

**NATIONAL COMMERCIAL BANK JAMAICA LIMITED “the Bank” AND ITS SUBSIDIARIES
“the Group”**

The Board of Directors has released the following unaudited results for the Group for the quarter ended 31 December 2006.

	QUARTER	QUARTER
	ENDED	ENDED
	31 12 2006	31 12 2005
	\$'000	\$'000
REVENUE	8,091,541	7,040,675
EXPENSES	6,152,271	5,538,854
Operating Profit	1,939,270	1,501,821
Share of profit of associates	42,315	20,945
Profit before Taxation	1,981,585	1,522,766
Taxation	(479,968)	(384,721)
Net Profit	1,501,617	1,138,045
Earnings per Stock Unit	\$0.61	\$0.46

The Group recorded a net profit of \$1.5 billion for the quarter ended 31 December 2006, compared to \$1.1 billion for the corresponding period of the previous year; an increase of \$363.6 million or 32%. Operating revenue (revenue less interest and fee expense) for the three months was \$4.8 billion, an increase of \$586.5 million or 14% when compared to the quarter ended 31 December 2005. The Group continues to grow revenue in all the major business segments which has resulted in higher net interest income, net fees and commissions and net trading income for the period as follows:

- Net interest income (gross interest income less interest expense) for the quarter was higher than the same period last year by \$147.1 million or 5%.
- Loan income and securities income increased by \$167.1 million or 10% and \$410.3 million or 10% respectively, due mainly to the sustained growth in loans and advances and investment securities.
- Net fee and commission income grew by \$180.5 million or 25%.
- Net trading income increased by \$229.5 million or 48%.

Operating expenses (excluding interest and fee expense) was \$2.9 billion for the quarter, \$149 million or 5% above the comparative prior year period.

PERFORMANCE AT A GLANCE

Comparison of Key Ratios

	December 2006	December 2005
Return on Average Equity	23.61%	21.53%
Return on Average Total Assets	2.62%	2.34%
Growth in Revenue	14.9%	6.4%
Cost/Income Ratio	57.6%	64.1%
Net Asset Value per Share	\$10.68	\$8.57

ASSET BASE

The total asset base of the Group of \$234.6 billion, reflects an increase of \$11.5 billion or 5%, compared to 30 September 2006. The major increases in the Group's asset base were accounted for by investment securities which grew by \$9 billion or 7% and loans and advances and cash and balances at Bank of Jamaica which grew by \$2.7 billion or 6% and \$2.5 billion or 21% respectively. Reverse repurchase agreements fell by \$4.9 billion or 21%. The growth in the asset base over the three month period was mainly funded by an increase in customer deposits of \$9.7 billion or 10%.

LOAN PORTFOLIO

The banking segment continues to grow loans and advances which totaled \$44.9 billion (net of provision for credit losses) as at 31 December 2006 compared to \$42.2 billion as at 30 September 2006. The aggregate amount of non-performing loans amounted to \$1.7 billion and represented 3.73% of the gross loans compared to 3.66% as at 30 September 2006.

As at 31 December 2006 the accumulated provision for credit losses determined under Bank of Jamaica regulatory requirements of \$2.24 billion represented an overall coverage of 130% of non-performing loans. Provisions for credit losses that exceed the amounts required by International Financial Reporting Standards (IFRS) are credited to a non-distributable Loan Loss Reserve. As at 31 December 2006 the balance in the Loan Loss Reserve was \$222.6 million. The Bank's provisioning policy is in compliance with Bank of Jamaica regulations.

CAPITAL

The Group's total stockholders' equity as at 31 December 2006 was \$26.3 billion, an increase of \$1.7 billion or 7% when compared to 30 September 2006, and this increase can be mainly attributed to the continued increase in the Group's retained earnings. As at 31 December 2006, the Risk-based Capital Ratio was 16.5% which exceeds the minimum requirement of 10% set by the Bank of Jamaica.

DIVIDENDS

The Board of Directors has approved an interim dividend of 13 cents per share. The dividend is payable on 23 February 2007 for shareholders on record as at 9 February 2007.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention as modified by the revaluation of available-for-sale investment securities, investment securities at fair value through profit and loss, derivative contracts and investment property.

There have been no changes in accounting policies since the most recent audited accounts as at 30 September 2006.

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current period.

All amounts are stated in Jamaican dollars unless otherwise indicated.

COMMUNITY RELATIONS

Throughout the first quarter of the 2007 Financial Year, NCB continued its drive towards building a better Jamaica by concentrating its support on activities which promote positive social and economic development.

EDUCATION

In the area of Education, the NCB Foundation, through the Jamaican Education Initiative (JEI), remained focused on uplifting young Jamaicans through consistent support and funding. Throughout this quarter numerous educational institutions benefited from contributions towards computers and workshops as well as funds to assist with planned improvements to existing infrastructure on school grounds. Some of these schools include, Knox College, Vere Technical High School, Denham Town High School, Dunrobin Primary School, Dupoint Primary and Infant School and Kingston College.

The Bank, in fulfillment of its \$15M matching commitment to the development of a Science Block at the Ardenne High School, made its first donation of approximately \$4.4million in December.

HEALTH

Through the NCB Foundation, \$500,000 was donated towards securing a much-needed blood gas machine for the Kingston Public Hospital. This initiative helped to enhance access to better health facilities for a number of patients from within as well as outside of the corporate area. The Jamaica Medical Foundation and The Lupus Foundation of Jamaica also benefited as a result of donations made by the Bank throughout the quarter.

SPORTS

NCB's continuing effort to support the development of sports throughout the island was marked by the announcement of its sponsorship of the National Football Programme in November 2006. The Jamaica Football Federation (JFF) has initiated plans to help position the Reggae Boyz to qualify for the World Cup Football Competition in South Africa in 2010. Joining other commitments made by the Government and corporate entities, NCB contributed US\$100,000 to the Jamaica Football Federation (JFF) for the new Technical Director's remuneration package. In addition the Bank will be donating US\$50,000 per annum until 2010.

NCB continues to maintain its financial support to the MVP Track & Field Club, training ground of outstanding Jamaican athletes including Asafa Powell and Sherone Simpson.

The Bank was also pleased to support the Wolmer's Boys School with a donation to facilitate students attendance at a regional Basketball tournament.

As a proactive corporate leader, NCB continues to honour its commitment to practice good corporate citizenship and thanks its employees and customers for their ongoing support.

National Commercial Bank Jamaica Limited

Consolidated Profit & Loss Account

Quarter Ended 31 December 2006

	Quarter Ended 31 Dec 2006 \$'000	Quarter Ended 31 Dec 2005 \$'000
Operating Revenue		
Interest income from loans	1,880,582	1,713,505
Interest income from securities	4,321,348	3,911,028
Total interest income	6,201,930	5,624,533
Interest expense	(3,078,706)	(2,648,374)
Net interest income	3,123,224	2,976,159
Fee and commission income	1,089,693	875,160
Fee and commission expense	(199,735)	(165,679)
Net fee and commission income	889,958	709,481
Net trading income	704,403	474,871
Dividend income	35,081	40,511
Other operating income	60,434	25,600
	799,918	540,982
	4,813,100	4,226,622
Operating Expenses		
Staff costs	1,647,998	1,567,346
Provision for credit losses	45,380	15,637
Depreciation and amortisation	223,761	256,987
Impairment Loss on Investment Securities	30,380	-
Other operating expenses	926,311	884,831
	2,873,830	2,724,801
Operating Profit	1,939,270	1,501,821
Share of profits of associates	42,315	20,945
Profit before Taxation	1,981,585	1,522,766
Taxation	(479,968)	(384,721)
NET PROFIT	1,501,617	1,138,045
EARNINGS PER STOCK UNIT	\$ 0.61	\$ 0.46

National Commercial Bank Jamaica Limited

Consolidated Balance Sheet

31 December 2006

	31 December 2006 \$'000	30 September 2006 \$'000
ASSETS		
Cash and balances at Bank of Jamaica	14,563,650	12,039,998
Due from other banks	15,473,974	13,851,703
Investment securities at fair value through profit and loss	1,081,238	1,151,266
Reverse repurchase agreements	18,056,662	22,963,218
Loans and advances, net of provision for credit losses	44,908,267	42,219,840
Investment securities - available-for-sale	131,619,642	122,614,171
Investment in associates	2,021,104	1,992,771
Investment properties	13,000	13,000
Property, plant and equipment	3,744,648	3,754,324
Deferred tax asset	-	133,047
Intangible asset - computer software	393,148	458,505
Retirement benefit asset	10,118	10,118
Income tax recoverable	983,282	483,171
Other assets	1,357,104	1,156,084
Customers' liability - letters of credit and undertaking	429,943	297,588
Total Assets	234,655,780	223,138,804

National Commercial Bank Jamaica Limited
Consolidated Balance Sheet
31 December 2006

	31 December 2006 \$'000	30 September 2006 \$'000
LIABILITIES		
Due to other banks	8,010,069	7,056,889
Customer deposits	108,735,992	99,026,503
Derivative financial instruments	60,181	68,965
Promissory notes and certificates of participation	2,476,321	2,290,799
Repurchase agreements	47,867,612	50,344,707
Obligations under securitisation arrangements	21,826,927	21,398,964
Other borrowed funds	2,650,027	2,523,569
Income tax payable	2,769	3,482
Deferred tax liability	778,354	606,247
Policyholders' liabilities	12,700,288	12,010,182
Provision for litigation	34,000	33,907
Retirement benefit obligations	257,172	252,313
Other liabilities	2,544,481	2,634,702
Liability - letters of credit and undertaking	429,943	297,588
Total Liabilities	208,374,136	198,548,817
STOCKHOLDERS' EQUITY		
Stated capital	6,920,515	6,920,515
Shares held by NCB Employee Share Scheme	(3,867)	(3,867)
Fair value and other reserves	2,713,226	1,981,827
Loan loss reserve	222,607	252,985
Banking reserve fund	1,963,000	1,963,000
Retained earnings reserve	4,519,761	4,519,761
Retained earnings	9,946,402	8,955,766
Total Stockholders' Equity	26,281,644	24,589,987
Total Equity and Liabilities	234,655,780	223,138,804

Approved for issue by the Board of Directors on 25 January 2007 and signed on its behalf by:

 Director

 Director

 Director

 Secretary

National Commercial Bank Jamaica Limited

Consolidated Statement of Changes in Stockholders' Equity

Quarter Ended 31 December 2006

	Stated/Share Capital	Shares Held by Shares Scheme	Share Premium	Fair Value and Other Reserves	Loan Loss Reserve	Banking Reserve Fund	Retained Earnings Reserve	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 October 2005 (Restated)	2,466,763	(3,867)	4,453,752	2,343,004	211,590	1,609,000	3,119,761	7,013,460	21,213,463
Currency translation differences	-	-	-	19,332	-	-	-	-	19,332
Unrealised losses on available-for-sale investments, net of taxes	-	-	-	(286,911)	-	-	-	-	(286,911)
Realised fair value gains transferred to Consolidated Profit & Loss Account	-	-	-	(265,236)	-	-	-	-	(265,236)
Net losses recognised directly in equity	-	-	-	(532,815)	-	-	-	-	(532,815)
Net Profit	-	-	-	-	-	-	-	1,138,045	1,138,045
Dividends paid	-	-	-	-	-	-	-	(740,029)	(740,029)
Transfer to Loan Loss Reserve	-	-	-	-	57,790	-	-	(57,790)	-
Balance as at 31 December 2005 (Restated)	2,466,763	(3,867)	4,453,752	1,810,189	269,380	1,609,000	3,119,761	7,353,686	21,078,664
Balance as at 1 October 2006	6,920,515	(3,867)	-	1,981,827	252,985	1,963,000	4,519,761	8,955,766	24,589,987
Currency translation differences	-	-	-	9,482	-	-	-	-	9,482
Unrealised gains on available-for-sale investments, net of taxes	-	-	-	869,792	-	-	-	-	869,792
Realised fair value gains transferred to Consolidated Profit & Loss Account	-	-	-	(147,875)	-	-	-	-	(147,875)
Net gains recognised directly in equity	-	-	-	731,399	-	-	-	-	731,399
Net Profit	-	-	-	-	-	-	-	1,501,617	1,501,617
Dividends paid	-	-	-	-	-	-	-	(541,359)	(541,359)
Transfer from Loan Loss Reserve	-	-	-	-	(30,378)	-	-	30,378	-
Balance as at 31 December 2006	6,920,515	(3,867)	-	2,713,226	222,607	1,963,000	4,519,761	9,946,402	26,281,644

National Commercial Bank Jamaica Limited

Consolidated Statement of Cash Flows

Quarter Ended 31 December 2006

	31 December 2006 \$'000	31 December 2005 \$'000
Cash Flows from Operating Activities		
Net cash provided by operating activities	12,040,967	3,583,154
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(144,373)	(150,851)
Acquisition of intangible asset - computer software	(13,118)	(100,290)
Proceeds from disposal of property, plant and equipment	10,867	32,738
Investment securities, net	(11,311,721)	6,302,267
Dividends received from associates	13,983	13,983
Net cash (used in)/provided by investing activities	(11,444,362)	6,097,847
Cash Flows from Financing Activities		
Repayments under securitisation arrangements	-	(596,767)
Other borrowed funds	145,315	(129,778)
Dividends paid	(541,359)	(740,029)
Net cash used in financing activities	(396,044)	(1,466,574)
Effect of exchange rate changes on cash and cash equivalents	480,431	211,042
Net increase in cash and cash equivalents	680,992	8,425,469
Cash and cash equivalents at beginning of period	25,836,501	9,984,321
Cash and cash equivalents at end of period	26,517,493	18,409,790
Comprising:		
Cash and balances at Bank of Jamaica	5,303,788	4,413,789
Due from other banks	15,473,974	11,770,426
Investment securities	13,749,800	9,641,412
Due to other banks	(8,010,069)	(7,415,837)
	26,517,493	18,409,790

NATIONAL COMMERCIAL BANK JAMAICA LIMITED

Quarter ended
31 December 2006

	Banking			Wealth		Insurance	Other	Eliminations	Consolidated
	Retail \$'000	Corporate \$'000	Treasury \$'000	Management \$'000					
External operating revenue	1,933,515	950,210	2,596,885	2,072,054	533,005	5,872	-	8,091,541	
Operating revenue from other segments	1,479,632	14,115	193,069	10,082	38,894	46,675	(1,782,467)	-	
Operating revenue	3,413,147	964,325	2,789,954	2,082,136	571,899	52,547	(1,782,467)	8,091,541	
Segment result	393,597	307,351	671,779	557,930	174,872	34,975	(20,687)	2,119,817	
Unallocated corporate expenses								(180,547)	
Operating profit								1,939,270	
Share of profit in associates								42,315	
Profit before tax								1,981,585	
Taxation expense								(479,968)	
Net profit								1,501,617	
Segment assets	93,407,006	26,512,286	106,823,484	58,443,977	14,481,844	494,715	(68,511,918)	231,651,394	
Associates								2,021,104	
Unallocated assets								983,282	
Total assets								234,655,780	
Segment liabilities	89,882,123	27,223,020	94,798,392	50,322,336	12,771,918	224,470	(67,629,246)	207,593,013	
Unallocated liabilities								781,123	
Total liabilities								208,374,136	
Depreciation and amortisation	176,533	18,878	14,683	9,757	3,647	263	-	223,761	

NATIONAL COMMERCIAL BANK JAMAICA LIMITED

Quarter ended

31 December 2005

	Banking			Wealth	Insurance	Other	Eliminations	Consolidated
	Retail	Corporate	Treasury	Management				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External operating revenue	1,522,342	964,465	2,246,811	1,873,617	426,228	7,212	-	7,040,675
Operating revenue from other segments	1,390,530	18,587	378,709	17,293	4,895	13,106	(1,823,120)	-
Operating revenue	2,912,872	983,052	2,625,520	1,890,910	431,123	20,318	(1,823,120)	7,040,675
Segment result	23,723	386,360	759,174	424,988	84,235	3,400	(17,397)	1,664,483
Unallocated corporate expenses								(162,662)
Operating profit								1,501,821
Share of profit in associates								20,945
Profit before tax								1,522,766
Taxation expense								(384,721)
Net profit								1,138,045
Segment assets	90,206,608	28,193,687	78,691,382	55,262,672	10,827,053	294,853	(65,985,982)	197,490,273
Associates								1,569,284
Unallocated assets								249,376
Total assets								199,308,933
Segment liabilities	83,842,290	26,846,403	72,670,203	48,296,258	9,828,296	305,776	(65,613,962)	176,175,264
Unallocated liabilities								2,043,031
Total liabilities								178,218,295
Depreciation and amortisation	209,245	22,387	17,412	4,860	2,716	367	-	256,987