
CITIBANK, N.A.

New Zealand Branch
and Associated Banking Group

DISCLOSURE STATEMENT

31 March 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
Robert L. Ryan
Joan E. Spero
Diana L. Taylor

On 24 April 2013 Lawrence R. Ricciardi resigned and Diana L. Taylor was 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 a guarantee under the New Zealand deposit guarantee scheme as at 29 May 2013.

Insurance Business and 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 (negative)
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No material qualifications attach to the obligations and the ratings have not been withdrawn.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.

Conditions of Registration

There have been no changes to Citibank, N.A.'s Conditions of Registration since the last disclosure statement dated 31 December 2012.

Financial Statements of the 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 three months ended March 31, 2013), and the Citigroup Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 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 nine months ended March 31, 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)	
	For the three months ended 31-Mar-13	31-Mar-12
Profitability		
Net Profit/(Loss) after tax	3,781,000	3,228,000
Net Profit/(Loss) after tax over the previous twelve months as a percentage of average total assets	0.93%	0.98%
Size (refer Note 1)		
Total Assets	1,306,258,000	1,312,764,000
Percentage Change in total assets over the previous twelve months	0.50%	13.04%
Asset Quality (refer Note 1 and 2)		
Total Impaired Assets	25,152,000	27,853,000
Total Impaired Assets as a percentage of Total Assets	1.93%	2.12%
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 nonaccrual loans, restructured loans, other nonaccrual 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 31 March 2013 is US\$19,461 million (31 March 2012: US\$24,287 million;).

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

Peak Credit Exposure Concentrations

Citibank, N.A. New Zealand Branch and Associated Banking Group has no aggregate credit exposure to an individual counterparty or group of closely related counterparties which equals or exceeds 10% of Citibank, N.A.'s equity.

**CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2013**

	NOTE	Banking Group		
		31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Interest Income		16,474	17,580	73,841
Interest Expense		8,264	8,662	38,631
NET INTEREST INCOME		<u>8,210</u>	<u>8,918</u>	<u>35,210</u>
Operating Revenue	3	1,620	4,422	9,563
		<u>9,830</u>	<u>13,340</u>	<u>44,773</u>
Operating Expenses		6,835	6,974	27,021
OPERATING PROFIT BEFORE INCOME TAX		<u>2,995</u>	<u>6,366</u>	<u>17,752</u>
PROFIT BEFORE INCOME TAX		<u>2,995</u>	<u>6,366</u>	<u>17,752</u>
Income Tax Expense		925	1,711	4,914
PROFIT AFTER INCOME TAX		<u>2,070</u>	<u>4,655</u>	<u>12,838</u>
Other Comprehensive Income				
Available For Sale Reserve				
Fair value gain/(loss) taken directly to equity		35	(83)	(42)
Tax on movements and transfers		(10)	23	12
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>25</u>	<u>(60)</u>	<u>(30)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>2,095</u></u>	<u><u>4,595</u></u>	<u><u>12,808</u></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 CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2013**

NOTE	Banking Group		
	31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(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 year	33,271	33,071	33,071
Contribution from Head Office	(18)	(138)	200
At the end of the period	<u>33,253</u>	<u>32,933</u>	<u>33,271</u>
Available For Sale Reserve			
At the beginning of the year	(30)	-	-
Other comprehensive income	25	(60)	(30)
At the end of the period	<u>(5)</u>	<u>(60)</u>	<u>(30)</u>
Retained earnings			
At the beginning of the year	115,983	103,145	103,145
Profit after income tax	2,070	4,655	12,838
At the end of the period	<u>118,053</u>	<u>107,800</u>	<u>115,983</u>
Equity at the end of the period	<u>179,896</u>	<u>169,268</u>	<u>177,819</u>
Represented by :			
Equity at the beginning of the year	177,819	164,811	164,811
Transactions with owners, recorded directly in equity			
Contribution from Head Office	(18)	(138)	200
Total transactions with owners	<u>(18)</u>	<u>(138)</u>	<u>200</u>
Total Comprehensive Income for the year			
Profit after income tax for the period	2,070	4,655	12,838
Other comprehensive income			
Net change in fair value of available for sale securities	35	(83)	(42)
Income tax on other comprehensive income	(10)	23	12
Total other comprehensive income	<u>25</u>	<u>(60)</u>	<u>(30)</u>
Total Comprehensive Income for the period	<u>2,095</u>	<u>4,595</u>	<u>12,808</u>
Equity at the end of the period	<u>179,896</u>	<u>169,268</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 31 MARCH 2013

	NOTE	Banking Group		
		31-Mar-13	31-Mar-12	31-Dec-12
		\$(000's)	\$(000's)	\$(000's)
		unaudited	unaudited	audited
ASSETS				
Cash and Demand Deposits with Central Banks	11	591,068	449,667	487,154
Advances to Financial Institutions at Call		1,429	96	2,131
Due from Related Parties	7	55,463	205,554	193,873
Financial Assets at Fair Value through the Income	11	656,854	648,559	669,488
Derivative Financial Instruments	7	21,204	21,762	32,206
Current Tax Assets		7,660	-	4,330
Available For Sale Assets	11	51,574	49,417	51,257
Loans and Advances	5	773,649	819,590	732,107
Other Assets		8,148	16,608	5,681
Deferred Tax Assets		854	838	1,182
Property Plant and Equipment		386	162	376
TOTAL ASSETS		2,168,289	2,212,253	2,179,785
LIABILITIES				
Deposits from Other Banks	4	29,569	20,271	29,135
Due to Related Parties	7	1,000,314	1,033,915	1,024,980
Other Deposits	4	920,891	951,731	914,093
Derivative Financial Instruments	7	27,868	24,393	22,323
Current Tax Liabilities		-	1,496	-
Provisions		176	201	201
Other Liabilities		9,575	10,978	11,234
TOTAL LIABILITIES		1,988,393	2,042,985	2,001,966
EQUITY				
Issued and Paid-Up Capital		28,595	28,595	28,595
Head Office Account		33,253	32,933	33,271
Available For Sale Reserve		(5)	(60)	(30)
Retained Earnings		118,053	107,800	115,983
TOTAL EQUITY		179,896	169,268	177,819
TOTAL LIABILITIES AND EQUITY		2,168,289	2,212,253	2,179,785
Total Interest Earning and Discount Bearing Assets		2,130,037	2,172,883	2,136,010
Total Interest and Discount Bearing Liabilities		1,950,774	2,005,917	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 THREE MONTHS ENDED 31 MARCH 2013**

	NOTE	Banking Group		
		31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Interest Income		14,571	14,810	72,758
Trading Gain		15,223	-	-
Other Income		1,426	5,296	14,928
Decrease in available for sale financial assets		557	-	-
Decrease in placements due from related companies		112,290	-	-
Decrease in financial assets at fair value		11,829	80,457	59,816
Decrease in placements/loans		-	-	50,520
Increase in deposits due to related parties		-	161,191	152,228
Increase in customer deposits		7,232	-	-
		163,128	261,754	350,250
Cash was applied to:				
Interest Expense		7,943	8,599	39,290
Trading Loss		-	7,277	24,726
Tax Paid		3,931	2,580	12,052
Other Expenses		7,862	16,937	27,103
Increase in placements due from related companies		-	37,586	33,355
Increase in placements/loans		41,542	36,963	-
Increase in available for sale financial assets		-	49,541	50,645
Decrease in customer deposits		-	87,918	116,692
Decrease in deposits due to related parties		24,633	-	-
		85,911	247,401	303,863
Net cashflow from operating activities		77,217	14,353	46,387
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was (applied to)/provided from:				
Purchase of property, plant and equipment		(81)	(13)	(429)
Disposal of property, plant and equipment		13	-	-
Net cashflow from investing activities		(68)	(13)	(429)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
(Decrease)/Increase in Head Office account		(24)	(148)	278
Net cashflow from financing activities		(24)	(148)	278
Net increase/(decrease) in cash		77,125	14,192	46,236
Opening cash and cash equivalents		532,842	486,606	486,606
Closing cash and cash equivalents		609,967	500,798	532,842

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 THREE MONTHS ENDED 31 MARCH 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 and NZ IAS 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 May 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.

Certain comparative information has been reclassified in order to provide a more appropriate basis for comparison.

c) Changes in accounting policy

There have been no material changes in accounting policies since the last annual financial statements dated 31 December 2012.

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 THREE MONTHS ENDED 31 MARCH 2013

3. OPERATING REVENUE	Banking Group		
	31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Net Trading Losses	(1,489)	(1,392)	(6,640)
Other Operating Revenue	3,109	5,814	16,203
	<u>1,620</u>	<u>4,422</u>	<u>9,563</u>

4. TOTAL LIABILITIES TO THIRD PARTIES

	Branch		
	31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Deposits from Other Banks	29,569	20,271	29,135
Other Deposits	920,891	951,731	914,093
Current Tax Liabilities, Provisions and Other Liabilities	8,047	10,235	9,793
	<u>958,507</u>	<u>982,237</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.

	Banking Group		
	31-Mar-13 \$(000's) unaudited	31-Mar-12 \$(000's) unaudited	31-Dec-12 \$(000's) audited
Past Due Assets - at least 90 days past due	115	57	78

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

Cash Balances with Third Parties	592,497	449,763	489,285
Cash Balances with Related Parties	17,470	51,035	43,557
	<u>609,967</u>	<u>500,798</u>	<u>532,842</u>

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

Net Profit after Tax	2,070	4,655	12,838
Add back			
Depreciation	58	10	212
Decrease in operating assets and liabilities	65,733	-	61,872
Increase in accrual of interest expense	321	63	-
Decrease in operating assets and liabilities	-	29,640	-
Decrease in accrual of revaluations	16,712	-	-
Deduct			
Decrease in accrual of other expenses/income	2,623	1,431	936
Decrease in accrual of interest expense	-	-	659
Decrease in accrual of provisions	25	-	-
Increase in accrual of interest income	1,903	2,770	1,083
Increase in accrual of fees and commissions	120	277	633
Increase in accrual of revaluations	-	5,885	18,086
Increase in accrual of tax	3,006	869	7,138
Net Cash Flow from Operating Activities	<u>77,217</u>	<u>23,136</u>	<u>46,387</u>

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.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE THREE MONTHS ENDED 31 MARCH 2013

	Banking Group		
	31-Mar-13	31-Mar-12	31-Dec-12
	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	audited
(b) TRANSACTIONS			
Interest Received - Head Office (including other branches)	670	953	3,352
Interest Received - Other Related Parties	201	187	532
Interest Paid - Head Office (including other branches)	(3,351)	(3,386)	(15,164)
Interest Paid - Other Related Parties	(189)	(407)	(3,195)
Net Trading Losses - Head Office (including other branches)	(11,654)	(29,312)	(41,670)
Management Fees Paid - Head Office (including other branches)	(1,103)	(1,299)	(3,227)
Management Fees Paid - Other Related Parties	(2,166)	(2,667)	(11,272)

(c) BALANCES			
Due from Related Parties - Head Office (including other branches)	16,068	199,670	174,955
Due from Related Parties - Other Related Parties	39,395	5,884	18,918
Derivative Financial Instruments - Head Office (including other branches)	21,204	21,762	32,206
Other Assets - Head Office (including other branches)	346	9,692	921
Other Assets - Other Related Parties	73	11	8
	<u>77,086</u>	<u>237,019</u>	<u>227,008</u>

Due to Related Parties - Head Office (including other branches)	968,757	927,414	954,350
Due to Related Parties - Other Related Parties	31,557	106,501	70,630
Derivative Financial Instruments - Head Office (including other branches)	27,868	24,393	22,323
Other Liabilities - Head Office (including other branches)	1,635	2,098	1,569
Other Liabilities - Other Related Parties	69	342	73
	<u>1,029,886</u>	<u>1,060,748</u>	<u>1,048,945</u>

Interest Rate - Swap (Notional Value) - Head Office (including other branches)	458,000	408,000	408,000
Foreign Exchange Forwards (Notional Value) - Head Office (including other branches)	522,010	520,743	520,496

All transactions with related parties are at commercial arms length terms and rates. These are conducted predominately 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 31 March 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.

9. 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.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE THREE MONTHS ENDED 31 MARCH 2013

10. 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		
	31-Mar-13		
	unaudited		
Interest Rate Risk	823	66	-
Foreign Currency Risk	667	53	-
	31-Mar-12		
	unaudited		
Interest Rate Risk	813	65	-
Foreign Currency Risk	625	50	-
	31-Dec-12		
	audited		
Interest Rate Risk	1,400	112	-
Foreign Currency Risk	1,388	111	-

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

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.

11. LIQUIDITY RISK

The Banking Group holds a portfolio of central bank funds and liquid bank bill and government securities to support liquidity risk management. These are investment grade securities that can be sold in 2 days or less on the open market.

	Banking Group		
	31-Mar-13	31-Mar-12	31-Dec-12
	\$(000's)	\$(000's)	\$(000's)
Balances with central banks	unaudited 591,068	unaudited 868,245	audited 487,154
Government bonds/Treasury bills	51,574	139,334	51,257
Bank bills	656,854	776,648	669,488
	<u>1,299,496</u>	<u>1,784,227</u>	<u>1,207,899</u>

12. 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 31-Mar-13	As at 31-Mar-12	As at 31-Dec-12
Tier 1 Capital as a percentage of risk weighted exposures	13.74%	15.54%	14.21%
Total Capital (Tier 1 and 2) as a percentage of risk weighted exposures	15.89%	16.81%	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 March 31, 2013. It is available on the Bank's website 'www.citi.co.nz' as part of the General Disclosure Statement dated 31 March 2013.

13. SUBSEQUENT EVENTS

There has not arisen in the interval between 31 March 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.

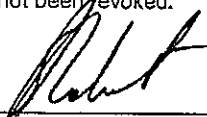
During the calendar quarter ended 31 March 2013, Citibank, N.A., New Zealand Branch complied with the conditions of registration imposed on it by the Reserve Bank of New Zealand pursuant to section 74 of the Reserve Bank of New Zealand Act 1989.

During the calendar quarter ended 31 March 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.

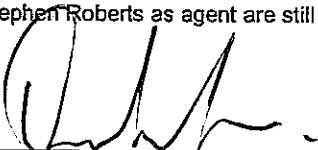
However, no system of internal control can facilitate the perfect management of banking risks.

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 31 March 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



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

Dated this 29th day of May 2013
in Sydney
Australia

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