

Table 1138. **FDIC-Insured Financial Institutions—Income and Selected Measures of Financial Condition: 1990 to 2007**

[In billions of dollars, except as indicated (437.7 represents \$437,700,000,000). 2007 data preliminary. Includes island areas. Includes foreign branches of U.S. banks]

Item	1990	1995	2000	2002	2003	2004	2005	2006	2007
Interest income	437.7	373.4	512.2	429.5	404.6	418.4	522.0	643.5	725.2
Interest expense	295.9	190.7	276.5	152.9	122.6	123.3	205.0	313.4	372.3
Net interest income	141.8	182.7	235.7	276.6	281.9	295.2	317.0	330.1	352.8
Provisions for loan losses	41.4	14.7	32.0	51.5	37.3	29.0	29.7	29.5	68.2
Noninterest income	62.2	89.5	164.8	183.5	202.7	202.6	223.4	240.4	233.4
Percent of net operating revenue ¹	30.5	32.9	41.1	39.9	41.8	40.7	41.3	42.1	39.8
Noninterest expense	144.2	171.6	241.6	263.7	279.7	295.5	317.4	332.3	362.5
Income taxes	9.1	30.3	43.7	51.9	58.9	58.6	64.6	68.1	47.0
Net income	11.3	56.4	81.7	105.0	120.5	122.3	133.9	145.2	105.5
PERFORMANCE RATIOS									
Return on assets ² (percent)	0.24	1.10	1.14	1.30	1.38	1.28	1.28	1.28	0.86
Return on equity ³ (percent)	3.95	13.63	13.55	14.12	15.04	13.20	12.43	12.30	8.17
Net interest margin ⁴ (percent)	3.47	4.05	3.78	3.96	3.73	3.54	3.47	3.31	3.29
Net charge-offs ⁵	34.8	14.4	26.3	47.0	40.8	32.0	31.6	27.0	43.9
Net charge-offs to loans and leases, total (percent)	1.19	0.46	0.59	0.97	0.78	0.56	0.49	0.39	0.59
Net charge-off rate, credit card loans (percent) . . .	3.39	3.39	4.37	5.47	5.75	4.99	4.74	3.44	4.06
CONDITION RATIOS									
Equity capital to assets (percent)	6.16	8.16	8.49	9.20	9.15	10.28	10.28	10.52	10.37
Noncurrent assets plus other real estate owned to assets ⁶ (percent)	3.16	0.92	0.71	0.90	0.75	0.53	0.50	0.54	0.94
Percentage of banks losing money	16.5	3.1	7.5	6.7	6.0	6.0	6.2	7.9	11.6
Number of problem institutions	1,492	193	94	136	116	80	52	50	76
Assets of problem institutions	640	31	24	39	30	28	7	8	22
Number of failed/assisted institutions	169	6	7	11	3	4	–	–	3

– Represents zero. ¹ Net operating revenue equals net interest income plus noninterest income. ² Net income (including securities transactions and nonrecurring items) as a percentage of average total assets. ³ Net income as a percentage of average total equity capital. ⁴ Interest income less interest expense as a percentage of average earning assets (i.e. the profit margin a bank earns on its loans and investments). ⁵ Total loans and leases charged off (removed from balance sheet because of uncollectibility), less amounts recovered on loans and leases previously charged off. ⁶ Noncurrent assets: the sum of loans, leases, debt securities, and other assets that are 90 days or more past due, or in nonaccrual status. Other real estate owned: primarily foreclosed property.

Source: U.S. Federal Deposit Insurance Corporation, *Annual Report; Statistics on Banking*, annual; and *FDIC Quarterly Banking Profile*.