

Nepal Bank Limited
Kathmandu
Unaudited Financial Results (Quarterly)
As at 2nd Quarter (14/01/2007) of the Fiscal Year 2006/2007

Rs. in '000

| S.N. | Particulars | This Quarter Ending | Previous Quarter Ending | Corresponding Previous Year Quarter Ending |
|----------|--|-----------------------------------|---------------------------------------|--|
| 1 | Total Capital and Liabilities (1.1 to 1.7) | 43,668,981 | 43,368,179 | 55,098,640 |
| 1.1 | Paid Up Capital | 380,383 | 380,383 | 380,383 |
| 1.2 | Reserve and Surplus | (6,353,950) | (6,470,908) | (7,452,630) |
| 1.3 | Debenture and Bond | | | |
| 1.4 | Borrowings | 1,681,456 | 1,708,043 | 1,530,981 |
| 1.5 | Deposits (a+b) | 36,773,732 | 35,499,138 | 34,294,876 |
| | a. Domestic Currency | 36,610,551 | 35,321,361 | 34,099,854 |
| | b. Foreign Currency | 163,181 | 177,777 | 195,022 |
| 1.6 | Income Tax Liability | - | - | - |
| 1.7 | Other Liabilities | 11,187,360 | 12,251,523 | 26,345,030 |
| 2 | Total Assets (2.1 to 2.7) | 43,668,981 | 43,368,179 | 55,098,640 |
| 2.1 | Cash and Bank Balance | 4,671,252 | 7,476,555 | 4,180,229 |
| 2.2 | Money at Call and short Notice | - | - | 110,000 |
| 2.3 | Investments | 14,543,583 | 14,028,482 | 14,507,024 |
| 2.4 | Loans and Advances | 12,920,605 | 12,063,680 | 16,375,429 |
| 2.5 | Fixed Assets | 220,338 | 225,897 | 213,836 |
| 2.6 | Non Banking Assets | 857,045 | 856,187 | 284,531 |
| 2.7 | Other Assets | 10,456,157 | 8,717,379 | 19,427,591 |
| 3 | Profit and Loss Account | Up to This Quarter | Up to Previous Quarter | Up to Corresponding Previous Year Quarter |
| 3.1 | Interest Income | 818,722 | 427,808 | 1,022,590 |
| 3.2 | Interest Expense | 338,047 | 182,613 | 381,658 |
| | A. Net Interest Income (3.1-3.2) | 480,675 | 245,194 | 640,932 |
| 3.3 | Fees, Commission and Discount | 65,635 | 19,540 | 77,608 |
| 3.4 | Other Operating Income | 151,212 | 19,837 | 67,872 |
| 3.5 | Foreign Exchange Gain/Loss (Net) | (27,025) | (54,680) | 1,834 |
| | B. Total Operating Income (A.+3.3+3.4+3.5) | 670,497 | 229,891 | 788,247 |
| 3.6 | Staff Expenses | 363,758 | 183,758 | 342,619 |
| 3.7 | Other Operating Expenses | 238,622 | 62,060 | 102,637 |
| | C. Operating Profit Before Provision (B.-3.6-3.7) | 68,118 | (15,927) | 342,991 |
| 3.8 | Provision for Possible Losses | 13,048 | - | - |
| | D. Operating Profit (C.-3.8) | 55,070 | (15,927) | 342,991 |
| 3.9 | Non Operating Income/Expenses (Net) | 3,752 | 2,484 | - |
| 3.10 | Write Back of Provision for Possible Loss | 202,150 | 162,901 | - |
| | E. Profit from Regular Activities (D.+3.9+3.10) | 260,972 | 149,458 | 342,991 |
| 3.11 | Extraordinary Income/Expenses (Net) | 71,229 | 8,345 | 10,308 |
| | F. Profit before Bonus and Taxes (E.+3.11) | 332,201 | 157,803 | 353,299 |
| 3.12 | Provision for Staff Bonus | - | - | - |
| 3.13 | Provision for Tax | - | - | - |
| | G. Net Profit/Loss (F.-3.12-3.13) | 332,201 | 157,803 | 353,299 |
| 4 | Ratios | At the End of this Quarter | At the End of Previous Quarter | At the End of Corresponding Previous Year Quarter |
| 4.1 | Capital Fund to RWA | -44.15% | -48.20% | -30.47% |
| 4.2 | Non Performing Loan(NPL) To Total Loan | 14.24% | 15.26% | 47.78% |
| 4.3 | Total Loan Loss Provision to Total NPL | 138.50% | 124.05% | 110.52% |

