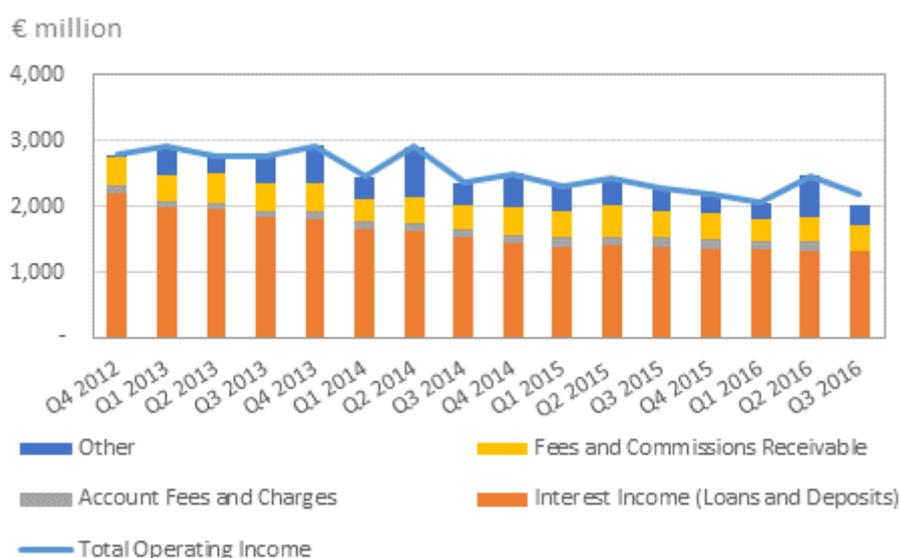




Income Statement Statistics¹ – Q3 2016

Total Operating Income²

Q4 2012 – Q3 2016



- ❖ In Q3 2016, banking offices resident in Ireland reported total operating income of €2.2 billion, a decrease of 4 per cent since Q3 2015.
- ❖ Banking offices resident in Ireland reported total profits of €1.17 billion during the third quarter of 2016.
- ❖ Interest income received from loans and deposits accounted for €1.33 billion, or 61 per cent, of total operating income.
- ❖ In Q3 2016, interest payable on loans and deposits totalled €291 million, a reduction of 29 per cent since Q3 2015.

¹ Data is collected as part of the Locational Banking Statistics and the rules underpinning how items are reported are based on statistical methodology and definitions rather than on accounting concepts. The data includes all banks resident in Ireland (please note Credit Unions are excluded from these statistics).

² Other comprises finance lease interest income, operating lease income and other income not elsewhere classified.

Income Statement

Total interest income from loans and deposits totalled €1.33 billion during Q3 2016, a decrease of 4 per cent since Q3 2015. Domestic market³ banks accounted for €1.1 billion of total interest income from loans and deposits (Chart 1). Since Q4 2012, interest payable on loans and deposits, which includes interest related to inter-bank lending, has decreased by 80 per cent to €291 million in Q3 2016. Both domestic market banks and IFSC banks experienced large declines with the former falling by 86 per cent and the latter falling by 58 per cent (Chart 2). The fall in interest income and expenses reflects lower market rates and deleveraging in the sector.

General expenses and other operating costs totalled €1.3 billion in Q3 2016. Wages and salaries, which is the primary driver of general expenses, accounted for €572 million of this. Domestic market banks accounted for €429 million of total wages and salaries (Chart 3).

In Q3 2016, banking offices resident in Ireland reported total profit⁴ after interest and tax of €1.17 billion.

³ Domestic market banks are banks that have a significant level of retail business with Irish households and NFCs, and would exclude the more internationally focused banks in the IFSC. A full [list](#) of these institutions is available on the Central Bank of Ireland website. Credit Unions are excluded from this set of statistics.

⁴ Profit reported is based on statistical methodology and may differ from profit calculated using accounting methodology.

Chart 1: Interest Income Received from Loans and Deposits by Bank Type, Q4 2012 – Q3 2016

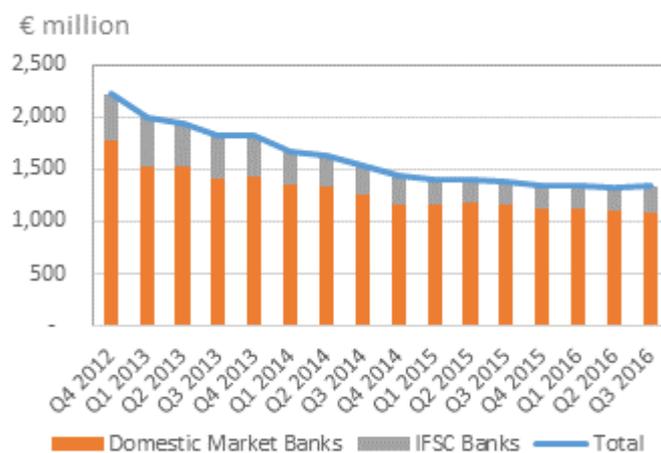


Chart 2: Interest Payable on Loans and Deposits by Bank Type, Q4 2012 – Q3 2016

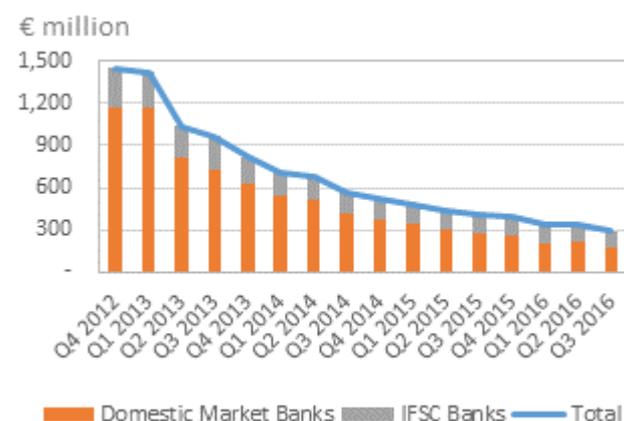
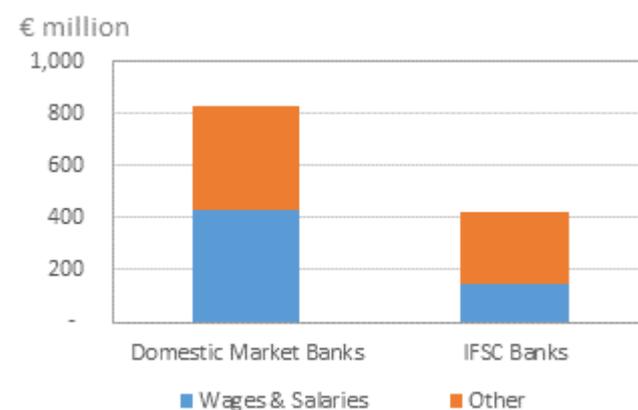


Chart 3: General Expenses and Other Operating Costs by Bank Type⁵, Q3 2016



⁵ Other includes legal and accounting costs, computer services, insurance, depreciation and other operating costs

Further information

The data and explanatory notes can be accessed at:

<http://www.centralbank.ie/polstats/stats/locational/pages/data.aspx>

<http://www.centralbank.ie/polstats/stats/locational/pages/releases.aspx>

For queries contact: Central Bank, Press Office at press@centralbank.ie or (01) 224 6299