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Wisconsin bank earnings up 16.8% through first half of 2012

MADISON – Wisconsin’s 202 state-chartered banks posted earnings of $182.1 million in the six months ending June 30, an increase of 16.8% over the same period in 2011, according to data released today by the Federal Deposit Insurance Corp.

“Wisconsin banks continue to show year-over-year improvement in a number of key areas,” said Peter Bildsten, Secretary of the Wisconsin Department of Financial Institutions, the agency that oversees state-chartered banks. “We are especially pleased to see capital levels at a 10-year high of 11.29%, up from 10.49% a year ago. Healthy capital levels are indicative of a strong banking system in Wisconsin.”

According to the FDIC data, as of June 30:

- The number of profitable state-chartered banks stood at 191, up from 182 in 2011.
- Net charge-offs for delinquent loans dropped to 0.86%, down from 1.55% a year earlier.
- The ratio of noncurrent loans to total loans dropped to 2.93%, down from 3.34% in 2011.

“The improvement in loan quality is a very encouraging sign for Wisconsin banks,” said Mike Mach, Administrator of DFI’s Division of Banking. “Improving loan quality indicates that banks are making good progress toward returning to pre-recession levels.”

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