

# CITIBANK N.A. KENYA BRANCH

Audited financial statements and disclosures for the year ended 31 December 2012



I. STATEMENT OF FINANCIAL POSITION AS AT	DEC 2011 AUDITED SHS.000	DEC 2012 AUDITED SHS.000
<b>A. ASSETS</b>		
1. Cash (both local and foreign)	621,679	713,579
2. Cash and balances with Central Bank of Kenya	2,400,937	6,270,041
3. Kenya Government securities	-	-
4. Foreign Currency Treasury bills and bonds	-	-
5. Deposits and balances from local banking institutions	1,985,122	214,220
6. Deposits and balances due from banking institutions abroad	18,842	94,379
7. Government and other securities held for dealing purposes	21,802,621	24,820,628
8. Tax recoverable	-	-
9. Loans and advances to customers (net)	28,451,457	23,331,003
10. Investment securities	-	-
11. Balances due from group companies	15,256,597	12,134,940
12. Investments in associates	-	-
13. Investments in subsidiaries	-	-
14. Investments in Joint Ventures	-	-
15. Investment properties	-	-
16. Property and equipment	551,975	541,002
17. Prepaid operating lease rentals	46,068	44,234
18. Intangible assets	-	-
19. Deferred tax asset	489,889	132,231
20. Retirement benefit asset	-	-
21. Other assets	3,021,230	1,283,538
<b>22. TOTAL ASSETS</b>	<b>74,646,417</b>	<b>69,579,795</b>
<b>B. LIABILITIES</b>		
23. Balances due to Central Bank of Kenya	-	-
24. Customer deposits	46,534,172	44,012,192
25. Deposit and balances due to local banking institutions	4,136,699	1,294,519
26. Deposit and balances due to foreign banking institutions	1,164,372	1,295,011
27. Other money market deposits	-	-
28. Borrowed funds	-	-
29. Balances due to group companies	3,940,037	2,162,444
30. Tax payable	592,325	787,730
31. Dividends payable	-	-
32. Deferred tax liability	-	-
33. Retirement benefit liability	-	-
34. Other liabilities	3,166,388	2,681,446
<b>35. TOTAL LIABILITIES</b>	<b>59,533,993</b>	<b>52,233,342</b>
<b>C. SHAREHOLDERS' EQUITY</b>		
36. Paid up/Assigned capital	4,582,973	4,582,973
37. Share premium/(discount)	-	-
38. Other Reserve	(568,006)	121,637
39. Statutory Reserve	303,473	294,258
40. Retained earnings/Accumulated Losses	10,793,984	12,347,585
41. Proposed dividends	-	-
42. Capital grants	-	-
<b>43. TOTAL SHAREHOLDERS' EQUITY</b>	<b>15,112,424</b>	<b>17,346,453</b>
<b>44. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>74,646,417</b>	<b>69,579,795</b>

II. STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED	DEC 2011 AUDITED SHS.000	DEC 2012 AUDITED SHS.000
<b>1. INTEREST INCOME:</b>		
1.1 Loans and Advances	2,181,920	3,183,922
1.2 Government securities	1,271,463	2,958,844
1.3 Deposits and placements from banking institutions	501,595	781,316
1.4 Other	112,307	177,585
<b>1.5 TOTAL INTEREST INCOME</b>	<b>4,067,285</b>	<b>7,101,667</b>
<b>2. INTEREST EXPENSE:</b>		
2.1 Customer deposits	915,472	1,634,826
2.2 Deposits and placements from banking institutions	34,242	94,050
2.3 Other	-	-
<b>2.4 TOTAL INTEREST EXPENSE</b>	<b>949,714</b>	<b>1,728,876</b>
<b>3. NET INTEREST INCOME/(EXPENSE)</b>	<b>3,117,571</b>	<b>5,372,791</b>
<b>4. OTHER OPERATING INCOME</b>		
4.1 Fees and commissions on Loans and advances	42,819	45,980
4.2 Other Fees and commissions	1,182,476	1,036,671
4.3 Foreign exchange trading income	2,470,607	2,433,930
4.4 Dividend income	-	-
4.5 Other income	2,171	606,769
<b>4.6 TOTAL NON-INTEREST INCOME</b>	<b>3,698,073</b>	<b>4,123,350</b>
<b>5. TOTAL OPERATING INCOME</b>	<b>6,815,644</b>	<b>9,496,141</b>
<b>6. OPERATING EXPENSES</b>		
6.1 Bad and doubtful debts expenses	12,292	(0)
6.2 Staff costs	1,056,672	1,176,213
6.3 Directors' emoluments	-	-
6.4 Operating lease rental	43,166	53,099
6.5 Depreciation on property and equipment	119,102	135,820
6.6 Other operating expenses	782,525	902,433
<b>6.7 TOTAL OPERATING EXPENSES</b>	<b>2,013,757</b>	<b>2,267,565</b>
<b>7. PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS</b>	<b>4,801,887</b>	<b>7,228,576</b>
<b>8. EXCEPTIONAL ITEMS</b>	-	-
<b>9. PROFIT/(LOSS) BEFORE TAX</b>	<b>4,801,887</b>	<b>7,228,576</b>
<b>10. CURRENT TAX</b>	<b>(1,859,666)</b>	<b>(2,799,989)</b>
<b>11. DEFERRED TAX</b>	-	-
<b>12. PROFIT/(LOSS) AFTER TAX</b>	<b>2,942,221</b>	<b>4,428,587</b>

III. OTHER DISCLOSURES	DEC 2011 AUDITED SHS.000	DEC 2012 AUDITED SHS.000
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>		
a) Gross non-performing loans and advances	405,277	428,402
Less:		
b) Interest in Suspense	(266,656)	(288,395)
c) Total non-performing loans and advances (Net of interest in suspense)	138,621	140,007
Less:		
d) Loan Loss provision	138,621	140,007
e) Net non-performing loans (c-d)	-	-
f) Realisable value of securities	-	-
g) Net NPLs Exposure (e-f)	-	-
<b>2) INSIDER LOANS AND ADVANCES</b>		
a) Directors,shareholders and associates	-	-
b) Employees	854,379	1,149,319
<b>c) TOTAL INSIDER LOANS AND ADVANCES</b>	<b>854,379</b>	<b>1,149,319</b>
<b>3) OFF-BALANCE SHEET ITEMS</b>		
a) Letters of credit,guarantees ,acceptances	17,122,986	18,321,399
b) Other contingent liabilities	27,576,540	10,545,969
<b>c) TOTAL CONTINGENT LIABILITIES</b>	<b>44,699,526</b>	<b>28,867,368</b>
<b>4) CAPITAL STRENGTH</b>		
a) Core capital	15,376,957	16,930,558
b) Minimum Statutory Capital	700,000	1,000,000
c) Excess/Deficiency	14,676,957	15,930,558
d) Supplementary capital	303,473	294,258
e) Total capital (a+d)	15,680,430	17,224,816
f) Total risk weighted assets	49,815,932	41,192,490
g) Core capital/total deposit liabilities	28%	35%
h) Minimum Statutory Ratio	8%	8%
i) Excess/Deficiency (g-h)	20%	27%
j) Core capital/total risk weighted assets	31%	41%
k) Minimum Statutory Ratio	8%	8%
l) Excess/Deficiency(j-k)	23%	33%
m) Total capital/total risk weighted assets	31%	42%
n) Minimum Statutory Ratio	12%	12%
o) Excess/Deficiency (m-n)	19%	30%
<b>5) LIQUIDITY</b>		
a) Liquidity Ratio	63%	82%
b) Minimum Statutory Ratio	20%	20%
c) Excess/Deficiency (a-b)	43%	62%

NOTE: The above are extracts from the bank's financial statements as audited by KPMG Kenya. They are not representative of the Citigroup business as a whole.

Signed: DANIEL J CONNELLY  
MANAGING DIRECTOR

Signed: DAVID ABWOGA  
CHIEF FINANCE OFFICER



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