

# Table 1148. FDIC-Insured Financial Institutions—Income and Selected Measures of Financial Condition: 1990 to 2006

[In billions of dollars, except as indicated (437.7 represents \$437,700,000,000). 2006 data preliminary. Includes island areas. Includes foreign branches of U.S. banks]

Item	1990	1995	2000	2001	2002	2003	2004	2005	2006
Interest income . . . . .	437.7	373.4	512.2	486.8	429.5	404.6	418.4	523.4	643.5
Interest expense . . . . .	295.9	190.7	276.5	235.0	152.9	122.6	123.3	205.0	313.3
Net interest income . . . . .	141.8	182.7	235.7	251.8	276.6	281.9	295.2	318.4	330.1
Provisions for loan losses . . . . .	41.4	14.7	32.0	46.3	51.5	37.3	29.0	29.7	29.3
Noninterest income . . . . .	62.2	89.5	164.8	168.8	183.5	202.7	202.6	222.0	240.7
Percent of net operating revenue <sup>1</sup> . . . . .	30.5	32.9	41.1	40.1	39.9	41.8	40.7	41.1	42.2
Noninterest expense . . . . .	144.2	171.6	241.6	251.1	263.7	279.7	295.5	317.3	332.3
Income taxes . . . . .	9.1	30.3	43.7	44.0	51.9	58.9	58.6	64.6	68.3
Net income . . . . .	11.3	56.4	81.7	87.2	105.0	120.5	122.3	133.9	145.7
<b>PERFORMANCE RATIOS</b>									
Return on assets <sup>2</sup> (percent) . . . . .	0.24	1.10	1.14	1.14	1.30	1.38	1.28	1.30	1.28
Return on equity <sup>3</sup> (percent) . . . . .	3.95	13.63	13.55	12.99	14.12	15.04	13.20	12.73	12.34
Net interest margin <sup>4</sup> (percent) . . . . .	3.47	4.05	3.78	3.78	3.96	3.73	3.54	3.52	3.31
Net charge-offs . . . . .	34.8	14.4	26.3	38.9	47.0	40.8	32.0	31.6	26.7
Net charge-offs to loans and leases, total (percent) . . . . .	1.19	0.46	0.59	0.83	0.97	0.78	0.56	0.50	0.38
Net charge-off rate, credit card loans (percent) . . . . .	3.39	3.39	4.37	5.15	5.47	5.75	4.99	4.76	3.44
<b>CONDITION RATIOS</b>									
Equity capital to assets (percent) . . . . .	6.16	8.16	8.49	8.99	9.20	9.15	10.28	10.29	10.52
Noncurrent assets plus other real estate owned to assets <sup>6</sup> (percent) . . . . .	3.16	0.92	0.71	0.88	0.90	0.75	0.53	0.50	0.53
Percentage of banks losing money . . . . .	16.5	3.1	7.5	8.2	6.7	6.0	6.0	6.2	7.6
Number of problem institutions . . . . .	1,492	193	94	114	136	116	80	52	50
Assets of problem institutions . . . . .	640	31	24	40	39	30	28	7	8
Number of failed/assisted institutions . . . . .	169	6	7	4	11	3	4	—	—

— Represents zero. <sup>1</sup> Net operating revenue equals net interest income plus noninterest income. <sup>2</sup> Net income (including securities transactions and nonrecurring items) as a percentage of average total assets. <sup>3</sup> Net income as a percentage of average total equity capital. <sup>4</sup> 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). <sup>5</sup> Total loans and leases charged off (removed from balance sheet because of uncollectibility), less amounts recovered on loans and leases previously charged off. <sup>6</sup> 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*.