

Citibank Singapore Limited
Registration Number: 200309485K

Pillar 3 Disclosure
Composition of Capital and Main Features of
Capital Instruments As at 31 March 2017

Composition of Capital

The following disclosures are made pursuant to Monetary Authority of Singapore (“MAS”) Notice to Banks No 637 “Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore” (“Notice 637”).

1 Financial Statements and Regulatory Scope of Consolidation

	S\$million	Cross Reference to Section 2
Equity		
Share Capital	1,528	a
Accumulated Profits and Reserves	2,337	
<i>of which: Retained Earnings under CET1</i>	2,500	b
<i>of which: Accumulated other comprehensive income and other disclosed reserves under CET1</i>	(234)	c
Total equity attributable to owner of the Bank	3,865	
Liabilities		
Derivative liabilities	25	
Amounts due to intermediate holding company	2,436	
Amounts due to related corporations	65	
Deposits of non-bank customers	31,035	
Bills and drafts payable	31	
Current Tax payable	100	
Deferred Tax Liabilities	-	
Other liabilities	923	
Total liabilities	34,614	
Total equity and liabilities	38,479	
Assets		
Cash and balances with central bank	496	
Singapore government treasury bills and securities	4,716	
Derivative assets	62	
Amounts due from intermediate holding company	10,553	
Amounts due from related corporations	2	
Balances and placements with bankers and agents	2,374	
Other securities	4,443	
Loans and advances to customers	15,321	
<i>of which: Impairment allowances admitted as eligible Tier 2 Capital</i>	111	d
Property, plant and equipment	23	
Intangible assets	1,600	e
Deferred Tax Assets	0	f
Other assets	488	
Total assets	38,479	

2 Capital Adequacy and Reconciliation of Regulatory Capital to the Balance Sheet

Explanatory Notes

The following disclosure is made in accordance to the template prescribed in MAS Notice 637 Annex 11E. The column “Amount” shows the amounts used in the computation of the regulatory capital and capital adequacy ratios. The column “Amount subject to Pre-Basel III Treatment” shows the amount of each regulatory adjustment that is subject to the treatment provided for in the cancelled MAS Notice 637 dated 14 December 2007 during the Basel III transition period. Each of these amounts is reported as regulatory adjustments under rows 41C and 56C.

The alphabetic cross-references in the column “Cross Reference to Section 1” relate to those in the reconciliation of the balance sheet on page 2.

MAS Notice 637 specifies which tier of capital each regulatory adjustment is to be taken against. When regulatory adjustments are required against Additional Tier 1 or Tier 2 capital, there are circumstances when the amount of eligible Additional Tier 1 or Tier 2 capital respectively falls short of the amount of regulatory adjustment. Under such circumstances, the shortfall is taken against the preceding tier of capital.

MAS Notice 637 specifies the computation of the amount of provisions that may be recognized in Tier 2 capital. Under the standardized approach for credit risk, general allowances are eligible, subject to a cap of 1.25% of risk-weighted assets.

		Amount	Amount subject to Pre-Basel III Treatment	Cross Reference to Section 1
		S\$million	S\$million	
	Common Equity Tier 1 capital: instruments and reserves			
1	Paid-up ordinary shares and share premium (if applicable)	1,528		a
2	Retained earnings *	2,500		b
3 [#]	Accumulated other comprehensive income and other disclosed reserves *	(234)		c
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-		
5	Minority interest that meets criteria for inclusion			
6	Common Equity Tier 1 capital before regulatory adjustments	3,794		
	Common Equity Tier 1 capital: regulatory adjustments			
7	Valuation adjustment pursuant to Part VIII of MAS Notice 637			
8	Goodwill, net of associated deferred tax liability			
9 [#]	Intangible assets, net of associated deferred tax liability	1	0	e
10 [#]	Deferred tax assets that rely on future profitability	0	0	f
11	Cash flow hedge reserve			
12	Shortfall of TEP relative to EL under IRBA			
13	Increase in equity capital resulting from securitisation transactions			
14	Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk			
15	Defined benefit pension fund assets, net of associated deferred tax liability			
16	Investments in own shares	-		
17	Reciprocal cross-holdings in ordinary shares of financial institutions			
18	Capital investments in ordinary shares of unconsolidation financial institutions in which Reporting Bank does not hold a major stake	-		

19 [#]	Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) (amount above 10% threshold)	-		
20 [#]	Mortgage servicing rights (amount above 10% threshold)	-		
21 [#]	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-		
22	Amount exceeding the 15% threshold			
23 [#]	of which: investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)			
24 [#]	of which: mortgage servicing rights	-		
25 [#]	of which: deferred tax assets arising from temporary differences	-		
26	National specific regulatory adjustments	-		
26A	PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments			
26B	PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630			
26C	Capital deficits in subsidiaries and associates that are regulated financial institutions			
26D	Any other items which the Authority may specify			
27	Regulatory adjustments applied in calculation of CET1 Capital due to insufficient AT1 Capital to satisfy required deductions	0		e and f
28	Total regulatory adjustments to CET1 Capital	2		
29	Common Equity Tier 1 capital (CET1)	3,792		
	Additional Tier 1 capital: instruments			
30	AT1 capital instruments and share premium (if applicable)			
31	of which: classified as equity under the Accounting Standards			
32	of which: classified as liabilities under the Accounting Standards			
33	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)			
34	AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion			
35	of which: instruments issued by subsidiaries subject to phase out			
36	Additional Tier 1 capital before regulatory adjustments	-		
	Additional Tier 1 capital: regulatory adjustments			
37	Investments in own AT1 capital instruments	-		
38	Reciprocal cross-holdings in AT1 capital instruments of financial institutions			
39	Capital investments in AT1 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-		
40 [#]	Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-		
41	National specific regulatory adjustments	0		
41A	PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments			
41B	Any other items which the Authority may specify			
41C	Regulatory adjustments applied to AT1 Capital in respect of amounts subject to pre-Basel III treatment	0		

	of which: Goodwill, net of associated deferred tax liability			
	of which: Intangible assets, net of associated deferred tax liability	0		e
	of which: Deferred tax assets that rely on future profitability	0		f
	of which: Cash flow hedge reserve			
	of which: Increase in equity capital resulting from securitisation transactions			
	of which: Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk			
	of which: Shortfall of TEP relative to EL under IRBA			
	of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments			
	of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630			
	of which: Capital deficits in subsidiaries and associates that are regulated financial institutions			
	of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)			
	of which: PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments			
	of which: Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)			
42	Regulatory adjustments applied in calculation of AT1 Capital due to insufficient Tier 2 Capital to satisfy required deductions			
43	Total regulatory adjustments to Additional Tier 1 capital	-		
44	Additional Tier 1 capital (AT1)	-		
45	Tier 1 capital (T1 = CET1 + AT1)	3,792		
	Tier 2 capital: instruments and provisions			
46	Tier 2 capital instruments and share premium (if applicable)			
47	Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4)			
48	Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Provisions	111		d
51	Tier 2 capital before regulatory adjustments	111		
	Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments			
53	Reciprocal cross-holdings in Tier 2 capital instruments of financial institutions			
54	Capital investments in Tier 2 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-		
55 [#]	Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-		
56	National specific regulatory adjustments			
56A	PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments			

56B	Any other items which the Authority may specify		
56C	Regulatory adjustments applied to Tier 2 Capital in respect of amounts subject to pre-Basel III treatment	-	
	of which: Shortfall of TEP relative to EL under IRBA		
	of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments		
	of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630		
	of which: Capital deficits in subsidiaries and associates that are regulated financial institutions		
	of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)		
	of which: PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments		
	of which: Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries)		
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	111	
59	Total capital (TC = T1 + T2)	3,903	
60	Total risk weighted assets	16,168	
	Capital ratios (as a percentage of risk weighted assets)		
61	Common Equity Tier 1 CAR	23.45%	
62	Tier 1 CAR	23.45%	
63	Total CAR	24.14%	
64	Bank-specific buffer requirement ¹	7.761%	
65	of which: capital conservation buffer requirement	1.250%	
66	of which: bank specific countercyclical buffer requirement	0.011%	
67	of which: G-SIB buffer requirement (if applicable)	-	
68	Common Equity Tier 1 available to meet buffers	14.14%	
	National minima		
69	Minimum CET1 CAR	6.5%	
70	Minimum Tier 1 CAR	8.0%	
71	Minimum Total CAR	10.0%	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Investments in ordinary shares, AT1 capital and Tier 2 capital of unconsolidated financial institutions in which the bank does not hold a major stake	-	
73	Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries)	-	
74	Mortgage servicing rights (net of related tax liability)	-	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-	
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	111	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	169	

78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	

Items marked with a hash [#] are elements where a more conservative definition has been applied relative to those set out under the Basel III capital standards.

*Retained earnings and Accumulated other comprehensive income and other disclosed reserves are based on FY 2016 published accounts.

Note:

¹As of 31 March 2017, Citibank Singapore's Bank-specific buffer requirement is 7.761%. The effective country-specific CCyB for Hong Kong is 1.25% and 1.5% for both Sweden and Norway. Weightings of 0.833%, 0.014% and 0.001% are applied respectively to the Private Sector Exposures to Hong Kong, Sweden and Norway.

3 Overview of RWA

For the purpose of calculating the risk-weighted assets (“RWA”), CSL applies the Standardised Approach (“SA”) for Credit Risk and Market Risk; Basic Indicator Approach (“BIA”) for Operational Risk.

As at 31 March 2017, the total RWA was \$16.17bn as compared to \$16.86bn in the prior quarter. The decrease was mainly driven by the lower Credit RWA as a result of a reduction in forward placements and loan exposure. The following table provides further breakdown of the RWA.

<i>reported in 'mil</i>		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at end of current quarter	As at end of prior quarter	As at end of current quarter
1	Credit risk (excluding CCR)	13,417	14,036	1,342
2	<i>of which: SA(CR) and SA(EQ)</i>	13,417	14,036	1,342
3	<i>of which: IRBA and IRBA(EQ) for equity exposures under the PD/LGD method</i>			
4	CCR	87	144	9
5	<i>of which: Current Exposure Method*</i>	80	133	8
6	<i>of which: CCR Internal Models Method</i>			
7	IRBA(EQ) for equity exposures under the simple risk weight method or the IMM			
8	Equity investments in funds – look through approach			
9	Equity investments in funds – mandate-based approach			
10	Equity investments in funds – fall back approach			
10a	Equity investments in funds – fall back approach			
11	Unsettled transactions			
12	Securitisation exposures in the banking book			
13	<i>of which: IRBA(SE) - RBM and IAM</i>			
14	<i>of which: IRBA(SE) - SF</i>			
15	<i>of which: SA(SE)</i>	-		-
16	Market risk	83	94	8
17	<i>of which: SA(MR)</i>	83	94	8
18	<i>of which: IMA</i>			
19	Operational risk	2,582	2,587	258
20	<i>of which: BIA</i>	2,582	2,587	258
21	<i>of which: SA(OR)</i>	-	-	-
22	<i>of which: AMA</i>	-	-	-
23	Amounts below the thresholds for deduction (subject to 250% risk weight)			
24	Floor adjustment			
25	Total	16,168	16,861	1,617

Main Features of Capital Instruments

The following disclosures are prepared in accordance with Annex 11D of MAS Notice 637.

Citibank Singapore Limited Ordinary Shares

1	Issuer	Citibank Singapore Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	NA
3	Governing law(s) of the instrument	Singapore
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/group & solo	Solo and Group
7	Instrument type	Ordinary shares
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	S\$ 1,528 million as at 31 March 2017
9	Par value of instrument	NA
10	Accounting classification	Shareholders' equity
11	Original date of issuance	NA
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	NA
16	Subsequent call dates, if applicable	NA
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Discretionary dividend amount
18	Coupon rate and any related index	The ordinary shares are entitled to receive dividends as declared by the Board of Directors from time to time.
19	Existence of a dividend stopper	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	NA
22	Noncumulative or cumulative	NA
23	Convertible or non-convertible	NA
24	If convertible, conversion trigger(s)	NA
25	If convertible, fully or partially	NA
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	NA
28	If convertible, specify instrument type convertible into	NA
29	If convertible, specify issuer of instrument it converts into	NA
30	Write-down feature	No
31	If write-down, write-down trigger(s)	NA
32	If write-down, full or partial	NA
33	If write-down, permanent or temporary	NA
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	All shares rank equally with regards to the Bank's residual assets.
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA