Net income up 20%, lending grows 7% at state-chartered banks

MADISON – Net income grew nearly 20% and total lending increased by 7% at Wisconsin’s state-chartered banks in the quarter ending March 31, 2015, compared to the previous year, according to data released by the Federal Deposit Insurance Corp.

Compared to the first quarter of 2014, Wisconsin’s 185 state-chartered banks:

- Grew net income to $124.5 million, up 19.6% from the prior year.
- Increased total loans to $32.8 billion, up from $30.7 billion.
- Improved their capital ratio to 11.92%, up from 11.59%.
- Reduced their past due loan ratio to 1.94%, down from 2.45%.

“State-chartered banks had a very strong first quarter,” said Ray Allen, Secretary of the Department of Financial Institutions (DFI), which oversees state-chartered banks. “The solid growth in lending, coupled with the positive trend in credit quality, are indeed signs that the Wisconsin economy continues to improve.”

Mike Mach, Administrator of DFI’s Division of Banking, pointed out that more than 97% of state-chartered banks were profitable in the first quarter and that 71% realized earnings gains compared to 2014.

“The overall health of Wisconsin’s banking industry hasn’t been this good in several years,” Mach said. “It is gratifying to see that most key indicators have returned to pre-recession levels.”

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