



NATIONAL BANK OF CANADA

SUPPLEMENTARY FINANCIAL INFORMATION

FIRST QUARTER 2007 REPORT

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FINANCIAL HIGHLIGHTS

	2007				2006				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005
Net income (\$000,000)				\$239.8	\$220.1	\$219.7	\$214.2	\$217.2	\$239.8	\$217.2	\$871.2	\$855.3
Earnings per share				\$1.45	\$1.33	\$1.32	\$1.29	\$1.28	\$1.45	\$1.28	\$5.22	\$4.98
- basic				\$1.43	\$1.31	\$1.30	\$1.26	\$1.26	\$1.43	\$1.26	\$5.13	\$4.90
- diluted												
Return on common shareholders' equity				20.7%	19.7%	20.2%	20.4%	19.9%	20.7%	19.9%	20.1%	20.7%
Dividend per share				\$0.54	\$0.50	\$0.50	\$0.48	\$0.48	\$0.54	\$0.48	\$1.96	\$1.72
Net interest margin Personal & Commercial Banking				2.90%	2.91%	2.88%	2.84%	2.87%	2.90%	2.87%	2.88%	2.96%
Productivity ratio (teb)				62.35%	63.81%	64.20%	63.56%	64.08%	62.35%	64.08%	63.91%	64.88%
Effective tax rate (teb)				32.86%	35.74%	32.09%	32.87%	33.47%	32.86%	33.47%	33.59%	33.36%
Average loans and BA's (\$000,000)				\$49,518	\$49,613	\$49,822	\$49,509	\$48,629	\$49,518	\$48,629	\$49,392	\$45,926
Average assets (\$000,000)				\$119,917	\$109,412	\$106,680	\$105,389	\$103,591	\$119,917	\$103,591	\$106,275	\$90,902
Total Assets (\$000,000)				\$122,816	\$116,885	\$108,645	\$111,183	\$105,276	\$122,816	\$105,276	\$116,885	\$107,970
Average common shareholders' equity (\$000,000)				\$4,484	\$4,328	\$4,208	\$4,190	\$4,221	\$4,484	\$4,221	\$4,237	\$4,013
Number of common shares outstanding (000's)				161,367	161,512	161,918	161,882	164,313	161,367	164,313	161,512	165,335
Number of common shares (average) (000's)				161,681	161,969	161,927	162,598	164,903	161,681	164,903	162,851	166,382
Gross impaired loans (\$000,000)				239.5	233.9	214.3	242.2	259.2	239.5	259.2	233.9	260.0
Gross impaired loans/common equity-goodwill+reserves				5.77%	5.91%	5.55%	6.42%	6.75%	5.77%	6.75%	5.91%	6.83%
Net impaired loans (\$000,000)				(196.0)	(192.6)	(209.6)	(197.1)	(194.6)	(196.0)	(194.6)	(192.6)	(190.7)
as a % of net loans and bankers' acceptances				-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%
Book value				\$28.34	\$27.17	\$26.57	\$25.77	\$25.72	\$28.34	\$25.72	\$27.17	\$25.39
Capital ratios - BIS Tier 1				9.9%	9.9%	9.4%	9.1%	9.5%	9.9%	9.5%	9.9%	9.6%
Total				14.0%	14.0%	12.4%	12.2%	12.7%	14.0%	12.7%	14.0%	12.8%
Tangible Shareholders' equity / Risk weighted assets				7.50%	7.33%	6.94%	7.06%	7.36%	7.50%	7.36%	7.33%	7.37%



CONSOLIDATED STATEMENT OF INCOME

2007				2006				YTD		Full Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005

(unaudited)(thousands)(taxable equivalent basis)

Net Interest Income				319,841	365,961	431,656	318,586	297,736	319,841	297,736	1,413,939	1,531,055
Other Income				733,735	688,499	537,499	649,011	694,110	733,735	694,110	2,569,119	2,294,461
Gross Revenues				1,053,576	1,054,460	969,155	967,597	991,846	1,053,576	991,846	3,983,058	3,825,516
Provision for credit losses				28,366	22,785	15,649	21,665	17,217	28,366	17,217	77,316	32,673
Non-Interest Expenses				656,953	672,824	622,232	615,045	635,575	656,953	635,575	2,545,676	2,472,244
<i>Income Before Income Taxes</i>				<i>368,257</i>	<i>358,851</i>	<i>331,274</i>	<i>330,887</i>	<i>339,054</i>	<i>368,257</i>	<i>339,054</i>	<i>1,360,066</i>	<i>1,320,599</i>
Income taxes				121,014	128,261	106,297	108,763	113,497	121,014	113,497	456,818	440,707
<i>Income Before Non-Controlling Interest</i>				<i>247,243</i>	<i>230,590</i>	<i>224,977</i>	<i>222,124</i>	<i>225,557</i>	<i>247,243</i>	<i>225,557</i>	<i>903,248</i>	<i>879,892</i>
Non-Controlling Interest				7,469	10,461	5,293	7,943	8,383	7,469	8,383	32,080	24,602
Net Income				\$ 239,774	\$ 220,129	\$ 219,684	\$ 214,181	\$ 217,174	\$ 239,774	\$ 217,174	\$ 871,168	\$ 855,290
Effective Tax Rate				32.9%	35.7%	32.1%	32.9%	33.5%	32.9%	33.5%	33.6%	33.4%
Dividends on preferred shares				\$ 5,350	\$ 5,350	\$ 5,350	\$ 5,350	\$ 5,350	\$ 5,350	\$ 5,350	\$ 21,400	\$ 26,571
Dividends on common shares				\$ 87,511	\$ 80,337	\$ 81,190	\$ 78,602	\$ 79,676	\$ 87,511	\$ 79,676	\$ 319,805	\$ 286,447
Number of common shares (avg.) (in thousands)				161,681	161,969	161,927	162,598	164,903	161,681	164,903	162,851	166,382

Tax equivalent adjustment

Net interest income				44,309	61,827	23,487	16,960	19,355	44,309	19,355	121,629	89,546
Other income				20,248	22,665	24,985	9,647	1,346	20,248	1,346	58,643	59,827
Income taxes				64,557	84,492	48,472	26,607	20,701	64,557	20,701	180,272	149,373

Net income by sector of activities

Personal and Commercial Banking				122,946	115,017	122,377	102,179	105,829	122,946	105,829	445,402	
Wealth Management				44,745	30,334	34,729	36,362	37,213	44,745	37,213	138,638	
Financial Markets				86,951	76,164	67,004	72,455	91,038	86,951	91,038	306,661	
Other Segments				(14,868)	(1,386)	(4,426)	3,185	(16,906)	(14,868)	(16,906)	(19,533)	



RESULTS OF OPERATIONS AS A PERCENTAGE OF AVERAGE ASSETS

2007				2006				YTD		Full Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005

(Taxable equivalent basis)
in % of average assets

Total revenues				3.49	3.82	3.60	3.77	3.80	3.49	3.80	3.75	4.24
Provision for credit losses				0.09	0.08	0.06	0.08	0.07	0.09	0.07	0.07	0.04
Non-interest expenses				2.17	2.44	2.31	2.39	2.43	2.17	2.43	2.40	2.75
Income taxes				0.40	0.47	0.40	0.42	0.43	0.40	0.43	0.43	0.48
Non-controlling interest				0.02	0.04	0.02	0.03	0.03	0.02	0.03	0.03	0.03
Net income				0.79	0.80	0.82	0.83	0.83	0.79	0.83	0.82	0.94
Average assets (\$000,000)				\$119,917	\$109,412	\$106,680	\$105,389	\$103,591	\$119,917	\$103,591	\$106,275	\$90,902
Average earning assets (\$000,000)				\$106,829	\$98,266	\$97,504	\$96,085	\$94,436	\$106,829	\$94,436	\$96,577	\$84,339

in % of Average Risk-Weighted Assets

Total revenues				8.68%	8.72%	7.98%	8.40%	8.46%	8.68%	8.46%	8.39%	8.66%
Net income				1.97%	1.82%	1.81%	1.86%	1.85%	1.97%	1.85%	1.83%	1.94%
Average Risk-Weighted Assets (\$000,000)				\$48,183	\$47,969	\$48,195	\$47,263	\$46,506	\$48,183	\$46,506	47,485	\$44,192

Prime rate				6.00%	6.00%	5.94%	5.41%	4.92%	6.00%	4.92%	5.57%	4.30%
B/A's 30 days				4.32%	4.33%	4.25%	3.72%	3.23%	4.32%	3.23%	3.89%	2.61%
Spread				1.68%	1.67%	1.69%	1.69%	1.69%	1.68%	1.69%	1.69%	1.69%



NET INCOME BY SECTOR OF ACTIVITIES

2007				2006				YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006

(in millions of dollars) (taxable equivalent basis)

Personal and Commercial Banking

Net interest income				346	346	338	318	328	346	328	1,330
Other income				192	196	199	186	181	192	181	762
Total Income				538	542	537	504	509	538	509	2,092
Operating expenses				310	334	329	315	317	310	317	1,295
Provision for credit losses				43	33	24	33	31	43	31	121
Earning before income taxes				185	175	184	156	161	185	161	676
Income taxes				62	60	62	54	55	62	55	231
Non-controlling interest				-	-	-	-	-	-	-	-
Net Income				123	115	122	102	106	123	106	445
Net interest margin				2.90%	2.91%	2.88%	2.84%	2.87%	2.90%	2.87%	2.88%
Expense ratio				57.6%	61.6%	61.3%	62.5%	62.3%	57.6%	62.3%	61.9%
Average loans and BA's				46,775	46,373	45,832	45,283	44,593	46,775	44,593	45,523
Average assets				47,389	47,094	46,540	46,001	45,336	47,389	45,336	46,245
Average deposits				29,551	28,937	28,795	28,031	28,216	29,551	28,216	28,498

Wealth Management

Net interest income				34	33	32	32	31	34	31	128
Other income				190	169	165	182	175	190	175	691
Total Income				224	202	197	214	206	224	206	819
Operating expenses				156	155	144	154	148	156	148	601
Provision for credit losses				-	-	-	-	-	-	-	-
Earning before income taxes				68	47	53	60	58	68	58	218
Income taxes				21	16	17	22	19	21	19	74
Non-controlling interest				2	2	1	1	2	2	2	6
Net Income				45	29	35	37	37	45	37	138
Expense ratio				69.6%	76.7%	73.1%	72.0%	71.8%	69.6%	71.8%	73.4%
Average loans and BA's				132	132	132	161	147	132	147	143
Average assets				435	345	654	752	705	435	705	613
Average deposits				7,618	7,754	8,337	7,781	6,601	7,618	6,601	7,617

Financial Markets

Net interest income				(3)	35	119	24	(6)	(3)	(6)	172
Other income				302	263	125	231	296	302	296	915
Total Income				299	298	244	255	290	299	290	1,087
Operating expenses				168	175	145	144	153	168	153	617
Provision for credit losses				-	1	1	1	1	-	1	4
Earning before income taxes				131	122	98	110	136	131	136	466
Income taxes				43	40	31	36	43	43	43	150
Non-controlling interest				1	5	-	2	2	1	2	9
Net Income				87	77	67	72	91	87	91	307
Expense ratio				56.2%	58.7%	59.4%	56.5%	52.8%	56.2%	52.8%	56.8%
Average loans and BA's (Corporate banking only)				5,336	5,300	5,069	4,898	4,379	5,336	4,379	4,912
Average assets				83,802	73,742	69,426	68,270	65,550	83,802	65,550	69,255
Average deposits				32,973	30,003	29,523	28,815	25,203	32,973	25,203	28,382



NET INCOME BY SECTOR OF ACTIVITIES

	2007				2006				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006

(in millions of dollars)

Other Segments

Net interest income				(101)	(110)	(81)	(72)	(75)	(101)	(75)	(338)
Other income				29	38	24	40	41	29	41	143
Total Income				(72)	(72)	(57)	(32)	(34)	(72)	(34)	(195)
Operating expenses				23	9	4	2	18	23	18	33
Provision for credit losses				(15)	(12)	(9)	(12)	(15)	(15)	(15)	(48)
Earning before income taxes				(80)	(69)	(52)	(22)	(37)	(80)	(37)	(180)
Income taxes				(70)	(72)	(52)	(30)	(24)	(70)	(24)	(178)
Non-controlling interest				5	4	4	5	4	5	4	17
Net Income				(15)	(1)	(4)	3	(17)	(15)	(17)	(19)
Average loans and BA's				(12,408)	(12,310)	(11,716)	(11,260)	(9,975)	(12,408)	(9,975)	(11,316)
Average assets				(11,709)	(11,769)	(9,941)	(9,634)	(8,000)	(11,709)	(8,000)	(9,838)
Average deposits				(409)	(577)	(271)	(223)	(149)	(409)	(149)	(306)

Total

Net interest income				276	304	408	302	278	276	278	1,292
Other income				713	666	513	639	693	713	693	2,511
Total Income				989	970	921	941	971	989	971	3,803
Operating expenses				657	673	622	615	636	657	636	2,546
Provision for credit losses				28	22	16	22	17	28	17	77
Earning before income taxes				304	275	283	304	318	304	318	1,180
Income taxes				56	44	58	82	93	56	93	277
Non-controlling interest				8	11	5	8	8	8	8	32
Net Income				240	220	220	214	217	240	217	871
Expense ratio (teb)				62.4%	63.8%	64.2%	63.6%	64.1%	62.4%	64.1%	63.9%
Average loans and BA's				49,518	49,613	49,822	49,509	48,629	49,518	48,629	49,392
Average assets				119,917	109,412	106,680	105,389	103,591	119,917	103,591	106,275
Average deposits				69,732	66,117	66,385	64,403	59,871	69,732	59,871	64,192



REVENUES

2007				2006				YTD		Full Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005

(unaudited) (thousands) (taxable equivalent basis)

Net Interest Income

<i>Interest Income</i>												
Loans				\$ 728,707	\$ 719,061	\$ 686,434	\$ 627,694	\$ 614,238	\$728,707	\$614,238	\$ 2,647,427	\$ 2,121,752
Securities				335,362	260,323	235,903	260,073	203,948	335,362	203,948	960,247	738,867
Deposits with regulated financial institutions				130,126	95,735	83,397	76,900	57,986	130,126	57,986	314,018	193,448
Total Interest Income				1,194,195	1,075,119	1,005,734	964,667	876,172	1,194,195	876,172	3,921,692	3,054,067
<i>Interest Expense</i>												
Deposits				658,821	558,224	433,319	446,585	438,586	658,821	438,586	1,876,714	1,109,063
Bank debentures				25,011	21,753	22,509	21,805	24,147	25,011	24,147	90,214	99,956
Other				234,831	191,008	141,737	194,651	135,058	234,831	135,058	662,454	403,539
Total Interest Expense				918,663	770,985	597,565	663,041	597,791	918,663	597,791	2,629,382	1,612,558
Tax equivalent adjustment				44,309	61,827	23,487	16,960	19,355	44,309	19,355	121,629	89,546
Net Interest Income				319,841	365,961	431,656	318,586	297,736	319,841	297,736	1,413,939	1,531,055

Other Income

Deposits and payment service charges				\$ 52,582	\$ 53,275	\$ 52,909	\$ 51,986	\$ 49,641	\$ 52,582	\$ 49,641	\$ 207,811	\$ 200,486
Commissions on loans and bankers' acceptances				79,449	73,496	87,162	78,961	79,030	79,449	79,030	318,649	307,216
Capital market fees				167,078	167,617	138,884	164,284	158,600	167,078	158,600	629,385	681,762
Foreign exchange revenues				29,108	25,721	24,577	24,377	23,355	29,108	23,355	98,030	76,061
Card service revenues				9,521	6,860	9,359	9,280	8,849	9,521	8,849	34,348	42,358
Trust services				48,241	39,568	45,320	45,377	42,989	48,241	42,989	173,254	146,123
Mutual funds				37,136	33,774	34,452	33,610	33,917	37,136	33,917	135,753	127,885
Securitization				47,911	57,974	37,688	38,532	39,927	47,911	39,927	174,121	193,972
Profit & Loss on trading				151,428	110,710	(14,234)	111,596	167,405	151,428	167,405	375,477	251,342
Profit & Loss other than trading				28,798	49,750	60,105	28,323	41,816	28,798	41,816	179,994	91,544
Other				82,483	69,754	61,277	62,685	48,581	82,483	48,581	242,297	175,712
Total				\$ 733,735	\$ 688,499	\$ 537,499	\$ 649,011	\$ 694,110	\$ 733,735	\$ 694,110	\$ 2,569,119	\$ 2,294,461
As a % of total revenues				69.6%	65.3%	55.5%	67.1%	70.0%	69.6%	70.0%	64.5%	60.0%

(unaudited) (thousands)

Trading revenues

Net Interest Income				\$ (38,940)	\$ 7,490	\$ 80,804	\$ (25,893)	\$ (74,178)	\$ (38,940)	\$ (74,178)	\$ (11,777)	\$ 107,488
Other Income				151,428	110,710	(14,234)	111,596	167,405	151,428	167,405	375,477	251,342
Total				\$ 112,488	\$ 118,200	\$ 66,570	\$ 85,703	\$ 93,227	\$ 112,488	\$ 93,227	\$ 363,700	\$ 358,830

Trading revenues by product

<i>Financial Markets</i>												
Equity				87,791	94,757	53,300	57,480	70,327	87,791	70,327	275,864	243,907
Interest rate				5,602	11,926	12,245	13,736	13,393	5,602	13,393	51,300	70,762
Commodity and foreign exchange				15,716	4,823	1,114	11,661	6,776	15,716	6,776	24,374	27,987
Trading revenues - Financial Markets				109,109	111,506	66,659	82,877	90,496	109,109	90,496	351,538	342,656
Other				3,379	6,694	(89)	2,826	2,731	3,379	2,731	12,162	16,174
Total Trading revenues				112,488	118,200	66,570	85,703	93,227	112,488	93,227	363,700	358,830

 **NON-INTEREST EXPENSES**

	2007				2006				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005
<i>(unaudited) (thousands)</i>												
Non-Interest Expenses												
Salaries and Staff benefits												
Salaries				\$ 226,813	\$ 242,919	\$ 210,911	\$ 207,158	\$ 208,587	\$ 226,813	\$ 208,587	\$ 869,575	\$ 834,302
Commissions				101,603	96,806	87,959	97,411	110,469	101,603	110,469	392,645	417,064
Pension plan and other staff benefits				61,102	48,282	54,898	53,771	60,280	61,102	60,280	217,231	199,287
Total Compensation				389,518	388,007	353,768	358,340	379,336	389,518	379,336	1,479,451	1,450,653
Premises, Equipment & Furniture												
Rent				20,111	18,230	21,352	21,781	19,654	20,111	19,654	81,017	78,487
Taxes & insurance				3,998	3,937	4,186	4,163	4,130	3,998	4,130	16,416	16,465
Maintenance, lighting, heating				6,587	7,244	5,945	6,866	6,632	6,587	6,632	26,687	26,027
Technology				90,335	85,200	90,607	88,624	93,410	90,335	93,410	357,841	356,164
Depreciation				17,849	20,450	16,374	16,363	16,033	17,849	16,033	69,220	62,700
Total Premises, Equipment & Furniture				138,880	135,061	138,464	137,797	139,859	138,880	139,859	551,181	539,843
Other Expenses												
Professional fees				39,644	41,209	38,719	31,657	29,397	39,644	29,397	140,982	132,910
Taxes on capital & salaries				16,078	17,000	16,697	16,144	16,974	16,078	16,974	66,815	56,017
Travel & business development				21,878	27,874	23,135	27,325	21,930	21,878	21,930	100,264	99,201
Other				50,955	63,673	51,449	43,782	48,079	50,955	48,079	206,983	193,620
Total Other Expenses				128,555	149,756	130,000	118,908	116,380	128,555	116,380	515,044	481,748
TOTAL NON-INTEREST EXPENSES				\$ 656,953	\$ 672,824	\$ 622,232	\$ 615,045	\$ 635,575	\$ 656,953	\$ 635,575	\$ 2,545,676	\$ 2,472,244



PROVISION FOR CREDIT LOSSES

	2007				2006				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005
<i>(millions of dollars)</i>												
Retail				11	10	9	10	8	11	8	37	35
Credit card				17	16	15	16	16	17	16	63	58
Commercial				15	7	-	7	8	15	8	22	23
Corporate				-	1	1	1	1	-	1	4	7
Real estate				-	-	-	-	(2)	-	(2)	(2)	1
Other				(3)	(1)	-	-	-	(3)	-	(1)	(2)
Credit card securitization				(12)	(11)	(9)	(12)	(14)	(12)	(14)	(46)	(47)
General				-	-	-	-	-	-	-	-	(42)
Total				28	22	16	22	17	28	17	77	33

**CONDENSED CONSOLIDATED BALANCE SHEET**

2007				2006				End Of Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2006	2005

(unaudited)(millions of dollars)

Assets									
Cash and deposits with financial institutions			\$ 10,816	\$ 10,879	\$ 9,286	\$ 9,693	\$ 9,484	\$ 10,879	\$ 10,314
Securities			43,807	38,678	35,420	36,510	30,072	38,678	33,052
Securities purchased under reverse repurchase agreements			9,812	7,592	5,954	7,549	7,980	7,592	7,023
Loans									
Residential mortgages			14,799	15,228	15,438	14,887	15,345	15,228	15,675
Personal and credit cards			11,627	11,264	10,944	10,670	10,108	11,264	9,778
Business and government			18,003	20,271	19,541	20,114	19,517	20,271	18,616
Total Loans			44,429	46,763	45,923	45,671	44,970	46,763	44,069
Customers' liability under bankers' acceptances			4,162	3,725	3,598	3,677	3,468	3,725	3,242
Other assets			9,790	9,248	8,464	8,083	9,302	9,248	10,270
Total Assets			\$122,816	\$116,885	\$108,645	\$111,183	\$105,276	\$116,885	\$107,970
Liabilities									
Deposits									
Personal			\$ 29,579	\$ 29,164	\$ 29,178	\$ 28,270	\$ 27,103	\$ 29,164	\$ 26,385
Business and government			32,185	34,223	29,322	30,930	29,640	34,223	29,878
Deposit-taking institutions			10,699	8,602	9,594	10,918	8,177	8,602	5,956
Total Deposits			72,463	71,989	68,094	70,118	64,920	71,989	62,219
Others									
Acceptances			4,162	3,725	3,598	3,677	3,468	3,725	3,242
Other liabilities			39,269	34,934	30,652	31,217	30,662	34,934	36,810
Subordinated debentures			1,949	1,449	1,599	1,599	1,600	1,449	1,102
Total Others			45,380	40,108	35,849	36,493	35,730	40,108	41,154
Shareholders' equity									
Preferred shares			400	400	400	400	400	400	400
Common shares			1,583	1,566	1,563	1,558	1,573	1,566	1,565
Contributed surplus			24	21	19	17	15	21	13
Retained earnings			3,003	2,801	2,720	2,597	2,638	2,801	2,619
Accumulated other comprehensive income (loss)			(37)	-	-	-	-	-	-
Total Shareholders' equity			4,973	4,788	4,702	4,572	4,626	4,788	4,597
Total Liabilities & Shareholders' Equity			\$122,816	\$116,885	\$108,645	\$111,183	\$105,276	\$116,885	\$107,970
Mortgage securitization			\$ 6,262	\$ 5,761	\$ 5,313	\$ 5,507	\$ 4,937	\$ 5,761	\$ 4,581
Mortgage loans sold to third parties			\$ 573	\$ 529	\$ 566	\$ 614	\$ 652	\$ 529	\$ 551
Credit card securitization			\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Direct loans securitization			\$ 78	\$ 126	\$ 150	\$ 182	\$ 218	\$ 126	\$ 222
Mutual funds			\$ 12,781	\$ 11,907	\$ 11,438	\$ 11,786	\$ 11,657	\$ 11,907	\$ 11,157
Securities - excess of market value over book			\$ 155	\$ 126	\$ (28)	\$ 33	\$ 53	\$ 126	\$ 74
Equity Securities - excess of market value over book			\$ 167	\$ 129	\$ 10	\$ 80	\$ 82	\$ 129	\$ 66

Number of shares outstanding (000's)			161,367	161,512	161,918	161,882	164,313	161,512	165,335
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Domestic Gap < 1 year			(1,239)	(1,113)	982	(1,844)	124	(1,113)	(243)
> 1 year			1,234	1,122	(991)	1,840	2,664	1,122	3,053



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	2007				2006				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005
<i>(unaudited)(millions of dollars)</i>												
Opening balance				4,788	4,702	4,572	4,626	4,597	4,788	4,597	4,597	4,204
Net income				240	220	220	214	217	240	217	871	855
Issuance of common shares				23	8	6	11	25	23	25	50	58
Issuance of preferred shares				-	-	-	-	-	-	-	-	200
Repurchase of common shares												
Repurchase of common shares				(7)	(5)	-	(26)	(17)	(7)	(17)	(48)	(39)
Premium paid on common shares purchased for cancellation				(39)	(29)	-	(142)	(90)	(39)	(90)	(261)	(185)
Repurchase of preferred shares				-	-	-	-	-	-	-	-	(175)
Dividends												
Common shares				(88)	(80)	(82)	(78)	(80)	(88)	(80)	(320)	(286)
Preferred shares				(5)	(5)	(5)	(6)	(5)	(5)	(5)	(21)	(26)
Initial adoption of AcG-15				-	-	-	-	-	-	-	-	1
Impact of initial adoption of new accounting standards on financial instruments				2	-	-	-	-	2	-	-	-
Stock options expense				5	2	2	2	2	5	2	8	6
Stock options exercised				(3)	-	-	-	-	(3)	-	-	-
Impact of shares acquired / sold for trading purposes				1	-	(1)	-	-	1	-	(1)	1
Other adjustments, net of income taxes				1	(15)	(5)	(1)	-	1	-	(21)	(1)
Unrealized foreign exchange gains (losses), net of income taxes				-	(10)	(5)	(28)	(23)	-	(23)	(66)	(16)
Reclassification of unrealized foreign currency translation adjustments to "Accumulated other comprehensive income"				92	-	-	-	-	92	-	-	-
Other comprehensive income (loss), net of income taxes				(37)	-	-	-	-	(37)	-	-	-
Closing balance				4,973	4,788	4,702	4,572	4,626	4,918	4,626	4,788	4,597
Shareholders' equity												
Preferred shares				400	400	400	400	400	400	400	400	400
Common shares				1,583	1,566	1,563	1,558	1,573	1,583	1,573	1,566	1,565
Contributed surplus				24	21	19	17	15	24	15	21	13
Unrealized foreign currency translation adjustment				-	(92)	(82)	(77)	(49)	-	(49)	(92)	(26)
Retained earnings				3,003	2,893	2,802	2,674	2,687	3,003	2,687	2,893	2,645
Accumulated other comprehensive income (loss)				(37)	-	-	-	-	(37)	-	-	-
Closing balance				4,973	4,788	4,702	4,572	4,626	5,010	4,626	4,788	4,597

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2007				YTD
	Q4	Q3	Q2	Q1	2007
<i>(unaudited)(millions of dollars)</i>					
Net income				240	240
Other comprehensive income (loss)					
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations, net				79	79
Impact of hedging foreign currency translation gains and losses				(69)	(69)
Income taxes (recovery)				(22)	(22)
				(47)	(47)
Change in unrealized foreign currency translation gains and losses, net of hedging activities and income taxes				32	32
Unrealized gains (losses) on available for sale securities, net				26	26
Income taxes (recovery)				8	8
				18	18
Reclassification adjustment for realized losses (gains) on available for sale securities included in the Consolidated Statement of Income				(2)	(2)
Income taxes recovery (charge)				(1)	(1)
				(1)	(1)
Change in unrealized gains and losses on available for sale securities, net of income taxes				17	17
Gains (losses) on derivatives designated as cash flow hedges, net				(31)	(31)
Income taxes (recovery)				(10)	(10)
				(21)	(21)
Losses (gains) on derivatives designated as cash flow hedges transferred to the Consolidated Statement of Income in the current period, net				3	3
Income taxes recovery (charge)				1	1
				2	2
Change in gains and losses on derivatives designated as cash flow hedges, net of income taxes				(19)	(19)
Total other comprehensive income (loss), net of income taxes				30	30
COMPREHENSIVE INCOME				270	270

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	
								2007	2006

(millions of dollars)

as at January 31, 2007

Assets under administration									
Institutional	48,839	12,058	-	-	-	-	-	60,897	65,151
Personal	-	91,627	-	-	-	10,126	-	101,753	93,718
Mutual funds	12,913	-	8,569	4,212	-	-	-	25,694	23,502
Mortgage loans sold to third parties	-	-	-	-	-	-	6,262	6,262	5,589
Total assets under administration	61,752	103,685	8,569	4,212	-	10,126	6,262	194,606	187,960
Assets under management									
Personal	5,320	-	-	-	-	-	-	5,320	4,640
Managed portfolios	-	3,600	-	-	15,285	-	-	18,885	19,579
Mutual funds	-	-	-	-	16,567	-	-	16,567	15,617
Total assets under management	5,320	3,600	-	-	31,852	-	-	40,772	39,836
Total assets under administration / management	67,072	107,285	8,569	4,212	31,852	10,126	6,262	235,378	227,796

Total	
2006	2005

as at January 31, 2006

Assets under administration									
Institutional	54,539	10,612	-	-	-	-	-	65,151	48,002
Personal	-	84,413	-	-	-	9,305	-	93,718	86,444
Mutual funds	11,845	-	7,679	3,978	-	-	-	23,502	19,036
Mortgage loans sold to third parties	-	-	-	-	-	-	5,589	5,589	4,312
Total assets under administration	66,384	95,025	7,679	3,978	-	9,305	5,589	187,960	157,794
Assets under management									
Personal	4,640	-	-	-	-	-	-	4,640	3,436
Managed portfolios	-	2,924	-	-	16,655	-	-	19,579	16,983
Mutual funds	-	-	-	-	15,617	-	-	15,617	13,609
Total assets under management	4,640	2,924	-	-	32,272	-	-	39,836	34,028
Total assets under administration / management	71,024	97,949	7,679	3,978	32,272	9,305	5,589	227,796	191,822

IMPAIRED LOANS

2007				2006				End of Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2005

(\$ millions)

Gross Impaired Loans

Retail				50.3	48.7	46.7	45.0	41.9	45.1
Commercial				130.7	126.6	106.4	136.7	147.5	133.3
Corporate				56.2	56.4	57.9	57.2	63.0	65.1
Real estate				-	-	-	-	3.4	13.0
Treasury				2.3	2.2	3.3	3.3	3.4	3.5
Other				-	-	-	-	-	-
Total Gross Impaired Loans				239.5	233.9	214.3	242.2	259.2	260.0
As a % of loans and acceptances				0.5%	0.5%	0.4%	0.5%	0.5%	0.5%

Net Impaired Loans

Retail				30.5	30.4	27.3	25.6	22.5	24.9
Commercial				58.6	62.6	44.9	60.1	63.7	55.1
Corporate				20.7	20.3	24.1	23.2	25.1	27.5
Real estate				-	-	-	-	-	7.6
Treasury				2.2	2.1	2.1	2.0	2.1	2.2
General allowance				(308.0)	(308.0)	(308.0)	(308.0)	(308.0)	(308.0)
Total Net Impaired Loans				(196.0)	(192.6)	(209.6)	(197.1)	(194.6)	(190.7)
As a % of loans and acceptances				-0.4%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%



FORMATION OF GROSS IMPAIRED LOANS & ALLOWANCE FOR CREDIT LOSSES

2007				2006				YTD		Full Year	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2007	2006	2006	2005

(\$ millions)

Formation of Gross Impaired Loans

Opening balance				234	214	242	259	260	234	260	260	388
Write-off				(17)	(20)	(30)	(36)	(16)	(17)	(16)	(102)	(156)
Formation				22	40	2	19	15	22	15	76	27
Closing balance				239	234	214	242	259	239	259	234	260

Allowance for Credit Losses

Allowances at beginning				426	424	439	454	451	426	451	451	578
Provision for credit losses				28	22	16	22	17	28	17	77	33
Write-offs				(34)	(37)	(45)	(52)	(32)	(34)	(32)	(166)	(215)
Recoveries				15	17	14	15	18	15	18	64	55
Allowances at end				435	426	424	439	454	435	454	426	451

RISK-ADJUSTED CAPITAL RATIOS

2007					2006			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<i>(millions of dollars)</i>								
Tier I capital								
Common shareholders' equity			\$4,550	\$4,388	\$4,302	\$4,172	\$4,226	
Non-cum. preferred shares, permanent			400	400	400	400	400	
Non-controlling interest			10	9	8	118	137	
Innovative instruments			578	562	565	336	342	
Less: goodwill			684	683	686	662	662	
Less: Trading in short positions of own shares (gross)			3	2	-	4	6	
Total Tier I			\$4,851	\$4,674	\$4,589	\$4,360	\$4,437	
Tier II capital								
Bank debentures (1)			\$1,949	1,949	1,599	1,599	\$1,600	
General provision			308	308	308	308	308	
Unrealized gains on equity sales			49	-	-	-	-	
Total Tier II			\$2,306	\$2,257	\$1,907	\$1,907	\$1,908	
Other deductions			312	324	450	422	415	
TOTAL CAPITAL			\$6,845	\$6,607	\$6,046	\$5,845	\$5,930	
Risk-adjusted balance sheet items								
Cash resources			\$2,066	\$2,077	\$1,761	\$1,893	\$1,651	
Securities			2,465	2,083	2,828	2,033	2,030	
Mortgage loans			5,734	5,647	5,787	5,470	5,282	
Other loans			21,437	22,035	22,855	23,367	23,049	
Other assets			6,106	5,549	5,514	5,363	5,275	
Total Risk-adjusted balance sheet items			\$37,808	\$37,391	\$38,745	\$38,126	\$37,287	
Risk-adjusted off-balance sheet items								
Commitments to extend credit								
L/G, L/C and trans.-related contingent			\$1,110	1,096	1,156	1,059	\$1,082	
Commitments to extend credit			5,240	5,085	5,009	4,767	4,794	
Interest rate contract			112	122	110	95	105	
Foreign exchange contract			320	234	217	218	249	
Equity-linked contract			603	480	413	319	388	
Commodity			12	19	88	48	65	
Total Risk-adjusted off-balance sheet items			\$7,397	\$7,036	\$6,993	\$6,506	\$6,683	
<i>Risk-adjusted market risk items</i>			\$3,862	\$2,871	\$2,902	\$3,117	\$2,806	
TOTAL RISK-ADJUSTED ASSETS			\$49,067	\$47,298	\$48,640	\$47,749	\$46,776	
Risk-adjusted ratios								
Tier I			9.9%	9.9%	9.4%	9.1%	9.5%	
Total			14.0%	14.0%	12.4%	12.2%	12.7%	

(1) Taking into account the issuance of \$500 million of subordinated debentures on November 2, 2006 for the fourth quarter 2006.

FINANCIAL DERIVATIVES

	2007				2006				End of Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2005
<i>(millions of dollars)</i>									
Foreign exchange related contracts									
Swaps				43,093	43,164	46,248	41,495	47,796	51,143
Options - purchased				10,191	9,094	8,820	6,885	6,537	7,463
Options - sold				13,463	11,651	13,082	9,031	7,318	6,862
Futures				10,375	7,304	6,636	3,886	6,829	6,788
Total Notional Amount				77,122	71,213	74,786	61,297	68,480	72,256
Replacement cost (1)				410	287	325	414	504	338
Future credit risk				736	685	542	543	549	513
Credit equivalent (2)				1,147	972	868	957	1,053	852
Risk-weighted equivalent				320	234	217	218	249	220
Interest rate related contracts									
Swaps				114,713	118,597	127,579	113,989	109,122	123,134
Options - purchased				80,729	116,255	77,385	72,863	76,552	86,008
Options - sold				71,467	111,357	87,304	76,949	76,786	67,882
Futures				14,200	9,732	5,780	2,293	11,000	9,082
Total Notional Amount				281,109	355,941	298,048	266,094	273,460	286,106
Replacement cost (1)				190	243	258	224	266	328
Future credit risk				329	346	361	313	312	296
Credit equivalent (2)				519	589	619	537	578	625
Risk-weighted equivalent				112	122	110	95	105	110
Financial futures									
Total Notional Amount				69,469	31,017	35,323	37,284	44,472	14,981
Equity and commodity contracts									
Total Notional Amount				41,463	36,798	25,254	15,894	26,980	29,593
Replacement cost (1)				769	671	605	636	684	653
Future credit risk				1,430	1,224	1,060	453	734	810
Credit equivalent (2)				2,199	1,895	1,665	1,088	1,418	1,463
Risk-weighted equivalent				615	499	500	368	454	418
Total derivatives									
Total Notional Amount				469,163	494,969	433,411	380,569	413,392	402,936
Replacement cost (1)				1,369	1,201	1,188	1,274	1,454	1,319
Future credit risk				2,495	2,255	1,963	1,309	1,595	1,619
Credit equivalent (2)				3,865	3,456	3,152	2,582	3,049	2,940
Risk-weighted equivalent				1,047	855	827	681	808	748

(1) Gross positive replacement cost after permissible netting

(2) Taking into account permissible netting

SHAREHOLDERS' INFORMATION

2007				2006			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Credit Rating

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

Stock Trading Range and Other Information

High				\$ 66.59	\$ 62.86	\$ 62.69	\$ 65.60	\$ 63.90
Low				\$ 61.36	\$ 58.26	\$ 56.14	\$ 61.35	\$ 58.35
Close				\$ 64.29	\$ 61.25	\$ 58.55	\$ 62.34	\$ 61.75
Number of registered shareholders				25,316	25,531	25,644	25,845	26,049

Valuation

Market Capitalization (in millions of \$)				\$ 10,374	\$ 9,893	\$ 9,480	\$ 10,092	\$ 10,146
P/E Ratio (Trailing 4 Quarters)				11.93	11.73	11.46	12.49	12.68
Market price/Book value				2.27	2.25	2.20	2.42	2.40
Dividend payout (trailing 4 quarters)				37.48%	37.55%	37.18%	36.87%	36.55%
Dividend yield (annualized)				3.36%	3.27%	3.42%	3.08%	3.11%

Other Information

Number of employees (full-time equivalent)				14,406	14,381	14,573	14,375	14,444
Number of Branches				450	451	453	455	455
Number of ATM'S				807	801	800	802	797

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