

**Nepal Bank Limited**  
**Kathmandu**  
**Unaudited Financial Results (Quarterly)**  
As at 4th Quarter (16/07/2006) of the Fiscal Year 2005/2006

Rs. in '000

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
<b>1</b>	<b>Total Capital and Liabilities (1.1 to 1.7)</b>	<b>44,493,115</b>	<b>56,095,860</b>	<b>55,713,330</b>
1.1	Paid Up Capital	380,383	380,383	380,383
1.2	Reserve and Surplus	(7,077,958)	(7,313,817)	(7,805,928)
1.3	Debenture and Bond			
1.4	Borrowings	1,717,442	1,557,876	1,247,065
1.5	Deposits (a+b)	35,790,042	34,135,964	35,934,164
	a. Domestic Currency	35,617,663	33,975,588	35,730,183
	b. Foreign Currency	172,379	160,376	203,980
1.6	Income Tax Liability	-	-	
1.7	Other Liabilities	13,683,206	27,335,455	25,957,647
<b>2</b>	<b>Total Assets (2.1 to 2.7)</b>	<b>44,493,115</b>	<b>56,095,860</b>	<b>55,713,330</b>
2.1	Cash and Bank Balance	5,523,248	5,154,258	6,159,337
2.2	Money at Call and short Notice	-	-	550,000
2.3	Investments	14,501,391	14,021,881	14,219,757
2.4	Loans and Advances	12,879,221	17,116,816	16,866,546
2.5	Fixed Assets	210,649	204,535	187,085
2.6	Non Banking Assets	798,215	383,640	194,813
2.7	Other Assets	10,580,391	19,214,730	17,535,793
<b>3</b>	<b>Profit and Loss Account</b>	<b>Up to This Quarter</b>	<b>Up to Previous Quarter</b>	<b>Up to Corresponding Previous Year Quarter</b>
3.1	Interest Income	2,048,377	1,485,613	1,997,176
3.2	Interest Expense	780,790	557,343	748,953
	<b>A. Net Interest Income (3.1-3.2)</b>	<b>1,267,588</b>	<b>928,270</b>	<b>1,248,224</b>
3.3	Fees, Commission and Discount	171,081	94,663	188,421
3.4	Other Operating Income	127,045	96,758	134,725
3.5	Foreign Exchange Gain/Loss (Net)	121,453	32,046	1,369
	<b>B. Total Operating Income (A.+3.3+3.4+3.5)</b>	<b>1,687,167</b>	<b>1,151,737</b>	<b>1,572,739</b>
3.6	Staff Expenses	711,715	498,751	678,302
3.7	Other Operating Expenses	228,018	152,935	206,420
	<b>C. Operating Profit Before Provision (B.-3.6-3.7)</b>	<b>747,434</b>	<b>500,051</b>	<b>688,016</b>
3.8	Provision for Possible Losses			
	<b>D. Operating Profit (C.-3.8)</b>	<b>747,434</b>	<b>500,051</b>	<b>688,016</b>
3.9	Non Operating Income/Expenses (Net)	9,217	8,688	1,121
3.10	Write Back of Provision for Possible Loss	960,392		408,199
	<b>E. Profit from Regular Activities (D.+3.9+3.10)</b>	<b>1,717,043</b>	<b>508,739</b>	<b>1,097,337</b>
3.11	Extraordinary Income/Expenses (Net)	(908,186)	(16,628)	632,793
	<b>F. Profit before Bonus and Taxes (E.+3.11)</b>	<b>808,856</b>	<b>492,111</b>	<b>1,730,130</b>
3.12	Provision for Staff Bonus	80,886	-	-
3.13	Provision for Tax	-	-	-
	<b>G. Net Profit/Loss (F.-3.12-3.13)</b>	<b>727,971</b>	<b>492,111</b>	<b>1,730,130</b>
<b>4</b>	<b>Ratios</b>	<b>At the End of this Quarter</b>	<b>At the End of Previous Quarter</b>	<b>At the End of Corresponding Previous Year Quarter</b>
4.1	Capital Fund to RWA	-45.8%	-36.50%	-29.53%
4.2	Non Performing Loan(NPL) To Total Loan	25.11%	43.40%	49.64%
4.3	Total Loan Loss Provision to Total NPL	122.88%	116.48%	103.29%