



## ***RISK DASHBOARD***

***Q1 2015***

*(DATA AS OF Q4 2014)*

## Contents

1	Summary		3
2	Overview of the main risks and vulnerabilities in the EU banking sector		4
3	Heatmap		5
4	Key Risk Indicators (KRIs)		
4.1	Solvency	Tier 1 capital ratio	6
		Total capital ratio	7
		CET1 ratio (was T1 excluding hybrids until Q4 2013)	8
4.2	Credit Risk and Asset Quality	Impaired loans and Past due (>90 days) loans to total loans	9
		Coverage ratio (specific allowances for loans to total gross impaired loans)	10
		Impaired financial assets to total assets	11
		Accumulated impairments on financial assets to total (gross) assets	12
		Impairments on financial assets to total operating income	13
4.3	Profitability	Return on equity	14
		Cost-income ratio	15
		Net interest income to total operating income	16
		Net fee and commission income to total operating income	17
		Net income to total operating income	18
4.4	Balance Sheet Structure	Loan-to-deposit ratio	19
		Customer deposits to total liabilities	20
		Tier 1 capital to (total assets - intangible assets)	21
		Debt-to-equity ratio	22
		Off-balance sheet items to total assets	23
5	Annex 1: Methodological note on the KRIs heatmap		24
6	Annex 2: The KRI database		25

## Summary<sup>1</sup>

**EU banks' capital ratios remained strong in Q4 2014 compared to the last quarter.** The CET1 ratio was unchanged at 12.1% in Q4 2014 after its steady increase since 2012. The stable ratio results from a parallel decline of the capital and RWAs during the 4th quarter. One of the drivers for the decrease of the numerator are declining retained earnings resulting from losses recognised in the fourth quarter. The RWAs decreased in parallel to total assets. On a year over year comparison RWA, total asset and loan volumes have increased. Net of transational adjustments the fully loaded CET1 ratio increased from 10.6% to 10.9% in Q4 2014. The dispersion of the CET1 ratio (both the interquartile and the 5th to 95th percentile range) widened again.

**The quality of banks' loan portfolios is nearly unchanged.** The ratio of impaired and past due (> 90 days) loans to total loans remained nearly unchanged at 6.6% in Q4 2014 compared to the former quarter. It is slightly below the year end 2013 data (Q4 2013 - 6.8%). Dispersions remain high in terms of asset quality.

After its minor decrease in Q3 2014 to 45.5% the **coverage ratio** (specific allowance only) increased again to 46.4%. This is slightly above the ratio as per year end 2013 (46.0%). The trend of a narrowing dispersion has continued in Q4 (for both, the 5th to 95th and interquartile range). The share of banks with a coverage ratio below 25% went down from ca. 13% to nearly zero between year end 2013 and 2014. The share of banks with a coverage ratio between 25% and 50% increased from ca. 38% to ca. 59%. The declining share of banks with a coverage ratio above 50% (from ca. 49% to 41%) contributed to this trend.

The weighted average ratio of **impaired financial assets to total assets** remains at 2.0% (since Q3 2013).

**Profitability shows a positive trend on a year over year comparison, but RoE remains subdued and materially below the average CoE.** The average ROE has steadily increased from zero in 2011 to 3.6% per year end 2014 (2012 - 0.5%, 2013 - 2.7%). It remains materially below the estimated average CoE of about 9.5%. The cost-to-income ratio (63.6%) shows the highest value of the periods covered in this Risk Dashboard (since year end 2009, when it was 55.2%), mainly driven by growing costs. Both the interquartile and the 5th to 95th percentile range of the cost-to-income ratio widened again.

**Decrease of the loan-to-deposit ratio.** The loan-to-deposit ratio decreased in Q4 from 109.3% to 108.6%. It is an all time low for the periods covered in this Risk Dashboard. After its increase from 47.3% to 49.3% during the third quarter, the ratio of customer deposits to total liabilities remained nearly unchanged at 49.0% in Q4 2014.

1) This risk dashboard is based on a sample of Key Risk Indicators (KRI) from 55 EU banks. This edition is based on Q4 2014 data. Underlying data in this risk dashboard is being compiled by the EBA since 2011 and it has served as basis for additional analyses included in EBA's Risk Assessment Report, last version published in December 2014. Ratios provided in the text are weighted average if not otherwise stated.

### Overview of the main risks and vulnerabilities in the EU banking sector

		Bank risk	Risk drivers	Level of risk				Contributing factors/interactions
				Last quarter (memo)		Current quarter		
				Level	Expected Trend	Level	Forward Trend	
Capital	Pillar 1	Credit risk	Asset quality, emerging markets, asset growth vs. deleveraging	High	→	High	↓	Economic uncertainty, especially in emerging markets, but also in parts of the EU, remains high. Total balance sheet and loan volumes are in general back to growth mode, but still with many exceptions. Asset quality has hardly improved. However, potentially increasing NPL sales might contribute to an improvement in asset quality in mid-term future.
		Market risk	Risk of decreasing trading market liquidity, volatility, interest rates	Medium	↑	Medium	↑	Geo-political risks remain high, including risks from elections this year. A potential interest rate increase in the US cannot be excluded. FX, commodity and other asset markets remain vulnerable to price volatilities due to negative changes in market sentiment and market liquidity.
		Operational risk	IT risk, cost reduction, potential bank mergers	High	→	High	→	IT and internet related risks (incl. cyber-risks) remain high. Ongoing pressure on operating expenses as well as potential bank mergers might contribute to a further increase in operational risks.
	Pillar 2	Concentration risk, IRRBB and other	Asset price bubbles, interest rates	Medium	→	Medium	→	There are still banks with high concentration in sovereign exposures (mainly of their home countries). There are risks of price bubbles in some asset classes. Increase of prices in certain asset classes, resulting in increasing collateral values, might further contribute to banks' additional risk-taking.
		Reputational and legal	Mis-conduct	High	→	High	→	More and more legal cases have been solved. However, mis-conduct remains a challenge, including its negative impact on profitability. Further material costs from litigation are expected, not all of them being covered by provisions.
		Profitability	Margins, further cost reduction, potential bank mergers	High	→	High	→	Even though volumes have in general increased and impairment ratios have remained stable and even partially improved, profitability remains subdued as e.g. interest margins have been contracting and will probably further decrease. Cost cutting and mergers might have positive on profitability in the mid-term.
Liquidity & Funding	Access to funding and maturity distribution	Primary and secondary market liquidity	Medium	↑	Medium	→	Even though banks in general have access to the primary markets, issuance volumes remain volatile. Investor demand remained strong, but might be materially impacted in case of a rate increase in the US, for example. Primary as well as secondary markets remain highly vulnerable to liquidity shocks in general.	
	Funding structure	Reliance on central bank and secured funding	Medium	→	Medium	→	Banks strongly rely on secured as well as central bank funding. Deposit volumes remain stable (with some exceptions mainly in the periphery). There have been again material issuances of AT1 instruments. However, further issuances are still to come so that banks meet TLAC/BRRD requirements.	
Environment	Regulatory and legal environment	Regulatory initiatives, structural reforms	Medium	→	Medium	→	Ongoing and new topics with potentially material impact on banks' business models and profitability include TLAC / MREL requirements (incl. discussions about respective consideration of existing issuances), benchmarking of risk weighting requirements under the IRB approach (incl. implementation of risk weights for sovereign exposures), further clarification on Qualifying Securitisation (QS) and the recently started project of a Capital Market Union. Structural reforms have made progress in some countries but remain highly vulnerable to political risk.	
	Fragmentation	Asset growth, asset quality, sovereign / bank link, funding, supervisory fragmentation	High	→	High	→	Fragmentation is still material in different respects, e.g. volume growth vs. leverage, asset quality, link between banks and sovereigns, funding (incl. different levels of dependency on central bank funding), reduced but still perceivable supervisory fragmentation. Cross-border lending levels remain low. However, e.g. bank mergers, including cross-border ones, and further supervisory convergence might contribute to a certain de-fragmentation.	
	Sovereign risk	Debt overhang	High	→	High	→	Risk of debt restructuring of some countries remains high. General debt overhang on sovereign side reduces the chances that fiscal policy can support monetary measures in driving economic recovery and fighting deflation.	
<b>Level</b>		High	Medium	Low	The level of risk summarises, in a judgmental fashion, the probability of the materialisation of the risk factors and the likely impact on banks. The assessment takes into consideration the evolution of market and prudential indicators, NSAs and banks' own assessments as well as analysts' views.			
<b>Trend</b>		↑ Increasing	→ Stable	↓ Decreasing				

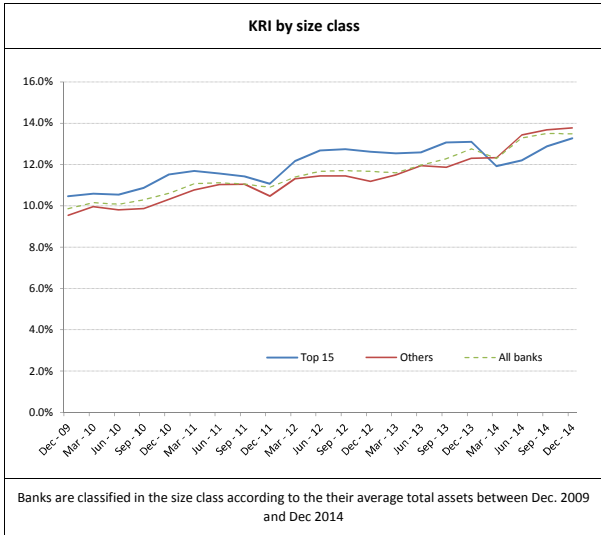
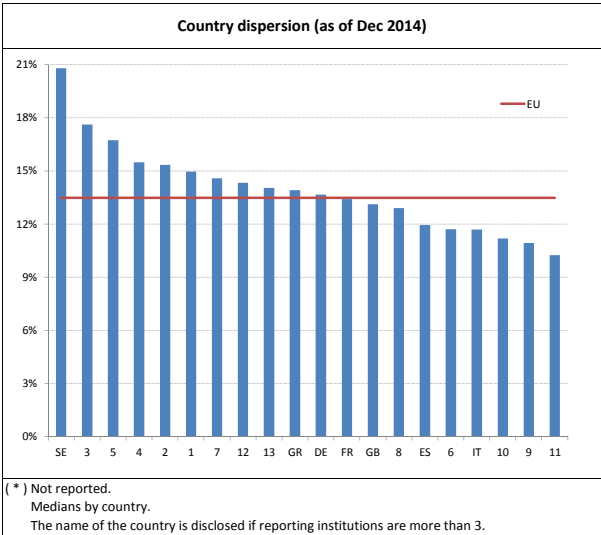
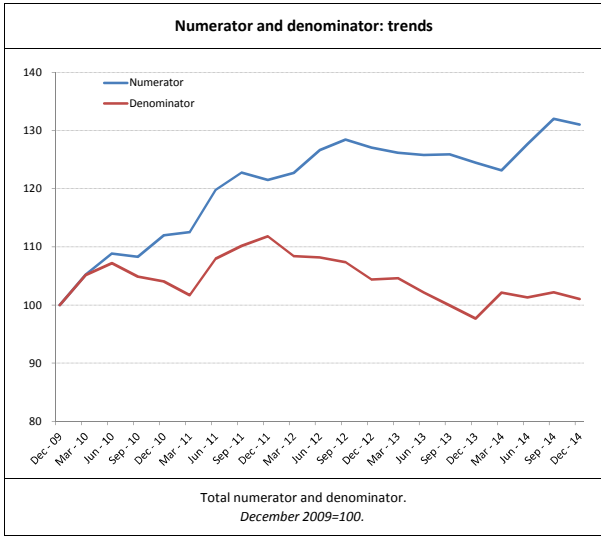
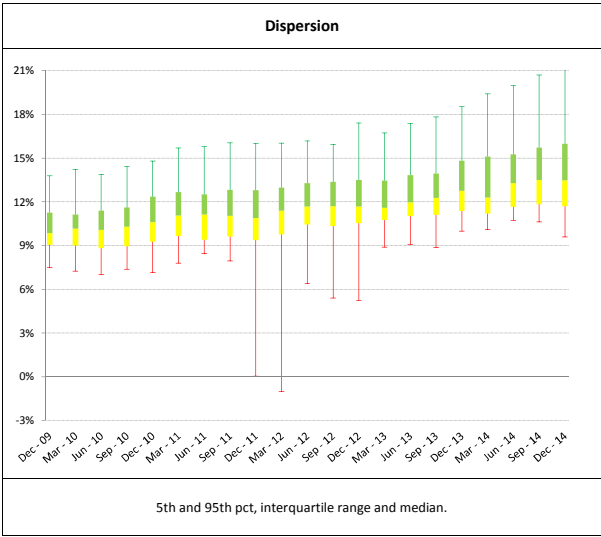
### KRIs heatmap

Area	KRI	Threshold	Traffic light	Current vs previous quarters for the worst bucket	Sample of banks																	
					Sample of banks																	
					49	51	51	56	56	56	56	56	56	56	55	55	55	55	55	55	55	
					200912	201012	201103	201106	201109	201112	201203	201206	201209	201212	201303	201306	201309	201312	201403	201406	201409	201412
Solvency	1	Tier 1 capital ratio	[9% - 12%]	●	22.0%	37.2%	43.4%	36.7%	37.5%	39.0%	54.1%	62.8%	66.6%	71.3%	59.3%	57.8%	75.3%	72.9%	51.1%	63.7%	73.1%	73.3%
					65.4%	58.9%	53.8%	60.1%	59.4%	57.4%	42.4%	34.9%	31.1%	26.8%	39.4%	42.0%	24.0%	27.1%	48.9%	36.3%	26.9%	25.9%
					12.6%	3.9%	2.8%	3.1%	3.2%	3.6%	3.5%	2.3%	2.3%	1.9%	1.3%	0.2%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
	3	CET1 ratio (was T1 excluding hybrids until Q4 2013)	[9% - 12%]	●	13.4%	5.0%	5.4%	4.0%	4.9%	8.0%	10.7%	12.7%	13.6%	11.9%	20.3%	20.5%	35.4%	32.6%	30.7%	37.1%	43.3%	44.0%
					50.8%	46.8%	58.3%	63.0%	64.1%	61.2%	74.1%	75.5%	81.9%	83.5%	75.7%	77.8%	62.8%	66.0%	69.3%	62.9%	56.7%	55.2%
					35.8%	48.2%	36.3%	33.1%	31.1%	30.8%	15.2%	11.8%	4.5%	4.7%	4.0%	1.6%	1.8%	1.4%	0.0%	0.0%	0.0%	0.8%
Credit risk & Asset quality	13	Impaired loans and Past due (>90 days) loans to total loans	[5% - 10%]	●	62.4%	49.0%	61.1%	60.2%	60.9%	61.2%	60.4%	60.9%	63.3%	59.1%	59.5%	56.8%	55.9%	55.6%	58.0%	61.2%	56.3%	59.7%
					32.5%	42.7%	30.0%	30.2%	30.1%	28.0%	27.8%	27.1%	24.8%	28.2%	28.0%	29.1%	31.3%	31.3%	29.3%	26.2%	32.0%	24.6%
					5.0%	8.3%	8.9%	9.6%	9.0%	10.9%	11.8%	12.0%	11.9%	12.7%	12.5%	14.1%	12.8%	13.1%	12.7%	12.5%	11.6%	15.7%
	14	Coverage ratio (all allowances for loans and debt instruments to total gross impaired loans and debt instruments)	[25% - 50%]	●	32.9%	29.7%	26.6%	25.6%	23.4%	25.6%	26.0%	26.0%	29.2%	30.7%	39.1%	37.4%	41.7%	48.8%	42.6%	49.8%	35.8%	41.0%
					65.4%	59.6%	70.6%	71.6%	73.9%	61.6%	61.0%	61.3%	57.6%	56.5%	48.2%	48.7%	45.7%	37.9%	44.1%	37.2%	63.2%	58.7%
					1.7%	10.8%	2.8%	2.7%	2.6%	12.7%	13.0%	12.7%	13.1%	12.9%	12.8%	13.8%	12.6%	13.3%	13.3%	13.0%	1.1%	0.3%
20	Accumulated impairments on financial assets to total (gross) assets	[1% - 2%]	●	28.6%	38.0%	36.7%	39.5%	41.5%	40.7%	42.4%	42.2%	41.3%	42.0%	42.1%	40.6%	39.9%	39.9%	41.0%	41.1%	40.9%	40.6%	
				58.9%	50.1%	51.0%	47.6%	45.4%	41.5%	40.1%	40.6%	39.2%	36.9%	36.8%	38.0%	38.8%	32.6%	31.9%	31.8%	37.8%	38.1%	
				12.5%	11.9%	12.3%	12.9%	13.1%	17.7%	17.5%	17.3%	19.5%	21.1%	21.0%	21.4%	21.2%	27.5%	27.1%	27.1%	21.3%	21.3%	
21	Impairments on financial assets to total operating income	[5% - 20%]	●	0.9%	9.7%	21.3%	7.0%	2.8%	2.6%	14.0%	4.9%	5.6%	5.5%	13.8%	11.6%	4.4%	4.4%	14.5%	19.2%	19.4%	14.9%	
				19.3%	48.4%	42.7%	51.6%	53.9%	52.4%	42.8%	58.5%	62.1%	60.2%	61.8%	65.5%	57.4%	68.4%	57.0%	56.4%	57.7%		
				79.7%	41.9%	36.0%	41.4%	43.3%	45.0%	43.2%	36.7%	32.3%	34.3%	24.1%	26.6%	30.1%	38.2%	17.1%	23.8%	24.2%	27.4%	
Earnings	22	Return on equity	[8% - 12%]	●	13.6%	4.7%	21.7%	13.5%	8.9%	2.7%	9.5%	2.9%	2.7%	1.4%	18.4%	11.9%	3.8%	4.4%	7.6%	4.7%	3.7%	2.5%
					23.4%	38.2%	43.3%	39.3%	31.8%	34.5%	28.2%	27.6%	26.0%	23.9%	20.7%	19.4%	26.5%	20.3%	25.4%	19.0%	23.2%	12.7%
					63.1%	57.1%	35.0%	47.3%	59.2%	62.8%	62.3%	69.5%	71.4%	74.6%	60.9%	68.7%	69.7%	75.3%	67.0%	76.3%	73.0%	84.8%
	24	Cost-to-income	[33% - 66%]	●	9.4%	2.3%	2.1%	1.9%	2.8%	2.5%	1.6%	2.7%	2.8%	2.8%	10.8%	12.3%	11.2%	3.4%	11.0%	3.1%	0.0%	0.1%
					68.7%	68.1%	67.6%	63.5%	70.6%	65.7%	60.5%	48.9%	55.6%	46.3%	40.4%	50.0%	44.7%	48.0%	61.9%	46.4%	68.7%	55.8%
					21.8%	29.6%	30.3%	34.6%	26.6%	31.8%	37.8%	48.4%	41.6%	50.9%	48.8%	37.7%	44.1%	48.6%	27.1%	50.6%	31.3%	44.1%
Balance sheet structure	34	Loan-to-deposit ratio	[100% - 150%]	●	13.8%	12.5%	13.1%	13.1%	24.7%	23.8%	23.7%	24.0%	23.9%	23.5%	27.4%	29.0%	22.5%	31.2%	31.6%	32.9%	33.7%	33.9%
					72.6%	72.3%	73.1%	69.5%	56.6%	59.9%	59.0%	61.8%	59.7%	60.7%	55.8%	60.1%	67.0%	54.8%	62.1%	53.2%	57.1%	56.5%
					13.6%	15.3%	13.8%	17.4%	18.7%	16.3%	17.4%	14.2%	16.5%	15.8%	16.8%	10.9%	10.5%	13.9%	6.3%	13.9%	9.2%	9.6%
	36	Tier 1 capital to (total assets - intangible assets)	[4% - 7%]	●	2.3%	1.7%	3.1%	4.4%	2.7%	4.6%	1.4%	2.0%	2.0%	2.1%	3.3%	3.4%	5.1%	3.1%	4.1%	5.0%	5.2%	4.4%
					48.1%	66.2%	66.1%	72.9%	54.0%	52.0%	55.4%	64.7%	65.4%	66.8%	65.5%	69.3%	68.8%	85.1%	76.0%	73.5%	71.1%	68.3%
					49.7%	32.1%	30.8%	22.7%	43.3%	43.4%	43.3%	33.2%	32.6%	31.1%	31.2%	27.3%	26.1%	11.8%	19.9%	21.5%	23.8%	27.3%
45	Debt-to-equity ratio	[10x - 20x]	●	3.1%	3.5%	3.9%	3.0%	3.4%	1.3%	0.8%	1.0%	1.0%	1.0%	1.4%	1.2%	1.3%	1.1%	2.0%	2.5%	2.0%	1.8%	
				53.0%	52.8%	59.8%	60.6%	43.0%	42.5%	56.3%	49.1%	50.1%	55.4%	54.3%	56.2%	57.9%	76.5%	71.0%	70.9%	81.6%	82.9%	
				43.9%	43.7%	36.3%	36.4%	53.6%	56.2%	42.9%	49.9%	48.9%	43.6%	44.4%	42.6%	40.7%	22.4%	27.0%	26.6%	16.3%	15.3%	
46	Off-balance sheet items to total assets	[10% - 20%]	●	21.0%	20.5%	23.0%	21.5%	22.0%	19.5%	19.5%	19.5%	20.3%	20.1%	20.0%	20.0%	19.1%	19.1%	18.4%	18.5%	4.4%	4.2%	
				36.3%	45.9%	45.0%	47.4%	60.7%	57.3%	56.6%	53.8%	56.3%	56.5%	56.5%	50.1%	41.6%	41.6%	36.4%	42.2%	59.4%	61.1%	
				42.7%	33.5%	32.0%	31.1%	17.3%	23.2%	23.9%	26.7%	23.4%	23.4%	23.5%	30.0%	39.3%	39.3%	45.1%	39.3%	36.2%	34.7%	

Note: Traffic lights provide the trend of the KRI given the historical time series. Data bar colour scale: green for the "best bucket", yellow for the intermediate and red for the "worst bucket".

## Solvency

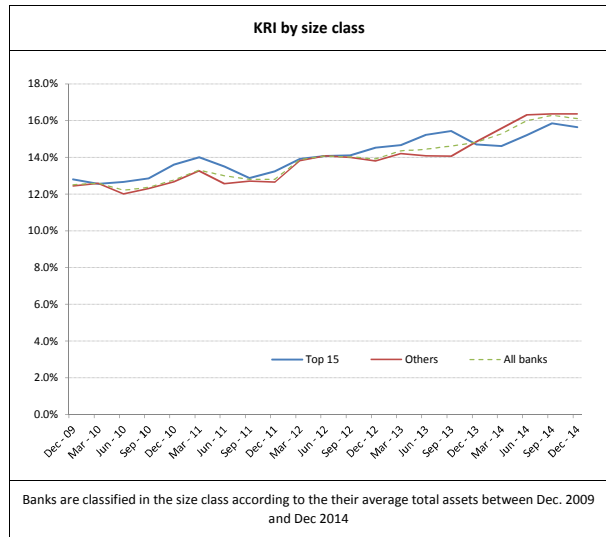
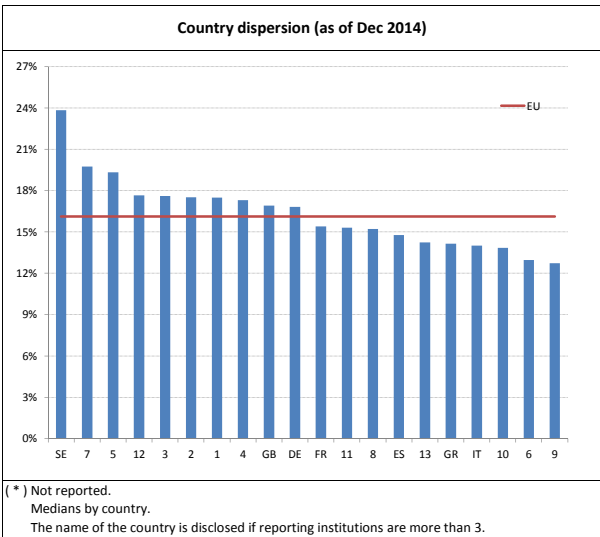
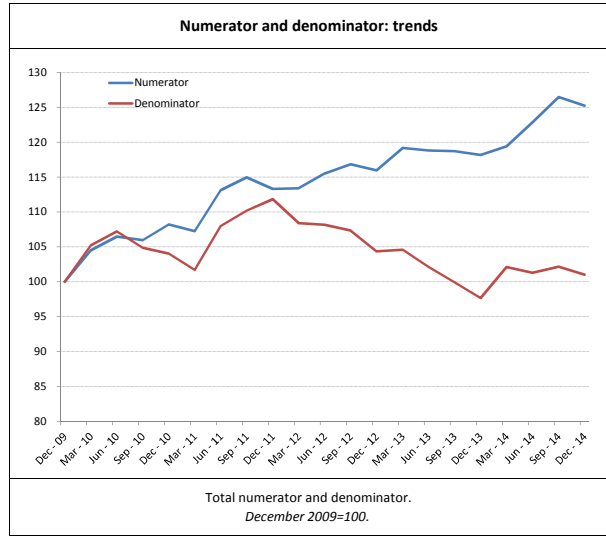
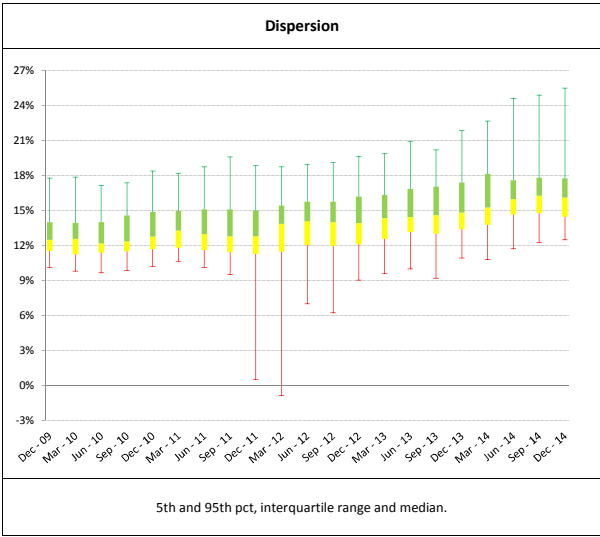
**KRI: 1 - Tier 1 capital ratio**



Period	Weighted average	25th	50th	75th
Dec - 09	10.2%	9.1%	9.9%	11.3%
Mar - 10	10.2%	9.0%	10.2%	11.1%
Jun - 10	10.4%	8.8%	10.1%	11.4%
Sep - 10	10.6%	8.9%	10.3%	11.6%
Dec - 10	11.0%	9.3%	10.6%	12.4%
Mar - 11	11.3%	9.7%	11.1%	12.7%
Jun - 11	11.4%	9.4%	11.1%	12.5%
Sep - 11	11.4%	9.6%	11.0%	12.8%
Dec - 11	11.1%	9.4%	10.9%	12.8%
Mar - 12	11.6%	9.8%	11.4%	13.0%
Jun - 12	12.0%	10.4%	11.7%	13.3%
Sep - 12	12.3%	10.3%	11.7%	13.4%
Dec - 12	12.5%	10.5%	11.7%	13.5%
Mar - 13	12.4%	10.8%	11.6%	13.4%
Jun - 13	12.6%	11.0%	12.0%	13.8%
Sep - 13	12.9%	11.1%	12.3%	13.9%
Dec - 13	13.1%	11.4%	12.8%	14.8%
Mar - 14	12.4%	11.2%	12.3%	15.1%
Jun - 14	12.9%	11.7%	13.3%	15.3%
Sep - 14	13.2%	11.8%	13.5%	15.7%
Dec - 14	13.3%	11.7%	13.5%	16.0%

## Solvency

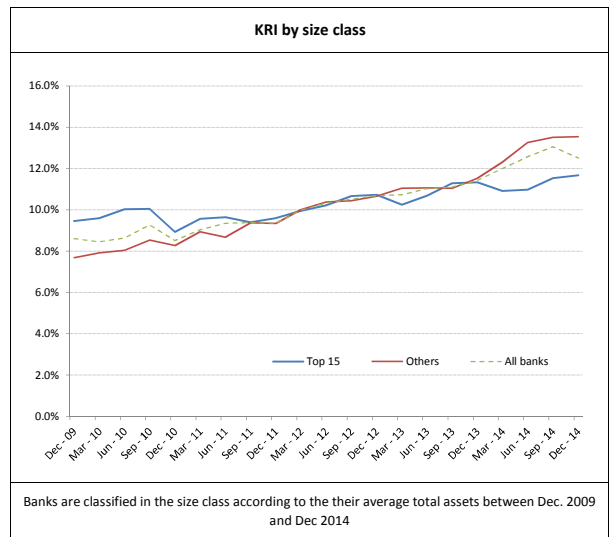
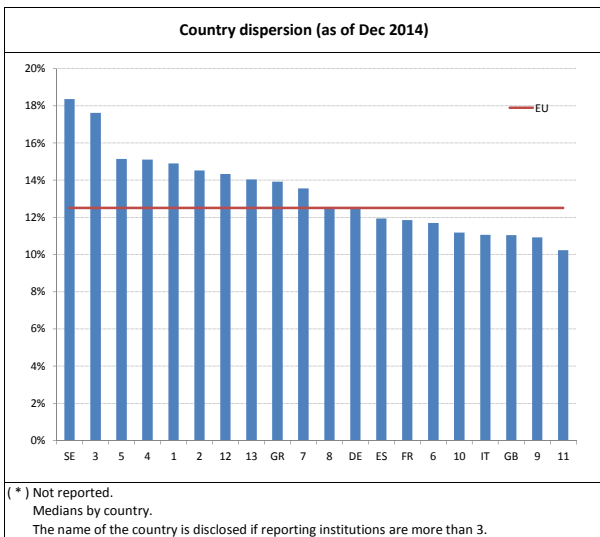
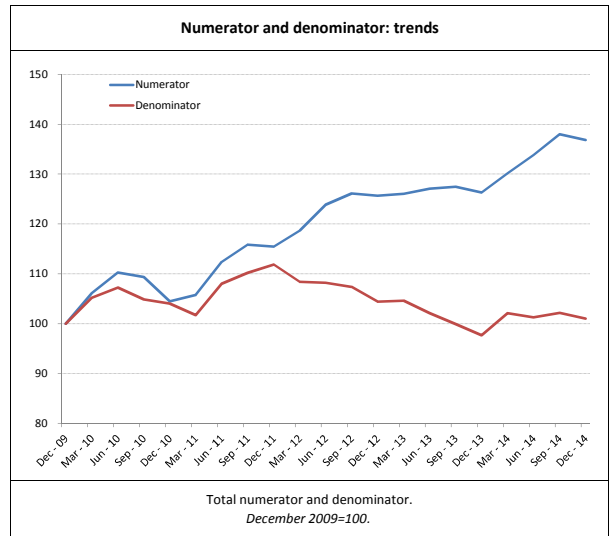
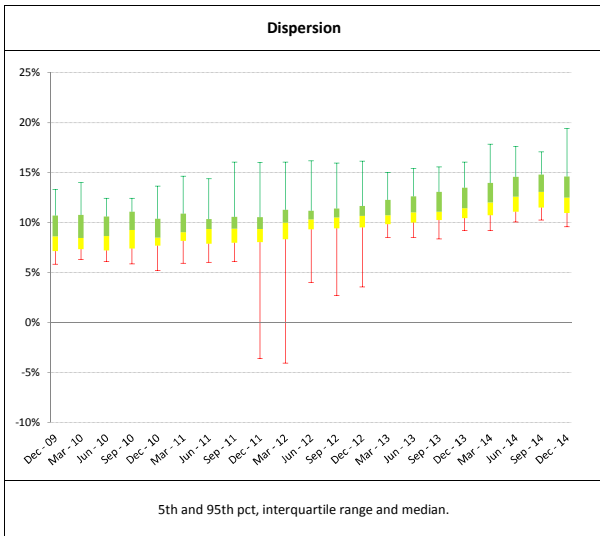
### KRI: 2 - Total capital ratio



Period	Weighted average	25th	50th	75th
Dec - 09	13.0%	11.5%	12.5%	14.0%
Mar - 10	12.9%	11.2%	12.6%	13.9%
Jun - 10	12.9%	11.4%	12.2%	14.0%
Sep - 10	13.1%	11.5%	12.4%	14.6%
Dec - 10	13.5%	11.7%	12.8%	14.9%
Mar - 11	13.7%	11.8%	13.3%	15.0%
Jun - 11	13.6%	11.6%	13.0%	15.1%
Sep - 11	13.5%	11.4%	12.8%	15.1%
Dec - 11	13.1%	11.3%	12.8%	15.0%
Mar - 12	13.6%	11.5%	13.9%	15.4%
Jun - 12	13.9%	12.0%	14.1%	15.8%
Sep - 12	14.1%	12.0%	14.0%	15.8%
Dec - 12	14.4%	12.1%	13.9%	16.2%
Mar - 13	14.8%	12.6%	14.4%	16.3%
Jun - 13	15.1%	13.1%	14.4%	16.8%
Sep - 13	15.4%	13.0%	14.6%	17.1%
Dec - 13	15.7%	13.4%	14.8%	17.4%
Mar - 14	15.2%	13.8%	15.3%	18.2%
Jun - 14	15.7%	14.7%	16.0%	17.6%
Sep - 14	16.1%	14.8%	16.3%	17.8%
Dec - 14	16.1%	14.5%	16.1%	17.8%

## Solvency

**KRI: 3 - CET1 ratio (was T1 excluding hybrids until Q4 2013)**

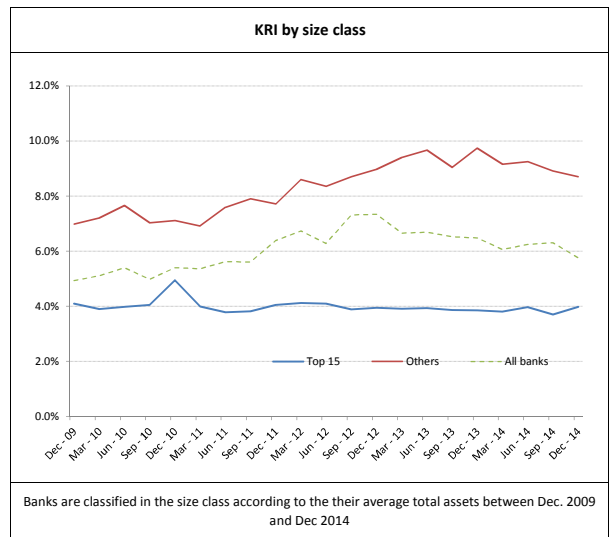
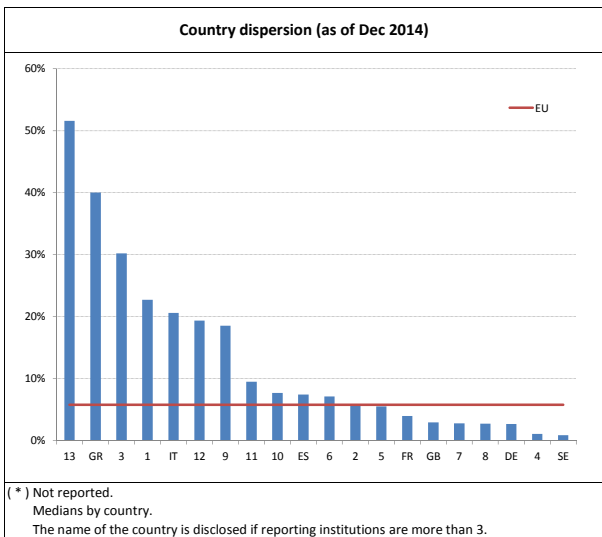
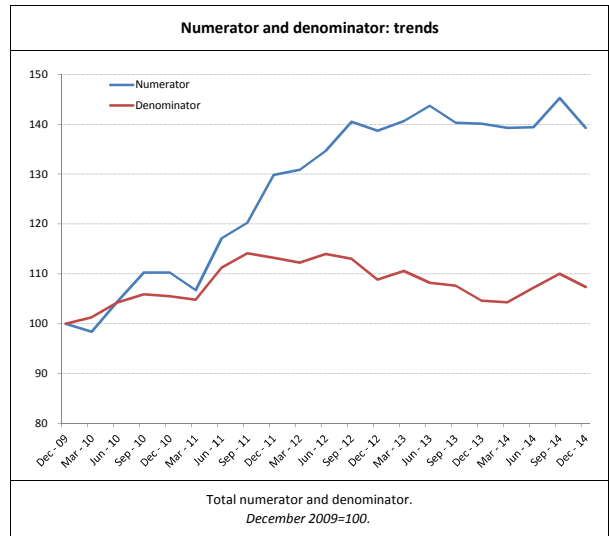
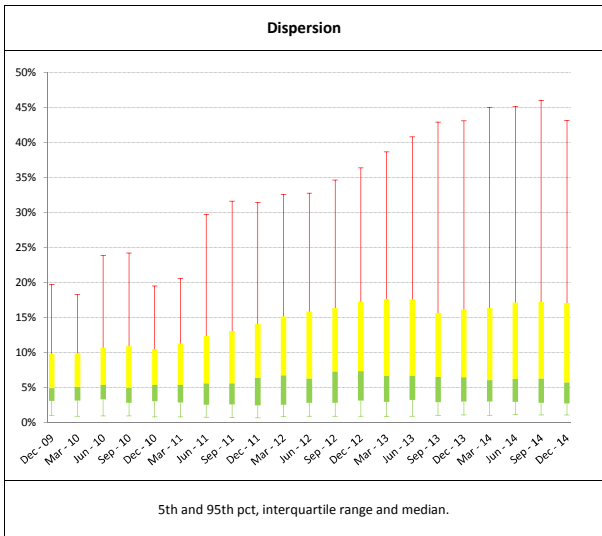


Period	Weighted average	25th	50th	75th
Dec - 09	9.0%	7.1%	8.6%	10.7%
Mar - 10	9.0%	7.3%	8.5%	10.8%
Jun - 10	9.2%	7.2%	8.6%	10.6%
Sep - 10	9.3%	7.4%	9.3%	11.1%
Dec - 10	9.0%	7.7%	8.5%	10.4%
Mar - 11	9.3%	8.2%	9.0%	10.9%
Jun - 11	9.3%	7.9%	9.3%	10.3%
Sep - 11	9.4%	8.0%	9.4%	10.6%
Dec - 11	9.2%	8.1%	9.4%	10.5%
Mar - 12	9.8%	8.3%	10.0%	11.3%
Jun - 12	10.2%	9.3%	10.3%	11.2%
Sep - 12	10.5%	9.4%	10.5%	11.4%
Dec - 12	10.8%	9.5%	10.7%	11.6%
Mar - 13	10.8%	9.8%	10.7%	12.3%
Jun - 13	11.1%	10.0%	11.0%	12.6%
Sep - 13	11.4%	10.2%	11.1%	13.1%
Dec - 13	11.6%	10.4%	11.4%	13.5%
Mar - 14	11.4%	10.7%	12.0%	14.0%
Jun - 14	11.8%	11.1%	12.6%	14.6%
Sep - 14	12.1%	11.5%	13.1%	14.8%
Dec - 14	12.1%	11.0%	12.5%	14.6%



## Credit Risk and Asset Quality

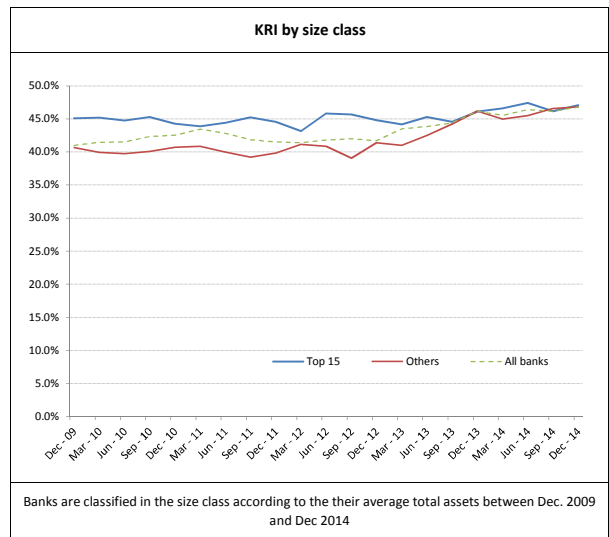
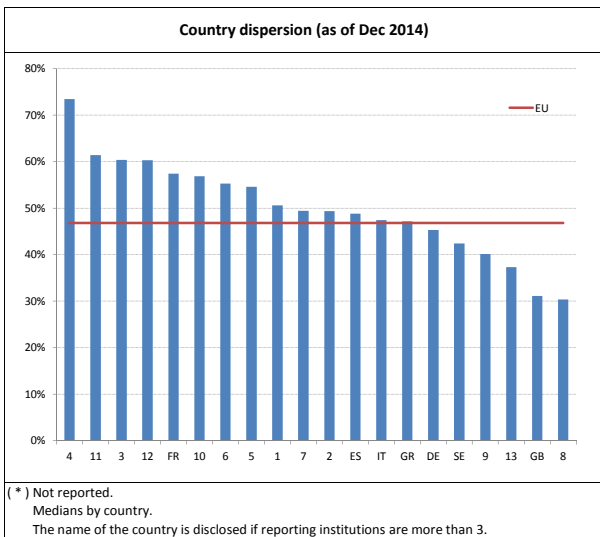
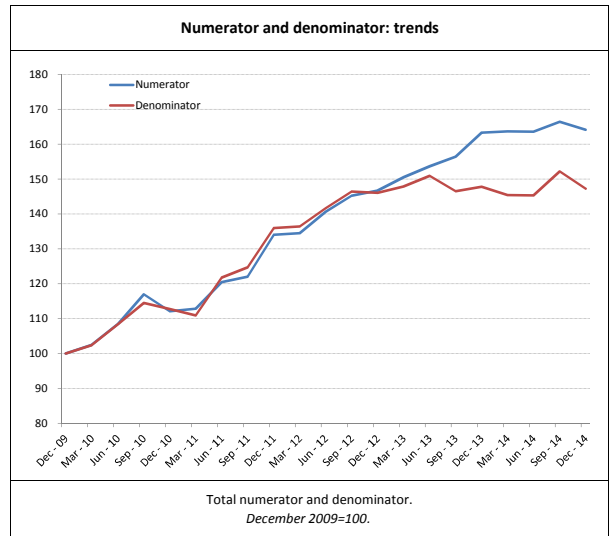
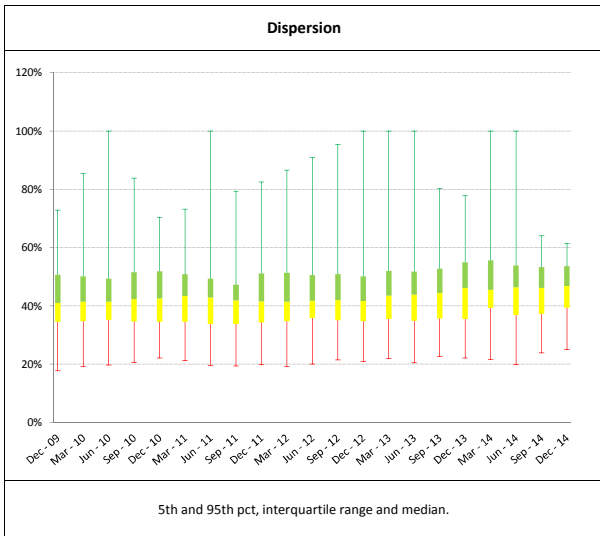
### KRI: 13 - Impaired loans and Past due (>90 days) loans to total loans



Period	Weighted average	25th	50th	75th
Dec - 09	5.1%	3.1%	4.9%	9.8%
Mar - 10	4.9%	3.1%	5.1%	9.9%
Jun - 10	5.1%	3.3%	5.4%	10.7%
Sep - 10	5.3%	2.8%	5.0%	10.9%
Dec - 10	5.3%	3.0%	5.4%	10.5%
Mar - 11	5.2%	2.9%	5.4%	11.3%
Jun - 11	5.4%	2.5%	5.6%	12.4%
Sep - 11	5.4%	2.6%	5.6%	13.1%
Dec - 11	5.8%	2.5%	6.4%	14.1%
Mar - 12	5.9%	2.5%	6.7%	15.2%
Jun - 12	6.0%	2.8%	6.3%	15.8%
Sep - 12	6.3%	2.8%	7.3%	16.3%
Dec - 12	6.5%	3.1%	7.3%	17.3%
Mar - 13	6.5%	3.0%	6.7%	17.6%
Jun - 13	6.7%	3.2%	6.7%	17.6%
Sep - 13	6.6%	2.9%	6.5%	15.7%
Dec - 13	6.8%	3.0%	6.5%	16.2%
Mar - 14	6.8%	3.0%	6.1%	16.4%
Jun - 14	6.6%	2.9%	6.2%	17.1%
Sep - 14	6.7%	2.8%	6.3%	17.2%
Dec - 14	6.6%	2.7%	5.8%	17.1%

## Credit Risk and Asset Quality

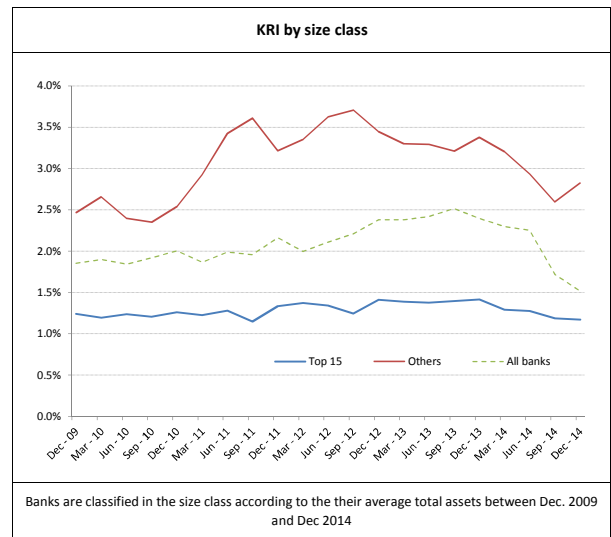
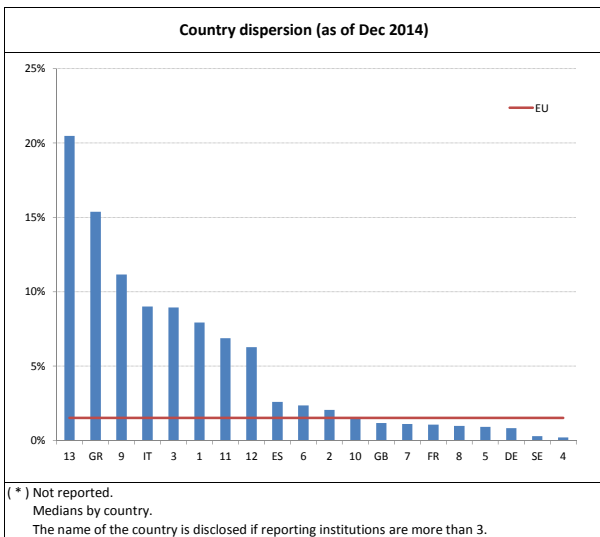
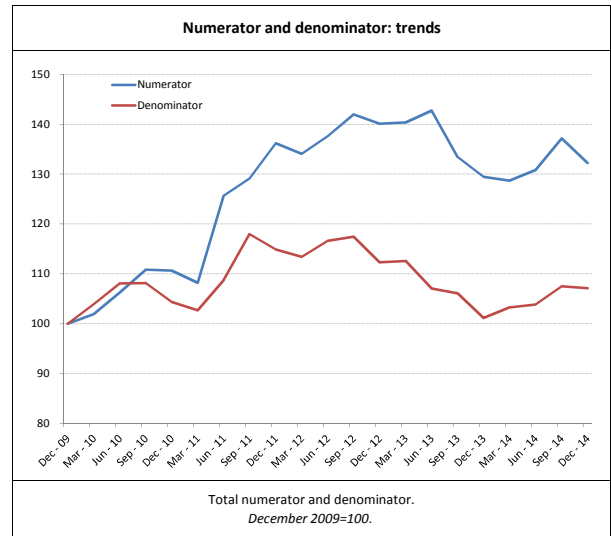
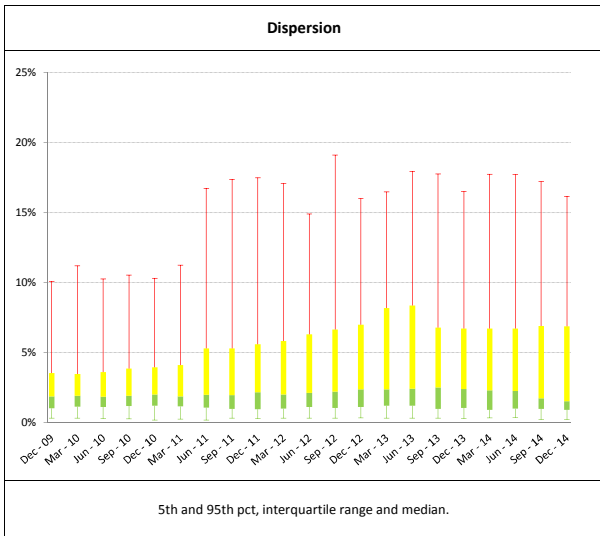
**KRI: 14 - Coverage ratio (specific allowances for loans to total gross impaired loans)**



Period	Weighted average	25th	50th	75th
Dec - 09	41.6%	34.5%	41.0%	50.7%
Mar - 10	41.7%	34.8%	41.5%	50.1%
Jun - 10	41.6%	35.2%	41.5%	49.4%
Sep - 10	42.5%	34.6%	42.4%	51.5%
Dec - 10	41.4%	34.5%	42.5%	51.9%
Mar - 11	42.3%	34.6%	43.5%	50.9%
Jun - 11	41.2%	33.8%	42.8%	49.3%
Sep - 11	40.7%	33.8%	41.9%	47.2%
Dec - 11	41.0%	34.3%	41.5%	51.1%
Mar - 12	41.0%	34.8%	41.4%	51.4%
Jun - 12	41.3%	35.8%	41.8%	50.6%
Sep - 12	41.3%	35.1%	42.0%	50.9%
Dec - 12	41.8%	34.7%	41.7%	50.1%
Mar - 13	42.4%	35.6%	43.5%	52.0%
Jun - 13	42.4%	34.9%	43.8%	51.7%
Sep - 13	44.4%	35.6%	44.4%	52.8%
Dec - 13	46.0%	35.6%	46.1%	55.0%
Mar - 14	46.9%	39.2%	45.5%	55.6%
Jun - 14	46.9%	36.8%	46.4%	53.9%
Sep - 14	45.5%	37.3%	46.1%	53.3%
Dec - 14	46.4%	39.4%	46.8%	53.6%

## Credit Risk and Asset Quality

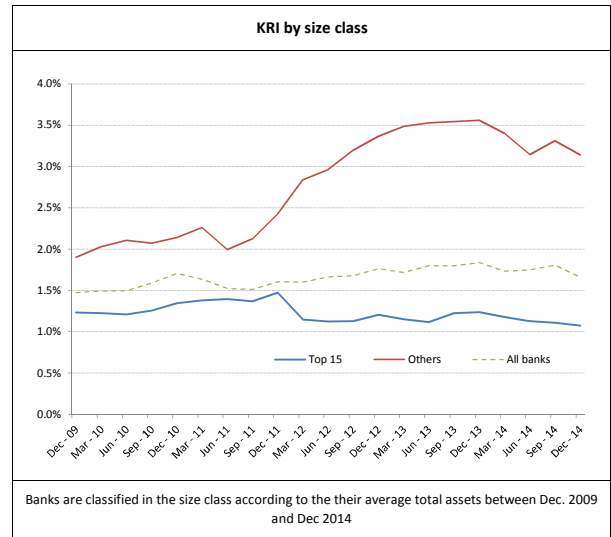
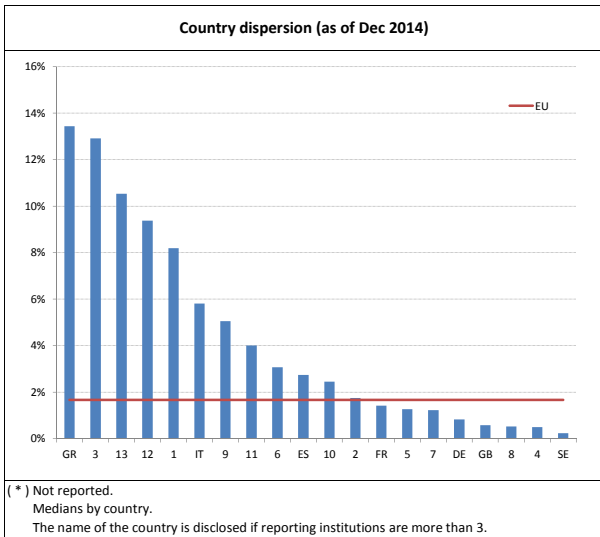
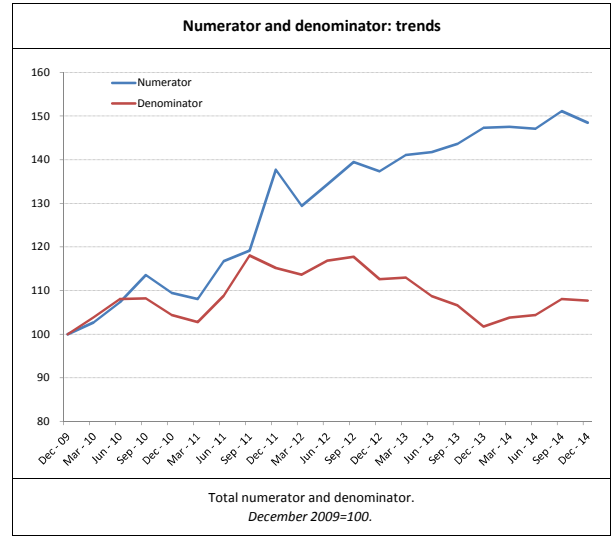
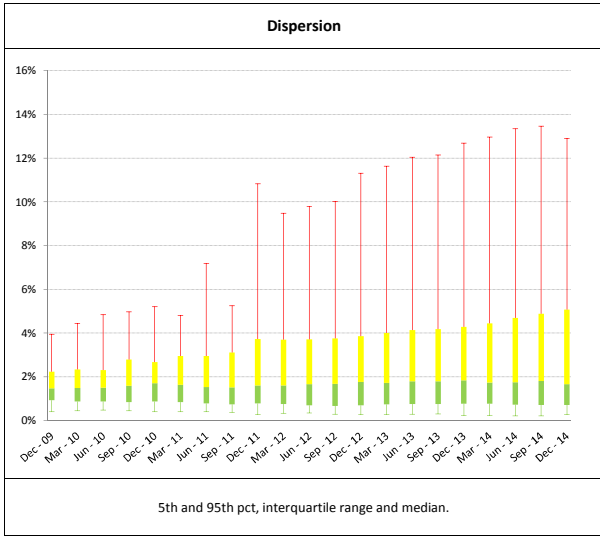
### KRI: 18 - Impaired financial assets to total assets



Period	Weighted average	25th	50th	75th
Dec - 09	1.6%	1.0%	1.9%	3.5%
Mar - 10	1.6%	1.1%	1.9%	3.5%
Jun - 10	1.6%	1.1%	1.8%	3.6%
Sep - 10	1.6%	1.2%	1.9%	3.9%
Dec - 10	1.7%	1.2%	2.0%	3.9%
Mar - 11	1.7%	1.2%	1.9%	4.1%
Jun - 11	1.8%	1.1%	2.0%	5.3%
Sep - 11	1.7%	1.0%	2.0%	5.3%
Dec - 11	1.9%	1.0%	2.2%	5.6%
Mar - 12	1.9%	1.0%	2.0%	5.8%
Jun - 12	1.9%	1.1%	2.1%	6.3%
Sep - 12	1.9%	1.0%	2.2%	6.7%
Dec - 12	2.0%	1.1%	2.4%	7.0%
Mar - 13	2.0%	1.2%	2.4%	8.2%
Jun - 13	2.1%	1.2%	2.4%	8.4%
Sep - 13	2.0%	1.0%	2.5%	6.8%
Dec - 13	2.0%	1.0%	2.4%	6.7%
Mar - 14	2.0%	0.9%	2.3%	6.7%
Jun - 14	2.0%	1.0%	2.3%	6.7%
Sep - 14	2.0%	1.0%	1.7%	6.9%
Dec - 14	2.0%	0.9%	1.5%	6.9%

## Credit Risk and Asset Quality

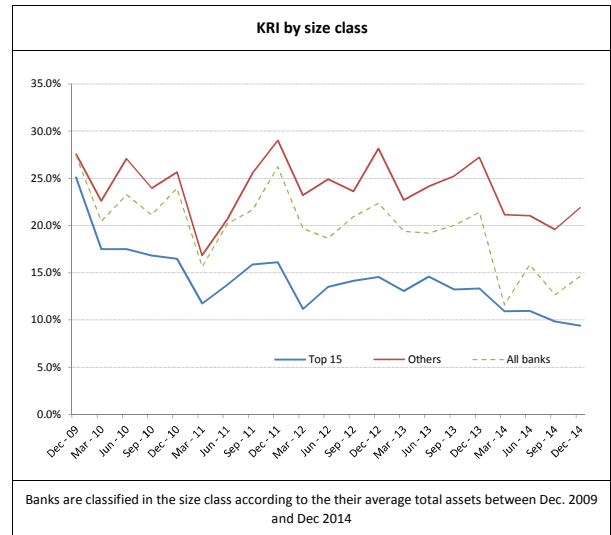
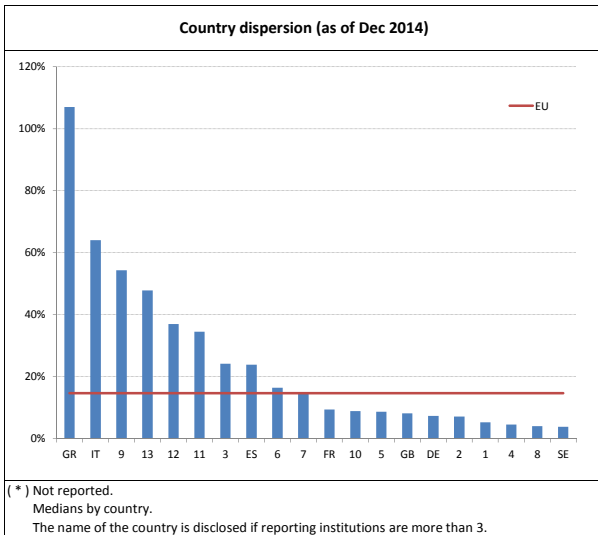
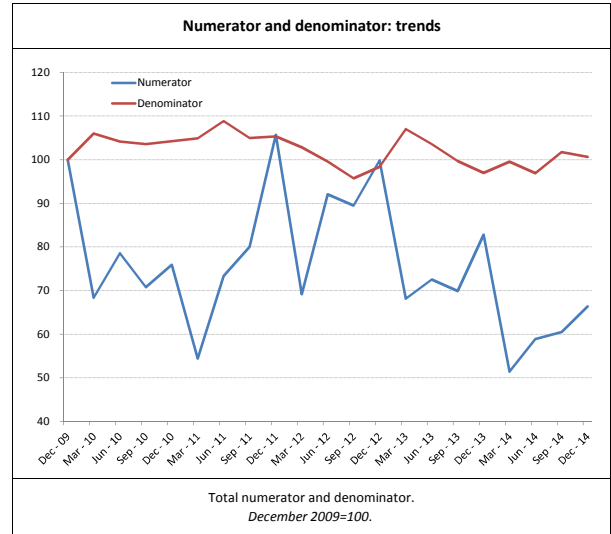
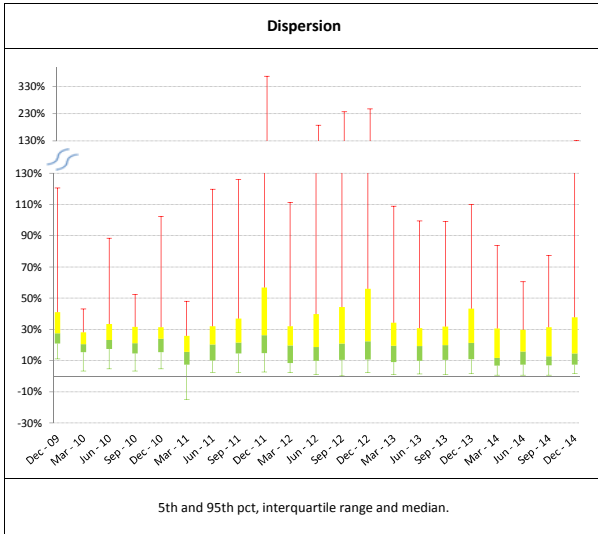
### KRI: 20 - Accumulated impairments on financial assets to total (gross) assets



Period	Weighted average	25th	50th	75th
Dec - 09	1.3%	0.9%	1.5%	2.2%
Mar - 10	1.3%	0.9%	1.5%	2.3%
Jun - 10	1.3%	0.9%	1.5%	2.3%
Sep - 10	1.4%	0.8%	1.6%	2.8%
Dec - 10	1.4%	0.9%	1.7%	2.7%
Mar - 11	1.4%	0.8%	1.6%	2.9%
Jun - 11	1.4%	0.8%	1.5%	2.9%
Sep - 11	1.3%	0.7%	1.5%	3.1%
Dec - 11	1.6%	0.8%	1.6%	3.7%
Mar - 12	1.5%	0.8%	1.6%	3.7%
Jun - 12	1.5%	0.7%	1.7%	3.7%
Sep - 12	1.5%	0.7%	1.7%	3.8%
Dec - 12	1.6%	0.7%	1.8%	3.9%
Mar - 13	1.6%	0.7%	1.7%	4.0%
Jun - 13	1.7%	0.8%	1.8%	4.1%
Sep - 13	1.8%	0.8%	1.8%	4.2%
Dec - 13	1.9%	0.8%	1.8%	4.3%
Mar - 14	1.8%	0.8%	1.7%	4.4%
Jun - 14	1.8%	0.7%	1.7%	4.7%
Sep - 14	1.8%	0.7%	1.8%	4.9%
Dec - 14	1.8%	0.7%	1.7%	5.1%

## Credit Risk and Asset Quality

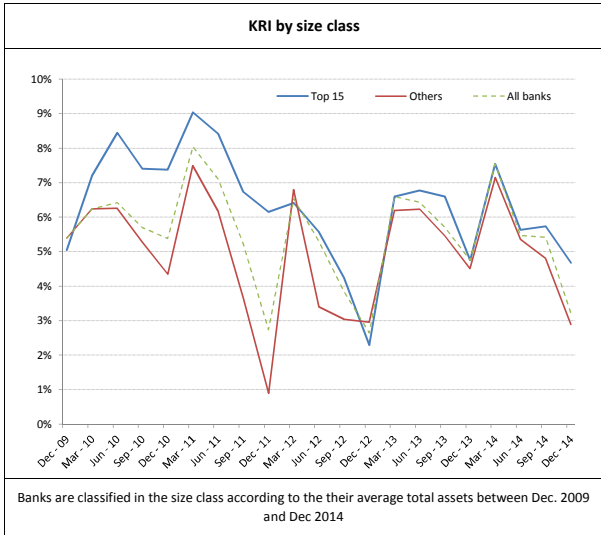
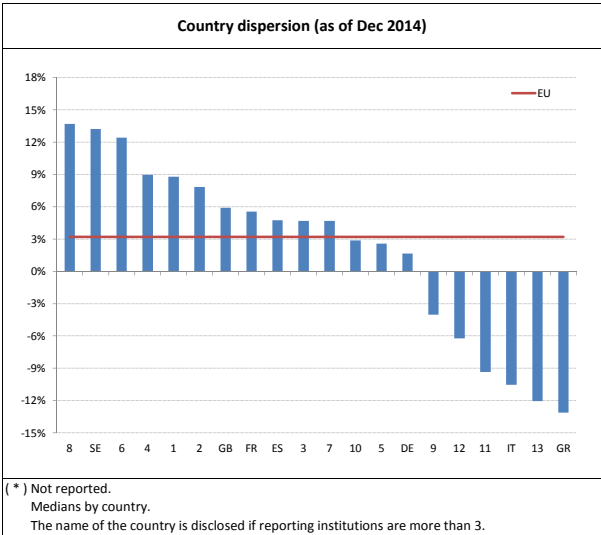
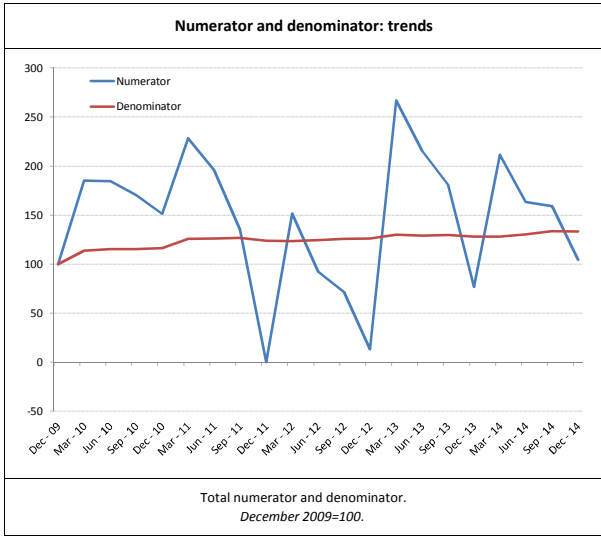
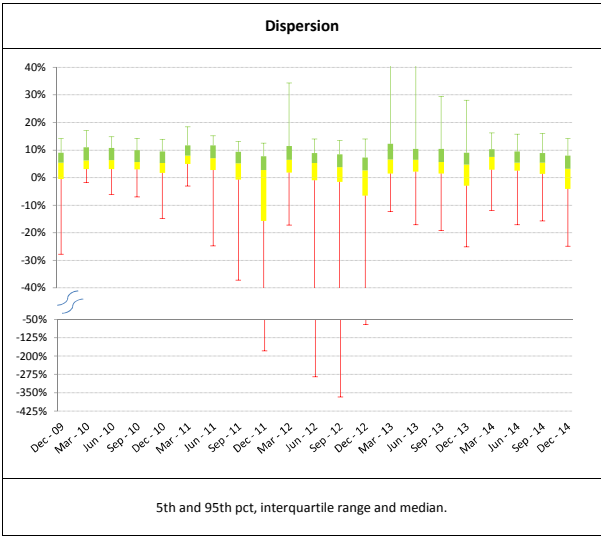
### KRI: 21 - Impairments on financial assets to total operating income



Period	Weighted average	25th	50th	75th
Dec - 09	26.6%	21.0%	27.4%	41.0%
Mar - 10	17.2%	15.5%	20.4%	28.1%
Jun - 10	20.1%	17.5%	23.3%	33.5%
Sep - 10	18.2%	14.5%	21.1%	31.6%
Dec - 10	19.4%	15.5%	23.9%	31.3%
Mar - 11	13.8%	7.4%	15.7%	25.9%
Jun - 11	17.9%	10.0%	20.2%	32.0%
Sep - 11	20.3%	14.7%	21.6%	36.9%
Dec - 11	26.7%	14.8%	26.2%	56.8%
Mar - 12	17.9%	8.4%	19.7%	32.1%
Jun - 12	24.6%	9.9%	18.7%	39.8%
Sep - 12	24.9%	10.4%	20.9%	44.4%
Dec - 12	27.0%	10.8%	22.4%	56.0%
Mar - 13	16.9%	9.0%	19.4%	34.2%
Jun - 13	18.6%	9.8%	19.2%	30.8%
Sep - 13	18.6%	10.4%	20.0%	31.9%
Dec - 13	22.7%	11.0%	21.4%	43.3%
Mar - 14	13.7%	6.7%	11.6%	30.6%
Jun - 14	16.2%	7.4%	15.9%	29.7%
Sep - 14	15.8%	7.0%	12.6%	31.4%
Dec - 14	17.5%	7.4%	14.6%	37.8%

## Profitability

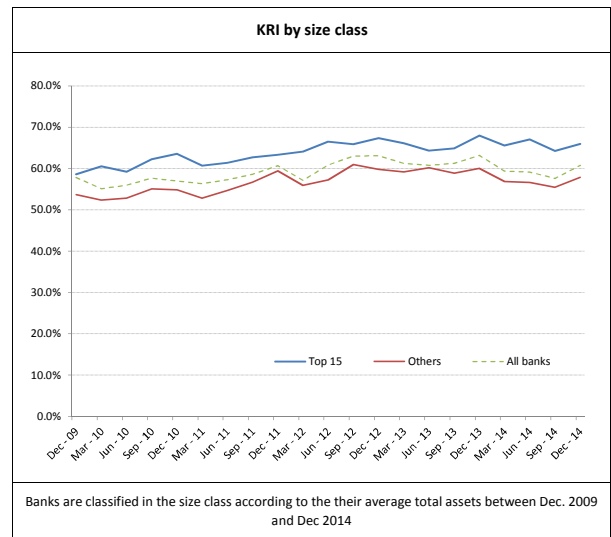
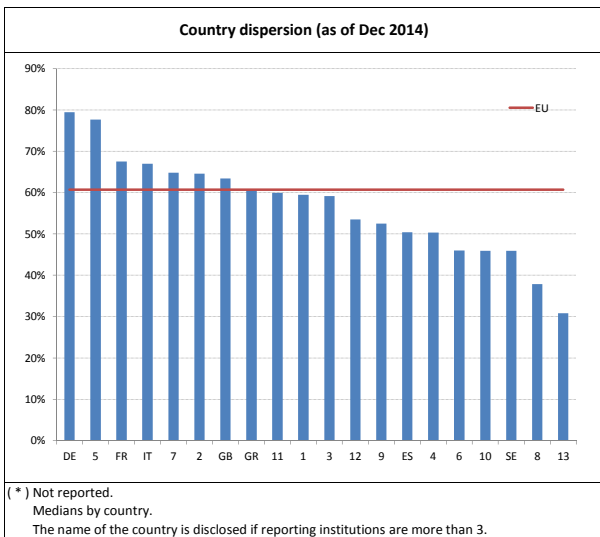
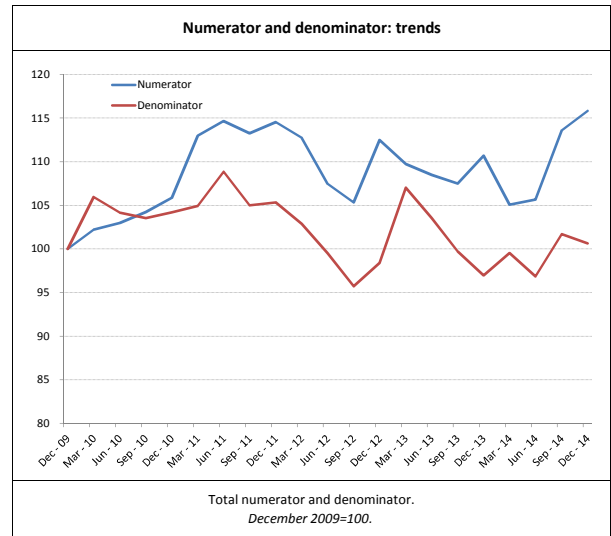
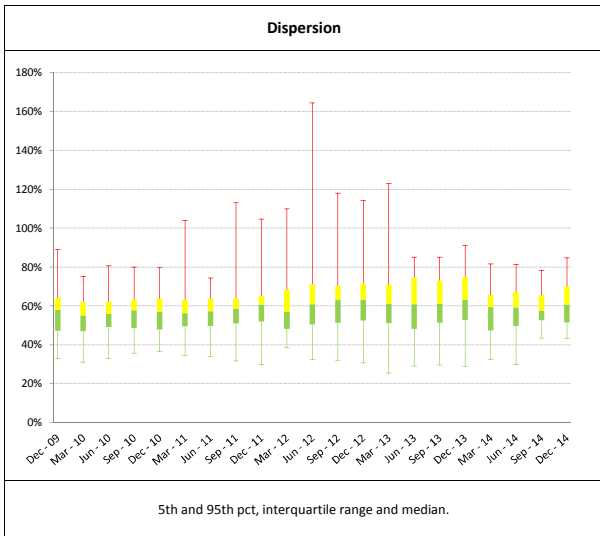
**KRI: 22 - Return on equity**



Period	Weighted average	25th	50th	75th
Dec - 09	4.5%	-0.5%	5.4%	9.1%
Mar - 10	7.4%	3.1%	6.2%	11.1%
Jun - 10	7.3%	3.1%	6.4%	10.8%
Sep - 10	6.7%	3.0%	5.7%	10.0%
Dec - 10	5.9%	1.7%	5.4%	9.5%
Mar - 11	8.3%	5.0%	8.0%	11.7%
Jun - 11	7.1%	2.8%	7.1%	11.7%
Sep - 11	4.9%	-0.7%	5.2%	9.4%
Dec - 11	0.0%	-15.7%	2.7%	7.8%
Mar - 12	5.6%	1.8%	6.5%	11.5%
Jun - 12	3.4%	-0.9%	5.3%	8.9%
Sep - 12	2.6%	-1.5%	3.8%	8.4%
Dec - 12	0.5%	-6.5%	2.6%	7.2%
Mar - 13	9.3%	1.4%	6.6%	12.3%
Jun - 13	7.6%	2.2%	6.4%	10.4%
Sep - 13	6.4%	1.5%	5.7%	10.4%
Dec - 13	2.7%	-2.9%	4.8%	9.1%
Mar - 14	7.5%	2.9%	7.5%	10.3%
Jun - 14	5.7%	2.5%	5.5%	9.5%
Sep - 14	5.4%	1.3%	5.4%	8.9%
Dec - 14	3.6%	-4.0%	3.2%	8.0%

## Profitability

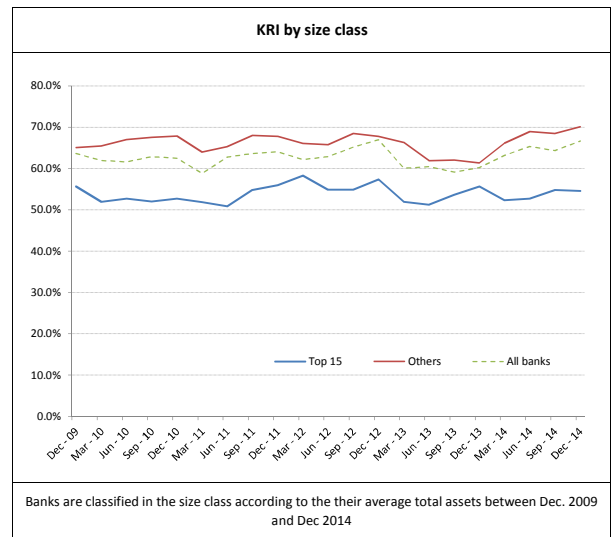
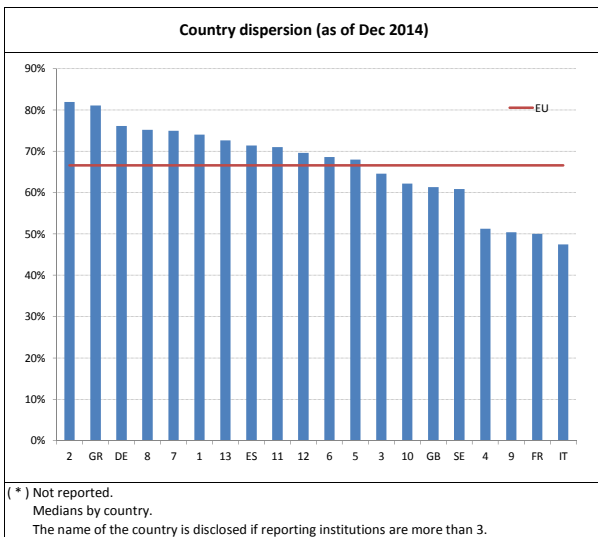
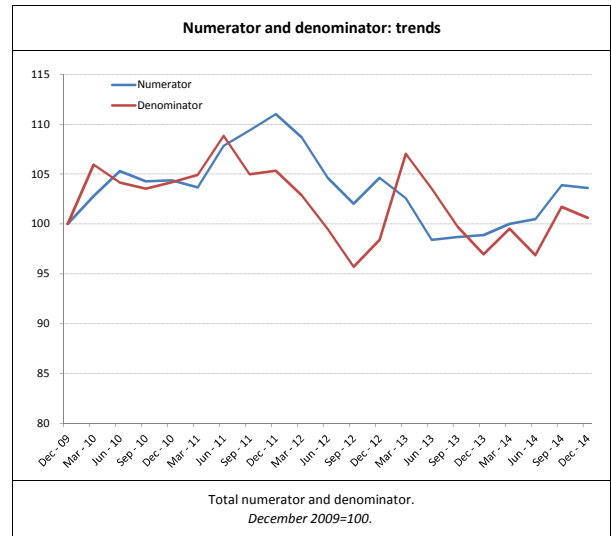
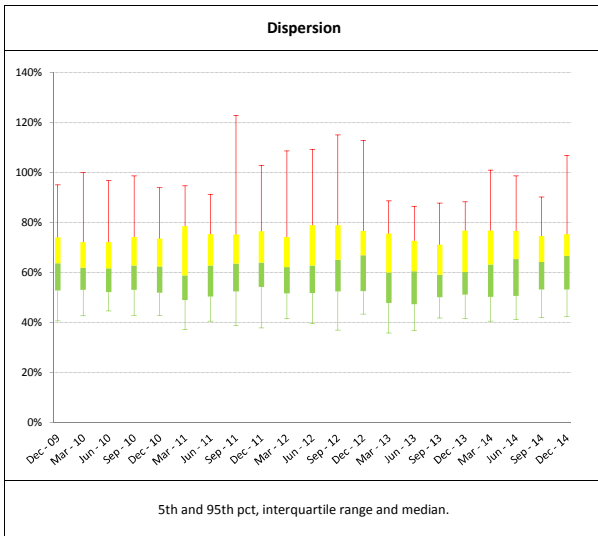
**KRI: 24 - Cost-to-income ratio**



Period	Weighted average	25th	50th	75th
Dec - 09	55.2%	47.2%	57.8%	64.3%
Mar - 10	53.3%	46.9%	55.1%	62.1%
Jun - 10	54.6%	49.1%	56.0%	62.2%
Sep - 10	55.6%	48.7%	57.7%	63.3%
Dec - 10	56.1%	47.9%	57.0%	63.8%
Mar - 11	59.5%	49.6%	56.3%	63.2%
Jun - 11	58.2%	49.7%	57.3%	63.8%
Sep - 11	59.6%	51.0%	58.6%	63.9%
Dec - 11	60.1%	52.0%	60.7%	65.2%
Mar - 12	60.6%	48.1%	57.1%	68.3%
Jun - 12	59.7%	50.4%	60.9%	71.0%
Sep - 12	60.8%	51.4%	63.0%	70.3%
Dec - 12	63.2%	52.5%	63.1%	71.6%
Mar - 13	56.6%	51.2%	61.2%	70.9%
Jun - 13	57.9%	48.2%	60.8%	74.6%
Sep - 13	59.6%	51.2%	61.3%	73.1%
Dec - 13	63.1%	52.8%	63.2%	75.0%
Mar - 14	58.3%	47.3%	59.3%	65.6%
Jun - 14	60.3%	49.6%	59.2%	67.2%
Sep - 14	61.7%	52.6%	57.6%	65.7%
Dec - 14	63.6%	51.4%	60.7%	69.8%

## Profitability

**KRI: 26 - Net interest income to total operating income**

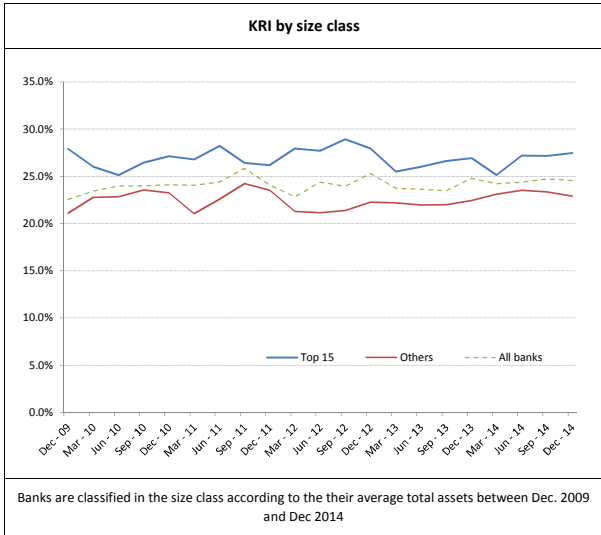
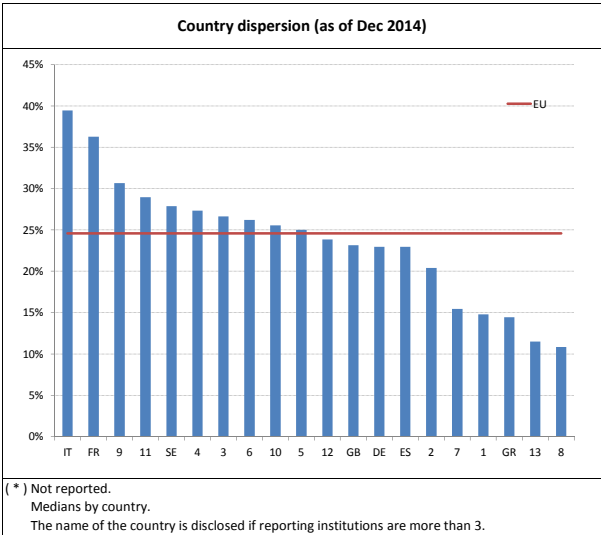
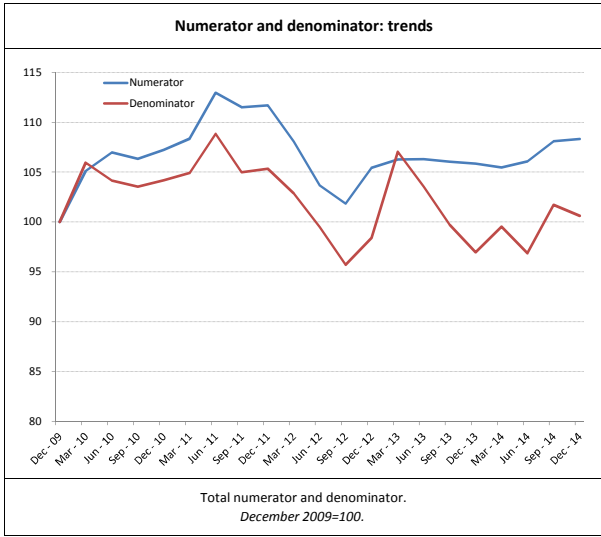
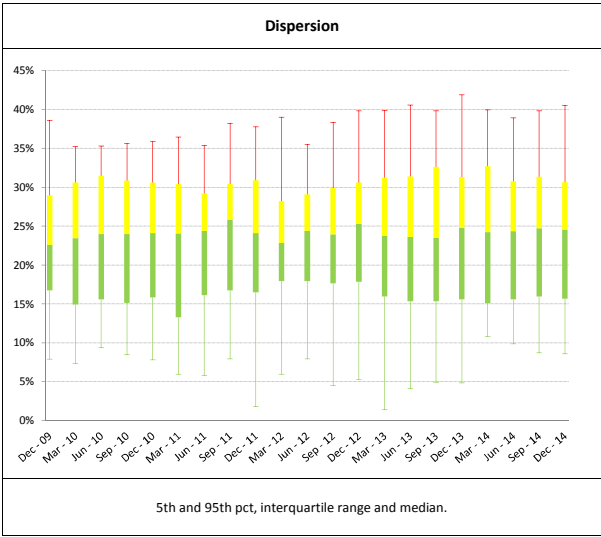


Period	Weighted average	25th	50th	75th
Dec - 09	57.9%	52.8%	63.7%	74.1%
Mar - 10	56.2%	53.2%	61.9%	72.2%
Jun - 10	58.6%	52.3%	61.6%	72.2%
Sep - 10	58.3%	53.2%	62.8%	74.2%
Dec - 10	58.0%	51.9%	62.5%	73.6%
Mar - 11	57.2%	49.0%	58.8%	78.6%
Jun - 11	57.4%	50.4%	62.8%	75.4%
Sep - 11	60.3%	52.5%	63.6%	75.2%
Dec - 11	61.1%	54.2%	64.0%	76.6%
Mar - 12	61.2%	51.7%	62.2%	74.2%
Jun - 12	60.9%	51.8%	62.9%	78.9%
Sep - 12	61.7%	52.5%	65.1%	79.0%
Dec - 12	61.6%	52.6%	66.9%	76.7%
Mar - 13	55.5%	47.8%	60.0%	75.6%
Jun - 13	55.1%	47.4%	60.5%	72.7%
Sep - 13	57.3%	50.1%	59.1%	71.1%
Dec - 13	59.1%	51.1%	60.2%	76.7%
Mar - 14	58.2%	50.3%	63.2%	76.8%
Jun - 14	60.1%	50.6%	65.4%	76.7%
Sep - 14	59.2%	53.2%	64.3%	74.6%
Dec - 14	59.6%	53.2%	66.6%	75.4%



## Profitability

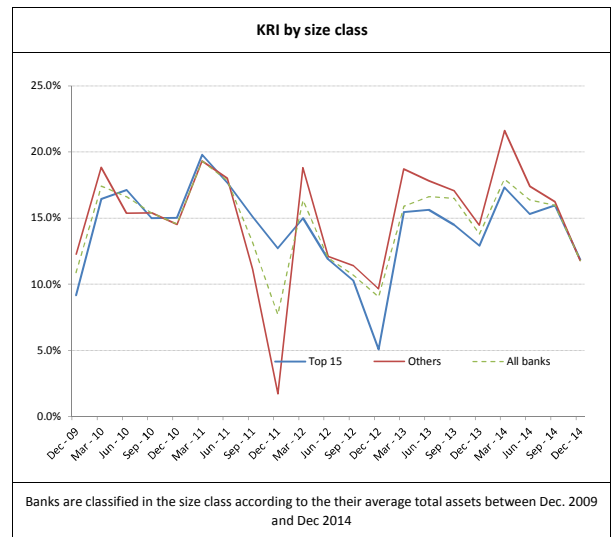
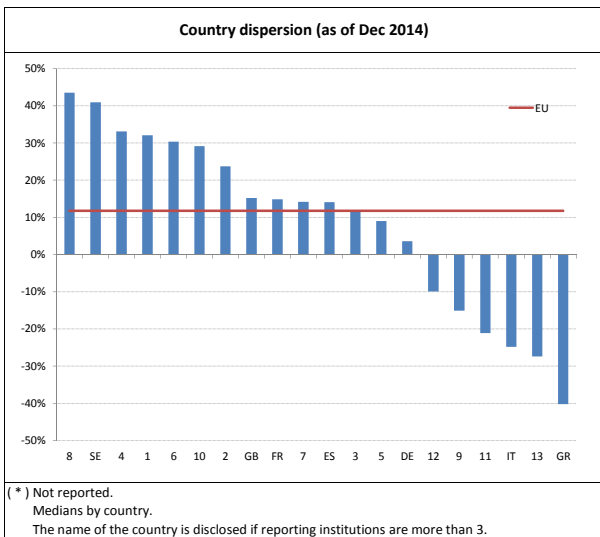
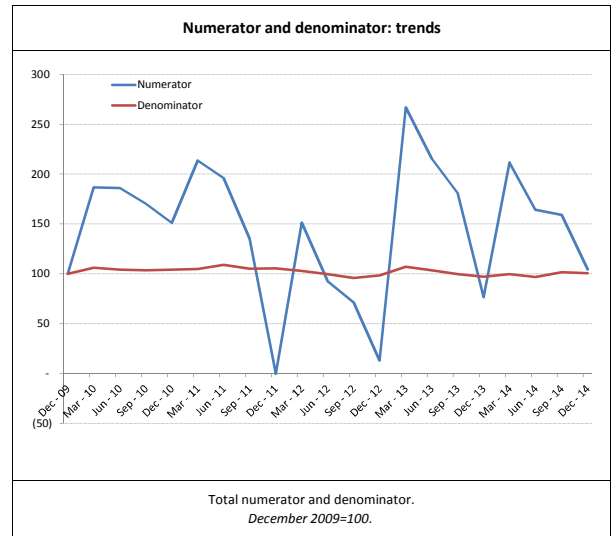
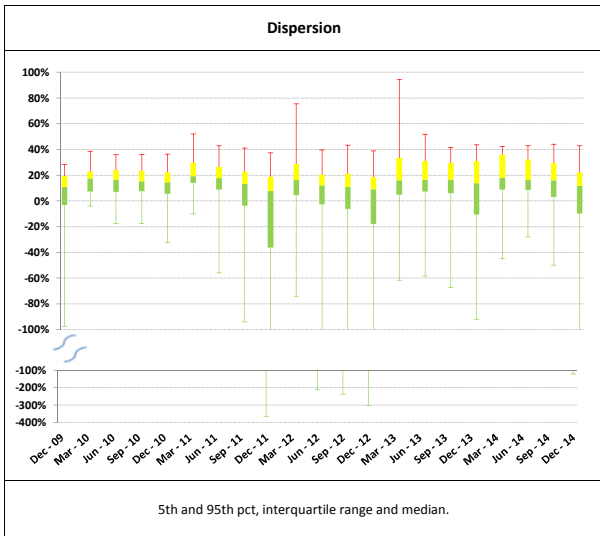
**KRI: 27 - Net fee and commission income to total operating income**



Period	Weighted average	25th	50th	75th
Dec - 09	26.0%	16.7%	22.6%	29.0%
Mar - 10	25.8%	14.9%	23.4%	30.6%
Jun - 10	26.7%	15.6%	24.0%	31.5%
Sep - 10	26.7%	15.1%	24.0%	30.8%
Dec - 10	26.8%	15.8%	24.1%	30.6%
Mar - 11	26.9%	13.3%	24.1%	30.4%
Jun - 11	27.0%	16.1%	24.4%	29.2%
Sep - 11	27.6%	16.7%	25.8%	30.5%
Dec - 11	27.6%	16.5%	24.1%	30.9%
Mar - 12	27.3%	17.9%	22.8%	28.2%
Jun - 12	27.1%	17.9%	24.4%	29.1%
Sep - 12	27.7%	17.6%	23.9%	29.9%
Dec - 12	27.9%	17.9%	25.3%	30.6%
Mar - 13	25.8%	16.0%	23.7%	31.2%
Jun - 13	26.7%	15.3%	23.6%	31.4%
Sep - 13	27.7%	15.3%	23.5%	32.6%
Dec - 13	28.4%	15.6%	24.8%	31.3%
Mar - 14	27.6%	15.1%	24.2%	32.7%
Jun - 14	28.5%	15.6%	24.4%	30.8%
Sep - 14	27.6%	16.0%	24.7%	31.4%
Dec - 14	28.0%	15.7%	24.6%	30.7%

## Profitability

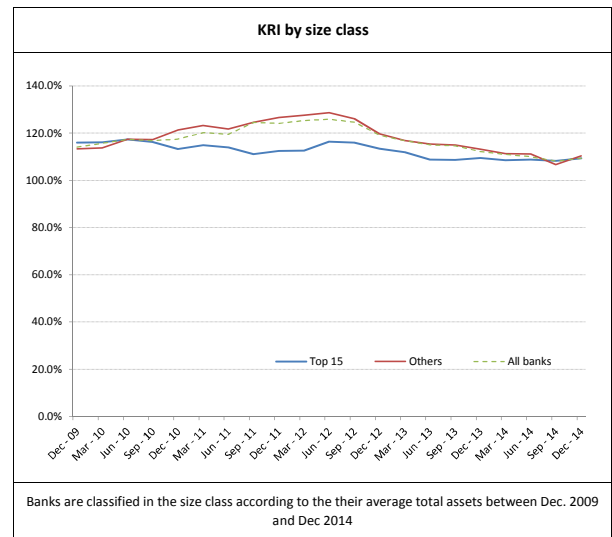
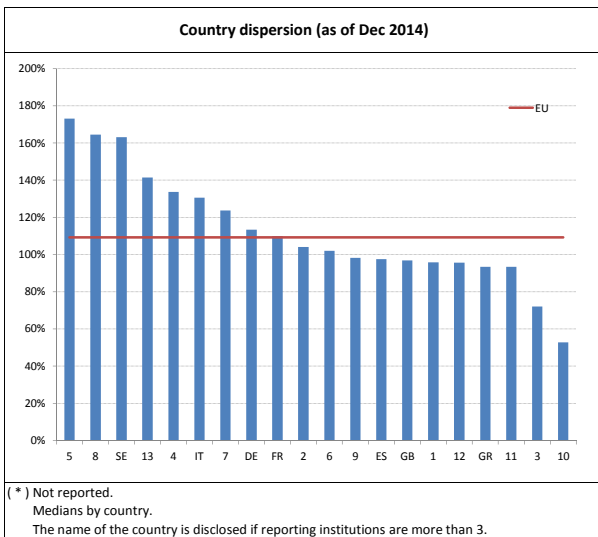
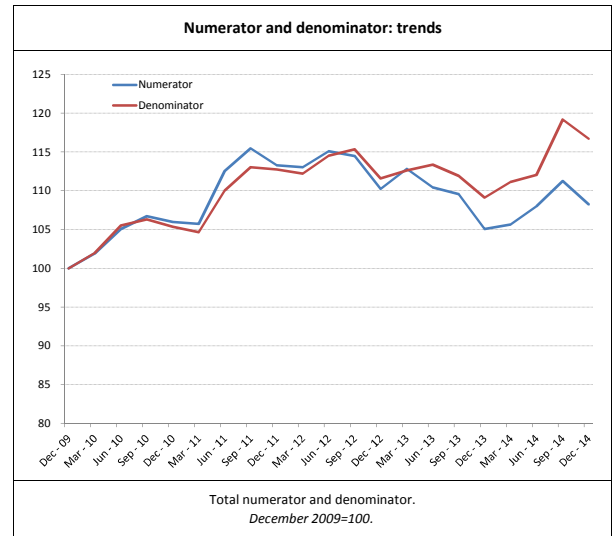
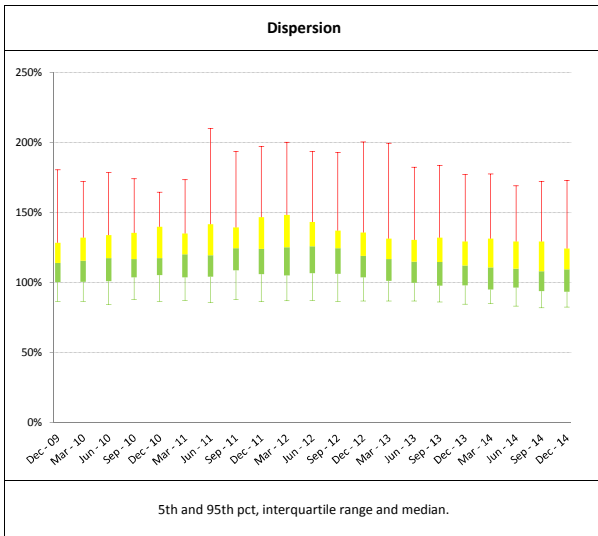
**KRI: 33 - Net income to total operating income**



Period	Weighted average	25th	50th	75th
Dec - 09	9.3%	-3.1%	10.9%	19.3%
Mar - 10	16.3%	7.3%	17.4%	23.0%
Jun - 10	16.6%	7.0%	16.6%	24.0%
Sep - 10	15.2%	7.5%	15.4%	23.4%
Dec - 10	13.4%	5.6%	14.6%	22.3%
Mar - 11	18.9%	14.0%	19.3%	29.7%
Jun - 11	16.7%	8.7%	17.8%	26.4%
Sep - 11	11.9%	-3.6%	13.2%	22.6%
Dec - 11	0.0%	-36.3%	7.7%	18.8%
Mar - 12	13.6%	4.6%	16.3%	28.6%
Jun - 12	8.6%	-2.5%	12.0%	20.5%
Sep - 12	6.9%	-6.3%	10.7%	21.1%
Dec - 12	1.2%	-17.7%	9.0%	18.5%
Mar - 13	23.1%	4.9%	15.9%	33.4%
Jun - 13	19.3%	7.2%	16.6%	30.9%
Sep - 13	16.8%	6.1%	16.5%	29.5%
Dec - 13	7.3%	-10.5%	13.8%	30.9%
Mar - 14	19.7%	8.8%	17.9%	35.9%
Jun - 14	15.7%	8.5%	16.4%	32.2%
Sep - 14	14.5%	3.0%	16.0%	29.4%
Dec - 14	9.6%	-9.9%	11.8%	22.3%

## Balance Sheet Structure

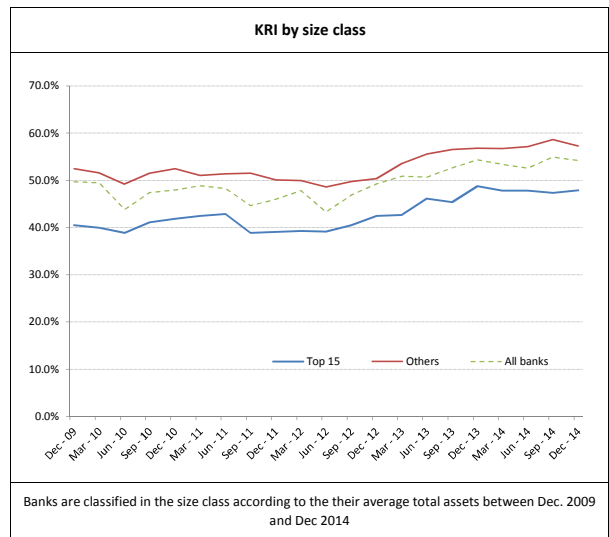
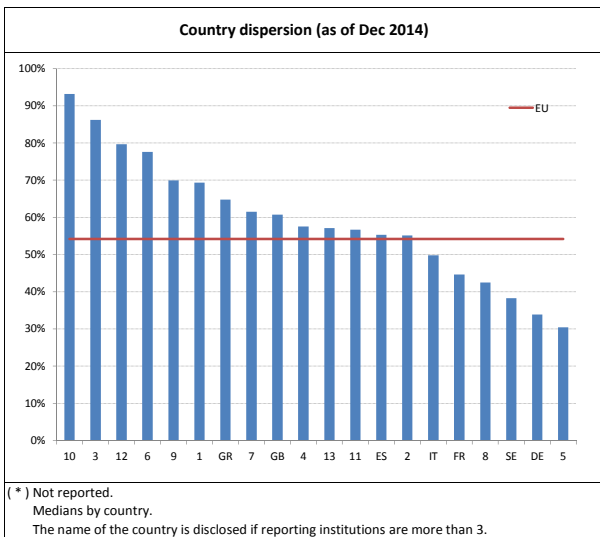
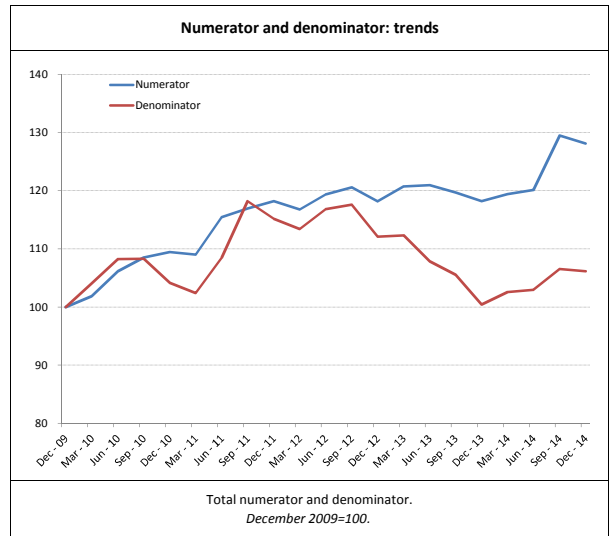
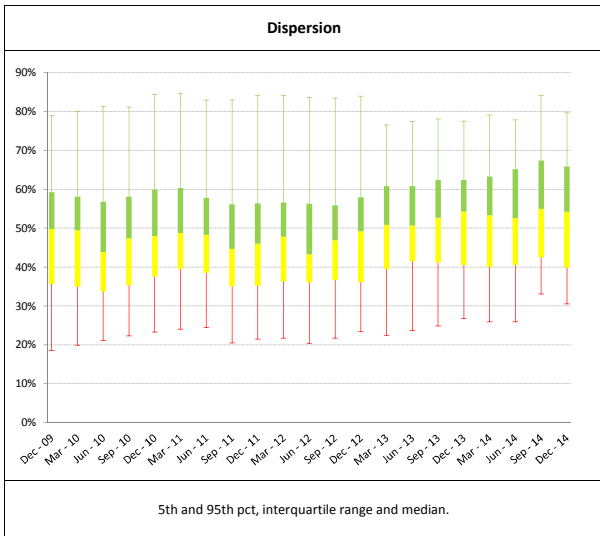
**KRI: 34 - Loan-to-deposit ratio**



Period	Weighted average	25th	50th	75th
Dec - 09	117.1%	100.3%	114.1%	128.4%
Mar - 10	117.0%	100.6%	115.7%	132.2%
Jun - 10	116.6%	100.9%	117.4%	133.9%
Sep - 10	117.6%	103.7%	116.8%	135.6%
Dec - 10	117.8%	105.3%	117.5%	140.0%
Mar - 11	118.3%	103.7%	120.2%	135.0%
Jun - 11	119.8%	104.2%	119.5%	141.7%
Sep - 11	119.6%	108.7%	124.5%	139.4%
Dec - 11	117.7%	106.0%	124.1%	146.7%
Mar - 12	118.0%	105.1%	125.3%	148.3%
Jun - 12	117.7%	106.6%	125.9%	143.4%
Sep - 12	116.2%	106.4%	124.6%	137.1%
Dec - 12	115.7%	103.6%	119.1%	135.7%
Mar - 13	117.4%	101.3%	116.8%	131.5%
Jun - 13	114.1%	99.9%	115.0%	130.5%
Sep - 13	114.7%	97.8%	114.6%	132.1%
Dec - 13	112.8%	98.0%	112.1%	129.4%
Mar - 14	111.4%	95.0%	110.9%	131.5%
Jun - 14	112.9%	96.3%	110.0%	129.2%
Sep - 14	109.3%	94.0%	108.0%	129.4%
Dec - 14	108.6%	93.4%	109.3%	124.3%

## Balance Sheet Structure

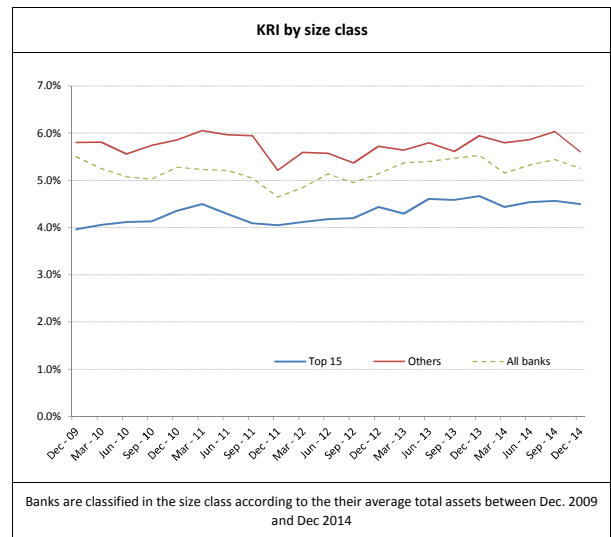
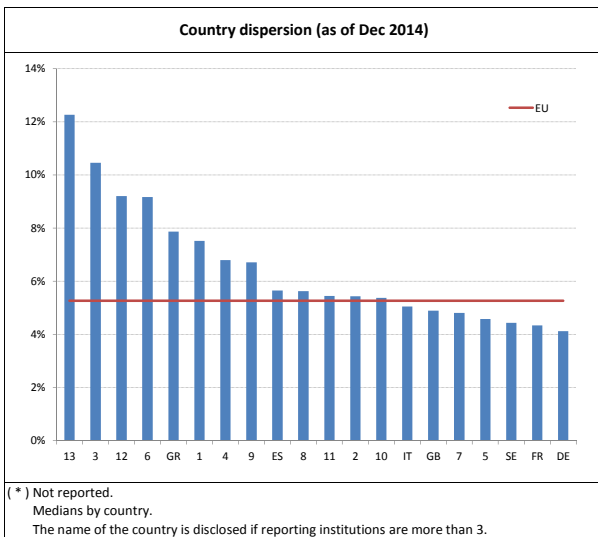
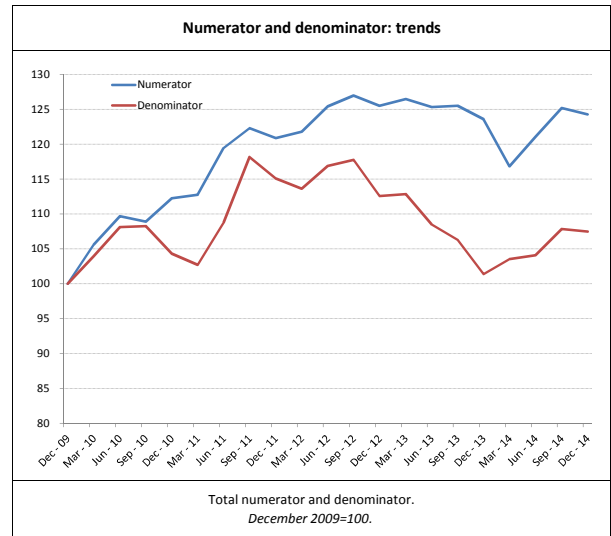
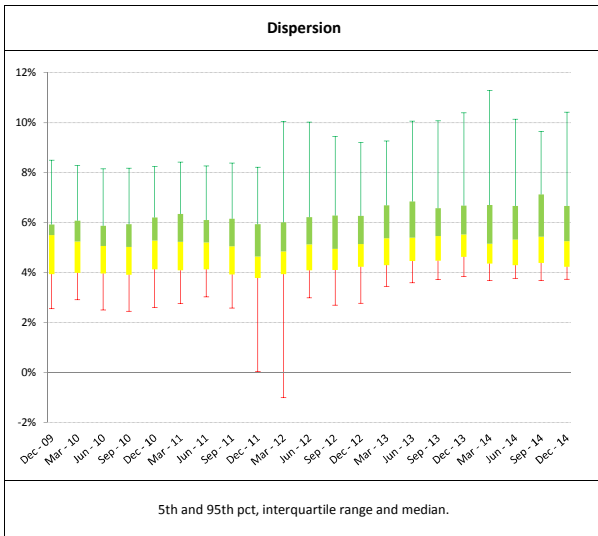
**KRI: 35 - Customer deposits to total liabilities**



Period	Weighted average	25th	50th	75th
Dec - 09	40.6%	35.6%	49.7%	59.2%
Mar - 10	39.7%	35.0%	49.5%	58.1%
Jun - 10	39.8%	33.7%	43.8%	56.8%
Sep - 10	40.6%	35.3%	47.4%	58.1%
Dec - 10	42.6%	37.5%	47.9%	59.9%
Mar - 11	43.2%	39.4%	48.8%	60.3%
Jun - 11	43.2%	38.5%	48.3%	57.7%
Sep - 11	40.1%	35.0%	44.6%	56.1%
Dec - 11	41.6%	35.2%	46.0%	56.4%
Mar - 12	41.8%	36.3%	47.8%	56.6%
Jun - 12	41.5%	36.0%	43.3%	56.3%
Sep - 12	41.6%	36.6%	46.9%	55.9%
Dec - 12	42.7%	36.1%	49.2%	57.9%
Mar - 13	43.6%	39.4%	50.9%	60.8%
Jun - 13	45.5%	41.4%	50.6%	60.8%
Sep - 13	46.0%	41.2%	52.6%	62.4%
Dec - 13	47.7%	40.5%	54.3%	62.4%
Mar - 14	47.2%	40.0%	53.4%	63.3%
Jun - 14	47.3%	40.6%	52.6%	65.1%
Sep - 14	49.3%	42.5%	54.9%	67.4%
Dec - 14	49.0%	39.8%	54.2%	65.8%

## Balance Sheet Structure

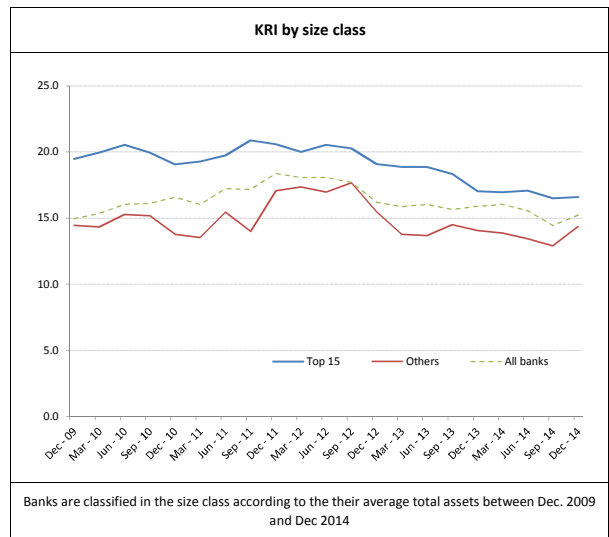
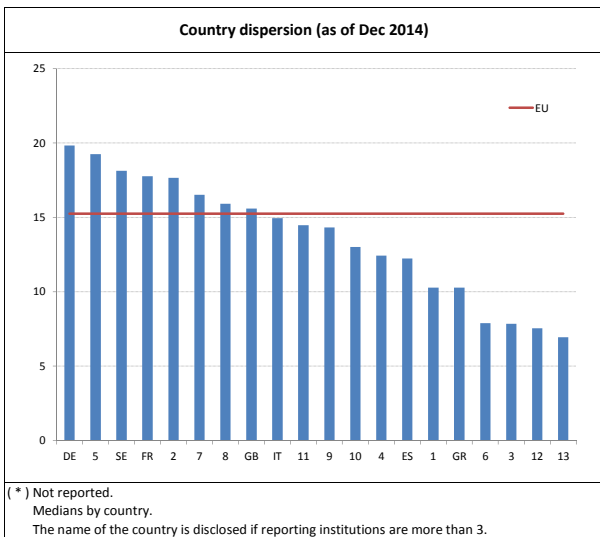
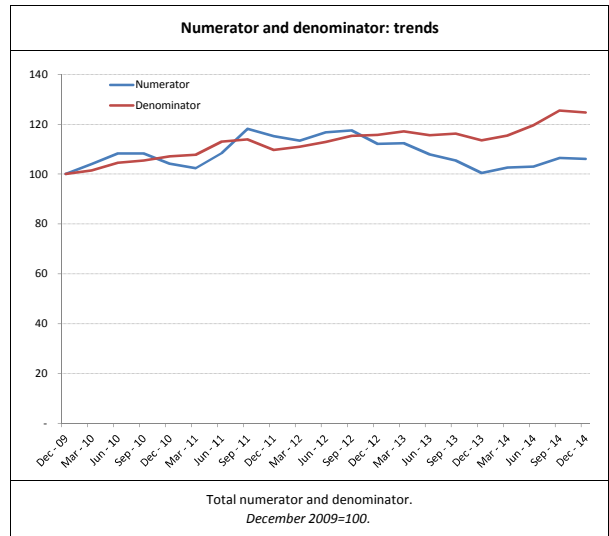
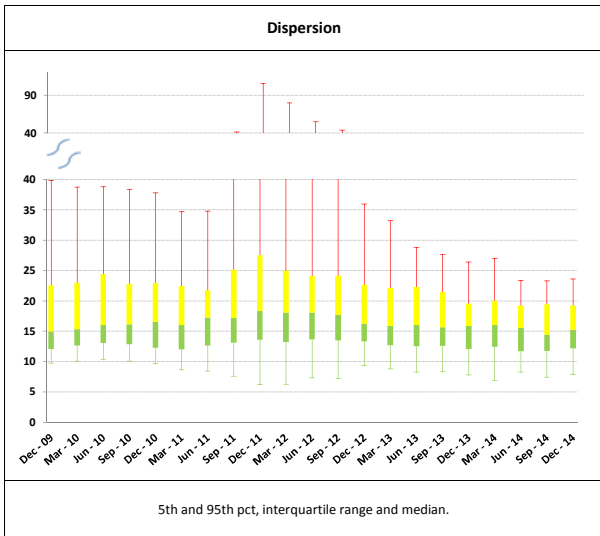
**KRI: 36 - Tier 1 capital to (total assets - intangible assets)**



Period	Weighted average	25th	50th	75th
Dec - 09	4.2%	3.9%	5.5%	5.9%
Mar - 10	4.3%	4.0%	5.2%	6.1%
Jun - 10	4.3%	4.0%	5.1%	5.9%
Sep - 10	4.2%	3.9%	5.0%	5.9%
Dec - 10	4.5%	4.1%	5.3%	6.2%
Mar - 11	4.6%	4.1%	5.2%	6.3%
Jun - 11	4.6%	4.1%	5.2%	6.1%
Sep - 11	4.4%	3.9%	5.0%	6.2%
Dec - 11	4.4%	3.8%	4.6%	5.9%
Mar - 12	4.5%	3.9%	4.8%	6.0%
Jun - 12	4.5%	4.1%	5.1%	6.2%
Sep - 12	4.5%	4.1%	4.9%	6.3%
Dec - 12	4.7%	4.2%	5.1%	6.3%
Mar - 13	4.7%	4.3%	5.4%	6.7%
Jun - 13	4.9%	4.5%	5.4%	6.8%
Sep - 13	5.0%	4.5%	5.5%	6.6%
Dec - 13	5.1%	4.6%	5.5%	6.7%
Mar - 14	4.8%	4.4%	5.2%	6.7%
Jun - 14	4.9%	4.3%	5.3%	6.7%
Sep - 14	4.9%	4.4%	5.4%	7.1%
Dec - 14	4.9%	4.2%	5.3%	6.7%

## Balance Sheet Structure

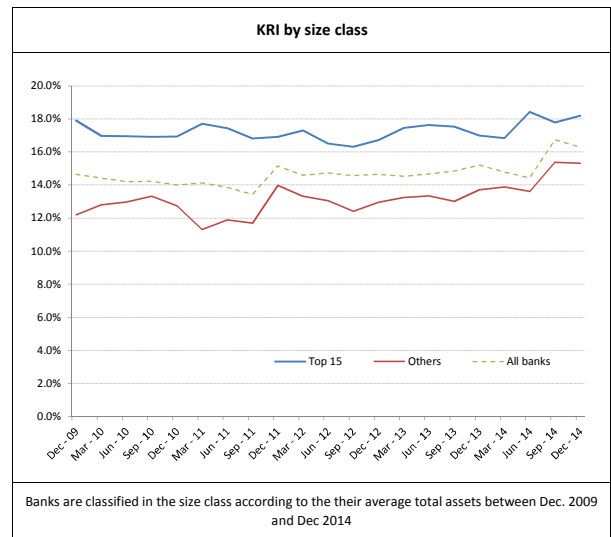
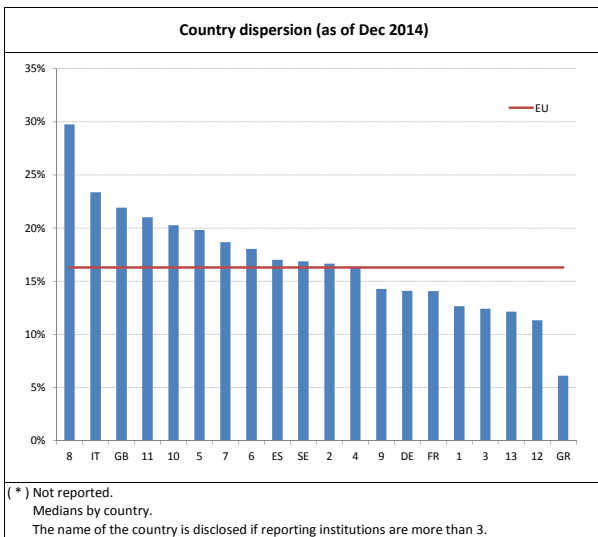
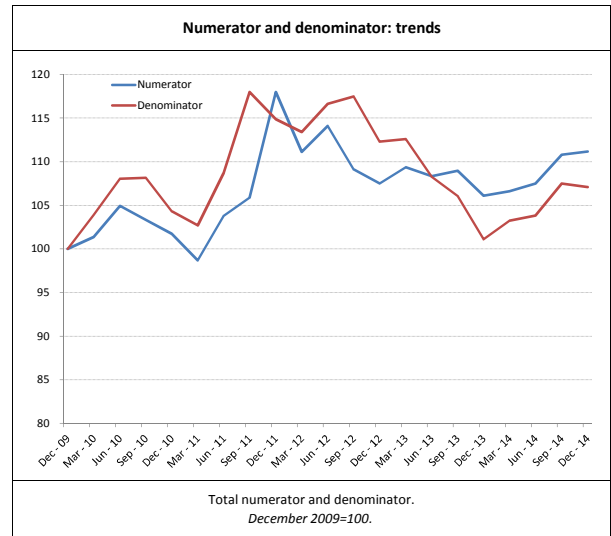
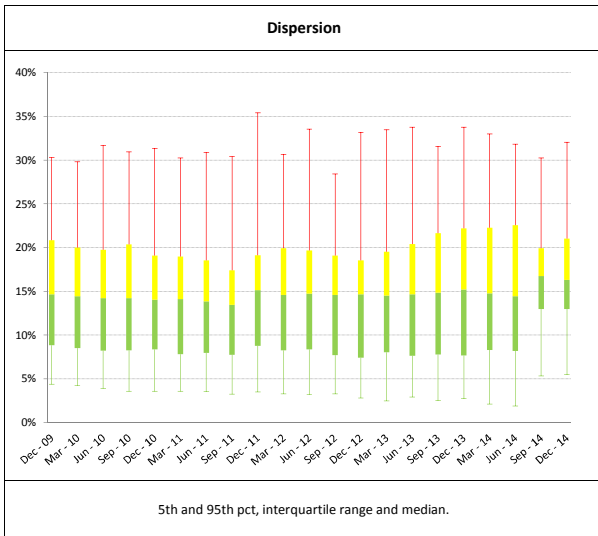
**KRI: 45 - Debt-to-equity ratio**



Period	Weighted average	25th	50th	75th
Dec - 09	18.71	12.05	14.95	22.58
Mar - 10	19.17	12.62	15.35	22.98
Jun - 10	19.37	13.05	16.05	24.41
Sep - 10	19.20	12.84	16.12	22.80
Dec - 10	18.19	12.29	16.56	22.93
Mar - 11	17.77	12.03	16.04	22.47
Jun - 11	17.95	12.66	17.23	21.75
Sep - 11	19.41	13.10	17.17	25.15
Dec - 11	19.64	13.60	18.36	27.51
Mar - 12	19.12	13.22	18.07	25.00
Jun - 12	19.35	13.63	18.07	24.13
Sep - 12	19.08	13.51	17.70	24.12
Dec - 12	18.12	13.34	16.21	22.65
Mar - 13	17.93	12.68	15.86	22.13
Jun - 13	17.45	12.54	16.03	22.31
Sep - 13	16.99	12.59	15.64	21.43
Dec - 13	16.55	12.09	15.88	19.56
Mar - 14	16.61	12.45	16.05	20.05
Jun - 14	16.11	11.67	15.56	19.22
Sep - 14	15.87	11.77	14.44	19.43
Dec - 14	15.92	12.19	15.24	19.26

## Balance Sheet Structure

**KRI: 46 - Off-balance sheet items to total assets**



Period	Weighted average	25th	50th	75th
Dec - 09	18.1%	8.9%	14.7%	20.8%
Mar - 10	17.7%	8.5%	14.4%	20.0%
Jun - 10	17.6%	8.2%	14.2%	19.8%
Sep - 10	17.3%	8.2%	14.2%	20.3%
Dec - 10	17.7%	8.3%	14.0%	19.1%
Mar - 11	17.4%	7.8%	14.1%	19.0%
Jun - 11	17.3%	8.0%	13.8%	18.5%
Sep - 11	16.3%	7.7%	13.4%	17.4%
Dec - 11	18.6%	8.8%	15.1%	19.1%
Mar - 12	17.8%	8.3%	14.6%	19.9%
Jun - 12	17.7%	8.3%	14.7%	19.7%
Sep - 12	16.8%	7.7%	14.6%	19.1%
Dec - 12	17.4%	7.4%	14.7%	18.5%
Mar - 13	17.6%	8.0%	14.5%	19.5%
Jun - 13	18.1%	7.6%	14.7%	20.4%
Sep - 13	18.6%	7.8%	14.9%	21.7%
Dec - 13	19.0%	7.7%	15.2%	22.2%
Mar - 14	18.7%	8.3%	14.8%	22.3%
Jun - 14	18.8%	8.2%	14.4%	22.6%
Sep - 14	18.7%	13.0%	16.7%	19.9%
Dec - 14	18.8%	13.0%	16.3%	21.0%

## Methodological note on the KRIs heatmap

The heatmap provides a quick outlook of the main KRIs, where is possible to find the category, number and designation of the specific KRI, its historic development and the three buckets in which each data point is assigned to across time. The “sample of reporting banks” returns the actual number of banks that submitted the expected data for that reference date.

For each of the KRIs quarterly data, the distribution across the three buckets is always computed in respect of the sum of total assets from all banks. Thus, if we observe any given bucket increasing its percentage, we immediately acknowledge that more assets are being assigned to that bucket, which does not necessarily mean that more banks are comprised within the bucket (the sum of total assets for all banks is fixed, as well as the total assets from each bank taken individually). The coloured bars illustrate how close the percentage of assets in each bucket is from 100% (green for the “best” bucket, yellow for the intermediary one and red for the “worst” bucket).

The first row of each KRI contains a traffic light in the last column that can assume three distinct colours (green, yellow and red) depending on the latest developments on the “worst” bucket of the KRI comparing to the whole time series. If the “worst” bucket is progressing positively (the same is to say that fewer assets are being assigned to it), the traffic light should be moving away from red getting closer to green. The colour is computed considering the 33rd and the 67th percentile of the time series.

To help reading the heatmap, let us consider the example of the Tier 1 capital ratio (KRI #1):

		Current vs previous for the worst bucket												
1	Tier 1 capital ratio	> 12%	22.9%	10.2%	20.7%	23.0%	37.7%	45.1%	38.2%	36.5%	39.0%	57.1%	Percentiles	
		[ 9% - 12% ]	64.7%	80.1%	69.0%	65.9%	59.0%	52.7%	58.7%	60.3%	58.2%	41.3%	33	67
		< 9%	12.3%	9.7%	10.3%	11.1%	3.3%	2.2%	3.0%	3.3%	2.8%	1.5%	3.04%	9.73%

The green traffic light for the Tier 1 capital ratio points up the good behaviour of this KRI in 2012Q3 relating to past observations. In this specific case, the 2012Q3 figure is actually the minimum value of the series so it would be obviously included in the 33rd percentile (low percentages of assets in the “worst” bucket are always good).

More than just declaring if the “worst” bucket has more or less percentage of assets assigned to it, this traffic light approach delivers simultaneously an insight to the latest developments in the KRI’s “worst” bucket and to the relative position of that data point comparing to all other observations in the same bucket.



## The KRI database

Number	KRI Code	KRI name	Numerator	Denominator
1	1	Tier 1 capital ratio <small>as in Basel 2.5</small>	TOTAL ORIGINAL OWN FUNDS FOR GENERAL SOLVENCY PURPOSES	TOTAL CAPITAL REQUIREMENTS * 12.5
2	2	Total capital ratio <small>as in Basel 2.5</small>	TOTAL OWN FUNDS FOR SOLVENCY PURPOSES	TOTAL CAPITAL REQUIREMENTS * 12.5
3	3	CET1 ratio <small>(was T1 excluding hybrids until Q4 2013)</small>	TOTAL ORIGINAL OWN FUNDS FOR GENERAL SOLVENCY PURPOSES -Hybrid instruments in Minority interests - Hybrid instruments in 1.1.4.1a Hybrid instruments - (-) Excess on the limits for hybrid instruments	TOTAL CAPITAL REQUIREMENTS * 12.5
4	13	Impaired loans and Past due (>90 days) loans to total loans	Row: Loans and advances Column: Net carrying amount of the impaired assets Row: Loan and advances Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Column: Closing balance Row: Loans & advances Columns: > 90 days ≤ 180days; > 180 days ≤ 1year; > 1year	Total loans advances (Rows: Loans and advances AFS, Loans and receivables, HTM) Row: Loan and advances Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Allowances for incurred but not reported losses on financial assets Column: Closing balance
5	14	Coverage ratio (specific allowances for loans to total gross impaired loans)	Row: Loan and advances Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Column: Closing balance	Row: Loans and advances Column: Net carrying amount of the impaired assets Row: Loan and advances Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Column: Closing balance
6	18	Impaired financial assets to total assets	Row: Total Column: Net carrying amount of the impaired assets	Total assets
7	20	Accumulated impairments on financial assets to total (gross) assets	Row: Loan and advances, Debt instruments Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Allowances for incurred but not reported losses on financial assets Column: Closing balance	Total assets Row: Loan and advances, Debt instruments Specific allowances for individually assessed financial assets and Specific allowances for collectively assessed financial assets Allowances for incurred but not reported losses on financial assets Column: Closing balance
8	21	Impairments on financial assets to total operating income	Impairment on financial assets not measured at fair value through profit or loss	Total operating income: rows: Interest income; Interest expenses; Expenses on Share capital repayable on Demand; Dividend income; Fee and commission income; Fee and commission expenses; Realised gains (losses) on financial assets & liabilities not measured at fair value through profit or loss, net; Gains (losses) on financial assets and liabilities held for trading, net; Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net; Gains (losses) from hedge accounting, net; Exchange differences, net; Gains (losses) on derecognition of assets other than held for sale, net; Other operating income; Other operating expenses
9	22	Return on equity	Total profit or loss after tax and discontinued operations (annualised)	Total equity (period average)
10	24	Cost-income ratio	Rows: Administration costs; Depreciation	Total operating income: rows: Interest income; Interest expenses; Expenses on Share capital repayable on Demand; Dividend income; Fee and commission income; Fee and commission expenses; Realised gains (losses) on financial assets & liabilities not measured at fair value through profit or loss, net; Gains (losses) on financial assets and liabilities held for trading, net; Gains (losses) on financial assets and liabilities designated at fair value through profit or loss, net; Gains (losses) from hedge accounting, net; Exchange differences, net; Gains (losses) on derecognition of assets other than held for sale, net; Other operating income; Other operating expenses
11	26	Net interest income to total operating income	Rows: Interest income; interest expenses	Total operating income as above.
12	27	Net fee and commission income to total operating income	Rows: Fee and commission income; fee and commission expense	Total operating income as above.
13	33	Net income to total operating income	Total profit or loss after tax and discontinued operations	Total operating income as above.
14	34	Loan-to-deposit ratio	Total loans advances (Rows: Loans and advances held for trading, designated at fair value through profit or loss, AFS, Loans and receivables, HTM)	Total deposits (Rows: Deposits held for trading, designated at fair value through profit or loss, measured at amortised cost)
15	35	Customer deposits to total liabilities	Total deposits (other than from credit institutions) (Rows: deposits (other than from credit institutions) held for trading, designated fair value through profit or loss, measured at amortised cost)	Total liabilities
16	36	Tier 1 capital to (total assets - intangible assets)	Original own funds	Total assets - Intangible assets
17	45	Debt-to-equity ratio	Total liabilities	Total equity
18	46	Off-balance sheet items to total assets	Loan commitments given, financial guarantees given	Total assets

## **European Banking Authority**

Cluster Oversight - Risk Analysis Unit

One Canada Square, Canary Wharf - London E14 5AA, United Kingdom

[risk.analysis@eba.europa.eu](mailto:risk.analysis@eba.europa.eu)