

# Unaudited Financial Results (Quarterly)

## As at Third Quarter of Fiscal Year 2066/67 (Chaitra End 2066)

Rs. in '000

S.No	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>4,196,877</b>	<b>3,578,477</b>	<b>2,487,347</b>
1.1	Paid Up Capital	680,000	680,000	414,800
1.2	Reserve and Surplus	143,203	145,569	(39,942)
1.3	Debtenture & Bonds	-	-	-
1.4	Borrowings	349,000	275,500	-
1.5	Deposits (a+b)	2,887,968	2,307,631	1,990,134
a.	Domestic Currency	2,887,968	2,307,631	1,990,134
b.	Foreign Currency	-	-	-
1.6	Income Tax Liability	60,212	61,226	-
1.7	Other Liabilities	76,494	108,551	122,356
<b>2</b>	<b>Total Assets (2.1 to 2.7)</b>	<b>4,196,877</b>	<b>3,578,477</b>	<b>2,487,347</b>
2.1	Cash and Bank Balance	255,503	190,646	439,080
2.2	Money at Call and Short Notice	-	-	-
2.3	Investments	1,566,069	1,390,306	1,458,718
2.4	Loans and Advances (a+b+c+d+e+f)	2,215,792	1,845,776	537,509
a.	Real Estate Loan	7,82,193	804,566	312,100
b.	Home/ Housing Loan	141,377	149,107	66,446
c.	Margin Type Loan	74,931	67,140	300
d.	Term Loan	595,460	252,991	75,232
e.	Overdraft Loan/ TR Loan / WC Loan	338,954	424,036	49,302
f.	Others	282,878	147,935	39,558
2.5	Fixed Assets	54,123	48,356	36,124
2.6	Non Banking Assets	-	-	-
2.7	Other Assets	105,390	103,394	15,917
<b>3</b>	<b>Profit and Loss Account</b>	<b>Upto This Quarter</b>	<b>Upto Previous Quarter</b>	<b>Upto Corresponding Previous Year Quarter</b>
3.1	Interest Income	136,950	78,015	50,793
3.2	Interest Expenses	93,142	53,225	24,384
	<b>A. Net Interest Income (3.1-3.2)</b>	<b>43,807</b>	<b>24,790</b>	<b>26,409</b>
3.3	Fees, Commission and Discount	815	802	9
3.4	Other Operating Income	228,990	223,412	5,380
3.5	Foreign Exchange Gain/ Loss (Net)	-	-	-
	<b>B. Total Operating Income (A+3.3+3.4+3.5)</b>	<b>273,612</b>	<b>249,004</b>	<b>31,798</b>
3.6	Staff Expenses	27,518	18,056	17,532
3.7	Other Operating Expenses	32,061	18,813	22,586
	<b>C. Operating Profit Before Provision (B-3.6-3.7)</b>	<b>214,033</b>	<b>212,135</b>	<b>(8,319)</b>
3.8	Provision for Possible Losses	20,082	14,136	3,873
	<b>D. Operating Profit (C- 3.8)</b>	<b>193,951</b>	<b>197,999</b>	<b>(12,192)</b>
3.9	Non Operating Income / Expenses (Net)	329	-	135
3.10	Write Back of Provision for Possible Loss	9,326	9,326	-
	<b>E. Profit from Regular Activities (D+ 3.9+3.10)</b>	<b>203,607</b>	<b>207,325</b>	<b>(12,057)</b>
3.11	Extraordinary Income/Expenses (Net)	-	-	-
	<b>F. Profit Before Bonus and Taxes (E + 3.11)</b>	<b>203,607</b>	<b>207,325</b>	<b>(12,057)</b>
3.12	Provision for Staff Bonus	18,510	18,848	-
3.13	Provision for Tax	55,529	56,543	-
	<b>G. Net Profit/Loss (F- 3.12-3.13)</b>	<b>129,568</b>	<b>131,934</b>	<b>(12,057)</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	18.34%	22.18%	16%
4.2	Non Performing Loan (NPL) to Total Loan	0.42%	-	-
4.3	Total Loan Loss Provision to Total NPL	260.83%	-	-
4.4	Cost of Funds	11.04%	9.57%	8.14%
4.5	Credit Deposit Ratio	63.22%	61.59%	23.25%

Note: ~Cost of fund includes interest expenses, overhead expenses and cost of borrowings.  
~Figures of the previous quarter has been revised in alignment with our accounting policy.  
~Unaudited Financial Figures are subject to change upon instructions, if any, from Supervisory / Regulatory authorities

### 1. Financial Statement Highlights

- a. Related party transactions- None  
b. Ratios as on 3rd Quarter ending 2066/67

	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
Liquidity (CRR)	6.14%	5.62%	2.65%
Return on total assets	4.53%	5.46%	(1.64%)
Number of equity shares	6,800,000	6,800,000	4,148,000
Earnings per share*	27.94	28.73	(9.81)
Net worth per share	121.06	121.41	90.37
Price earnings ratio**	9.06	12.74	N/A

- \* Earnings per share has been calculated based on net profit of last four quarters and number of shares as of the current quarter end  
\*\* P/E ratio calculated based on earnings per share of last four quarters and closing price of the shares for the quarter

### 2. Management's analysis of performance

- a. There has been slight increase in investment as compared to last quarter because our projects at Kamalpokhari and Pulchowk are progressing at a rapid pace. This trend will continue for sometime till the completion of these two projects. Our deposits and loans and advances have also increased significantly in this quarter  
b. We intend to focus on increasing our deposit and loan on one hand and realizing profit from completion and sale/divestment of projects on the other. We will also be expanding business opportunities through our subsidiary Vibor Properties Ltd. and Vibor Capital Ltd.

### 3. Legal proceedings

- a. No law suit has been filed by or against the bank in the last quarter.  
b. No such information has been received of law suit filed by or against the promoters or directors of the bank involved in violation of statutory regulation or criminal offences.  
c. No such information has been received of law suit filed against any promoters or directors of the bank for economic offences.

### 4. Analysis of stock performance

- a. The shares of the bank were listed in Nepal Stock Exchange Ltd. only on November 3, 2009 (Kartik 17, 2066).  
b. During the quarter, the highest price of the shares was NPR 394.00, Lowest was NPR 247.00 and this decrease is primarily due to market sentiments affecting all stocks and not due to any firm specific factor.

### 5. Problems and challenges

- a. The financial market in general continued to face liquidity crunch this quarter, and we were not unaffected as it increased our cost of fund. However, our market share of deposit and loan is so insignificant that we continued to increase our deposit through innovation in product and services. To the financial service industry as a whole, political instability and uncertainty has become devastating, a new innovative player like ours is likely to be adversely affected because most depositors/investors become more risk-averse in environment of uncertainty.

### 6. Corporate Governance

- That we deal with other people's money and we have to be a role model in management of custodial capital is made clear to everyone at Vibor, from the members of the Board to entry level staff. The decisions at the bank are taken after adequate and open deliberation by committees at different level depending on the decisions.
- The Board of Directors meets regularly to formulate and review the strategies and policies, and monitor the performance
  - The Audit Committee, Chaired by a non-executive director, meets minimum every quarter to review the reports of the internal and external inspections and continually suggest measures to enhance compliance and control mechanisms.
  - The Management Committee, Chaired by the CEO, meets every week to review performance and make business decisions.
  - The Management Committee for Credit and the Management Committee for HR, Chaired by the CEO, meets weekly to make and review decisions on respective functional areas.
  - Banking Operations Committee, the Credit Committee, and the Finance Committee, Chaired by the Chief Operating Officer, meet regularly to make business/operation decisions.

### 7. Declaration by Chairman & CEO on the truthfulness of information

To the best of my knowledge and belief, I, the Chief Executive Officer, declare that the information disclosed in this report are true reflection of the bank's position and performance and I have not purposefully concealed any relevant data or information that in my assessment would adversely affect the investment decision of any depositor/investor.