

Citibank, N.A. Bangkok Branch

Financial statements for the year ended
31 December 2015

and

Independent Auditor's Report



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Independent Auditor's Report

To the Management of Citibank, N.A. Bangkok Branch

I have audited the accompanying financial statements of Citibank, N.A. Bangkok Branch (the "Branch") which comprise the statement of financial position as at 31 December 2015, the statements of profit or loss and other comprehensive income, changes in accounts with head office and other branches of the same juristic person and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The Branch is a part of Citibank, N.A. and is not a separately incorporated legal entity. The accompanying financial statements have been prepared from the records of the Branch and reflect only transactions recorded locally.

Management's Responsibility for the Financial Statements

Management of the Branch is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



Opinion

In my opinion, the financial statements present fairly, in all material respects, the assets used in, and liabilities arising out of, the Branch's operations in Thailand as at 31 December 2015, and its financial performance and cash flows in Thailand for the year then ended in accordance with Thai Financial Reporting Standards.

Chanchai S.

(Chanchai Sakulkoedsin)
Certified Public Accountant
Registration No. 6827

KPMG Phoomchai Audit Ltd.
Bangkok
28 April 2016

Citibank, N.A. Bangkok Branch

Statement of financial position

Assets	Note	31 December	
		2015	2014
		<i>(in thousand Baht)</i>	
Cash		324,668	322,567
Interbank and money market items, net	8, 25	56,368,399	43,836,697
Derivative assets	9, 25	22,932,721	22,494,248
Investments, net	10, 23	43,623,092	47,086,716
Loans to customers and accrued interest receivable, net	11, 12, 25		
Loans to customers		94,613,992	89,248,329
Accrued interest receivable		162,613	175,699
Total loans to customers and accrued interest receivable		<u>94,776,605</u>	<u>89,424,028</u>
<i>Less</i> deferred revenue		(14,134)	(11,140)
<i>Less</i> allowance for doubtful accounts	11.4, 13	(3,166,921)	(3,066,845)
<i>Less</i> revaluation allowance for debt restructuring	11.4, 14	(646,391)	(523,514)
Total loans to customers and accrued interest receivable, net		<u>90,949,159</u>	<u>85,822,529</u>
Leasehold building improvements and equipment, net	15	410,049	488,048
Deferred tax assets, net	16	288,985	247,307
Other assets, net	17, 25	4,021,823	3,704,832
Total assets		<u><u>218,918,896</u></u>	<u><u>204,002,944</u></u>

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of financial position

	Note	31 December	
		2015	2014
Liabilities and accounts with head office and other branches of the same juristic person		<i>(in thousand Baht)</i>	
<i>Liabilities</i>			
Deposits	19, 25	140,357,816	128,026,266
Interbank and money market items	20, 25	12,530,029	12,477,689
Liabilities payable on demand		5,270,827	4,235,013
Derivative liabilities	9, 25	24,667,009	24,242,370
Employee benefit obligations	21	426,860	405,502
Accrued expenses	25	2,372,266	2,453,617
Other liabilities	22, 25	5,448,585	4,441,553
Total liabilities		191,073,392	176,282,010
<i>Accounts with head office and other branches of the same juristic person</i>			
Funds brought into maintain assets under the Act	7	21,743,094	21,743,094
Balance of inter-office accounts with head office and other branches of the same juristic person, net	7, 25	1,980,705	1,112,443
Other components of accounts with head office and other branches of the same juristic person	10	(1,186)	59,027
Retained earnings		4,122,891	4,806,370
Total accounts with head office and other branches of the same juristic person		27,845,504	27,720,934
Total liabilities and accounts with head office and other branches of the same juristic person		218,918,896	204,002,944

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of profit or loss and other comprehensive income

	Note	Year ended 31 December	
		2015	2014
		<i>(in thousand Baht)</i>	
Interest income	25, 27	9,371,992	10,030,998
Interest expense	25, 28	1,182,633	1,431,454
Net interest income		8,189,359	8,599,544
Fees and service income	25	4,892,386	5,290,070
Fees and service expenses	25	1,636,610	1,764,479
Net fees and service income	29	3,255,776	3,525,591
Gains on trading and foreign exchange transactions	30	1,983,449	2,137,601
Net gain from investments	31	44,766	268,350
Other operating income		726,725	833,015
Total operating income		14,200,075	15,364,101
Other operating expenses			
Employee expenses	25, 33	2,440,953	2,597,069
Premises and equipment expenses		775,911	883,724
Taxes and duties		467,313	515,357
Intragroup charges	25	101,223	486,846
Others	25, 34	3,141,114	2,727,669
Total other operating expenses		6,926,514	7,210,665
Bad debts, allowance for doubtful accounts and impairment loss	32	2,359,695	2,315,719
Profit from operations before income tax expense		4,913,866	5,837,717
Income tax expense	35	1,052,775	1,231,326
Profit for the year		3,861,091	4,606,391
Other comprehensive income			
<i>Items that will never be reclassified to profit or loss</i>			
Defined benefit plan actuarial gain (loss)	21	18,116	(19,535)
Income tax relating to other comprehensive income	35	(3,623)	3,906
		14,493	(15,629)
<i>Items that are or may be reclassified to profit or loss</i>			
Net change in fair value of available-for-sale investments	10	(75,267)	(50,858)
Income tax relating to other comprehensive income	35	15,054	10,171
		(60,213)	(40,687)
Other comprehensive income for the year, net of income tax		(45,720)	(56,316)
Total comprehensive income for the year		3,815,371	4,550,075

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of changes in accounts with head office and other branches of the same juristic person

	Note	Funds brought into maintenance of assets under the Act	Balance of inter-office accounts with head office and other branches of the same juristic person, net	Other components of accounts with head office and other branches of the same juristic person	Retained earnings	Total
				Fair value changes in available-for-sale investments		
				(in thousand Baht)		
Year ended 31 December 2014						
Balance at 1 January 2014		17,753,450	2,521,046	99,714	9,896,232	30,270,442
Transactions with head office and other branches, recorded directly in head office and other branches of the same juristic person						
<i>Contributions by and distributions to head office and other branches of the same juristic person of the Branch</i>						
Increase in fund	7	3,989,644	-	-	(3,989,644)	-
Movement in balance of inter-office accounts with head office and other branches of the same juristic person, net						
Profit remitted to head office	25	-	(1,408,603)	-	-	(1,408,603)
Income tax on remitted profits and increase in fund	25	-	-	-	(4,722,916)	(4,722,916)
<i>Total contributions by and distributions to head office and other branches of the same juristic person of the Branch</i>		3,989,644	(1,408,603)	-	(9,680,624)	(7,099,583)
Comprehensive income for the year						
Profit for the year		-	-	-	4,606,391	4,606,391
Other comprehensive income						
Net change in fair value of available-for-sale investments, net of income tax	35	-	-	(40,687)	-	(40,687)
Defined benefit plan actuarial loss, net of income tax	35	-	-	-	(15,629)	(15,629)
Total other comprehensive income		-	-	(40,687)	(15,629)	(56,316)
Total comprehensive income for the year		-	-	(40,687)	4,590,762	4,550,075
Balances as at 31 December 2014		21,743,094	1,112,443	59,027	4,806,370	27,720,934

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of changes in accounts with head office and other branches of the same juristic person

	Note	Funds brought into maintenance of assets under the Act	Balance of inter-office accounts with head office and other branches of the same juristic person, net	Other components of accounts with head office and other branches of the same juristic person Fair value changes in available-for-sale investments (in thousand Baht)	Retained earnings	Total
Year ended 31 December 2015						
Balance 1 January 2015		21,743,094	1,112,443	59,027	4,806,370	27,720,934
Transactions with head office and other branches, recorded directly in head office and other branches of the same juristic person						
<i>Contributions by and distributions to head office and other branches of the same juristic person of the Branch</i>						
Movement in balance of inter-office accounts with head office and other branches of the same juristic person, net		-	868,262	-	-	868,262
Profit remitted to head office	25	-	-	-	(4,103,157)	(4,103,157)
Income tax on remitted profits	25	-	-	-	(455,906)	(455,906)
Total contributions by and distributions to head office and other branches of the same juristic person of the Branch		-	868,262	-	(4,559,063)	(3,690,801)
Comprehensive income for the year						
Profit for the year		-	-	-	3,861,091	3,861,091
Other comprehensive income						
Net change in fair value of available-for-sale investments, net of income tax	35	-	-	(60,213)	-	(60,213)
Defined benefit plan actuarial gain, net of income tax	35	-	-	-	14,493	14,493
Total other comprehensive income		-	-	(60,213)	14,493	(45,720)
Total comprehensive income for the year		-	-	(60,213)	3,875,584	3,815,371
Balance as at 31 December 2015		21,743,094	1,980,705	(1,186)	4,122,891	27,845,504

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of cash flows

	Year ended 31 December	
	2015	2014
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit from operations before income tax expense	4,913,866	5,837,717
<i>Adjustments to reconcile profit from operations before income tax expense to net cash provided by (used in) operating activities</i>		
Depreciation and amortisation	129,076	236,159
Bad debts, allowance for doubtful accounts and impairment loss	2,362,789	2,316,079
Net gain from investments	(44,766)	(268,350)
Net loss (gain) on disposal and written off leasehold building improvements and equipments	178	(5)
Unrealized loss (gain) on forward and derivatives contracts, net	(44,613)	2,005,755
Loss (gain) on translation of foreign currencies	(49,795)	56,030
Provision for employee benefits	40,092	39,047
Employee benefit obligation paid	(618)	(12,173)
Net interest income	(8,189,359)	(8,599,544)
Interest received	9,424,336	10,022,459
Interest paid	(1,263,778)	(1,537,147)
Income tax paid	(1,233,269)	(1,452,078)
Profit from operations before changes in operating assets and liabilities	6,044,139	8,643,949
<i>Decrease (increase) in operating assets</i>		
Interbank and money market items	(13,289,418)	(19,455,591)
Investments in securities held for trading	7,942,515	926,588
Loans to customers	(7,647,096)	(4,839,171)
Other assets	(351,979)	1,313,725
<i>Increase (decrease) in operating liabilities</i>		
Deposits	13,030,591	12,370,363
Interbank and money market items	247,220	1,774,608
Liabilities payable on demand	1,035,814	(910,617)
Other liabilities	1,185,165	(2,779,393)
Net cash provided by (used in) operating activities	8,196,951	(2,955,539)

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Statement of cash flows

	Year ended 31 December	
	2015	2014
	<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>		
Net proceeds from purchase and sale of available-for-sale investments	(4,509,389)	10,489,492
Purchases of equipment	(62,051)	(85,057)
Proceeds from sales of equipment	14,184	43,137
Net cash provided by (used in) investing activities	(4,557,256)	10,447,572
<i>Cash flows from financing activities</i>		
Financial liabilities designated at fair value through profit or loss	-	(298,717)
Profit remitted to head office	(4,103,157)	(4,722,916)
Income tax paid on profit remitted to head office and increase in fund	(455,906)	(968,064)
Increase (decrease) in balance of inter-office accounts with head office and other branches of the same juristic person, net	921,469	(1,437,332)
Net cash used in financing activities	(3,637,594)	(7,427,029)
Net increase in cash	2,101	65,004
Cash at 1 January	322,567	257,563
Cash at 31 December	324,668	322,567
Supplementary disclosures of cash flows information		
Non-cash transactions		
Funds brought in to maintain assets under the Act transferred from retained earning which remitted profit to head office	-	3,989,644
Net change in fair value of available-for-sales investment	75,267	50,858

The accompanying notes are an integral part of these financial statements.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

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Citibank, N.A. Bangkok Branch

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from and are consistent with Thai language statutory financial statements, and both English and Thai language financial statements were approved and authorised for issue by the management of Citibank, N.A. Bangkok Branch (“the Branch”) on 28 April 2016.

1 General information

The Branch was granted a license by the Ministry of Finance to carry out domestic banking business in Thailand under the Commercial Banking Act. The Branch was granted a license to undertake its commercial banking business in September 1985.

The Branch has its registered office at 399, Interchange 21 Building Sukhumvit Road, Klongtoey Nua, Wattana, Bangkok.

2 Basis of preparation of the financial statements

The Branch is a part of Citibank, N.A. and is not a separately incorporated legal entity. The accompanying financial statements have been prepared from the records of the Branch and reflect only transactions recorded locally.

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and presented as prescribed by the Bank of Thailand notification number Sor Nor Sor 21/2558, directive dated 4 December 2015, regarding the “The preparation and announcement of the Financial statements of commercial banks and holding companies which are parent company of group of companies offering financial services”.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Branch’s accounting policies. The effects of these changes have no material effect on the financial statement.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Branch’s operations are disclosed in note 36.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Derivative financial instruments	Fair value
Trading and available-for-sale financial assets	Fair value

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Notes to the financial statements

(c) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Branch's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand, unless otherwise stated.

(d) *Use of judgements and estimates*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 6	Fair value of financial assets and liabilities
Note 9	Derivatives
Note 12	Troubled debt restructuring
Note 13	Allowance for doubtful accounts

Measurement of fair values

A number of the Branch's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Branch has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Branch's recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 6 Fair value of financial assets and liabilities.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

3 Changes in accounting policies

(a) Overview

From 1 January 2015, the Branch have adopted the following new TFRS which requires additional information to be disclosed in the financial statement (note 6) but has no material impact on the Branch reported results included herein.

A description of the nature and effect of the changes in accounting policy consequent to the adoption of these new TFRS is included in note 3(b) below:

(b) Fair value measurement

TFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other TFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements for fair value measurement in other TFRSs.

In accordance with the transitional provisions of TFRS 13, the Branch has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

(a) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date. Foreign exchange differences arising on translation are recognised in profit or loss.

(b) Cash

Cash comprises cash on hand and cash on collection.

(c) Investments

Investments in debt securities and equity securities

Debt securities and marketable equity securities held for trading are classified as trading securities and stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Branch has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as being available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in the accounts with head office and other branches of the same juristic person. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in the accounts with head office and other branches of the same juristic person is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of investments classified as held-for-trading and available-for-sale is determined as the quoted investments bid price at the reporting date.

Initial recognition

Purchases or sales of investments are initially recognised on trade date which is the date that the Branch commit to purchase or sell the investment.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in the accounts with head office and other branches of the same juristic person is recognised in profit or loss.

If the Branch disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the FIFO method applied to the carrying value of the total holding of the investment.

(d) Loans to customers

Loans to customers are presented using the outstanding principal amount, except for overdrafts which include accrued interest receivable. Bills purchased at a discount are stated at the face value of the bills, net of unearned discount.

(e) Allowance for doubtful accounts

The Branch provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of loans and receivables. The estimated losses are based on historical collection experience and a review of the current status of the loans and receivables.

The BoT has guidelines for establishing a minimum level of allowance for doubtful accounts, which is primarily determined by applying specified percentages to the different classifications of financing in conjunction with the consideration of collateral valuation. Financing classifications are based principally on the period that a financing is past due. The Branch has set up, at a minimum, the allowance for doubtful accounts according to the BoT regulations.

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Notes to the financial statements

With reference to the BoT's directive, the Branch has classified its loan portfolios into six categories, primarily based on the non-accrual period. For loans classified as pass and special-mention, the calculation of allowances for doubtful accounts is based on the regulatory minimum percentage requirement; taking into consideration the collateral value, where the collateral type and date of the latest appraisal are qualifying factors. For loans classified as sub-standard, doubtful and doubtful of loss, the allowance on these accounts will be set at 100 percent of the difference between the outstanding book value of the debt and the present value of future cashflows expected to be received or the expected proceeds from the disposal of collateral, in accordance with BoT criteria.

The allowance for doubtful accounts established during the year is charged as an expense in profit or loss.

Bad debts written off or recovered are recorded as charges or credit, respectively, to the allowance for doubtful accounts.

(f) Troubled debt restructuring

Losses on troubled debt restructuring resulting from the reduction of principal and accrued interest and other restructuring concessions including modification of terms are recognised as expenses in profit or loss.

In case the troubled debt restructuring modifies the terms of payment, the Branch complies with the BoT's criteria requiring the Branch to choose between the collateral method by which a loss amount is to be estimated and/or the net present value method which represents expected cash flow in the future and applying the market interest rate on the restructuring date for discounting purposes to calculate fair value. Losses from such debt restructuring are recognised in profit or loss.

Subsequent to the troubled debt restructuring, the Branch recalculates fair value of restructured debt based on the aforementioned discount rates as of the reporting date and makes an adjustment for the valuation on the restructured debt, if the fair value has changed. The recalculation made to the financial statements is in accordance with the aforementioned BoT criteria. The adjustment in the valuation of restructured debt shall not cause the book value of restructured debt to exceed the investment value of restructured debt.

(g) Leasehold building improvements and equipment

Recognition and measurement

Owned assets

Leasehold building improvements and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of leasehold building improvements and equipment have different useful lives, they are accounted for as separate items of leasehold improvements and equipment.

Gains or losses on disposal of an item of leasehold building improvements and equipment are determined by difference between the proceeds from disposal and the carrying amount of leasehold building improvements and equipment, and are recognised net within other income in profit or loss.

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Notes to the financial statements

Subsequent costs

The cost of replacing a part of an item of leasehold building improvements and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Branch, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of leasehold building improvements and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or replacement cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of assets. The estimated useful lives are as follows:

Leasehold building improvements	5 - 15 years
Furniture, fixtures and equipment	2 - 10 years
Vehicles	5 years

No depreciation is provided on assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(h) Impairment

The carrying amounts of the Branch's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses revaluation credited to account with the accounts with head office and other branches of the same juristic person, in case of impairment which case it is charged to the accounts with head office and other branches of the same juristic person.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in the accounts with head office and other branches of the same juristic person and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in the accounts with head office and other branches of the same juristic person is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

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The recoverable amount of a non-financial assets is the greater of the assets' value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in other comprehensive income.

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Financial instruments

Derivative

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of interest rate swaps is the estimated amount that the Branch would receive or pay to terminate the swap at the reporting date, taking into account current interest rates.

The fair value of forward exchange contracts is their quoted market price at the reporting date, being the present value of the quoted forward price.

The Branch records forward exchange and currency swap contract transactions as off-financial reporting items and calculates gains or losses on remeasurement by adjusting to market value.

Deposit and borrowing transactions with embedded derivatives

Deposit and borrowing transactions with embedded derivatives are carried at fair value, consistent with FASB 155 "Accounting for Certain Hybrid Financial Instruments" and FASB 159 "The Fair Value Option for Financial Assets and Financial Liabilities" issued by the Financial Accounting Standards Board of U.S.A. The Branch adopts FASB 155 for deposits and borrowings transactions with embedded derivatives that are not interest rate linked and FASB 159 for deposits and borrowings transactions with embedded derivatives that contain interest rate derivatives. The change in fair value is recognised in profit or loss.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

(j) *Employee benefits*

Define contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Branch's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in other comprehensive income. The Branch determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Branch recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other Long-term employee benefits - Share-based payments

The Branch participates in equity-settled share based compensation plans for its employees that are offered by the ultimate parent company of the Group, Citigroup Inc. The fair value of the services received in exchange for the grant of the stock options is recognized as an expense in the profit or loss over the vesting periods of the grant.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options grants, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each reporting date, the Branch revises its estimates of the number of options that are expected to vest. It recognizes the impact of the revision of original estimates, if any, in the profit or loss.

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Branch has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

(k) Provisions

A provision is recognised if, as a result of a past event, the Branch has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Asset retirement obligations

The Branch estimates and recognises a liability for costs associated with the retirement or removal of an asset from service, regardless of the uncertainty of timing or whether performance will be required. For the Branch, this applies to certain real estate restoration activities in the office space, which are rented under lease agreements.

(l) Interest income

The Branch recognises interest income on loans to customer as income on an accruals basis, except for interest income on non-performing loans, including accounts where principal or interest payments are more than three months overdue, is recognised when received. In accordance with the BoT's regulations, interest in arrears more than three months overdue, regardless of whether it is covered by collateral is reversed from profit or loss.

Interest income on deposits and investments is recognised on an accruals basis. Discounts received on the purchase of debt securities are recognised on a straight-line basis over the period to maturity.

(m) Loyalty programmes

The Branch has a customer loyalty programme whereby customers are awarded credits (Points) entitling customers to the right to purchase products from the Branch at a discount or qualify for a free gift. The fair value of the consideration received or receivable in respect of initial sale is allocated between the Points and other components of the sale. The amount allocated to the Point is estimated by reference to the fair value of the right to purchase products at a discount or fair value of the free gift. The fair value is estimated based on the amount of the discount adjusted to take into account the expected forfeiture rate. Such amount is deferred and revenue is recognised only when the Points are redeemed and the Branch has fulfilled its obligations to supply the products. The amount of revenue recognised in those circumstances is based on the number of Points that have been redeemed in exchange for discounted products, relative to the total number of Points that is expected to be redeemed. Deferred revenue is also released to profit or loss when it is no longer considered probable that the Points will be redeemed.

(n) Interest expense

The Branch recognises interest expenses on an accruals basis.

(o) Income tax

Income tax expense for the year comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in the accounts with head office and other branches of the same juristic person or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Branch expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Branch takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Branch believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Branch to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) *Loan origination costs*

The Branch follows Statement of Financial Accounting Standards No. 91 of the Financial Accounting Standards Board of the U.S.A., in deferring the direct origination cost of loans to be amortized over the maturities of the related loans.

(q) *Offsetting*

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position when the Branch has a legal, enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

Citibank, N.A. Bangkok Branch

Notes to the financial statements

5 Financial risk management

Financial risk management policies

The Branch uses a comprehensive range of quantitative tools for monitoring and managing its major risks. Some of these tools are common to a number of risk factors, while others are tailored to the particular features of specific risk categories. These quantitative tools generate information to quantify the susceptibility of the market value of single positions or portfolios to changes in market parameters (sensitivity analysis), measure aggregate risk using statistical techniques, and capture exposure to risks from extreme movements in market prices through scenario analysis.

The most important risks the Branch is exposed to are credit risk, market risk and liquidity risk. These 3 categories of risks are further described below:

5.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Branch. The Branch has adopted a policy of dealing with credit worthy counterparties and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial losses from defaults.

In respect of recognised financial assets, the carrying amount of the assets recorded in the statements of financial position, net of allowance for doubtful accounts, represents the Branch's exposure to credit loss.

The Branch's exposure to credit loss in case of non-performance by a counterparty to the financial instruments is represented by the contractual notional amount of those instruments.

Credit risk also arises from the possibility that a counterparty to derivatives contracts will not adhere to the terms of the contract with the Branch when settlement becomes due.

Derivatives contracts classified by type and at regulatory credit equivalent values as at 31 December 2015 and 2014 were as follows:

	2015	2014
	<i>(in million Baht)</i>	
Forward exchange contracts	8,553	7,590
Forward interest rate contracts	5,056	5,518
Commodity option	2,443	2,094
Total	16,052	15,202

5.2 Market risk

Market risk arises from the uncertainty concerning changes in market prices and rates (including interest rates, foreign exchange rates, equity prices and commodity prices), the correlations among them and their levels of volatility.

The Branch is party to financial instruments in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in foreign exchange rates and interest rates. These financial instruments include commitments to extend credit, standby letters of credit, financial guarantees, options, forwards and swap contracts. These instruments involve, to varying degrees, elements of credit, foreign exchange and interest in excess of the amount recognized in the financial statements. The contract or notional amounts of those instruments reflect the extent of the Branch's involvement in particular classes of financial instruments. The Branch does not engage in speculation with derivative financial instruments.

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The Branch enters into options, forwards and swap contracts as part of its risk management strategy primarily to manage market risk arising from the Branch's underlying assets and liabilities and to offset risk created by its customers. The utilization of options, forwards and swap contracts for these purposes is governed by the Risk Management Committee's approved guidelines and monitored by a risk manager.

(a) Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to have an adverse effect on the net interest earnings of the Branch in the current reporting period, and in future years. Interest rate risk arises from the structure and characteristics of the Branch's assets, liabilities and accounts with head office and other branches of the same juristic person, and in the mismatch in repricing dates of its assets and liabilities.

An analysis of loans to customers at fixed and floating interest rates as at 31 December 2015 and 2014 is as follows:

	2015	2014
	<i>(in million Baht)</i>	
Fixed interest rate	76,819	74,503
Floating interest rate	17,795	14,745
Total loans	94,614	89,248

Significant financial assets and liabilities classified by types of interest rate are as follows:

	31 December 2015			Total
	Floating rate	Fixed rate	Non-interest bearing	
	<i>(in thousand Baht)</i>			
Financial assets				
Cash	-	-	324,668	324,668
Interbank and money market items*	-	56,642,327	-	56,642,327
Investments, net	-	43,622,874	218	43,623,092
Loans to customer and accrued interest receivable**	17,794,846	76,819,146	148,479	94,762,471
Total financial assets	17,794,846	177,084,347	473,365	195,352,558
Financial liabilities				
Deposits	-	124,443,128	15,914,688	140,357,816
Interbank and money market items	-	6,570,699	5,959,330	12,530,029
Liabilities payable on demand	-	-	5,270,827	5,270,827
Total financial liabilities	-	131,013,827	27,144,845	158,158,672
Avals to bill and guarantee on loan	-	-	2,169,844	2,169,844
Letters of credit	-	-	2,254,953	2,254,953
Other contingencies	-	-	7,160,985	7,160,985

* Excluding allowance for doubtful accounts amounting to Baht 273.9 million

** Including non-performing loans and net of deferred revenue

Citibank, N.A. Bangkok Branch
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	31 December 2014			
	Floating rate	Fixed rate	Non-interest bearing	Total
		<i>(in thousand Baht)</i>		
Financial assets				
Cash	-	-	322,567	322,567
Interbank and money market items*	-	44,090,931	-	44,090,931
Investments, net	-	47,086,484	232	47,086,716
Loans to customer and accrued interest receivable**	14,745,076	74,503,253	164,559	89,412,888
Total financial assets	14,745,076	165,680,668	487,358	180,913,102
Financial liabilities				
Deposits	-	114,804,967	13,221,299	128,026,266
Interbank and money market items	-	8,379,349	4,098,340	12,477,689
Liabilities payable on demand	-	-	4,235,013	4,235,013
Total financial liabilities	-	123,184,316	21,554,652	144,738,968
Avals to bill and guarantee on loan	-	-	2,028,834	2,028,834
Letters of credit	-	-	2,409,119	2,409,119
Other contingencies	-	-	11,657,968	11,657,968

* Excluding allowance for doubtful accounts amounting to Baht 254.2 million

** Including non-performing loans and net of deferred revenue

Citibank, N.A. Bangkok Branch Notes to the financial statements

Details of the Branch's interest rate risk based on the period to the earlier of the contractual repricing date or maturity at 31 December 2015 and 2014 were as follows:

	2015							Average interest rate (% per annum)
	On demand	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Non-accrual loans	Total
	<i>(in thousand Baht)</i>							
Financial assets								
Cash	-	-	-	-	-	324,668	-	324,668
Interbank and money market items*	1,185,918	55,340,800	115,609	-	-	-	-	56,642,327
Investments, net	-	8,892,849	7,625,580	26,979,020	125,425	218	-	43,623,092
Loans to customers and accrued interest receivable**	70,331,593	8,373,647	7,832,063	4,914,833	724,145	148,479	2,437,711	94,762,471
Total financial assets	71,517,511	72,607,296	15,573,252	31,893,853	849,570	473,365	2,437,711	195,352,558
Financial liabilities								
Deposits	116,136,135	5,676,926	2,458,293	171,774	-	15,914,688	-	140,357,816
Interbank and money market items	6,420,897	149,802	-	-	-	5,959,330	-	12,530,029
Liabilities payable on demand	-	-	-	-	-	5,270,827	-	5,270,827
Total financial liabilities	122,557,032	5,826,728	2,458,293	171,774	-	27,144,845	-	158,158,672
Avals to bill and guarantee on loan	-	-	-	-	-	2,169,844	-	2,169,844
Letters of credit	-	-	-	-	-	2,254,953	-	2,254,953
Other contingencies	-	-	-	-	-	7,160,985	-	7,160,985

* Excluding allowance for doubtful accounts amounting to Baht 273.9 million

** Including non-performing loans and net of deferred revenue

Citibank, N.A. Bangkok Branch
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2014

	On demand	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Non-accrual loans	Total	Average interest rate (% per annum)
<i>Financial assets</i>									
Cash	-	-	-	-	-	322,567	-	322,567	-
Interbank and money market items*	1,238,724	42,852,207	-	-	-	-	-	44,090,931	1.28
Investments, net	-	8,533,934	24,015,675	14,507,134	29,741	232	-	47,086,716	2.34
Loans to customers and accrued interest receivable**	70,977,931	5,693,010	3,360,415	6,076,721	765,653	164,559	2,374,599	89,412,888	10.10
Total financial assets	72,216,655	57,079,151	27,376,090	20,583,855	795,394	487,358	2,374,599	180,913,102	
<i>Financial liabilities</i>									
Deposits	102,639,364	8,373,882	3,661,417	130,304	-	13,221,299	-	128,026,266	0.73
Interbank and money market items	5,998,711	2,380,638	-	-	-	4,098,340	-	12,477,689	1.12
Liabilities payable on demand	-	-	-	-	-	4,235,013	-	4,235,013	-
Total financial liabilities	108,638,075	10,754,520	3,661,417	130,304	-	21,554,652	-	144,738,968	
Avals to bill and guarantee on loan	-	-	-	-	-	2,028,834	-	2,028,834	
Letters of credit	-	-	-	-	-	2,409,119	-	2,409,119	
Other contingencies	-	-	-	-	-	11,657,968	-	11,657,968	

* Excluding allowance for doubtful accounts amounting to Baht 254.2 million

** Including non-performing loans and net of deferred revenue

Citibank, N.A. Bangkok Branch

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(b) Foreign exchange risk

Foreign exchange rate risk is the risk that occurs from changes in exchange rates which may affect the value of the Branch's financial instruments. The Branch is exposed to foreign exchange risk through transactions in foreign currencies and through the translation of assets and liabilities denominated in foreign currencies into Thai Baht at the reporting date.

As at 31 December 2015 and 2014, the Branch has net open position assets (liabilities) denominated in the various currencies as follows;

	2015	2014
	<i>(in thousand Baht)</i>	
Net foreign currency exposure**		
US Dollar	1,508,032	1,814,943
EURO	(10,114)	(18,097)
Yen	7,903	18,489
Others	37,913	26,604

** Excluding allowance for doubtful accounts amounting to Baht 273.9 million (2014: Baht 253.2 million)

5.3 Liquidity risk

Liquidity risk is the risk that the Branch either does not have sufficient financial resources available to meet the obligations as they fall due, or can only access these financial resources at excessive cost.

The Branch manages its liquidity position under the Bank of Thailand's liquidity reserve regulations and other applicable regulations. The Treasury Department is responsible for managing the Branch's liquidity position by providing short-term and long-term funding sources as well as investing in highly liquid assets in both Thai Baht and foreign currencies. The Branch also ensures that its liquidity position is suitable and sufficient for the current and foreseeable market conditions. The Assets and Liabilities Management Sub-committee supervises management of liquidity risk.

Liquidity risk management ensures the protection of the Branch's solvency and the ability to support asset portfolios with funding of appropriate term and at reasonable cost.

The Branch monitors liquidity risk for each currency. An internal system used for cash flow monitoring captures future expected cash flows, both by day and by currency. The monitoring process also includes the ongoing assessment of the ability to sell liquid assets, mostly trading securities.

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Details of the maturities of financial assets and liabilities as at 31 December 2015 and 2014 were as follows:

	At call	Less than 3 months	2015			Over 5 years	No maturity	Total
			3 months to 1 year	1 to 5 years				
<i>Financial assets</i>								
Cash	-	-	-	-	-	-	324,668	324,668
Interbank and money market items*	1,185,918	55,340,800	115,609	-	-	-	-	56,642,327
Derivative assets	-	4,570,456	4,579,552	9,694,232	4,088,481	-	-	22,932,721
Investments, net	-	8,892,849	7,625,580	26,979,020	725,426	218	-	44,223,093
Loans to customers and accrued interest receivable**	66,621,395	11,822,442	8,179,024	7,415,465	724,145	-	-	94,762,471
Other assets, net	-	3,776,745	-	-	-	-	-	3,776,745
Total financial assets	67,807,313	84,403,292	20,499,765	44,088,717	5,538,052	324,886	324,886	222,662,025
<i>Financial liabilities</i>								
Deposits	132,050,823	5,676,925	2,458,293	171,775	-	-	-	140,357,816
Interbank and money market items	12,380,227	149,802	-	-	-	-	-	12,530,029
Liabilities payable on demand	5,270,827	-	-	-	-	-	-	5,270,827
Derivative liabilities	-	4,641,061	4,732,217	11,117,914	4,175,817	-	-	24,667,009
Other liabilities	-	5,145,559	-	-	-	-	-	5,145,559
Total financial liabilities	149,701,877	15,613,347	7,190,510	11,289,689	4,175,817	-	-	187,971,240
Net liquidity gap	(81,894,564)	68,789,945	13,309,255	32,799,028	1,362,235	324,886	324,886	34,690,785

* Excluding allowance for doubtful accounts amounting to Baht 273.9 million

** Including non-performing loans

Citibank, N.A. Bangkok Branch
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	At call	Less than 3 months	3 months to 1 year	2014			Total
				1 to 5 years	Over 5 years	No maturity	
<i>(in thousand Baht)</i>							
Financial assets							
Cash	-	-	-	-	-	322,567	322,567
Interbank and money market items*	1,238,724	42,852,207	-	-	-	-	44,090,931
Derivative assets	-	-	6,448,742	13,044,471	3,001,035	-	22,494,248
Investments, net	-	8,533,934	24,015,675	14,507,134	29,741	232	47,086,716
Loans to customers and accrued interest receivable**	63,793,682	12,205,881	4,083,290	8,564,383	765,652	-	89,412,888
Other assets, net	-	3,058,067	-	-	-	-	3,058,067
Total financial assets	65,032,406	66,650,089	34,547,707	36,115,988	3,796,428	322,799	206,465,417
Financial liabilities							
Deposits	115,860,663	8,373,882	3,661,417	130,304	-	-	128,026,266
Interbank and money market items	10,097,052	2,380,637	-	-	-	-	12,477,689
Liabilities payable on demand	4,235,013	-	-	-	-	-	4,235,013
Derivative liabilities	-	-	7,214,871	13,744,678	3,282,821	-	24,242,370
Other liabilities	-	4,183,306	-	-	-	-	4,183,306
Total financial liabilities	130,192,728	14,937,825	10,876,288	13,874,982	3,282,821	-	173,164,644
Net liquidity gap	(65,160,322)	51,712,264	23,671,419	22,241,006	513,607	322,799	33,300,773

* Excluding allowance for doubtful accounts amounting to Baht 254.2 million

** Including non-performing loans

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6 Fair value of Financial asset and liabilities

Fair value hierarchy

These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Branch can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

6.1 Financial assets and liabilities measured at fair value

The following table analyses financial assets and liabilities measured at fair value at the reporting date, by the level in the fair value hierarchy into which fair value measurement is categorized.

	Fair value			Total
	Level 1	Level 2	Level 3	
		<i>(in million Baht)</i>		
31 December 2015				
<i>Financial assets</i>				
Derivative assets				
- Foreign exchange rate	-	8,619	-	8,619
- Interest rate	-	13,080	-	13,080
- Commodity option	-	1,234	-	1,234
Trading investments	-	2,500	-	2,500
Available-for-sale investments	-	41,123	-	41,123
<i>Financial liabilities</i>				
Derivative liabilities				
- Foreign exchange rate	-	10,182	-	10,182
- Interest rate	-	13,251	-	13,251
- Commodity option	-	1,234	-	1,234

The Branch determine Level 2 fair values for trading and available-for-sale investments are based on quoted market prices, where available. If quoted market prices are not available, market value is based on quoted market prices of comparable instruments after adjustment for the risk involved.

Level 2 fair values for simple over-the-counter derivative are based on inputs which are observable from independent and reliable market data sources. Those inputs are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values of derivative financial assets reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the counterparty when appropriate.

The Branch recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There were no transfers between Level 1 to Level 2 of the fair value hierarchy in the period.

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The Branch has an established control framework with respect to the measurement of fair values. This framework includes a valuation team and has overall responsibility for all significant fair value measurements.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

6.2 Financial assets and liabilities not measured at fair value

The following table analyses financial assets and liabilities not measured at fair value at The reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Fair value			Total	Carrying amount
	Level 1	Level 2	Level 3		
	<i>(in million Baht)</i>				
31 December 2015					
Financial assets					
Cash	-	325	-	325	325
Interbank and money market Items*	-	56,642	-	56,642	56,642
Loan to customers**	-	-	94,294	94,294	94,614
Financial liabilities					
Deposits	-	140,357	-	140,357	140,358
Interbank and money market items	-	12,530	-	12,530	12,530
Liabilities payable on demand	-	5,271	-	5,271	5,271

* Before deducting allowance for doubtful accounts amounting to Baht 273.9 million.

** Excluded accrued interest receivable and deferred revenue

Methods and assumptions in estimating fair values of financial assets and liabilities as disclosed herein:

Cash, Interbank and money market items (asset and liabilities) and liabilities payable on demand

The fair values of cash, interbank and money market items (assets and liabilities) and liabilities payable on demand approximate the carrying values at which they are stated in the statement of financial position, as these predominantly carry market variable rates of interest and/or are short term.

Loan to customers

For floating-rate loans to customers that reprice frequently and have no significant change in credit risk, fair value approximates carrying value at the reporting date. The fair value of fixed rate loans to customers that reprice within 1 year of the report date approximates the carrying value at the reporting date. The fair value of other fixed interest loans to customers is estimated using discounted cash flow analysis and using interest rates currently being offered for loans to customers with similar credit quality.

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Deposits

The fair value of deposits which are payable on demand by the depositor is equal to the carrying value of such deposits. The carrying amounts of floating-rate, fixed-term money market accounts, certificates of deposit and fixed rate deposits repricing within 1 year approximate their market value at the calculation that applies interest rates currently being offered on deposit to schedule of aggregate expected monthly maturities on time deposits.

7 Maintenance of capital funds

The Branch maintains its capital funds in accordance with Section 32 of the Financial Institution Business Act, B.E. 2551 by maintaining its capital fund as a proportion of risk assets in accordance with the criteria, methodologies, and conditions prescribed by the Bank of Thailand as at 31 December 2015 and 2014, can be summarised as follows:

	2015	2014
	<i>(in million Baht)</i>	
Government bonds	21,832	21,743
Total	<u>21,832</u>	<u>21,743</u>

As at 31 December 2015 and 2014, the Branch's capital fund can be summarised as follow:

	2015	2014
	<i>(in million Baht)</i>	
Assets maintained under Section 32	<u>21,743</u>	<u>21,743</u>
Sum of net capital for maintenance of assets under Section 32 and net balance of inter-office accounts		
Net fund brought into maintenance assets under Section 32	21,743	21,743
Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches of the same juristic person, the parent company and subsidiaries of the head office	1,981	1,112
Total	<u>23,724</u>	<u>22,855</u>
Capital fund before deductible items	21,743	21,743
Deductible items	(53)	(38)
Capital Fund (in million Baht)	<u>21,690</u>	<u>21,705</u>
Capital Adequacy Ratio (%)	<u>14.00</u>	<u>15.19</u>

According to Bank of Thailand notification number For Nor Sor (23) Wor 263/2556 dated 22 February 2013 required to disclose capital after deducting capital add-on arising from Single Lending Limit, effective at the end of January 2015.

As at 31 December 2015, the Branch does not have a capital add-on arising from single lending limit.

As at 31 December 2015 and 2014, the Branch adopted the Standardised Approach for credit risk and operational risk and used Hybrid Approach, and a combination of Standardised and Internal Models, for market risk as approved by the Bank of Thailand and in accordance with the Bank of Thailand notification to calculate minimum capital requirements.

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As at 31 December 2015 and 2014, the Branch met the minimum Capital Adequacy Ratio requirements set down by the Bank of Thailand, which is in compliance with “Basel III” for total capital at minimum of 8.5%.

In accordance with the Bank of Thailand Notification No. Sor.Nor.Sor. 4/2556 dated 2 May 2013, Re: “The Public Disclosure of Capital Maintenance for Commercial Banks”, the Branch intends to disclose Capital Maintenance information as of 31 December 2015 within 4 months after the year end date as indicated in the notification through the Branch’s website www.citibank.co.th.

In 2014, the Bank of Thailand approved the increased in capital of the Branch amounting from amount of Baht 17,753 million to amount of Baht 21,743 million being effective on 24 September 2014. The Branch transferred the amount from retained earnings with the approved from head office.

8 Interbank and money market items, net (assets)

	At call	2015 Term <i>(in thousand Baht)</i>	Total
<i>Domestic items</i>			
Bank of Thailand	193,818	-	193,818
Commercial banks	898,786	19,839,625	20,738,411
Specialised financial institutions	3,837	7,000,000	7,003,837
Other financial institutions	1,170	-	1,170
Total	1,097,611	26,839,625	27,937,236
<i>Add</i> accrued interest receivable	-	3,531	3,531
<i>Less</i> allowance for doubtful accounts	-	(271,804)	(271,804)
Total domestic items, net	1,097,611	26,571,352	27,668,963
<i>Foreign items</i>			
US Dollar	-	28,616,784	28,616,784
Yen	81,219	-	81,219
Other currencies	2,951	-	2,951
Total	84,170	28,616,784	28,700,954
<i>Add</i> accrued interest receivable	-	606	606
<i>Less</i> allowance for doubtful accounts	-	(2,124)	(2,124)
Total foreign items, net	84,170	28,615,266	28,699,436
Total domestic and foreign items, net	1,181,781	55,186,618	56,368,399

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	At call	2014 Term (in thousand Baht)	Total
Domestic items			
Bank of Thailand	478,397	-	478,397
Commercial banks	743,175	18,751,560	19,494,735
Specialised financial institutions	3,651	6,000,000	6,003,651
Other financial institutions	430	-	430
Total	<u>1,225,653</u>	<u>24,751,560</u>	<u>25,977,213</u>
Add accrued interest receivable	-	9,523	9,523
Less allowance for doubtful accounts	-	(250,552)	(250,552)
Total domestic items, net	<u>1,225,653</u>	<u>24,510,531</u>	<u>25,736,184</u>
Foreign items			
US Dollar	-	17,490,170	17,490,170
Yen	9,013	-	9,013
Euro	-	600,794	600,794
Other currencies	4,058	-	4,058
Total	<u>13,071</u>	<u>18,090,964</u>	<u>18,104,035</u>
Add accrued interest receivable	-	160	160
Less allowance for doubtful accounts	-	(3,682)	(3,682)
Total foreign items, net	<u>13,071</u>	<u>18,087,442</u>	<u>18,100,513</u>
Total domestic and foreign items, net	<u>1,238,724</u>	<u>42,597,973</u>	<u>43,836,697</u>

9 Derivatives

9.1 Trading derivatives

As at 31 December 2015 and 2014, the fair value and notional amount of derivatives classified by type of risk are as follows:

Type of risk	Fair value		2015		Total
	Assets	Liabilities	Notional amount		
			Up to 1 year (in thousand Baht)	Over 1 year	
Forward exchange contracts	8,618,998	10,181,758	645,009,223	58,129,516	703,138,739
Forward interest rate contracts	13,079,557	13,251,085	574,244,409	854,718,276	1,428,962,685
Commodity option	1,234,166	1,234,166	24,151,234	157,310	24,308,544
Total	<u>22,932,721</u>	<u>24,667,009</u>	<u>1,243,404,866</u>	<u>913,005,102</u>	<u>2,156,409,968</u>
Type of risk	Fair value		2014		Total
	Assets	Liabilities	Notional amount		
			Up to 1 year (in thousand Baht)	Over 1 year	
Forward exchange contracts	5,189,776	6,596,805	537,224,455	51,903,108	589,127,563
Forward interest rate contracts	16,022,227	16,363,320	546,194,792	971,002,259	1,517,197,051
Commodity option	1,282,245	1,282,245	20,944,658	-	20,944,658
Total	<u>22,494,248</u>	<u>24,242,370</u>	<u>1,104,363,905</u>	<u>1,022,905,367</u>	<u>2,127,269,272</u>

The “notional amount” is a measure of volume, which may be used for examining changes in derivative activities over time. The notional amount is the face value of the contract. Unlike on-financial reporting financial instruments, the notional amount of a derivative does not necessarily reflect the amount at risk, which is generally only a small fraction of this value.

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As at 31 December 2015 and 2014, proportions of the notional amount of derivative transactions, classified by counterparties, consisted of:

	2015	2014
Counterparties		(%)
Financial institutions	93	93
Third parties	7	7
Total	<u>100</u>	<u>100</u>

10 Investments, net

10.1 Classification of investment in securities

As at 31 December 2015 and 2014, the Branch classifies investment types, as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Trading investments - Fair value		
Government and state enterprise securities	2,499,961	10,442,474
Total	<u>2,499,961</u>	<u>10,442,474</u>
Available-for-sale investments - Fair value		
Government and state enterprise securities	41,122,913	36,644,010
Total	<u>41,122,913</u>	<u>36,644,010</u>
General investments - Cost		
Non-marketable equity securities	1,000	1,000
Less allowance for impairment	(782)	(768)
Net	<u>218</u>	<u>232</u>
Total investments, net	<u>43,623,092</u>	<u>47,086,716</u>

Trading securities have contractual maturities of 16 days to 17 years. However, these are expected to be liquidated on a short term basis.

10.2 Unrealised gain (loss) on fair value changes in available-for-sale investments, are as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Unrealised gain (loss) on fair value change in available-for-sale investments	(1,483)	73,784
Less deferred income tax	297	(14,757)
Net	<u>(1,186)</u>	<u>59,027</u>

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10.3 Debt instruments classified by the remaining contractual maturity period are as follows:

	Within 1 year	2015 Maturity over 1 to 5 years (in thousand Baht)	Total
<i>Available-for-sale investments</i>			
Government and state enterprise bonds	15,101,747	26,022,649	41,124,396
Add unrealised gain (loss) on fair value changes of available-for-sale investments	2,563	(4,046)	(1,483)
Total	15,104,310	26,018,603	41,122,913
	Within 1 year	2014 Maturity over 1 to 5 years (in thousand Baht)	Total
<i>Available-for-sale investments</i>			
Government and state enterprise bonds	23,924,083	12,646,143	36,570,226
Add unrealised gain on fair value changes of available-for-sale investments	39,152	34,632	73,784
Total	23,963,235	12,680,775	36,644,010

11 Loans to customers and accrued interest receivable, net

11.1 Classified by type of loans

	2015 (in thousand Baht)	2014
Overdrafts	315,013	468,703
Loans	92,940,770	87,493,433
Bills	1,358,209	1,286,193
Less deferred revenue	(14,134)	(11,140)
Total loans net from deferred revenue	94,599,858	89,237,189
Add accrued interest receivable	162,613	175,699
Total loans net of deferred revenue and accrued interest receivable	94,762,471	89,412,888
Less allowance for doubtful accounts		
- BoT's minimum requirement		
- individual approach	(1,718,363)	(1,685,698)
- collective approach	(977,362)	(966,765)
- Allowance in excess	(471,196)	(414,382)
Less revaluation allowance for debt restructuring	(646,391)	(523,514)
Total loans to customers and accrued interest receivable, net	90,949,159	85,822,529

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11.2 Classified by currency and residency of debtors

	2015			2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	<i>(in thousand Baht)</i>					
Baht	91,754,643	326,230	92,080,873	85,265,367	83,040	85,348,407
US Dollar	2,141,803	165,816	2,307,619	2,682,225	913,890	3,596,115
Other currencies	121,351	90,015	211,366	125,189	167,478	292,667
Total*	94,017,797	582,061	94,599,858	88,072,781	1,164,408	89,237,189

* Loans to customers net of deferred revenue

11.3 Classified by type of business and loan classification

	2015					Total
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	
	<i>(in thousand Baht)</i>					
Agriculture and Mining	587,287	324,797	-	-	-	912,084
Manufacturing and Commerce	23,854,719	1,714,063	-	-	802,167	26,370,949
Property development and construction	263,361	240,212	-	-	-	503,573
Infrastructure and services	957,453	23,314	-	-	-	980,767
Housing loans	723,184	2,703	-	-	-	725,887
Others**	61,599,439	1,871,874	1,401,989	105,632	127,664	65,106,598
Total*	87,985,443	4,176,963	1,401,989	105,632	929,831	94,599,858

* Loans to customers net of deferred revenue.

** Consist of credit cards and other retail lending.

	2014					Total
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	
	<i>(in thousand Baht)</i>					
Agriculture and Mining	877,089	-	-	-	-	877,089
Manufacturing and Commerce	17,519,118	3,328,358	-	-	808,159	21,655,635
Property development and construction	120,000	15	-	-	-	120,015
Infrastructure and services	620,849	4,265	-	-	-	625,114
Housing loans	766,042	-	-	-	433	766,475
Others**	61,555,546	2,071,309	1,330,500	105,073	130,433	65,192,861
Total*	81,458,644	5,403,947	1,330,500	105,073	939,025	89,237,189

* Loans to customers net of deferred revenue.

** Consist of credit cards and other retail lending.

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11.4 Classified by loan grade

	2015			
	Loans to customers and accrued interest receivable <i>(in thousand Baht)</i>	Net amount for setting allowance for doubtful accounts <i>(in thousand Baht)</i>	Rate used for setting allowance for doubtful accounts <i>(%)</i>	Allowance for doubtful accounts** <i>(in thousand Baht)</i>
Allowance as per BoT's minimum requirements				
- Pass	88,132,721	86,504,928	1	1,036,388
- Special mention	4,192,298	4,082,462	2	149,265
- Substandard	1,401,989	1,125,445	100	1,125,445
- Doubtful	105,632	105,632	100	105,632
- Doubtful loss	929,831	925,386	100	925,386
Total	<u>94,762,471</u>	<u>92,743,853</u>		<u>3,342,116</u>
Allowance in excess				<u>471,196</u>
Total*				<u>3,813,312</u>
	2014			
	Loans to customers and accrued interest receivable <i>(in thousand Baht)</i>	Net amount for setting allowance for doubtful accounts <i>(in thousand Baht)</i>	Rate used for setting allowance for doubtful accounts <i>(%)</i>	Allowance for doubtful accounts** <i>(in thousand Baht)</i>
Allowance as per BoT's minimum requirements				
- Pass	81,613,836	79,792,897	1	902,677
- Special mention	5,424,454	5,287,154	2	153,127
- Substandard	1,330,500	1,080,720	100	1,080,720
- Doubtful	105,073	105,073	100	105,073
- Doubtful loss	939,025	934,380	100	934,380
Total	<u>89,412,888</u>	<u>87,200,224</u>		<u>3,175,977</u>
Allowance in excess				<u>414,382</u>
Total*				<u>3,590,359</u>

* Loans to customers net of deferred revenue and interest receivable.

** This also includes provision for other items i.e. trouble debt restructuring.

11.5 Non-performing loans

As of 31 December 2015 and 2014 the Branch has non-performing loans ("NPLs Gross") on accrual basis (including financial institutions) based on the BoT notification as follows:

	2015	2014
Non-performing loans, gross <i>(in thousand Baht)</i>	2,437,452	2,374,599
Total loans used for NPLs ratio calculation ⁽¹⁾ <i>(in thousand Baht)</i>	121,547,505	114,173,873
Percentage of total loans ⁽²⁾	2.01	2.08

⁽¹⁾ Total loans used for NPLs ratio calculation are loans to customers as presented in the statement of financial position and loans to financial institutions as included in inter-bank and money market items.

⁽²⁾ The ratio of NPLs Gross to total loans before allowance for doubtful accounts of non-performing loans.

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As of 31 December 2015 and 2014, non-performing loans, net (“NPLs Net”) (including financial institutions) based on the BoT notification are as follows:

	2015	2014
Non-performing loans, net (<i>in thousand Baht</i>)	279,878	253,342
Total loans used for NPLs net ratio calculation ⁽¹⁾ (<i>in thousand Baht</i>)	117,460,264	110,329,281
Percentage of total loans ⁽²⁾	0.24	0.23

⁽¹⁾ Total loans used for NPLs ratio calculation are loans to customers as presented in the statements of financial position and loans to financial institutions, as included in inter-bank and money market items, after allowance for doubtful accounts of non-performing loans.

⁽²⁾ The ratio of NPLs net to total loans after allowance for doubtful accounts of non - performing loans.

As at 31 December 2015, allowance for doubtful account of 2,156 million (*2014: Baht 2,120 million*) have been provided against the Branch’s non-performing loans classified as substandard, doubtful and doubtful loss.

12 Troubled debt restructuring

Losses on debt restructuring for the year ended 31 December 2015 and 2014 were as follows:

Types of Restructuring	Cases*	2015		Loss on debt restructuring
		Outstanding debt		
		Before restructuring	After restructuring	
Changes of repayment conditions	9,659	1,133,263	929,077	215,976
Total	9,659	1,133,263	929,077	215,976

Types of Restructuring	Cases*	2014		Loss on debt restructuring
		Outstanding debt		
		Before restructuring	After restructuring	
Changes of repayment conditions	9,172	1,029,175	849,032	149,492
Total	9,172	1,029,175	849,032	149,492

* incurred during the year

As at 31 December 2015 and 2014, the Branch has balances of restructured loans as follows:

	2015		2014	
	Cases	Total outstanding debt before restructuring (<i>in thousand Baht</i>)	Cases	Total outstanding debt before restructuring (<i>in thousand Baht</i>)
Restructured loans which are classified as NPLs		382,133		350,165
Restructured loans which are not classified as NPLs		1,282,947		1,143,681
Total	23,155	1,665,080	23,545	1,493,846

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The Branch recognised interest income from debt restructuring for the years ended 31 December 2015 and 2014 as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Interest income	97,250	86,273
Total	97,250	86,273

13 Allowance for doubtful accounts

Movements in the allowance for doubtful accounts for loans to customers during the year ended 31 December 2015 and 2014 consisted of:

	2015						Total
	Pass	Special mention	Sub standard	Doubtful	Doubtful loss	Excess of allowance	
	<i>(in thousand Baht)</i>						
Beginning balance	781,086	101,368	821,363	29,652	918,994	414,382	3,066,845
Doubtful accounts	66,438	(27,497)	5,738	7,285	795,562	56,814	904,340
Recovery	-	-	-	-	(675,872)	-	(675,872)
Bad debts written off	-	-	-	-	(135,103)	-	(135,103)
Others	-	-	-	-	6,711	-	6,711
Ending balance	847,524	73,871	827,101	36,937	910,292	471,196	3,166,921

	2014						Total
	Pass	Special mention	Sub standard	Doubtful	Doubtful loss	Excess of allowance	
	<i>(in thousand Baht)</i>						
Beginning balance	757,065	97,196	761,296	10,418	943,196	320,730	2,889,901
Doubtful accounts	24,021	4,172	60,067	19,234	944,991	93,652	1,146,137
Recovery	-	-	-	-	(780,521)	-	(780,521)
Bad debts written off	-	-	-	-	(188,993)	-	(188,993)
Others	-	-	-	-	321	-	321
Ending balance	781,086	101,368	821,363	29,652	918,994	414,382	3,066,845

14 Revaluation allowance for debt restructuring

	2015	2014
	<i>(in thousand Baht)</i>	
Beginning balance	523,514	398,346
Increase	220,127	211,441
Amortisation of interest income	(97,250)	(86,273)
Ending balance	646,391	523,514

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15 Leasehold building improvements and equipment, net

Changes in leasehold building improvements and equipment during the year ended 31 December 2015 and 2014 were as follows:

	Net book value as of 1 January 2015	Beginning balance	Additions	Cost Transfers	Disposals	Ending balance <i>(in thousand Baht)</i>	Beginning balance	Accumulated depreciation		Ending balances	Net book value as of 31 December 2015
								Depreciation	Disposals		
Leasehold building improvements	291,351	509,324	23,887	8,965	(5,769)	536,407	217,973	56,429	(5,319)	269,083	267,324
Furniture, fixtures and equipment	191,597	835,643	19,430	107	(3,504)	851,676	644,046	72,647	(7,014)	709,679	141,997
Vehicles	3,687	18,434	-	-	(18,434)	-	14,747	-	(14,747)	-	-
Asset under construction	1,413	1,413	10,309	-	(10,994)	728	-	-	-	-	728
Total	488,048	1,364,814	53,626	9,072	(38,701)	1,388,811	876,766	129,076	(27,080)	978,762	410,049

	Net book value as of 1 January 2014	Beginning balance	Additions	Cost Transfers*	Disposals	Ending balance <i>(in thousand Baht)</i>	Beginning balance	Accumulated depreciation		Ending balances	Net book value as of 31 December 2014
								Depreciation	Transfer */ (Disposals)		
Leasehold building improvements	345,050	490,411	18,184	729	-	509,324	145,361	72,109	503	217,973	291,351
Furniture, fixtures and equipment	455,968	1,464,367	28,427	(649,432)	(7,719)	835,643	1,008,399	101,236	(465,589)	644,046	191,597
Vehicles	4,543	18,434	-	-	-	18,434	13,891	856	-	14,747	3,687
Asset under construction	607	607	2,361	(1,555)	-	1,413	-	-	-	-	1,413
Total	806,168	1,973,819	48,972	(650,258)	(7,719)	1,364,814	1,167,651	174,201	(465,086)	876,766	488,048

Depreciation for the year ended 31 December 2015 of Baht 129.1 million was included in profit or loss (2014: Baht 174.2 million).

The cost of the Branch's fully depreciated leasehold building improvements and equipment that was still in use as at 31 December 2015 amounted to Baht 538.9 million (2014: Baht 396.9 million).

* The above transfers include certain intangibles transferred to other assets, net book value amount to Baht 191.8 million.

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16 Deferred tax assets, net

Deferred tax assets and liabilities determined after offsetting are included in the statements of financial position as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Deferred tax assets	296,502	268,257
Deferred tax liabilities	(7,517)	(20,950)
Net	<u>288,985</u>	<u>247,307</u>

Movements in deferred tax assets and liabilities during the year ended 31 December 2015 and 2014 were as follows:

	At 1 January 2015	<u>(Charged)/credited to:</u>		At 31 December 2015
		Profit or loss	Other comprehensiv e income	
		<i>(Note 35)</i>		
		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Interest income	10,422	7,154	-	17,576
Provision for employee benefit and deferred revenue on customer loyalty programme	257,313	24,374	(3,623)	278,064
Unrealised loss on fair value changes of available-for-sale securities	-	-	297	297
Others	522	43	-	565
Total	<u>268,257</u>	<u>31,571</u>	<u>(3,326)</u>	<u>296,502</u>
<i>Deferred tax liabilities</i>				
Equipment depreciation	5,579	1,626	-	7,205
Gain from trading securities	614	(302)	-	312
Unrealised gain on fair value changes of available-for-sale securities	14,757	-	(14,757)	-
Total	<u>20,950</u>	<u>1,324</u>	<u>(14,757)</u>	<u>7,517</u>
Net	<u>247,307</u>	<u>30,247</u>	<u>11,431</u>	<u>288,985</u>

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	At 1 January 2014	(Charged)/credited to:		At 31 December 2014
		Profit or loss	Other comprehensive income	
		<i>(Note 35)</i> <i>(in thousand Baht)</i>		
Deferred tax assets				
Interest income	5,094	5,328	-	10,422
Allowance for doubtful accounts	160	(160)	-	-
Provision for employee benefit and deferred revenue on customer loyalty programme	250,483	2,923	3,907	257,313
Others	425	97	-	522
Total	256,162	8,188	3,907	268,257
Deferred tax liabilities				
Equipment depreciation	11,821	(6,242)	-	5,579
Gain from trading securities	4,322	(3,708)	-	614
Unrealised gain on fair value changes of available-for-sale securities	24,928	-	(10,171)	14,757
Total	41,071	(9,950)	(10,171)	20,950
Net	215,091	18,138	14,078	247,307

17 Other assets, net

	2015	2014
	<i>(in thousand Baht)</i>	
Other accounts receivable	3,401,462	2,612,561
Accrued income	306,263	350,600
Margin call - derivatives	-	250,888
Prepaid expenses and deferred expenses	227,831	206,559
Refundable deposits	17,247	16,873
Others	69,020	267,351
Total	4,021,823	3,704,832

18 Classified assets

As of 31 December 2015 and 2014, classified assets of the Branch, were categorised by quality in compliance with the BoT's regulations, taking into account analyses of each loan and appraisal of the financial standing of each borrower, as follows:

	2015			Total
	Investments	Interbank and money market	Loans to customers and accrued interest receivables	
	<i>(in thousand Baht)</i>			
Pass	-	26,951,198	88,132,721	115,083,919
Special mention	-	-	4,192,298	4,192,298
Sub-standard	-	-	1,401,989	1,401,989
Doubtful	-	-	105,632	105,632
Doubtful loss	16,228	-	929,831	946,059
Total	16,228	26,951,198	94,762,471	121,729,897

Citibank, N.A. Bangkok Branch
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	2014			Total
	Investments	Interbank and money market (in thousand Baht)	Loans to customers and accrued interest receivables	
Pass	-	24,920,357	81,613,836	106,534,193
Special mention	-	25,886	5,424,453	5,450,339
Sub-standard	-	-	1,330,500	1,330,500
Doubtful	-	-	105,073	105,073
Doubtful loss	1,844	-	939,026	940,870
Total	1,844	24,946,243	89,412,888	114,360,975

19 Deposits

19.1 Classified by type of deposits

	2015	2014
	(in thousand Baht)	
Current	15,914,688	13,221,299
Savings	116,136,135	102,639,364
Term		
- Less than 6 months	4,505,721	7,248,973
- More than 6 months but less than 1 year	2,235,440	3,830,135
- 1 year and over	1,565,832	1,086,495
Total	140,357,816	128,026,266

19.2 Classified by currency and residency of depositors

	2015			2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	(in thousand Baht)					
Baht	106,274,131	5,400,227	111,674,358	104,424,518	5,025,243	109,449,761
US Dollar	24,738,855	2,627,941	27,366,796	17,021,032	803,435	17,824,467
Other currencies	972,422	344,240	1,316,662	618,816	133,222	752,038
Total	131,985,408	8,372,408	140,357,816	122,064,366	5,961,900	128,026,266

20 Interbank and money market items (liabilities)

	At call	2015	Total
		Term	
	(in thousand Baht)		
Domestic items			
Commercial banks	4,451	-	4,451
Specialised financial institutions	682	-	682
Other financial institutions	6,484,155	-	6,484,155
Total domestic items	6,489,288	-	6,489,288
Foreign items			
Baht	4,977,794	-	4,977,794
Yen	-	149,802	149,802
US Dollar	3,646	-	3,646
Other currencies	909,499	-	909,499
Total foreign items	5,890,939	149,802	6,040,741
Total domestic and foreign items	12,380,227	149,802	12,530,029

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	At call	2014 Term (in thousand Baht)	Total
Domestic items			
Commercial banks	3,351	-	3,351
Specialised financial institutions	2,045	2,000,000	2,002,045
Other financial institutions	6,098,874	-	6,098,874
Total domestic items	6,104,270	2,000,000	8,104,270
Foreign items			
Baht	3,163,074	-	3,163,074
Yen	-	380,638	380,638
US Dollar	3,331	-	3,331
Other currencies	826,376	-	826,376
Total foreign items	3,992,781	380,638	4,373,419
Total domestic and foreign items	10,097,051	2,380,638	12,477,689

21 Employee benefit obligations

	2015 (in thousand Baht)	2014 (in thousand Baht)
Statement of financial position obligations for:		
Defined benefit plan		
- Post-employment benefits (Legal Severance Payment Plan)	426,860	405,502
- Other long-term employee benefits*	62,467	57,057
Total	489,327	462,559

* Other long-term employee benefits are included under other liabilities in the statement of financial position.

	2015 (in thousand Baht)	2014 (in thousand Baht)
Statement of comprehensive income:		
Recognised in profit or loss		
Defined benefit plan		
- Post-employment benefits (Legal Severance Payment Plan)	40,092	39,047
- Other long-term employee benefits	8,174	2,022
Total	48,266	41,069
Recognised in other comprehensive income:		
Actuarial (gain) loss recognised in the year	(18,116)	19,535
Total	30,150	60,604

The statement of financial position obligation was determined as follow:

	2015 (in thousand Baht)	2014 (in thousand Baht)
Present value of unfunded obligations	426,860	405,502
Statement of financial position obligation	426,860	405,502

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Movement in the present value of defined benefit obligations - post - employment benefits (Legal Severance Payment Plan):

	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	405,502	359,093
Current service cost	27,949	24,730
Interest cost	12,143	14,317
Benefits paid	(618)	(12,173)
Actuarial (gain) loss recognised in other comprehensive income	(18,116)	19,535
At 31 December	<u>426,860</u>	<u>405,502</u>

Movement in the present value of defined benefit plan - other long - term employee benefit:

	2015	2014
	<i>(in thousand Baht)</i>	
As at 1 January	57,057	56,800
Provision made for the years	5,410	257
As at 31 December	<u>62,467</u>	<u>57,057</u>

Expense recognised in profit or loss:

	2015	2014
	<i>(in thousand Baht)</i>	
Post-employee benefit		
- Current service cost	27,949	24,730
- Interest cost	12,143	14,317
Other long-term benefit	5,410	257
Total	<u>45,502</u>	<u>39,304</u>

Actuarial gain recognised in other comprehensive income (net of deferred tax):

	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	160,177	144,548
Recognised during the year	(14,493)	15,629
At 31 December	<u>145,684</u>	<u>160,177</u>

Principal actuarial assumptions

	2015	2014
Discount rate (%)	2.8	3.1
Future salary increase (%)	4.0 - 8.0	4.0 - 8.0
Retirement age (<i>years old</i>)	55 - 60	55 - 60

Assumptions regarding future mortality are based on published statistics and Thailand Mortality Ordinary 2008.

Citibank, N.A. Bangkok Branch
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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation 31 December	2015	
	Increase	Decrease
	<i>(in thousand Baht)</i>	
Discount rate (1% movement)	(43,317)	51,559
Future salary growth (1% movement)	50,056	(42,999)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

22 Other liabilities

	2015	2014
	<i>(in thousand Baht)</i>	
Other accounts payable	4,606,375	4,039,186
Unearned income	208,512	192,058
Withholding tax payable	46,194	44,671
VAT payable	48,320	21,517
Others	539,184	144,121
Total	<u>5,448,585</u>	<u>4,441,553</u>

23 Assets pledged as collateral

	2015	2014
	<i>(in thousand Baht)</i>	
Government bonds (at face value)	-	<u>3,005,399</u>

24 Commitments and contingent liabilities

(a) Lease and service agreement

At 31 December 2015 and 2014, the Branch had 12 year lease and service agreements in respect of new office premises and utilities. Under the terms of the above agreements, the Branch has committed to pay annual rental and service fees as follows:

	2015	2014
	<i>(in million Baht)</i>	
Within one year	201	213
After one year but within five years	796	902
After five years	166	403
Total	<u>1,163</u>	<u>1,518</u>

Citibank, N.A. Bangkok Branch
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(b) *Commitments and contingent liabilities were as follows:*

	2015	2014
	<i>(in thousand Baht)</i>	
Avals to bills and Guarantees of loans	2,169,844	2,028,834
Liabilities under unmatured import bills	337,159	176,313
Letters of credit	2,254,953	2,409,119
Other contingencies		
- Undrawn committed line	158,825,807	157,237,279
- Other guarantees	4,836,301	8,909,288
- Others	1,987,526	2,572,367
Total	<u>170,411,590</u>	<u>173,333,200</u>

25 Related parties

For the purposes of these financial statements, parties are considered to be related to the Branch if the Branch has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Branch and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with key management personnel and related parties were as follows:

Name of entities/personnel	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai/ Foreigners	Persons having authority and responsibilities for planning, directing and controlling the activities of the Branch, directly or indirectly including any director (whether executive or otherwise) of the Branch
Citigroup Inc.	United States of America	Ultimate parent of the Group
Citibank Oversea Investment Corporation	United States of America	Parent, 99.99 % shareholding and subsidiary of Citigroup Inc.
Citibank, N.A. New York	United States of America	Head office of the Branch
Citicorp Securities (Thailand) Limited	Thailand	The same major shareholder which is Citibank Overseas Investment Corporation
Citicorp Leasing (Thailand) Ltd.	Thailand	The same major shareholder which is Citibank Overseas Investment Corporation
Citi Consumer Products (Thailand) Limited	Thailand	The same major shareholder which is Citibank Overseas Investment Corporation
B.E.S. Limited	Thailand	The same major shareholder which is Citibank Overseas Investment Corporation
Citigroup Global Markets Limited	United Kingdom	Subsidiaries of Citigroup Inc.
Citigroup Global Markets Inc.	United States of America	Subsidiaries of Citigroup Inc.
Citibank, N.A. Hong Kong	Hong Kong	Subsidiaries of Citigroup Inc.
Citi (Nominees) Limited	United States of America	Subsidiaries of Citigroup Inc.
Citibank, N.A. Singapore	Singapore	Subsidiaries of Citigroup Inc.

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Notes to the financial statements

Name of entities/personnel	Country of incorporation/ nationality	Nature of relationships
Citicorp Investment Bank Singapore	Singapore	Subsidiaries of Citigroup Inc.
Citicorp International Limited	United States of America	Subsidiaries of Citigroup Inc.
Citibank Japan Limited.	Japan	Subsidiaries of Citigroup Inc.
Citibank, BHD. Kuala Lumpur	Malaysia	Subsidiaries of Citigroup Inc.
Citibank Europe Plc.	Ireland	Subsidiaries of Citigroup Inc.
Citibank, N.A. London	United Kingdom	Subsidiaries of Citigroup Inc.
Citibank Finance Limited (Singapore)	Singapore	Subsidiaries of Citigroup Inc.
Citibank Technology Inc. (CTI)	United States of America	Subsidiaries of Citigroup Inc.
Citibank Taiwan Ltd.	Taiwan	Subsidiaries of Citigroup Inc.
Citigroup Global Market Hong Kong	Hong Kong	Subsidiaries of Citigroup Inc.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Income	
Interest income	Market rate
Fees and service income	Market rate
Expense	
Interest expense	Market rate
Fees and service expenses	Contractually agreed price
Intragroup charges	Contractually agreed price
Other expenses	Contractually agreed price

Significant related parties transactions for the years ended 31 December 2015 and 2014 were as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Related companies		
Interest income		
Citicorp Leasing (Thailand) Limited	66,584	70,474
Others	51,835	41,257
Total	118,419	111,731
Fees and service income		
B.E.S. Limited	110,482	97,700
Citicorp Leasing (Thailand) Ltd.	94,175	98,349
Others	26,886	29,409
Total	231,543	225,458
Interest expense		
Others	105,094	11,526

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	2015	2014
	<i>(in thousand Baht)</i>	
<i>Fees and services expenses</i>		
B.E.S. Limited	338,572	371,044
Citibank, N.A. Singapore	287,063	234,953
Others	32,334	15,201
Total	657,969	621,198
<i>Intragroup charges</i>		
Others	101,223	486,846

The above fees and service expenses, other expense and intragroup charges includes the charges relating to the services provided by the head office and other related entities.

<i>Other expenses</i>		
Citibank Finance Limited (Singapore)	421,936	466,418
Citigroup Technology Inc. (CTI)	23,740	94,352
Others	186,771	136,331
Total	632,447	697,101

<i>Profit remitted</i>		
Citibank, N.A. New York	4,559,063	5,247,682

Key management personnel compensation

The Branch's directors and management levels from manager or vice president upwards including other equivalent positions shall not be entitled to any other benefits than the normal benefits, for instance, salaries, directors' bonuses, post employment benefits and share based payments of a company in the group of its major shareholder as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Key management personnel compensation		
Short-term employee benefits	186,427	335,682
Post-employment benefits	2,763	6,533
Other long-term benefits	13,407	34,722
Total	202,597	376,937

	2015	2014
	<i>(in thousand Baht)</i>	
Loans to key management personnel	-	14

Significant balances as at 31 December 2015 and 2014 with related parties were as follows:

	2015	2014
	<i>(in thousand Baht)</i>	
Assets		
<i>Interbank and money market items</i>		
Citicorp Investment Bank Singapore	28,509,955	17,305,575
Citicorp Leasing (Thailand) Limited	2,150,035	2,190,000
Citi Consumer Products (Thailand) Limited	300,000	400,000
Citicorp International Limited	-	600,794
Total	30,959,990	20,496,369

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	2015	2014
	<i>(in thousand Baht)</i>	
<i>Derivative assets</i>		
Citibank, N.A. New York	3,531,966	2,994,601
Citibank, N.A. London	391,367	833,488
Citibank Japan Limited	60,002	107,812
Citibank N.A. Hong Kong	46,878	52,690
Others	113,619	84,423
Total	<u>4,143,832</u>	<u>4,073,014</u>
<i>Accrued interest receivable</i>		
Others	<u>27,312</u>	<u>32,583</u>
<i>Other assets</i>		
Citibank, N.A. Singapore	264,439	429,478
Citibank N.A. Hong Kong	108,445	20,057
Others	64,295	38,759
Total	<u>437,179</u>	<u>488,294</u>
Liabilities		
<i>Deposits and interbank and money market items</i>		
Citicorp Leasing (Thailand) Limited	238,553	465,540
B.E.S. Limited	159	461,719
Citicorp Securities (Thailand) Limited	967,046	864,577
Citi Consumer Products (Thailand) Limited	20,086	130,613
Citigroup Global Market Inc.	67,593	55,567
Citibank Japan Limited	67,940	406,147
Citibank, BHD. Kuala Lumpur	179,498	171,367
Citibank Europe Plc.	61,934	7,749
Citibank Taiwan Ltd.	149,802	-
Others	71,766	47,535
Total	<u>1,824,377</u>	<u>2,610,814</u>
<i>Derivative liabilities</i>		
Citicorp Leasing (Thailand) Limited	361,344	47,234
Citigroup Global Market Limited	115,778	33,346
Citigroup Inc.	61,725	182,006
Citibank, N.A. Singapore	1,815,826	2,140,720
Citibank, N.A. London	563,435	909,140
Citibank, N.A. New York	1,382,297	1,541,278
Others	975,732	750,574
Total	<u>5,276,137</u>	<u>5,604,298</u>
<i>Accrued interest expense</i>		
Others	<u>3,059</u>	<u>3,774</u>
<i>Other liabilities</i>		
Others	<u>33,157</u>	<u>59,012</u>

Citibank, N.A. Bangkok Branch
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	2015	2014
	<i>(in thousand Baht)</i>	
<i>Balances of inter-office accounts with head office and other branches of same juristic person</i>		
Citibank, N.A. New York	1,622,192	1,138,028
Citibank, N.A. Hong Kong	172,967	25,452
Citibank (Nominees) Limited	93,087	51,130
Others	221	(102,167)
Total	<u>1,888,467</u>	<u>1,112,443</u>
<i>Commitments</i>		
Citicorp Leasing (Thailand) Limited	6,037,832	5,848,413
Citigroup Inc.	-	2,915,531
Citigroup Global Market Limited	14,714,002	2,381,406
Citigroup Global Market Inc.	172,631	252,062
Citigroup Global Market Hong Kong	2,024,468	599,721
Citi Consumer Products (Thailand) Limited	93,061	93,051
Citibank, N.A. Hong Kong	3,178,137	7,928,417
Citibank Japan Limited	5,040,212	599,721
Citibank, BHD. Kuala Lumpur	1,267	116,655
Citibank, N.A. Singapore	108,017,678	78,372,689
Citibank, N.A. New York	106,363,972	100,876,917
Citibank, N.A. London	53,237,269	55,839,273
Citicorp Investment Bank Singapore	200,049	218,539
Others	51,235	1,375
Total	<u>299,131,813</u>	<u>256,043,770</u>

As at 31 December 2015, loans to related parties were due to mature on 6 January 2016 and 28 July 2017 (2014: 5 January 2015 and 28 July 2017) and carried interest at 1.99 % - 2.76 % per annum (2014: 2.49% - 3.29% per annum).

Commitments to related parties comprise the notional amounts of derivatives assets and liabilities disclosed under note 9.

As at 31 December 2015, commitments with related parties were due to mature on 4 January 2016 - 20 January 2049 (2014: 2 January 2015 - 20 January 2049).

Significant agreements with related parties

(a) *Operational support service agreements*

The Branch entered into a service agreement with related companies. Under the terms of the agreement, the Branch provides the related party several services including technological support, financial control, staff training, quality assurance, compliance and others. The agreement is open-ended. However, it can be terminated by either party by giving at least three months prior written notice to the other party. For the year ended 31 December 2015, the Branch earned service fees of Baht 226.7 million (2014: Baht 222.7 million).

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(b) *Collection service agreement*

The Branch entered into a collection service agreement with a related company. Under these agreements which is annually renewed, the Branch has collection service expenses for the year ended 31 December 2015 of Baht 338.6 million (2014: Baht 371.0 million).

26 The financial position and results of operations classified by domestic and foreign business

The Branch does not present the financial position and results of operations classified by domestic and foreign business in the financial statements since the Branch is engaged in only one domestic business in Thailand.

27 Interest income

	2015	2014
	<i>(in thousand Baht)</i>	
Interbank and money market items	395,206	573,736
Investment in debt securities	883,700	1,172,080
Loans	8,093,086	8,284,699
Hire purchase	-	483
Total	<u>9,371,992</u>	<u>10,030,998</u>

28 Interest expense

	2015	2014
	<i>(in thousand Baht)</i>	
Deposits	546,270	809,368
Interbank and money market items	59,208	66,589
Contribution to Deposit Protection Agency	577,155	555,497
Total	<u>1,182,633</u>	<u>1,431,454</u>

29 Net fees and service income

	2015	2014
	<i>(in thousand Baht)</i>	
Fees and service income		
- Acceptances, aval and guarantees	174,737	210,163
- Credit card, ATM and others	2,779,704	2,863,792
- Others	1,937,945	2,216,115
Total	<u>4,892,386</u>	<u>5,290,070</u>
Fees and service expense		
- Fees from related parties	657,969	637,871
- Others	978,641	1,126,608
Total	<u>1,636,610</u>	<u>1,764,479</u>
Net	<u>3,255,776</u>	<u>3,525,591</u>

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30 Net gains on tradings and foreign exchange transactions

	2015	2014
	<i>(in thousand Baht)</i>	
Gains (losses) on trading and foreign exchange transactions		
- Foreign exchange currency and foreign currency related derivatives	1,906,125	1,756,215
- Interest rate related derivatives	(63,689)	292,932
- Others	141,013	88,454
Total	<u>1,983,449</u>	<u>2,137,601</u>

31 Net gains from investments

	2015	2014
	<i>(in thousand Baht)</i>	
Gain from sale of available for sale investment	143,382	151,658
Gain (loss) from sale of trading investments	(97,206)	135,231
Loss on remeasuring of fair value on trading investments	(1,396)	(18,529)
Impairment on general investment	(14)	(10)
Total	<u>44,766</u>	<u>268,350</u>

32 Bad debts, allowance for doubtful accounts and impairment loss

	2015	2014
	<i>(in thousand Baht)</i>	
Interbank and money market items	19,006	106,799
Loans to customers	2,087,376	2,015,976
Loss on troubled debt restructuring	253,313	192,944
Total	<u>2,359,695</u>	<u>2,315,719</u>

33 Employee expenses

	<i>Note</i>	2015	2014
		<i>(in thousand Baht)</i>	
Wages, salaries and bonus		1,680,996	1,758,202
Post employment benefit - defined benefit plans	21	40,092	39,047
Post employment benefit - defined contribution plans		124,489	127,116
Others		595,376	672,704
Total		<u>2,440,953</u>	<u>2,597,069</u>

The defined contribution plan comprises a provident fund established by the Branch for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 10% of their basic salaries and by the Branch at rates ranging from 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

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34 Other expenses

	2015	2014
	<i>(in thousand Baht)</i>	
Sales and marketing expenses	1,510,540	1,465,266
Amortisation for acquisition cost of loans	172,051	155,003
Others	1,458,523	1,107,400
Total	<u>3,141,114</u>	<u>2,727,669</u>

35 Income tax expense

Income tax recognised in profit or loss

	<i>Note</i>	2015	2014
		<i>(in thousand Baht)</i>	
<i>Current tax expense</i>			
Current year		1,066,865	1,244,155
Under provided in prior year		16,157	5,309
		<u>1,083,022</u>	<u>1,249,464</u>
<i>Deferred tax expense</i>			
Movements in temporary differences	16	(30,247)	(18,138)
Total		<u>1,052,775</u>	<u>1,231,326</u>

Income tax recognised in other comprehensive income

	Before tax	2015 Tax (expense) benefit	Net of tax	Before Tax	2014 Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale investments	(75,267)	15,054	(60,213)	(50,858)	10,171	(40,687)
Actuarial gains (losses)	18,116	(3,623)	14,493	(19,535)	3,906	(15,629)
Total	<u>(57,151)</u>	<u>11,431</u>	<u>(45,720)</u>	<u>(70,393)</u>	<u>14,077</u>	<u>(56,316)</u>

Reconciliation of effective tax rate

	2015	2014
	<i>Rate (%)</i>	<i>Rate (%)</i>
	<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>
Profit before tax	4,913,866	5,837,717
Income tax using the Thai corporation tax rate	20.0	20.0
Expenses not deductible for tax purposes	1.1	1.0
Under provided in prior year	0.3	0.1
Others	0.0	(0.0)
Total	<u>21.4</u>	<u>21.1</u>

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015. Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

Citibank, N.A. Bangkok Branch
Notes to the financial statements

36 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Branch's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Branch does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TFRS 2 (revised 2015)	Share-based Payment
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 25 (revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 32 (revised 2015)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners

The Branch has made a preliminary assessment of the potential initial impact on the Branch's financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.