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Wisconsin bank earnings up 28% through third quarter

MADISON – Wisconsin’s state-chartered banks posted earnings of $289.3 million in the nine months ending Sept. 30, an increase of 28% over the same period in 2011, according to data released today by the Federal Deposit Insurance Corp.

“Wisconsin banks continued to show year-over-year gains in several key areas in the third quarter,” said Peter Bildsten, Secretary of the Wisconsin Department of Financial Institutions, the agency that oversees state-chartered banks. “Loan quality continues to improve and capital levels remain at a 10-year high. These trends bode well for the state’s economy and Wisconsin consumers.”

According to the FDIC’s third-quarter data, Wisconsin’s 201 state-chartered banks:

- Increased capital levels to 11.49%, up from 10.68% as of Sept. 30, 2011.
- Reduced net charge-offs for delinquent loans to 0.86%, compared to 1.41% a year earlier.
- Reduced noncurrent loans to 2.70%, compared to 3.56% a year earlier.
- Improved return on assets to 0.85%, compared to 0.67% a year earlier.

“Continued improvement in asset quality is a positive sign for Wisconsin banks,” said Mike Mach, Administrator of DFI’s Division of Banking. “More than 92% of Wisconsin banks were profitable through the third quarter and more than two-thirds showed earnings gains over the previous year. That is a very encouraging trend.”

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