Tier 1 and 2) as a percentage of risk weighted exposures	15.45%	16.50%	16.41%

Citibank, N.A. is subject to risk-based capital and leverage guidelines issued by the U.S. regulator for national banks, the Office of the Comptroller of the Currency. The Office of the Comptroller of the Currency is required by law to take specific prompt actions with respect to institutions that do not meet minimum capital standards. Tier 1 Capital and Total Capital ratios are calculated based on Basel I credit risk capital rules and final (revised) market risk capital rules (Basel II.5) effective on January 1, 2013.

Citibank, N.A. complies with the following minimum capital adequacy requirements at least equal to that specified under the Basel I approach, as administered by the Office of the Comptroller of the Currency:

Tier 1 Capital of Citibank, N.A. is not less than 4 percent of risk weighted exposures

Total Capital (Tier 1 and 2) of Citibank, N.A. is not less than 8 percent of risk weighted exposures

For information on the Basel II and Basel III capital adequacy framework in relation to Citigroup see "Capital Resources and Liquidity - Capital Resources" in Citigroup's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013. It is available on the Bank's website 'www.citi.co.nz' as part of the General Disclosure Statement dated 30 June 2013.

17. SUBSEQUENT EVENTS

There has not arisen in the interval between 30 June 2013 and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Branch, to affect significantly the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

The Directors' and the New Zealand Chief Executive Officer's Statement

The undersigned officers of Citibank, N.A., being the Citigroup Country Officer of Citibank, N.A. New Zealand Branch (the "CCO"), signing this statement on his own behalf in such capacity, and Stephen H. Roberts, the duly authorised agent in writing of each and every director of Citibank, N.A., signing this statement on behalf of each such director, who, after due enquiry by the CCO and such directors, believe that -

As at the date hereof, the Disclosure Statement contains all the information required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2013.

As at the date hereof, the Disclosure Statement is not false or misleading.

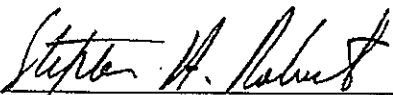
During the half-year period ended 30 June 2013, Citibank, N.A., New Zealand Branch complied with the conditions of registration imposed on it by the Reserve Bank of New Zealand pursuant to section 74 of the Reserve Bank of New Zealand Act 1989.

During the half-year period ended 30 June 2013, Citibank, N.A., New Zealand Branch had systems in place to monitor and control adequately the material risks of its Banking Group, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, and other business risks, and those systems were being properly applied.

However, no system of internal control can facilitate the perfect management of banking risks.

However, changes in the financial condition of Citibank, N.A., Citibank, N.A. New Zealand Branch and Associated Banking Group, and/or Citigroup Inc. may have occurred after 30 June 2013, the most recent date of any of the financial statements included in this Disclosure Statement, although such changes, if any, and except as set forth in the Disclosure Statement, are not believed to be material in the context of such affected entity's overall financial condition.

It is confirmed that the said powers of attorney appointing Stephen Roberts as agent are still in force and have not been revoked.



Signed by Stephen H. Roberts
as agent for all the directors

Dated this 29th day of August 2013
in Sydney
Australia



Derek Syme
Citi Country Officer
Citibank, N.A. New Zealand Branch

Dated this 29th day of August 2013
in Auckland
New Zealand



Auditors' review report

To the Shareholder of Citibank N.A, New Zealand Branch

We have reviewed pages 3 to 15 of the condensed interim financial statements of Citibank N.A, New Zealand Branch and its related entities (the 'Banking Group') prepared and disclosed in accordance with the Registered Bank Disclosure Statement (Overseas Incorporated Registered Banks) Order 2013 (the 'Order') and the supplementary information prescribed in Schedules 5, 7, 9, 10, 12 and 14 of the Order. The condensed interim financial statements, and supplementary information, provide information about the past financial performance and cash flows of the Banking Group and its financial position as at 30 June 2013.

Directors' responsibilities

The Directors of Citibank N.A, New Zealand Branch are responsible for the preparation and presentation of the disclosure, which includes condensed interim financial statements prepared in accordance with Clause 26 of the Order and NZ IAS 34, *Interim Financial Reporting* ("NZ IAS 34"). The Directors are also responsible for such internal controls as the Directors determine are necessary to enable the preparation of the Disclosure Statement that is free from material misstatement, whether due to fraud or error.

They are also responsible for the preparation of supplementary information in the Disclosure Statement which fairly states the matters to which it relates in accordance with Schedules 3, 5, 7, 9, 10, 12 and 14 of the Order.

Reviewers' responsibilities

We are responsible for reviewing the condensed interim financial statement and the supplementary information, disclosed in accordance with Clause 26 and Schedules 5, 7, 9, 10, 12 and 14 of the Order and presented to us by the directors.

We are responsible for reviewing the condensed interim financial statements (excluding the supplementary information) in order to report to you whether, in our opinion on the basis of procedures described below, anything has come to our attention that would cause us to believe that the condensed interim financial statements is not prepared in all material respects, in accordance with NZ IAS 34.

We are responsible for reviewing the supplementary information disclosed under Schedules 5, 7, 10, 12 and 14 of the Order, in order to report to you whether, in our opinion on the basis of the procedures described below, anything has come to our attention that would cause us to believe that the supplementary information does not fairly state the matters to which it relates, in all material respects, in accordance with Schedules 5, 7, 10, 12 and 14 of the Order.

We are responsible for reviewing the supplementary information relating to credit and market risk exposures and capital adequacy in order to state whether, on the basis of the procedures described below, anything has come to our attention that would cause us to believe that the information disclosed under Schedule 9 is not, in all material respects, prepared in accordance



with the Capital Adequacy Framework (Basel I Approach) (BS2) and Capital Adequacy Framework (Standardised Approach) (BS2A) and disclosed in accordance with Schedule 9 of the Order.

Basis of opinion

We have performed our review in accordance with the review engagement standard RS-1 Statement of Review Engagement Standards issued by the External Reporting Board. A review is limited primarily to enquiries of Banking Group personnel and analytical review procedures applied to the financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our firm has also provided other services to the Banking Group in relation to taxation and general accounting services. Partners and employees of our firm may also deal with the Banking Group on normal terms within the ordinary course of trading activities of the business of the Banking Group. There are, however, certain restrictions on dealings which the partners and employees of our firm can have with the Banking Group. These matters have not impaired our independence as auditor of the Banking Group. The firm has no other relationship with, or interest in, the Banking Group.

Review opinion

We have examined the condensed interim financial statements including the supplementary information and based on our review, nothing has come to our attention that causes us to believe that:

- The condensed interim financial statements on pages 3 to 15 (excluding the supplementary information) have not been prepared, in all material respects, in accordance with NZ IAS 34, *Interim Financial Reporting*;
- The supplementary information that is required to be disclosed under Schedules 5, 7, 10, 12 and 14 of the Order does not fairly state, in all material respects, the matters to which it relates in accordance with those schedules; and
- The supplementary information relating to credit and market risk exposures and capital adequacy that is required to be disclosed under Schedule 9 of the Order is not, in all material respects, prepared in accordance with Capital Adequacy Framework (Basel I Approach) (BS2) and Capital Adequacy Framework (Standardised Approach) (BS2A) and disclosed in accordance with Schedule 9 of the Order.

Our review was completed on 29 August 2013 and our opinion is expressed as at that date.

KPMG
Sydney

29 August 2013