

**<Translation>**

**[Disclosure Booklet]**

Explanatory Documents  
on the Status of Business and Property  
for 6 months ended June 30, 2021

This disclosure booklet is prepared by the Company to publish with  
utilization of internet under Article 21 of the Banking Law.

Citibank, N.A., Tokyo Branch



## Contents

1	Overview of Citibank, N.A., Tokyo Branch.....	1
	(1) Name of Representative in Japan .....	1
	(2) Shraholder of Citibank, N.A. ....	1
	(3) Name and Location of Business Office.....	1
	(4) Matters of Bank Agency Services on Citibank, N.A., Tokyo Branch .....	1
2	Business Results .....	2
3	Financial Results.....	3
4	The Status of Business and Property on Citigroup Inc. ....	13

1 Overview of Citibank, N.A., Tokyo Branch

(1) Name of Representative in Japan

Representative in Japan, Branch Manager & CEO  
Lee Robert Waite

(2) Shareholder of Citibank, N.A.

Name	Number of common shares (thousand shares)	Shareholding percentage (%)
Citicorp LLC	37,534	100

(3) Name and Location of Business Office

Citibank, N.A., Tokyo Branch	Otemachi Park Building, 1-1-1 Otemachi, Chiyoda-ku, Tokyo
Osaka Branch	Midosuji Diamond Building, 2-1-2 Nishi-Shinsaibashi, Chuo-ku, Osaka-shi, Osaka
Yamabuki Branch	Shinjuku Eastside Square, 6-27-30 Shinjuku, Shinjuku-ku, Tokyo
Higashi-Shinjuku Sub-Branch	Shinjuku Eastside Square, 6-27-30 Shinjuku, Shinjuku-ku, Tokyo
Okinawa Sub-Branch	Tomari Port Terminal Building, 3-25-1 Maejima, Naha-shi, Okinawa

(4) Matters of Bank Agency Services on Citibank, N.A., Tokyo Branch

Not applicable

## 2 Business Results

Results of Operations for the 6 months ended June 30, 2021.

- Ordinary income totaled 19.8 billion yen, mainly consist with followings.
  - Interest income totaled 5.8 billion yen.
  - Fees and commissions totaled 8.4 billion yen.
  - Other ordinary income totaled 5.1 billion yen
  - Other income totaled 0.2 billion yen.
  
- Ordinary expenses totaled 13.7 billion yen, mainly consist with followings.
  - Interest expenses totaled 2.2 billion yen.
  - Fees and commissions paid totaled 2.0 billion yen.
  - Other ordinary expenses totaled 0.9 billion yen
  - General and administrative expenses totaled 7.7 billion yen.
  - Other expenses totaled 0.7 billion yen.
  
- Ordinary profit was 6.0 billion yen.
- Income before income taxes (no extraordinary gain and loss) was 6.0 billion yen.
- Net income was 4.3 billion yen.

Assets, liabilities and net assets were as follows;

- As of June 30, 2021, total assets were 3,267.1 billion yen, mainly consist with followings.
  - Cash and deposits to other banks (due from banks) were 1,986.9 billion yen.
  - Receivables under resale agreements were 309.3 billion yen.
  - Loans and bills discounted were 311.4 billion yen.
  - Other assets were 272.6 billion yen, mainly consist with Derivatives other than for trading-assets.
  - Head office and branch accounts (assets) totaled 174.2 billion yen.
  
- As of June 30, 2021, total liabilities were 3,260.7 billion yen, mainly consist with followings.
  - Deposits were 1,629.9 billion yen.
  - Foreign exchanges were 46.9 billion yen.
  - Other liabilities were 299.4 billion yen, mainly consist with Derivatives other than for trading-liabilities.
  - Head office and branch accounts (liabilities) were 1,090.0 billion yen.
  
- As of June 30, 2021, total net assets were 6.3 billion yen. 8.8 billion yen of undistributed profits was remitted to the head office in March 2021.

### 3 Financial Results

#### Interim Balance Sheet

(Millions of Yen)					
Account Name	As of Jun. 30, 2021	As of Jun. 30, 2020	Account Name	As of Jun. 30, 2021	As of Jun. 30, 2020
Cash and due from banks	1,986,993	2,190,367	Deposits	1,629,971	2,324,105
Receivables under resale agreements	309,395	355,616	Call money	6,629	10,770
Monetary claims bought	8,541	8,410	Payables under repurchase agreements	1,107	1,082
Trading assets	19,259	33,974	Trading liabilities	19,247	27,372
Securities	2,945	35,634	Borrowed money	-	8
Loans and bills discounted	311,462	438,145	Foreign exchanges	46,966	38,660
Foreing exchanges	14,515	17,942	Other liabilities	299,483	224,076
Other assets	272,686	204,757	Income taxes payable	2,449	2,896
Derivatives other than for trading-assets	268,783	199,564	Derivatives other than for trading-liabilities	270,339	198,163
Other	3,902	5,193	Asset retirement obligations	11	11
Tangible fixed assets	15	8	Other	26,682	23,004
Intangible fixed assets	87	102	Provision for bonuses	348	404
Deferred tax assets	2,296	616	Acceptances and guarantees	166,935	153,615
Customer's liabilities for acceptances and guarantees	166,935	153,615	Head office and branch accounts	1,090,083	955,970
Allowance for loan losses	(2,307)	(1,279)	Total liabilities	3,260,774	3,736,067
Head office and branch accounts	174,277	306,457	Brought-in capital	2,000	2,000
			Interim retained earnings brought forward	4,395	6,168
			Valuation difference on available-for-sale securities	(65)	131
			Total net assets	6,330	8,299
Total assets	3,267,105	3,744,367	Total liabilities and net assets	3,267,105	3,744,367

#### Interim Statement of Income

(Millions of Yen)				
Accounts	From January 1, 2021 to June 30, 2021		From January 1, 2020 to June 30, 2020	
Ordinary income		19,807		23,793
Interest income		5,853		9,485
[Interest on loans and discounts]	[	514 ]	[	1,300 ]
[Interest and dividends on securities]	[	- ]	[	6 ]
Fees and commissions		8,416		8,229
Trading income		165		-
Other ordinary income		5,167		5,816
Other income		203		260
Ordinary expenses		13,780		14,949
Interest expenses		2,225		4,255
[Interest on deposits]	[	412 ]	[	1,611 ]
Fees and commissions paid		2,039		1,427
Trading Losses		-		99
Other ordinary expenses		986		0
General and administrative expenses		7,769		7,638
Other expenses		760		1,528
Ordinary profit		6,026		8,843
Interim income before income taxes		6,026		8,843
Income taxes-current		2,420		2,487
Income taxes-deferred		(694)		280
Total Income taxes		1,726		2,767
Interim net income		4,300		6,075
Retained earnings brought forward (Beginning balance)		8,895		6,672
Remittance to head office		8,800		6,580
Interim retained earnings brought forward		4,395		6,168

Amounts less than one million yen have been omitted.

## **Accounting Policies**

### **1. Standard for valuation of trading assets and trading liabilities / booking of income and losses for trading purposes transaction**

Transactions for trading purposes, such as seeking gains arising from short-term changes in interest rates, foreign exchange rates, or securities prices and other market related indices or from variation among markets (hereinafter referred to as "Trading Purposes"), are included in "Trading assets" or "Trading liabilities" on the balance sheet on a trade date basis. Income and Expenses on trading-purpose transactions are recognized on a trading date basis, and recorded as "Trading income" and "Trading losses".

Securities and monetary claims purchased for trading purposes are stated at the interim fiscal year-end market value, and financial derivatives such as swaps, futures and options are stated at amounts that would be settled if the transactions were terminated at the interim fiscal year-end.

"Trading income" and "Trading losses" include interest received or paid during the interim fiscal year. The year-on-year valuation differences of securities and money claims are also recorded in the above-mentioned accounts. As for the derivatives, assuming that the settlement will be made in cash, the year-on-year valuation differences are also recorded in the above-mentioned accounts.

### **2. Standard and method for valuation of AFS securities**

AFS securities that have market prices are carried at their balance sheet date market prices (cost of securities sold is calculated using primarily the moving-average method). Net unrealized gains/losses on AFS securities, net of income taxes, are included in "Net assets".

### **3. Standard and method for valuation of derivative transaction**

Derivative transactions (excluding those for trading purposes) are carried at fair value.

### **4. Depreciation method for fixed assets**

#### **(1) Tangible fixed assets**

Tangible fixed assets are depreciated using the declining-balance method (with the exception of building facilities acquired on or after April 1, 2016, for which the straight-line had been applied).

The estimated useful lives are as follows:

Buildings:	10 to 15 years
Others:	3 to 15 years

#### **(2) Intangible fixed assets**

Intangible fixed assets are depreciated using the straight-line method. Capitalized software for internal use is depreciated over its estimated useful life (5 years).

### **5. Standard for the translation into Japanese yen**

Assets and liabilities denominated in foreign currencies are translated into Japanese yen at the exchange rate prevailing at the balance sheet date.

### **6. Standard for Allowance**

#### **(1) Allowance for loan losses**

Allowance for loan losses is provided as detailed below in accordance with the internal standards for write-offs and provisioning.

For claims on borrowers that have entered into bankruptcy, special liquidation proceedings or similar legal proceedings ("bankrupt borrowers") or borrowers that are not legally or formally insolvent but are regarded as substantially in the same situation ("effectively bankrupt borrowers"), an allowance is provided based on the amount of claims, after the write-off stated in the additional paragraph below, net of the expected amount of recoveries from collateral and guarantees. For claims on borrowers that are not currently bankrupt but are perceived to have a high risk of falling into bankruptcy, an allowance is provided in the amount deemed necessary based on an overall solvency assessment of the claims, net of the expected amount of recoveries from collateral and guarantees. For other claims, an allowance is provided based on the expected loan-loss ratio assigned to each risk rating.

Responsible divisions for Self-Assessment and Front office mutually conduct assessment of all claims in accordance with the internal rules for self-assessment of assets. The allowance is provided based on the results of these assessments.

(2) Provision for bonuses

Provision for bonuses is reported in preparation for the payment of bonuses to the employees at the amount estimated for the payment of bonuses to the employees during the interim fiscal year.

**7. Method for hedge accounting**

The exceptional method is applied to certain interest rate swaps that meet the criteria for the exceptional treatments. No assessment is performed for hedge effectiveness of qualifying interest rate swaps accounted for by the exceptional treatments, as it is ascertained that the criteria for the exceptional treatments are continuously met.

**8. Accounting for consumption taxes**

National and Local Consumption Taxes are excluded from transaction amounts.

## Notes to Interim Balance Sheet

1. For securities held as collateral under “receivables under resale agreements” and “derivative transactions” which can be sold or pledged without restrictions, 147,799 million yen were pledged and there was no held by Citibank, N.A., Tokyo Branch at the interim fiscal year-end.
2. There was no Bankrupt loans. Past due loans/non-accrual loans were 414 million yen.  
“Bankrupt loans” are loans on which accrued interest income is not recognized as there is substantial doubt about the ultimate collectability of either principal or interest because they are past due for a considerable period of time or for other reasons (excluding write-offs, hereinafter “non-accrual loans”), and as defined in Article 96-1-3 and 96-1-4 of the Enforcement Ordinance of the Japanese Corporate Tax Law.  
“Past due loans/non-accrual loans” are loans on which accrued interest income is not recognized, excluding “Bankrupt loans” and loans on which interest payments are deferred in order to support the borrowers’ recovery from financial difficulties.
3. There was no Past due loans (3 months or more).  
“Past due loans (3 months or more)” are loans on which the principal or interest is past due for three months or more, excluding “Bankrupt loans” and “Past due loans/non-accrual loans”.
4. There was no Restructured loans.  
“Restructured loans” are loans on which terms and conditions have been amended in favor of the borrowers (e.g. reduction of the original interest rate, deferral of interest payments, extension of principal repayments or debt forgiveness) in order to support the borrowers’ recovery from financial difficulties, excluding “Bankrupt loans,” “Past due loans/non-accrual loans” and “Past due loans (3 months or more)”.
5. The total amount of “Bankrupt loans”, “Past due loans/non-accrual loans”, “Past due loans (3 months or more)” and “Restructured loans” were 414 million yen.  
Claims shown from 2 to 5 are the amounts before the appropriate allowance.
6. Bills discounted are treated as financial transactions in accordance with JICPA Industry Audit Committee Report No.24. Citibank, N.A., Tokyo Branch has rights to sell or pledge bank acceptance bought, commercial bills discounted, documentary bills and foreign bills bought etc. without restrictions. The total face value was 9,940 million yen.
7. AFS securities of 2,945 million yen were pledged as collateral for settlements of FX transactions etc. In addition, other assets included other guarantee deposits of 1,135 million yen.
8. Overdraft facilities and commitment line contracts on loans are agreements to lend to customers up to a prescribed amount, as long as there is no violation of any condition established in the contracts.  
The amount of unused commitments was 268,093 million yen and the amount of those with remaining period within one year was 180,192 million yen.  
Since many of these commitments are expected to expire without being drawn upon, the total amount of unused commitments does not necessarily represent actual future cash flow requirements. Many of these commitments include clauses under which we can reject an application from customers or reduce the contract amounts in the event that economic conditions change, we need to secure claims, or other events occur. In addition, we may request the customers to pledge collateral such as premises and securities at the time of the contracts, and take necessary measures such as monitoring customers’ financial positions, revising contracts when need arises and securing claims after contracts are made on a periodic basis.
9. Accumulated depreciation on tangible fixed assets: 43 million yen.

## Notes to Interim Statement of Income

### Head office cost sharing

(1) Direct expense (Expatriate salary etc.)	130 million yen
(2) Indirect charge	109 million yen



## Notes related to Financial Instruments

### Fair Value of Financial Instruments

Fair value and balance sheet amount of financial instruments as of June 30, 2021 are shown below.

(Millions of Yen)			
	Balance sheet amount	Fair value	Difference
(1) Cash and due from banks	1,986,993	1,986,993	-
(2) Receivables under resale agreements	309,395	317,099	7,703
(3) Monetary claims bought (*1)	8,510	8,510	-
(4) Securities			
Other securities	2,945	2,945	-
(5) Loans and bills discounted	311,462		
Allowance for loan losses (*1)	(1,825)		
	309,637	308,736	(901)
(6) Foreign exchange (*1)	14,483	14,483	-
(7) Head office and branch accounts	174,277	174,277	-
<b>Total Assets</b>	<b>2,806,244</b>	<b>2,813,046</b>	<b>6,802</b>
(1) Deposits	1,629,971	1,629,971	-
(2) Call money	6,629	6,629	-
(3) Payables under repurchase agreements	1,107	1,107	-
(4) Foreign exchange	46,966	46,966	-
(5) Head office and branch accounts	1,090,083	1,095,764	5,681
<b>Total Liabilities</b>	<b>2,774,758</b>	<b>2,780,440</b>	<b>5,681</b>
Derivative transactions (*2)			
Trading	(1,522)	(1,522)	-
<b>Total derivative transactions</b>	<b>(1,522)</b>	<b>(1,522)</b>	<b>-</b>

  

Others	Contract amount	Fair value
Overdraft facilities and commitment line (*3)	268,093	-

(\*1) General allowance for loan losses and specific allowance for loan losses provided to "Loans and bills discounted" are separately shown in the above table. Allowance for loan losses provided to "Monetary claims bought" and "Foreign exchange" are directly deducted from the book value due to immateriality.

(\*2) Derivatives included in "Trading assets", "Trading liabilities", "Other assets" and "Other liabilities" are shown together. Negative amount indicates in case of liabilities exceeding the assets.

(\*3) Contract amount of Overdraft facilities and commitment line are unused amount.

### (Notes) Valuation method of financial instruments

#### (Assets)

##### (1) Cash and due from banks

For due from banks without maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount. For due from banks with maturity, fair value is determined as present value of total future cash flows, discounted by interest rate that would be applied to new acceptances. Total future cash flows are contractual payment of principal and interest. For due from banks with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.

##### (2) Receivables under resale agreements

For Receivables under resale agreements with remaining period exceeding 1 year, fair value is determined as present future cash flows, discounted by interest rate that would be applied to new acceptance. Total future cash flows are contractual payment of principal and interest.

For Receivables under resale agreements with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.

- (3) Monetary claims bought  
For monetary claims bought, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because they have short remaining period (within 1 year).
- (4) Securities  
For securities such as bonds that are available for sale, the fair value is calculated based on their market prices.
- (5) Loans and bills discounted  
For loans without maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because of their estimated maturity length and the interest rate conditions. For loans with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.  
For loan with remaining period exceeding 1 year, fair value is determined as present value of total future cash flows, discounted by interest rate that would be applied to newly accepted loans. Total future cash flows are contractual payment of principal and interest.  
As for the loans to bankrupt, de facto bankrupt, and potentially bankrupt borrowers, credit loss is estimated based on factors such as the present value of expected future cash flow or the expected amount to be collected from collaterals and guarantees. Since the fair value of these items approximates the carrying amount net of the currently expected credit loss amount, such carrying amount is presented as the fair value.
- (6) Foreign exchange  
Foreign exchanges consist of foreign currency deposits with other banks (due from other foreign banks), short-term loans involving foreign currencies (due from other foreign banks), export bills etc. (purchased foreign bills), and loans on notes using import bills (foreign bills receivables). For these items, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount because most of these items are deposits without maturity or have short contract term (within 1 year)
- (7) Head office and branch accounts  
For Head office and branch accounts without maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount. For Head office and branch accounts with maturity, fair value is determined as present value of total future cash flows, discounted by interest rate that would be applied to new transactions. For Head office and branch accounts with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.
- (Liabilities)
- (1) Deposits  
For demand deposits, the amount payable on demand as of balance sheet date is considered to be the fair value. Time deposits are grouped by certain maturity lengths. The fair value of such deposits is the present value discounted by expected future cash flow. The discount rate is the risk free rates adjusted with funding spread of Citibank, N.A., Tokyo Branch as of balance sheet date. For deposits with short remaining period (within 6 months), the carrying amount is presented as the fair value as the fair value approximates such carrying amount.
- (2) Call Money  
The carrying amount is presented as the fair value, as the fair value approximates such carrying amount.
- (3) Payables under repurchase agreements  
For Payables under repurchase agreements with remaining period exceeding 1 year, fair value is determined as present future cash flows, discounted by interest rate that would be applied to new acceptance. Total future cash flows are contractual payment of principal and interest.  
For Payables under repurchase agreements with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.
- (4) Foreign exchange  
Among foreign exchange contracts, foreign currency deposits accepted from other banks and non-resident yen deposits are deposits without maturity. Furthermore, foreign currency short-term borrowing have no maturity. Thus, for the foreign exchanges, the carrying amount is presented as the fair value as the fair value approximates such carrying amount.
- (5) Head office and branch accounts  
For Head office and branch accounts without maturity, the carrying amount is presented as the fair value, as the fair value approximates such carrying amount. For Head office and branch accounts with maturity, fair value is determined as present value of total future cash flows, discounted by interest rate that would be

applied to new transactions. For Head office and branch accounts with short remaining period (within 1 year), the carrying amount is presented as the fair value, as the fair value approximates such carrying amount.

(Derivative transactions)

Derivatives include interest rate related instruments (interest rate futures, interest rate options, interest rate swaps, etc.), currency related instruments (forward foreign exchange, currency options, currency swaps, etc.) and bond related instruments (bond futures, bonds future options, etc.). Fair values of these derivatives are based on market prices at exchanges, discounted present values, or amount calculated under the option pricing model. Derivative for hedge accounting is interest rate swap with exceptional treatment and the fair value of this hedging swap is included in the hedged loan.

(Others)

For overdraft facilities and commitment line, fair value is the present value discounted by the difference between the expected future cash flow calculated by contractual rate and fee rate that would be applied to newly acceptance at the balance sheet date for the contract with remaining period exceeding 1 year.

## Notes related to Securities

These include “Securities” and Trading securities in “Trading assets” on Interim Balance sheet.

### 1. Securities classified as trading purposes: (as of June 30, 2021)

(Unit: Millions of Yen)

	Valuations gains/(losses) included in the earnings for the interim fiscal year
Securities classified as trading purposes	-

### 2. AFS securities with market value are as follows: (as of June 30, 2021)

(Unit: Millions of Yen)

	Type	Interim Balance sheet amount	Acquisition cost	Valuations gains/(losses)
Interim Balance sheet amount exceeding acquisition cost	Bonds	-	-	-
	Japanese Government Bonds	-	-	-
	Sub Total	-	-	-
Interim Balance sheet amount equal or less than acquisition cost	Bonds	2,945	3,039	(93)
	Japanese Government Bonds	2,945	3,039	(93)
	Sub total	2,945	3,039	(93)
Total		2,945	3,039	(93)

### 3. AFS securities sold during the interim fiscal year are as follows: (from January 1, 2021 to June 30, 2021)

(Unit: Millions of Yen)

	Sold amount	Gains on sales	Losses on sales
Bonds	-	-	-
Japanese Government Bond	-	-	-
Total	-	-	-

### Notes related to Deferred tax accounting

The main causes for the deferred tax assets and deferred tax liabilities are as follows:

Deferred tax assets	(Millions of Yen)
Loan loss reserve	706
Accrued expense	405
Fixed assets	312
Unearned commission	302
Accrued enterprise tax etc.	152
Bonus reserve	106
Other securities	28
Other	648
Deferred tax assets total	<u>2,664</u>
Deferred tax liabilities	
Negative tax goodwill	<u>367</u>
Deferred tax liabilities total	<u>367</u>
Net deferred tax asset	<u><u>2,296</u></u>

Confirmation

September 30, 2021

Representative in Japan, Branch Manager & CEO  
Lee Robert Waite

I confirm, to the best of my knowledge, the following matters concerning the Citibank, N.A., Tokyo Branch financial statements for the period from January 1, 2021 to June 30, 2021:

1. Matters concerning the financial statements are in conformity with “The Regulations regarding Terminology, Format and Method of Preparation of Financial Statements, etc” and “Enforcement Regulation of the Banking Law” and others, and the financials present fairly in all material respects.
  
2. Citibank, N.A., Tokyo Branch establishes and maintains the appropriate internal control systems as below, and fairly presents financial statements based on it.
  - (1) Assignment of duties and the corresponding units in charge are clearly defined, and the system for accomplishment of operation is appropriately established.
  - (2) Internal Audit Division assesses the appropriateness and effectiveness of internal control systems for each responsible unit, and reports the material matters to the Management and Management Committee.
  - (3) All material information concerning Citibank, N.A., Tokyo Branch is adequately reported to the Management and Management Committee as necessary.

#### 4 The Status of Business and Property on Citigroup Inc.

Please refer to the semi-annual securities report for the period January 1, 2021 to June 30, 2021 as separately attached.