



NATIONAL BANK OF CANADA

SUPPLEMENTARY FINANCIAL INFORMATION

SECOND QUARTER 2006 REPORT

For more information:

Pierre Fitzgibbon, Senior Vice-President Finance, Technology, and Corporate affairs, phone: (514) 394-8610, fax: (514) 394-6196

Jean Dagenais, Vice-President and Chief Accountant, phone: (514) 394-6233, fax: (514) 394-6196

Hélène Baril, Director Investor Relations, phone: (514) 394-0296, fax: (514) 394-6196

This document is also available via the Internet on the Bank's web site: www.nbc.ca



Financial Highlights	page 1
Consolidated Statement Of Income	page 2
Results Of Operations As A Percentage Of Average Assets	page 3
Net Income By Sector Of Activities	page 4
Other Income And Trading Revenues	page 6
Non-Interest Expenses	page 7
Provision For Credit Losses	page 8
Condensed Consolidated Balance Sheet	page 9
Consolidated Statement Of Changes In Shareholders' Equity	page 10
Assets Under Administration / Management	page 11
Gross Impaired Loans	page 12
Net Impaired Loans	page 13
Risk-Adjusted Capital Ratios.....	page 14
Financial Derivatives	page 15
Shareholders' Information.....	page 16
Global Trading Value At Risk.....	page 17

FINANCIAL HIGHLIGHTS


	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
Net income (\$000,000)			\$214.2	\$217.2	\$207.1	\$207.1	\$202.2	\$238.8	\$431.4	\$441.0	\$855.3	\$724.7
Earnings per share												
- basic			\$1.29	\$1.28	\$1.22	\$1.20	\$1.17	\$1.39	\$2.57	\$2.56	\$4.98	\$4.10
- fully diluted			\$1.26	\$1.26	\$1.20	\$1.18	\$1.15	\$1.37	\$2.52	\$2.52	\$4.90	\$4.05
Return on common shareholders' equity			20.4%	19.9%	19.4%	19.6%	19.9%	23.6%	20.2%	21.8%	20.7%	18.8%
Dividend per share			\$0.48	\$0.48	\$0.44	\$0.44	\$0.42	\$0.42	\$0.96	\$0.84	\$1.72	\$1.42
Net interest margin Personal & Commercial Bank			2.86%	2.89%	2.90%	2.93%	2.97%	3.02%	2.87%	3.00%	2.96%	3.09%
Productivity ratio (teb)			63.66%	64.39%	66.97%	64.87%	66.48%	61.36%	64.03%	63.84%	64.88%	65.40%
Effective tax rate (teb)			33.52%	33.47%	33.51%	33.18%	33.25%	33.49%	33.49%	33.37%	33.36%	36.08%
Average loans and BA's (\$000,000)			\$49,508	\$48,628	\$48,607	\$46,702	\$44,719	\$43,638	\$49,061	\$44,170	\$45,926	\$41,060
Average assets (\$000,000)			\$105,388	\$103,590	\$98,930	\$95,444	\$86,972	\$82,135	\$104,474	\$84,513	\$90,902	\$78,672
Total Assets (\$000,000)			\$111,183	\$105,276	\$107,598	\$110,593	\$99,917	\$91,703	\$111,183	\$99,917	\$107,598	\$88,497
Average common shareholders' equity (\$000,000)			\$4,190	\$4,221	\$4,118	\$4,019	\$4,010	\$3,924	\$4,202	\$3,958	\$4,018	\$3,747
Number of shares outstanding (000's)			161,882	164,313	165,335	165,096	165,744	168,050	161,882	165,744	165,335	167,430
Gross impaired loans (\$000,000)			242.2	259.2	260.0	260.9	271.1	303.6	242.2	271.1	260.0	387.5
Gross impaired loans/common equity-goodwill+reserves			6.42%	6.75%	6.83%	7.02%	7.42%	8.20%	6.42%	7.42%	6.83%	10.88%
Net impaired loans (\$000,000)			(197.1)	(194.6)	(190.7)	(219.3)	(213.5)	(216.0)	(197.1)	(213.5)	(190.7)	(190.4)
as a % of net loans and bankers' acceptances			-0.4%	-0.4%	-0.4%	-0.5%	-0.5%	-0.5%	-0.4%	-0.5%	-0.4%	-0.4%
Book value			\$25.77	\$25.72	\$25.39	\$24.70	\$24.19	\$23.97	\$25.77	\$24.19	\$25.39	\$22.87
Capital ratios - BIS												
Tier 1			9.1%	9.5%	9.6%	9.2%	9.5%	9.6%	9.1%	9.5%	9.6%	9.6%
Total			12.2%	12.7%	12.8%	12.1%	13.3%	13.5%	12.2%	13.3%	12.8%	13.0%
Tangible Shareholders' equity / Risk weighted assets			7.03%	7.36%	7.37%	7.01%	7.11%	7.13%	7.03%	7.11%	7.37%	7.02%
Number of employees (full-time equivalent)			14,375	14,444	14,372	14,596	14,278	14,175	14,375	14,278	14,372	14,122
Number of Branches			455	455	457	460	460	462	455	460	457	462
Number of ATM'S			802	797	788	774	770	768	802	770	788	770

CONSOLIDATED STATEMENT OF INCOME


	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
(unaudited)(thousands)(taxable equivalent basis)												
<i>Interest Income and Dividends</i>												
Loans			\$ 627,694	\$ 614,238	\$ 568,496	\$ 538,145	\$ 505,944	\$ 509,167	\$1,241,932	\$1,015,111	\$ 2,121,752	\$ 1,883,063
Securities			260,073	203,948	189,055	188,791	182,186	178,835	464,021	361,021	738,867	588,545
Deposits with regulated financial institutions			76,900	57,986	66,586	52,252	46,782	27,828	134,886	74,610	193,448	113,132
Total Interest Income and Dividends			964,667	876,172	824,137	779,188	734,912	715,830	1,840,839	1,450,742	3,054,067	2,584,740
<i>Interest Expense</i>												
Deposits			446,585	438,586	264,750	330,981	253,013	260,319	885,171	513,332	1,109,063	800,638
Bank debentures			21,805	24,147	21,665	24,727	27,717	25,847	45,952	53,564	99,956	98,652
Other			194,651	135,058	132,560	115,969	74,191	80,819	329,709	155,010	403,539	322,682
Total Interest Expense			663,041	597,791	418,975	471,677	354,921	366,985	1,260,832	721,906	1,612,558	1,221,972
Tax equivalent adjustment			16,960	19,355	26,371	23,812	23,393	15,970	36,315	39,363	89,546	61,784
Net Interest Income			318,586	297,736	431,533	331,323	403,384	364,815	616,322	768,199	1,531,055	1,424,552
Other Income (teb)			660,571	702,568	533,969	618,044	535,138	634,653	1,363,139	1,169,791	2,321,804	2,228,205
Gross Revenues			979,157	1,000,304	965,502	949,367	938,522	999,468	1,979,461	1,937,990	3,852,859	3,652,757
Provision for credit losses			21,665	17,217	(652)	14,979	1,207	17,139	38,882	18,346	32,673	85,483
Non-Interest Expenses			623,367	644,070	646,604	615,876	623,951	613,294	1,267,437	1,237,245	2,499,725	2,389,034
<i>Income Before Income Taxes</i>			334,125	339,017	319,550	318,512	313,364	369,035	673,142	682,399	1,320,461	1,178,240
Income taxes			112,001	113,460	107,070	105,698	104,200	123,601	225,461	227,801	440,569	425,371
<i>Income Before Non-Controlling Interest</i>			222,124	225,557	212,480	212,814	209,164	245,434	447,681	454,598	879,892	752,869
Non-Controlling Interest			7,943	8,383	5,360	5,705	6,925	6,612	16,326	13,537	24,602	28,175
Net Income before disc. oper. and goodwill charges			\$ 214,181	\$ 217,174	\$ 207,120	\$ 207,109	\$ 202,239	\$ 238,822	\$ 431,355	\$ 441,061	\$ 855,290	\$ 724,694
Discontinued Operations			-	-	-	-	-	-	-	-	-	-
Net Income before goodwill charges			\$ 214,181	\$ 217,174	\$ 207,120	\$ 207,109	\$ 202,239	\$ 238,822	\$ 431,355	\$ 441,061	\$ 855,290	\$ 724,694
Goodwill charges			-	-	-	-	-	-	-	-	-	-
Net Income			\$ 214,181	\$ 217,174	\$ 207,120	\$ 207,109	\$ 202,239	\$ 238,822	\$ 431,355	\$ 441,061	\$ 855,290	\$ 724,694
Effective Tax Rate			33.5%	33.5%	33.5%	33.2%	33.3%	33.5%	33.5%	33.4%	33.4%	36.1%
Dividends on preferred shares			\$ 5,350	\$ 5,350	\$ 5,350	\$ 8,150	\$ 7,346	\$ 5,725	\$ 10,700	\$ 13,071	\$ 26,571	\$ 22,900
Dividends on common shares			\$ 78,602	\$ 79,676	\$ 72,202	\$ 73,067	\$ 70,527	\$ 70,651	\$ 158,278	\$ 141,178	\$ 286,447	\$ 243,060
Number of common shares (avg.) (in thousands)			162,598	164,903	165,176	165,363	167,327	167,693	163,770	167,513	166,382	170,918
<i>Tax equivalent adjustment</i>												
Net interest income			16,960	19,355	26,371	23,812	23,393	15,970	36,315	39,363	89,546	61,784
Other income			12,886	1,309	7,583	36,266	15,352	624	14,195	15,976	59,826	45,728
Income taxes			29,846	20,664	33,954	60,078	38,745	16,595	50,510	55,340	149,373	107,512

RESULTS OF OPERATIONS AS A PERCENTAGE OF AVERAGE ASSETS


2006				2005				YTD		Full Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004

(Taxable equivalent basis)
in % of average assets

Total revenues			3.81	3.83	3.87	3.95	4.43	4.83	3.82	4.62	4.24	4.64
Provision for credit losses			0.08	0.07	(0.00)	0.06	0.01	0.08	0.08	0.04	0.04	0.11
Non-interest expenses			2.43	2.47	2.59	2.56	2.94	2.96	2.45	2.95	2.75	3.04
Income taxes			0.44	0.43	0.43	0.44	0.49	0.60	0.44	0.54	0.48	0.54
Non-controlling interest			0.03	0.03	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.04
Net income			0.83	0.83	0.83	0.86	0.95	1.15	0.83	1.05	0.94	0.92
Average assets (\$000,000)			\$105,388	\$103,590	\$98,930	\$95,444	\$86,972	\$82,135	\$104,474	\$84,513	\$90,902	\$78,672
Average earning assets (\$000,000)			\$96,084	\$94,435	\$92,197	\$88,572	\$81,137	\$75,346	\$95,246	\$78,194	\$84,339	\$70,447

in % of Average Risk-Weighted Assets

Total revenues			8.50%	8.53%	8.33%	8.40%	8.80%	9.40%	8.52%	9.10%	8.72%	9.15%
Net income			1.86%	1.85%	1.79%	1.83%	1.90%	2.25%	1.86%	2.07%	1.94%	1.82%
Average Risk-Weighted Assets (\$000,000)			\$47,263	\$46,506	\$46,005	\$44,856	\$43,725	\$42,168	\$46,878	\$42,934	44,192	\$39,901

Prime rate			5.41%	4.92%	4.43%	4.25%	4.25%	4.25%	5.16%	4.25%	4.30%	4.05%
B/A's 30 days			3.72%	3.23%	2.73%	2.56%	2.57%	2.56%	3.47%	2.57%	2.61%	2.34%
Spread			1.69%	1.69%	1.70%	1.69%	1.68%	1.69%	1.69%	1.68%	1.69%	1.71%

NET INCOME BY SECTOR OF ACTIVITIES


	2006				2005				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005
(in millions of dollars) (taxable equivalent basis)											
Personal and Commercial Banking											
Net interest income			328	337	333	329	314	323	665	637	1,299
Other income			192	192	195	196	179	179	384	358	749
Total Income			520	529	528	525	493	502	1,049	995	2,048
Operating expenses			320	326	324	324	311	306	646	617	1,265
Provision for credit losses			33	31	38	26	26	27	64	53	117
Earning before income taxes			167	172	166	175	156	169	339	325	666
Income taxes			56	58	56	59	51	57	114	108	223
Non-controlling interest			-	-	-	-	-	-	-	-	-
Net Income			111	114	110	116	105	112	225	217	443
Net interest margin			2.86%	2.89%	2.90%	2.93%	2.97%	3.02%	2.87%	3.00%	2.96%
Expense ratio			61.5%	61.6%	61.4%	61.7%	63.1%	61.0%	61.6%	62.0%	61.8%
Average loans and BA's			46,363	45,466	44,789	43,855	42,629	41,647	45,907	42,130	43,235
Average assets			47,100	46,228	45,509	44,576	43,338	42,381	46,657	42,852	43,956
Wealth Management											
Net interest income			30	29	28	25	25	23	59	48	101
Other income			200	185	177	174	182	169	385	351	702
Total Income			230	214	205	199	207	192	444	399	803
Operating expenses			165	155	160	150	160	151	320	311	621
Provision for credit losses			-	-	-	-	-	-	-	-	-
Earning before income taxes			65	59	45	49	47	41	124	88	182
Income taxes			22	19	19	19	16	14	41	30	68
Non-controlling interest			1	2	-	1	1	1	3	2	3
Net Income			42	38	26	29	30	26	80	56	111
Expense ratio			71.7%	72.4%	78.0%	75.4%	77.3%	78.6%	72.1%	77.9%	77.3%
Average loans and BA's			401	379	360	356	349	316	390	332	345
Average assets			973	917	885	870	917	856	944	886	882
Financial Markets											
Net interest income			15	(14)	129	19	103	58	1	161	309
Other income			222	291	106	209	142	214	513	356	671
Total Income			237	277	235	228	245	272	514	517	980
Operating expenses			142	151	151	140	150	154	293	304	595
Provision for credit losses			1	1	4	-	2	2	2	4	8
Earning before income taxes			94	125	80	88	93	116	219	209	377
Income taxes			33	41	31	30	31	40	74	71	132
Non-controlling interest			2	2	-	-	1	-	4	1	1
Net Income			59	82	49	58	61	76	141	137	244
Expense ratio			59.9%	54.5%	64.3%	61.4%	61.2%	56.6%	57.0%	58.8%	60.7%
Average loans and BA's			14,006	12,759	11,941	9,879	8,967	8,501	13,372	8,730	9,829
Average assets			66,892	64,388	58,937	55,456	48,432	44,302	65,619	46,332	51,809

NET INCOME BY SECTOR OF ACTIVITIES


(in millions of dollars)

	2006				2005				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005
Other Segments											
Net interest income			(72)	(74)	(86)	(65)	(62)	(55)	(146)	(117)	(268)
Other income			34	33	49	2	17	72	67	89	140
Total Income			(38)	(41)	(37)	(63)	(45)	17	(79)	(28)	(128)
Operating expenses			(4)	12	11	2	3	2	8	5	18
Provision for credit losses			(12)	(15)	(42)	(11)	(27)	(12)	(27)	(39)	(92)
Earning before income taxes			(22)	(38)	(6)	(54)	(21)	27	(60)	6	(54)
Income taxes			(29)	(25)	(34)	(62)	(32)	(4)	(54)	(36)	(132)
Non-controlling interest			5	4	6	4	5	6	9	11	21
Net Income			2	(17)	22	4	6	25	(15)	31	57
Average loans and BA's			(11,261)	(9,976)	(8,483)	(7,388)	(7,226)	(6,826)	(10,608)	(7,023)	(7,483)
Average assets			(9,577)	(7,943)	(6,401)	(5,458)	(5,715)	(5,404)	(8,746)	(5,557)	(5,745)

Total

Net interest income			301	278	404	308	380	349	579	729	1,441
Other income			648	701	527	581	520	634	1,349	1,154	2,262
Total Income			949	979	931	889	900	983	1,928	1,883	3,703
Operating expenses			623	644	646	616	624	613	1,267	1,237	2,499
Provision for credit losses			22	17	-	15	1	17	39	18	33
Earning before income taxes			304	318	285	258	275	353	622	628	1,171
Income taxes			82	93	72	46	66	107	175	173	291
Non-controlling interest			8	8	6	5	7	7	16	14	25
Net Income			214	217	207	207	202	239	431	441	855
Expense ratio (teb)			63.7%	64.4%	67.0%	64.9%	66.5%	61.4%	64.0%	63.8%	64.9%
Average loans and BA's			49,508	48,628	48,607	46,702	44,719	43,638	49,061	44,169	45,926
Average assets			105,388	103,590	98,930	95,444	86,972	82,135	104,474	84,513	90,902

OTHER INCOME AND TRADING REVENUES


	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
<i>(unaudited) (thousands) (taxable equivalent basis)</i>												
Other Income												
Deposits and payment service charges			\$ 51,986	\$ 49,641	\$ 52,053	\$ 50,557	\$ 48,904	\$ 48,972	\$ 101,627	\$ 97,876	\$ 200,486	\$ 200,008
Commissions on loans and bankers' acceptances			78,961	79,030	79,690	81,178	71,995	74,353	157,991	146,348	307,216	323,005
Capital market fees			164,284	158,600	165,718	158,018	189,590	168,436	322,884	358,026	681,762	633,006
Foreign exchange revenues			24,377	23,355	19,440	20,245	18,283	18,093	47,732	36,376	76,061	71,626
Card service revenues			14,092	14,252	14,055	17,154	16,502	14,937	28,344	31,439	62,648	49,298
Trust services			45,377	42,989	39,163	39,181	35,696	32,083	88,366	67,779	146,123	119,762
Mutual funds			37,120	37,007	36,028	33,905	32,532	32,611	74,127	65,143	135,076	124,124
Securitization			38,532	39,927	51,412	48,079	46,539	47,942	78,459	94,481	193,972	180,054
Profit & Loss on trading			111,596	167,405	18,071	132,111	17,226	83,934	279,001	101,160	251,342	233,699
Profit & Loss other than trading			28,323	41,816	5,140	(7,091)	16,400	77,095	70,139	93,495	91,544	101,683
Other			65,923	48,546	53,199	44,707	41,471	36,197	114,469	77,668	175,574	191,940
Total			\$ 660,571	\$ 702,568	\$ 533,969	\$ 618,044	\$ 535,138	\$ 634,653	\$ 1,363,139	\$ 1,169,791	\$ 2,321,804	\$ 2,228,205
As a % of total revenues			67.5%	70.2%	55.3%	65.1%	57.0%	63.5%	68.9%	60.4%	60.3%	61.0%

(unaudited) (thousands)

Trading revenues												
Net Interest Income			\$ (25,893)	\$ (74,178)	\$ 77,714	\$ (25,862)	\$ 57,324	\$ (1,688)	\$ (100,071)	\$ 55,636	\$ 107,488	\$ 37,559
Other Income			111,596	167,405	18,071	132,111	17,226	83,934	279,001	101,160	251,342	233,699
Total			\$ 85,703	\$ 93,227	\$ 95,785	\$ 106,249	\$ 74,550	\$ 82,246	\$ 178,930	\$ 156,796	\$ 358,830	\$ 271,258

NON-INTEREST EXPENSES


(unaudited) (thousands)

	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
Non-Interest Expenses												
Salaries and Staff benefits												
Salaries			\$ 207,158	\$ 208,587	\$ 230,606	\$ 209,812	\$ 195,482	\$ 198,402	\$ 415,745	\$ 393,884	\$ 834,302	\$ 780,132
Commissions			97,411	110,469	97,038	93,165	111,474	115,387	207,880	226,861	417,064	395,748
Pension plan and other staff benefits			53,771	60,280	43,092	52,250	50,144	53,801	114,051	103,945	199,287	183,362
Total Compensation			358,340	379,336	370,736	355,227	357,100	367,590	737,676	724,690	1,450,653	1,359,242
Premises, Equipment & Furniture												
Rent			21,781	19,654	20,095	19,017	19,829	19,546	41,435	39,375	78,487	104,620
Taxes & insurance			4,163	4,130	3,712	4,231	4,324	4,198	8,293	8,522	16,465	17,056
Maintenance, lighting, heating			6,866	6,632	7,413	5,909	6,775	5,930	13,498	12,705	26,027	26,398
Technology			88,624	93,410	94,085	85,161	93,264	83,654	182,034	176,918	356,164	334,221
Depreciation			16,363	16,033	16,702	15,388	15,173	15,437	32,396	30,610	62,700	52,312
Total Premises, Equipment & Furniture			137,797	139,859	142,007	129,706	139,365	128,765	277,656	268,130	539,843	534,607
Other Expenses												
Professional fees			32,523	30,323	46,258	32,575	31,760	25,167	62,846	56,927	135,760	117,752
Taxes on capital & salaries			16,144	16,974	6,034	16,883	16,363	16,737	33,118	33,100	56,017	64,595
Travel & business development			32,137	27,334	34,947	30,668	27,959	25,917	59,471	53,876	119,491	123,618
Other			46,426	50,244	46,622	50,817	51,404	49,118	96,670	100,522	197,961	189,220
Total Other Expenses			127,230	124,875	133,861	130,943	127,486	116,939	252,105	244,425	509,229	495,185
TOTAL NON-INTEREST EXPENSES			\$ 623,367	\$ 644,070	\$ 646,604	\$ 615,876	\$ 623,951	\$ 613,294	\$ 1,267,437	\$ 1,237,245	\$ 2,499,725	\$ 2,389,034

PROVISION FOR CREDIT LOSSES


	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
<i>(millions of dollars)</i>												
RETAIL			10	8	10	9	8	8	18	16	35	28
CREDIT CARD			16	16	15	15	14	14	32	28	58	52
COMMERCIAL			7	8	12	2	4	5	15	9	23	57
CORPORATE			1	1	3	-	2	2	2	4	7	51
REAL ESTATE			-	(2)	1	-	-	-	(2)	-	1	-
OTHER			-	-	(2)	2	-	(2)	-	(2)	(2)	-
CREDIT CARD SECURITIZATION			(12)	(14)	(14)	(13)	(10)	(10)	(26)	(20)	(47)	(47)
GENERAL			-	-	(25)	-	(17)	-	-	(17)	(42)	(55)
Total			22	17	-	15	1	17	39	18	33	86

CONDENSED CONSOLIDATED BALANCE SHEET


	2006				2005				End Of Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2005	2004
<i>(unaudited)(millions of dollars)</i>										
Assets										
Cash and deposits with financial institutions			\$ 9,693	\$ 9,484	\$ 10,314	\$ 12,031	\$ 9,297	\$ 7,036	\$ 10,314	\$ 5,777
Securities			36,510	30,072	33,052	34,690	31,162	27,720	33,052	28,007
Securities purchased under reverse repurchase agreements			7,549	7,980	7,023	8,270	6,843	5,566	7,023	4,496
Loans										
Residential mortgages			14,887	15,345	15,675	16,003	15,445	15,450	15,675	15,498
Personal and credit cards			10,670	10,108	9,778	9,274	8,671	8,191	9,778	7,808
Business and government			21,865	22,314	21,665	20,518	19,430	18,653	21,665	18,192
Total Loans			47,422	47,767	47,118	45,795	43,546	42,294	47,118	41,498
Customers' liability under bankers' acceptances			3,677	3,468	3,242	2,842	2,902	2,725	3,242	3,076
Other assets			6,332	6,505	6,849	6,965	6,167	6,362	6,849	5,643
Total Assets			\$ 111,183	\$ 105,276	\$ 107,598	\$ 110,593	\$ 99,917	\$ 91,703	\$ 107,598	\$ 88,497
Liabilities										
Deposits										
Personal			\$ 28,270	\$ 27,103	\$ 26,385	\$ 25,476	\$ 25,034	\$ 24,610	\$ 26,385	\$ 24,008
Business and government			30,930	29,640	29,636	28,474	27,786	24,999	29,636	23,966
Deposit-taking institutions			10,918	8,177	5,956	7,043	8,926	7,051	5,956	5,458
Total Deposits			70,118	64,920	61,977	60,993	61,746	56,660	61,977	53,432
Others										
Acceptances			3,677	3,468	3,242	2,842	2,902	2,725	3,242	3,076
Other liabilities			31,217	30,662	36,680	40,696	28,914	26,151	36,680	26,377
Subordinated debentures			1,599	1,600	1,102	1,409	1,770	1,764	1,102	1,408
Total Others			36,493	35,730	41,024	44,947	33,586	30,640	41,024	30,861
Shareholders' equity										
Preferred shares			400	400	400	575	575	375	400	375
Common shares			1,558	1,573	1,565	1,557	1,552	1,563	1,565	1,545
Contributed surplus			17	15	13	12	10	8	13	7
Retained earnings			2,597	2,638	2,619	2,509	2,448	2,457	2,619	2,277
Total Shareholders' equity			4,572	4,626	4,597	4,653	4,585	4,403	4,597	4,204
Total Liabilities & Shareholders' Equity			\$ 111,183	\$ 105,276	\$ 107,598	\$ 110,593	\$ 99,917	\$ 91,703	\$ 107,598	\$ 88,497
Mortgage securitization			\$ 5,507	\$ 4,937	\$ 4,581	\$ 4,058	\$ 4,210	\$ 4,020	\$ 4,581	\$ 3,813
Mortgage loans sold to third parties			\$ 614	\$ 652	\$ 551	\$ 452	\$ 364	\$ 292	\$ 551	\$ 220
Credit card securitization			\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 900	\$ 1,200	\$ 900
Direct loans securitization			\$ 182	\$ 218	\$ 222	\$ 309	\$ 338	\$ 464	\$ 222	\$ 515
Mutual funds			\$ 11,786	\$ 11,657	\$ 11,157	\$ 11,221	\$ 10,646	\$ 10,545	\$ 11,157	\$ 10,564
Securities - excess of market value over book			\$ 33	\$ 53	\$ 74	\$ 131	\$ 57	\$ 158	\$ 74	\$ 123
Equity Securities - excess of market value over book			\$ 80	\$ 82	\$ 66	\$ 60	\$ 34	\$ 68	\$ 66	\$ 55
Number of shares outstanding (000's)			161,882	164,313	165,335	165,096	165,744	168,050	165,335	167,430
Domestic Gap < 1 year			(1,844)	124	(243)	(24)	1,206	537	(243)	268
> 1 year			1,840	2,664	3,053	2,899	1,684	2,297	3,053	2,426

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY


	2006				2005				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2005	2004
<i>(unaudited)(millions of dollars)</i>												
Opening balance			4,626	4,597	4,653	4,585	4,403	4,204	4,597	4,204	4,204	4,097
Issuance (redemption) of common shares			(15)	8	7	4	(10)	18	(7)	8	19	(38)
Issuance of preferred shares			-	-	-	-	200	-	-	200	200	-
Redemption of preferred shares, Series 12 and 13			-	-	(175)	-	-	-	-	-	(175)	-
Net income			214	217	207	207	202	239	431	441	855	725
Dividends on common shares			(78)	(80)	(72)	(73)	(71)	(70)	(158)	(141)	(286)	(243)
Dividends on preferred shares			(6)	(5)	(5)	(8)	(7)	(6)	(11)	(13)	(26)	(23)
Initial adoption of AcG-15			-	-	(5)	-	3	3	-	6	1	-
Share issuance expenses, net of income taxes			(1)	-	1	6	(8)	-	(1)	(8)	(1)	(1)
Unrealized foreign exchange gains (losses), net of income taxes			(28)	(23)	(16)	(9)	(5)	14	(51)	9	(16)	(16)
Stock options expense			2	2	1	2	2	1	4	3	6	5
Impact of shares acquired / sold for trading purposes			-	-	1	1	(1)	-	-	(1)	1	-
Premium paid on common shares purchased for cancellation			(142)	(90)	-	(62)	(123)	-	(232)	(123)	(185)	(302)
Closing balance			4,572	4,626	4,597	4,653	4,585	4,403	4,572	4,585	4,597	4,204
Shareholders' equity												
Preferred shares			400	400	400	575	575	375	400	575	400	375
Common shares			1,558	1,573	1,565	1,557	1,552	1,563	1,558	1,552	1,565	1,545
Contributed surplus			17	15	13	12	10	8	17	10	13	7
Unrealized foreign currency translation adjustment			(77)	(49)	(26)	(10)	(1)	4	(77)	(1)	(26)	(10)
Retained earnings			2,674	2,687	2,645	2,519	2,449	2,453	2,674	2,449	2,645	2,287
Closing balance			4,572	4,626	4,597	4,653	4,585	4,403	4,572	4,585	4,597	4,204

ASSETS UNDER ADMINISTRATION / MANAGEMENT


	National Bank Trust Inc.	National Bank Financial & Cie.	National Bank Securities Inc.	Altamira	Natcan Investment Management Inc.	National Bank Direct Brokerage	Bank excluding subsidiaries	Total	
								2006	2005

(millions of dollars)

as at April 30, 2006

Assets under administration									
Institutional	51,385	11,402	-	-	-	-	-	62,787	53,534
Personal	-	86,641	-	-	-	9,534	-	96,175	88,312
Mutual funds	12,292	-	7,841	3,945	-	-	-	24,078	20,294
Mortgage loans sold to third parties	-	-	-	-	-	-	5,507	5,507	4,574
Total assets under administration	63,677	98,043	7,841	3,945	-	9,534	5,507	188,547	166,714
Assets under management									
Personal	4,884	-	-	-	-	-	-	4,884	3,727
Managed portfolios	-	3,103	-	-	16,468	-	-	19,571	17,116
Mutual funds	-	-	-	-	15,944	-	-	15,944	13,897
Total assets under management	4,884	3,103	-	-	32,412	-	-	40,399	34,740
Total assets under administration / management	68,561	101,146	7,841	3,945	32,412	9,534	5,507	228,946	201,454

Total	
2005	2004

as at April 30, 2005

Assets under administration									
Institutional	45,952	7,582	-	-	-	-	-	53,534	34,966
Personal	-	79,918	-	-	-	8,394	-	88,312	78,047
Mutual funds	9,648	-	6,935	3,711	-	-	-	20,294	17,503
Mortgage loans sold to third parties	-	-	-	-	-	-	4,574	4,574	4,136
Total assets under administration	55,600	87,500	6,935	3,711	-	8,394	4,574	166,714	134,652
Assets under management									
Personal	3,727	-	-	-	-	-	-	3,727	2,825
Managed portfolios	-	2,161	-	-	14,955	-	-	17,116	15,212
Mutual funds	-	-	-	-	13,897	-	-	13,897	13,993
Total assets under management	3,727	2,161	-	-	28,852	-	-	34,740	32,030
Total assets under administration / management	59,327	89,661	6,935	3,711	28,852	8,394	4,574	201,454	166,682

GROSS IMPAIRED LOANS


	2006				2005				End of Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2004
<i>(\$ millions)</i>									
RETAIL			45.0	41.9	45.1	40.5	38.1	35.0	34.7
COMMERCIAL			137.0	147.8	133.6	135.2	144.0	166.7	205.9
CORPORATE			56.9	62.7	64.8	65.2	68.8	81.5	121.4
REAL ESTATE			-	3.4	13.0	16.4	16.4	16.4	21.5
TREASURY			3.3	3.4	3.5	3.6	3.7	3.6	3.6
OTHER			-	-	-	-	0.1	0.4	0.4
GENERAL ALLOWANCE			-	-	-	-	-	-	-
PRIVATE RISKS			242.2	259.2	260.0	260.9	271.1	303.6	387.5
AS A % OF LOANS AND ACCEPTANCES			0.5%	0.5%	0.5%	0.5%	0.6%	0.7%	0.9%

	2006				2005				YTD	Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005	2004
Opening balance			259	260	261	271	304	388	260	388	476
Write-off			(20)	(16)	(36)	(14)	(34)	(72)	(36)	(156)	(132)
Formation			3	15	35	3	1	(12)	18	27	44
Closing balance			242	259	260	261	271	304	242	260	388

NET IMPAIRED LOANS


	2006				2005				End of year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2004
(\$ millions)									
RETAIL			25.6	22.5	24.9	20.2	18.4	15.4	16.1
COMMERCIAL			60.1	63.7	55.1	52.2	57.3	69.7	82.0
CORPORATE			23.2	25.1	27.5	28.1	30.6	36.6	48.8
REAL ESTATE			-	-	7.6	11.0	11.0	10.0	10.4
TREASURY			2.0	2.1	2.2	2.2	2.2	2.3	2.3
OTHER			-	-	-	-	-	-	-
GENERAL ALLOWANCE			(308.0)	(308.0)	(308.0)	(333.0)	(333.0)	(350.0)	(350.0)
PRIVATE RISKS			(197.1)	(194.6)	(190.7)	(219.3)	(213.5)	(216.0)	(190.4)
AS A % OF LOANS AND ACCEPTANCES			-0.4%	-0.4%	-0.4%	-0.5%	-0.5%	-0.5%	-0.4%

RISK-ADJUSTED CAPITAL RATIOS


	2006				2005			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(millions of dollars)</i>								
Tier I capital								
Common shareholders' equity			\$4,172	\$4,226	\$4,197	\$4,077	\$4,010	\$4,028
Non-cum. preferred shares, permanent			400	400	400	400	400	375
Non-controlling interest			118	137	132	48	49	48
Innovative instruments			336	342	354	367	378	372
Less: goodwill			662	662	662	662	662	662
Less: Trading in short positions of own shares (gross)			4	6	7	6	-	-
Total Tier I			\$4,360	\$4,437	\$4,414	\$4,224	\$4,175	\$4,161
Tier II capital								
Bank debentures (1)			1,599	\$1,600	1,602	1,348	1,707	\$1,702
General provision			308	308	308	333	333	350
Total Tier II			\$1,907	\$1,908	\$1,910	\$1,681	\$2,040	\$2,052
Other deductions			422	415	399	364	353	360
TOTAL CAPITAL			\$5,845	\$5,930	\$5,925	\$5,541	\$5,862	\$5,853
Risk-adjusted balance sheet items								
Cash resources			\$1,893	\$1,651	\$1,306	\$1,648	\$1,820	\$1,376
Securities			2,033	2,030	2,269	2,123	2,246	2,179
Mortgage loans			5,470	5,282	5,121	5,603	5,565	5,625
Other loans			23,367	23,049	22,211	21,483	20,404	19,840
Other assets			5,363	5,275	5,650	5,287	4,721	5,275
Total Risk-adjusted balance sheet items			\$38,126	\$37,287	\$36,557	\$36,144	\$34,756	\$34,295
Risk-adjusted off-balance sheet items								
Commitments to extend credit								
L/G, L/C and trans.-related contingent			1,059	\$1,082	1,033	992	979	\$941
Commitments to extend credit			4,767	4,794	4,730	4,843	4,697	4,798
Interest rate contract			95	105	110	144	126	112
Foreign exchange contract			218	249	220	237	287	207
Equity-linked contract			319	388	362	328	241	206
Commodity			48	65	56	69	64	105
Total Risk-adjusted off-balance sheet items			\$6,506	\$6,683	\$6,511	\$6,613	\$6,394	\$6,369
<i>Risk-adjusted market risk items</i>			\$3,117	\$2,806	\$3,168	\$3,017	\$2,787	\$2,849
TOTAL RISK-ADJUSTED ASSETS			\$47,749	\$46,776	\$46,236	\$45,774	\$43,937	\$43,513
Risk-adjusted ratios								
Tier I			9.1%	9.5%	9.6%	9.2%	9.5%	9.6%
Total			12.2%	12.7%	12.8%	12.1%	13.3%	13.5%

(1) Taking into account the issuance of \$500 million of subordinated debentures on November 2, 2005 for the fourth quarter 2005



	2006				2005				End of Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2004
<i>(millions of dollars)</i>									
FOREIGN EXCHANGE RELATED CONTRACTS									
Swaps			41,495	47,796	51,143	56,895	50,733	27,605	29,559
Options - purchased			6,885	6,537	7,463	7,857	9,506	6,655	5,544
Options - sold			9,031	7,318	6,862	7,761	8,872	6,206	5,285
Futures			3,886	6,829	6,788	8,342	7,989	5,606	6,306
Total Notional Amount			61,297	68,480	72,256	80,855	77,100	46,072	46,694
Replacement cost (1)			414	504	338	395	549	511	480
Future credit risk			543	549	513	576	574	462	295
Credit equivalent (2)			957	1,053	852	972	1,123	972	775
Risk-weighted equivalent			218	249	220	237	287	207	166
INTEREST RATE RELATED CONTRACTS									
Swaps			113,989	109,122	123,134	115,629	112,025	116,536	116,760
Options - purchased			72,863	76,552	86,008	88,993	52,055	58,938	34,905
Options - sold			76,949	76,786	67,882	75,320	40,014	24,342	34,568
Futures			2,293	11,000	9,082	21,253	17,436	6,651	7,033
Total Notional Amount			266,094	273,460	286,106	301,195	221,530	206,467	193,266
Replacement cost (1)			224	266	328	515	470	514	501
Future credit risk			313	312	296	312	300	690	203
Credit equivalent (2)			537	578	625	826	770	1,205	704
Risk-weighted equivalent			95	105	110	144	126	112	129
FINANCIAL FUTURES									
Total Notional Amount			37,284	44,472	14,981	35,213	44,351	35,741	34,139
EQUITY AND COMMODITY CONTRACTS									
Total Notional Amount			15,894	26,980	29,593	27,062	24,499	18,408	17,664
Replacement cost (1)			636	684	653	777	602	514	543
Future credit risk			453	734	810	759	824	690	694
Credit equivalent (2)			1,088	1,418	1,463	1,536	1,426	1,205	1,237
Risk-weighted equivalent			368	454	418	397	305	311	309
TOTAL DERIVATIVES									
Total Notional Amount			380,569	413,392	402,936	444,325	367,480	306,688	291,762
Replacement cost (1)			1,274	1,454	1,319	1,687	1,621	1,539	1,524
Future credit risk			1,309	1,595	1,619	1,647	1,698	1,842	1,193
Credit equivalent (2)			2,582	3,049	2,940	3,334	3,319	3,382	2,717
Risk-weighted equivalent			681	808	748	778	718	630	604

(1) Gross positive replacement cost after permissible netting

(2) Taking into account permissible netting



2006				2005			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Credit Rating

Moody's (Long Term Debt Senior)			A1	A1	A1	A1	A1	A1
Standard & Poor's/CBRS (Long Term Debt)			A	A	A	A	A	A
DBRS (Senior Debt)			A (high)	A (high)	A (high)	A (high)	A (high)	A
Fitch (Long-Term)			A+	A+	A+	A+	A+	A+

Stock Trading Range and Other Information

High			\$ 65.60	\$ 63.90	\$ 61.47	\$ 58.21	\$ 55.24	\$ 49.75
Low			\$ 61.35	\$ 58.35	\$ 55.87	\$ 51.60	\$ 48.72	\$ 46.39
Close			\$ 62.34	\$ 61.75	\$ 59.14	\$ 57.30	\$ 52.41	\$ 49.19
Number of registered shareholders			25,845	26,049	26,235	26,398	26,542	26,785

Valuation

Market Capitalization (in millions of \$)			\$ 10,092	\$ 10,146	\$ 9,778	\$ 9,460	\$ 8,687	\$ 8,266
P/E Ratio (Trailing 4 Quarters)			12.49	12.68	11.88	11.77	11.34	11.03
Market price/Book value			2.42	2.40	2.33	2.32	2.17	2.05
Dividend payout (trailing 4 quarters)			36.87%	36.55%	34.54%	34.09%	34.63%	33.86%
Dividend yield (annualized)			3.08%	3.11%	2.98%	3.07%	3.21%	3.42%

The Common Shares of the Bank as well as the First Preferred Series 15 and Series 16 are listed on the TSX.

The ticker symbols and newspaper abbreviations for the Bank's shares listed are as follows:

	Ticker Symbol	Newspaper Abbreviations Toronto
Common Shares	NA	National Bk
First Preferred Shares		
Series 15	NA.PR.K	Natl Bk 15
Series 16	NA.PR.L	Natl Bk 16

