Country by Country Reporting YE 2018

Citibank Europe Plc

Contents

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CITIBANK EUROPE PLC

Opinion

We have audited the accompanying Country-by-Country ("CBC") financial information of Citibank Europe plc as at year ended 31 December 2018 pursuant to the European Union (Capital Requirements) Regulations, 2014 ("the Regulation") which is required to be audited by Regulation 77 of those Regulations. The CBC financial information set out on pages 3 to 5 (collectively "the CBC financial information"), is prepared on a consolidated basis. The financial reporting framework that has been applied in the preparation of the CBC financial information is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the CBC financial information as at 31 December 2018:

- is prepared in all material respects in accordance with the basis of preparation set out in page 3; and
- discloses the items of CBC financial information required to be published, having applied the relevant principles of IFRS as adopted by the EU, by Regulation 77 of the European Union (Capital Requirements) Regulations, 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the CBC financial information section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the CBC financial information, including the Code of Ethics for Members issued by the Institute of Chartered Accountants in Ireland and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – basis of preparation

In forming our opinion on the CBC financial information, which is unmodified, we have considered the adequacy of the disclosure made on pages 3 to 4 concerning the definitions applied by the Company to the items of CBC financial information required to be published. Regulation 77 of the European Union (Capital Requirements) Regulations, 2014 does not set out definitions of the items of CBC financial information to be disclosed. The Company has applied definitions, as applicable, to the items of CBC financial information which are consistent with the definitions of those items in accordance with IFRS as adopted by the EU and of those items in the Company's annual statutory financial statements.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date when the CBC financial information is available for use. We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CITIBANK EUROPE PLC (continued)

Responsibilities of the directors for the CBC financial information

The directors are responsible for the preparation and fair presentation of the CBC financial information in accordance with the requirements of the European Union (Capital Requirements) Regulations, 2014 relevant to preparing such CBC financial information, and for such internal control as management determines is necessary to enable the preparation of the CBC financial information that is free from material misstatement, whether due to fraud or error.

In preparing the CBC financial information, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the CBC financial information

Our objectives are to obtain reasonable assurance about whether the CBC financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the CBC financial information.

A fuller description of our responsibilities is provided on IAASA's website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

Our report is made solely to the Company's directors, as a body, in accordance with our engagement letter to provide a report pursuant to Regulation 77 of the European Union (Capital Requirements) Regulation, 2014. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an auditor's report on CBC financial information and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

Niamh Marshall

03 July 2019

Niamh Marshall
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1

Citibank Europe PLC (CEP) Basis of Preparation

Article 89 of the CRD requires credit institutions to disclose certain information on a branch by branch basis.

Basis of Preparation:

Table 1 on page 5 presents CEP's turnover, average number of employees, profit or loss before tax, tax on profit and public subsidies received based on the geographic locations in which CEP operates. These disclosures have been prepared in conjunction with and based on the 2018 Annual Financial Statements of CEP which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Overview of the table:

Table 1 on page 5 presents the CEP's turnover, number of employees, profit and loss before tax, tax on profit or loss and public subsidies received. Set out below are the definitions which have been applied in preparing the information within Table 1.

Turnover:

Turnover represents total operating income, which comprises net interest income, net fee and commission income, net trading income, dividend income and other operating income.

Employees:

This represents the average number of Full Time Equivalents being full and part time employees but excluding any agency and contracting staff.

Profit and Loss before Tax:

Profit and loss before tax is reported in a manner consistent with that included in the 2018 Annual Financial Statements.

Tax on profit:

Tax on profit or loss represents the tax expense recognised within the income statement and does not reflect the actual amount of corporation tax paid. Included within the tax on profit or loss is both current tax and deferred tax.

Public Subsidies Received:

Subsidies received is considered a direct transfer of funds, such as a grant from a state body.

Citibank Europe PLC (CEP) Nature of activities

Citibank Europe Plc. (CEP) is a licenced credit institution authorised by the Central Bank of Ireland (CBI) and is headquartered in Ireland. Pursuant to its authorisation by the CBI, CEP has passported under the European Union's(EU) Banking Consolidation Directive and accordingly is permitted to conduct a broad range of banking and financial-services activities across the EEA through branches and on a cross border basis.

The Company's overseas passported branches are located in Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Luxembourg, Netherlands, Norway, Portugal, Romania, Slovakia, Spain, Sweden and the United Kingdom. In addition to the overseas passported branches, CEP has two branch in Poland and Hungary which provide key operation and technology support services to other Citigroup affiliates.

A Country by Country Reporting (CBCR) obligation was introduced through Article 89 of the EUR Directive 2013/36/EU, otherwise known as the Capital Requirements Directive IV (CRD IV). CEP is required on a standalone basis to report the following information for each period of account.

Citibank Europe PLC (CEP) Country-by-Country Report 31 December 2018

	Turnover $ 000	Number of employees	Profit or loss before tax $ 000	Tax on profit or loss $ 000	Public subsidies received $ 000
Austria	2,659	7	(1,824)	(133)	-
Belgium	10,666	14	1,714	(2,072)	-
Bulgaria	12,924	48	3,665	(374)	-
Czech	86,645	256	29,297	(6,475)	-
Denmark	15,698	12	10,464	(1,729)	-
Finland	8,209	14	2,675	(501)	-
France	59,930	84	20,352	(8,011)	-
Germany	33,572	54	7,456	(3,809)	-
Greece	53,094	104	16,758	(1,921)	-
Hungary	191,272	2,015	14,555	(1,357)	-
Ireland	1,018,296	1,930	632,597	(66,362)	-
Italy	(43)	-	(710)	0	-
Luxembourg	59,804	141	13,812	(4,101)	51
Netherlands	78,562	67	54,265	(13,680)	-
Norway	12,219	11	6,337	(1,533)	-
Poland	225,931	3,903	26,120	(6,553)	-
Portugal	6,571	22	977	485	-
Romania	89,997	187	66,805	(10,690)	-
Slovakia	15,181	50	591	(366)	-
Spain	60,352	145	20,954	(8,579)	-
Sweden	27,233	58	1,546	-	-
United Kingdom	257,085	171	139,257	(50,713)	-
	2,325,854	**9,293**	**1,067,665**	**(188,475)**	**51**

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