The performance of German credit institutions in 2019

Overall, German credit institutions' profitability deteriorated in 2019 compared with the previous year, although this was due primarily to the overshadowing impact of a negative one-off effect stemming from strategic restructuring at one big bank. This effect solely concerned the big banks category and eclipsed the growth in profit for the financial year observed for all other categories of banks. In total, profit for the financial year before tax fell by more than two-thirds to €5.7 billion. Whilst institutions' equity base was strengthened again, their return on equity was down by 2.66 percentage points to just 1.07%.

Despite the challenging market environment and persistently low interest rates, operating income declined moderately by €1.9 billion to €118.6 billion, with declining net interest income and a smaller trading result being offset in part by higher net commission income and an improved other operating result. Administrative spending edged upwards by €2.0 billion to €90.2 billion in the period under review. With net valuation charges of €6.7 billion, the result from the valuation of assets was virtually unchanged compared with 2018. The negative balance recorded in the other and extraordinary account more than doubled to €16.1 billion, mainly as a result of high value adjustments to participating interests in affiliated enterprises at one big bank.

Besides the persistence of the low interest rate setting, the impact of the real economic crisis in the wake of the coronavirus pandemic is another factor that is likely to weigh on German credit institutions' profitability this year. Depending on the speed of the economic recovery, credit default risks could first materialise and then necessitate value adjustments and depreciation. There is considerable uncertainty surrounding the future course of the crisis and its implications for the economy.

Profitability and cost efficiency of the categories of banks

Business environment characterised by continued cyclical slowdown and expansionary monetary policy

As in previous years, the market environment was challenging for German credit institutions in 2019. Overall, the downturn in German industry continued in the 2019 reporting year. Added to this was the uncertainty swirling around Brexit and intensifying international trade conflicts. However, sectors with a more domestic focus remained on an expansionary path. There was thus no recession in the sense of a persistent, broad-based and distinct drop in economic activity. Averaged across the year, real gross domestic product (GDP) rose by 0.6% on the year in 2019, having expanded by 1.5% in 2018.

Despite much weaker growth in corporate profits, valuations in the global bond markets, and in some cases the equity markets, were still high, historically speaking. Gains were recorded in all categories of assets traded in the financial markets, with equity markets scoring particularly well, though Bunds and US Treasuries also benefited.

In view of the slight deterioration in the price outlook over the summer, the ECB Governing Council lowered the deposit rate slightly in September of last year and also adopted a package of measures intended to comprehensively ease monetary policy. This included the resumption of net asset purchases and adjustments to its communications on the conditions for a first policy rate hike (forward guidance). To preserve favourable bank lending conditions and ensure the smooth transmission of monetary policy, the Governing Council also agreed on a third series of targeted longer-term refinancing operations (TLTRO-III).

Operating income down overall

Individual accounts prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*) indicate that operating income[1] for the 1,440 credit institutions analysed below fell by €1.9 billion compared with 2018 to €118.6 billion in 2019. This decline was due, in particular, to a €4.7 billion decrease in net interest income compared with 2018 and to around €1.1 billion being wiped off the trading result. Although net commission income and the other operating result saw year-on-year increases of €1.7 billion and €2.1 billion, respectively, this was not enough to offset the lower net interest income and trading result figures.

Heterogeneity across categories of banks

Looking at each category of banks individually, it is clear that big banks were the main drivers of the overall decline in profitability. Due, in particular, to a negative one-off effect stemming from strategic restructuring at one institution,[2] big banks' net interest income and net commission income fell, as a result of which they recorded a sharp €3.1 billion decline in their operating income to €27.6 billion. At €29.7 billion, operating income generated by savings banks was €0.9 billion lower in 2019 than in the year before. By contrast, credit cooperatives were able to raise their operating income slightly by €0.2 billion on the previous year to €22.1 billion. The largest increase in operating income – a rise of €1.6 billion to €20.8 billion in 2019 – was recorded by regional banks and other commercial banks. Besides higher net commission income, their improved other operating result was a major contributing factor here.

Profit for the financial year

Profit for 2019 total of €13.2 billion lower than in 2018

In 2019, German credit institutions reported profit for the financial year before tax totalling €5.7 billion. This amounted to a year-on-year decline of €13.2 billion (around 70%). In addition to lower operating income, this development was driven primarily by the negative bal-

1 Sum of net interest income, net commission income, the result from the trading portfolio and the other operating result.
2 For more information, see the annual financial statements of the institution concerned: https://www.db.com/ir/en/download/Annual_Financial_Statements_and_Management_Report_of_Deutsche_Bank_AG_2019.pdf

Methodological notes

Data based on individual accounts prepared in accordance with the German Commercial Code and on monthly balance sheet statistics

The results from the profit and loss accounts are based on the published annual reports of the individual institutions in accordance with the provisions set forth in the German Commercial Code (*Handelsgesetzbuch*) and the Regulation on the Accounting of Credit Institutions (*Verordnung über die Rechnungslegung der Kreditinstitute*). In terms of their conception, structure and definitions, they differ from the International Financial Reporting Standards (IFRS)[1] for publicly traded banking groups. This means that – from a methodological viewpoint – business performance and certain balance sheet or individual profit and loss items are not comparable across the national and international accounting frameworks. For reasons of comparability within Germany, it is advisable to consider the individual accounts when analysing financial performance. The figures for balance sheet capital (total equity), total assets and other stock variables are not obtained from the annual reports but are taken as annual average values on the basis of the monthly balance sheet statistics reported for the institution as a whole.

Reporting group

The reporting group for statistics on banks' profit and loss accounts (profit and loss statistics) includes all banks that are monetary financial institutions (MFIs) which conform to the definition of a CRR credit institution as set forth in Article 4(1) number 1 of Regulation (EU) No 575/2013 and are domiciled in Germany. Branches of foreign banks that are exempted from the provisions of Section 53 of the German Banking Act (*Kreditwesengesetz*), banks in liquidation and banks with a financial year of less than 12 months (truncated financial year) are not included in this performance analysis.

Calculation of the long-term average

At the launch of monetary union in 1999, the reporting group relevant for calculating the money supply and for monetary analysis was uniformly defined by the ECB for the euro area as a whole and designated as the monetary financial institutions (MFI) sector. Unlike the population of banks used for the Bundesbank analysis up to that point, building and loan associations are also included. Except where another time period is explicitly mentioned, the calculations with regard to the longer-term average cover the years since the launch of monetary union, i.e. from 1999 to 2019.

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1 IFRS-based financial statements are of relevance, for instance, to matters of macroprudential analysis and oversight concentrating on systemically important banks and their international business activities (including their foreign subsidiaries). For details, see Deutsche Bundesbank (2013).

Major income and cost items for individual categories of banks in 2019p

As a percentage of operating income

Item	All categories of banks	Big banks	Regional banks and other commercial banks	Landesbanken	Savings banks	Credit cooperatives	Mortgage banks	Building and loan associations	Banks with special, development and other central support tasks
Net interest income	69.5	58.5	66.4	73.0	71.4	73.5	105.2	128.4	73.8
Net commission income	26.3	36.9	23.4	16.8	28.5	24.6	− 6.0	− 28.9	23.1
Result from the trading portfolio	2.0	4.7	1.1	6.4	0.0	0.0	0.0	− 2.3	6.2
Other operating result	2.1	− 0.1	9.1	3.8	0.1	1.9	0.8	2.7	− 3.1
Operating income	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
General administrative spending	− 76.0	− 100.9	− 64.4	− 78.5	− 71.4	− 67.1	− 51.2	− 96.8	− 59.7
of which:									
Staff costs	− 37.5	− 39.2	− 28.9	− 38.4	− 44.0	− 38.5	− 23.6	− 34.1	− 29.3
Other administrative spending	− 38.5	− 61.7	− 35.5	− 40.1	− 27.4	− 28.6	− 27.6	− 62.7	− 30.4
Result from the valuation of assets	− 5.6	− 17.1	− 4.9	− 4.6	− 1.0	2.1	− 6.9	2.6	− 9.9
Other and extraordinary result	− 13.6	− 45.3	− 14.9	− 5.6	0.1	− 0.8	− 12.0	16.0	− 0.9
Memo item: Profit or loss (−) for the financial year before tax	4.8	− 63.4	15.8	11.3	27.7	34.1	29.9	21.7	29.5
Taxes on income and earnings	− 6.5	− 3.6	− 6.2	− 2.7	− 8.2	− 9.6	− 8.8	− 3.3	− 6.2
Profit or loss (−) for the financial year after tax	− 1.8	− 67.0	9.6	8.6	19.5	24.5	21.1	18.5	23.3

Deutsche Bundesbank

ance in the other and extraordinary account,[3] which more than doubled on the previous year to -€16.1 billion in 2019. Overall, this left a loss of €2.1 billion for the financial year after tax. In 2018, German institutions had posted a significant profit for the financial year after tax of €12.2 billion.

A breakdown by category of banks shows here, too, that declining profit for the financial year before tax was mainly attributable to burdens stemming from strategic restructuring at one institution belonging to the big banks category. Big banks' profit of €1.1 billion for the 2018 financial year before tax thus made way for a loss of €17.5 billion in 2019. The lion's share of the decline was due to the balance in the other and extraordinary account moving further into negative territory: due in large part to the depreciation of and value adjustments to partici-

3 Extraordinary income and charges that do not arise from ordinary operating activities are recorded in this item. This includes depreciation of and value adjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets, income from value readjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets, charges and income from loss transfers, transfers to special reserves and income from the release of special reserves, extraordinary charges and income as well as profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement.

pating interests, shares in affiliated enterprises and securities treated as fixed assets at one institution, the loss increased almost sixfold compared with 2018 to reach -€12.5 billion. In addition, lower operating income, slightly higher administrative spending and a €4.3 billion increase in net valuation charges also had a negative impact on big banks' profit for the financial year before tax.

Unlike big banks, all other categories of banks[4] increased their profit for the 2019 financial year compared with 2018. Landesbanken recorded an increase of €1.8 billion, mainly on account of an improved result from the valuation of assets. After reporting losses in 2018, Landesbanken thus recorded an overall profit of €0.8 billion for the financial year before tax in 2019. Regional banks and other commercial banks raised their profit for the financial year by €1.1 billion to €3.3 billion in 2019.

In 2019, credit cooperatives recorded a significant increase in their profit for the financial year before tax, which climbed by €1.2 billion compared with 2018 to around €7.6 billion. By contrast, at €8.2 billion, this figure was virtually unchanged on the previous year for savings banks. This development is largely down to two factors. First, in 2019, savings banks' operating income fell comparatively sharply owing to a €0.7 billion decline in net interest income and a €0.7 billion decrease in their other operating result. By contrast, credit cooperatives were able to raise their operating income slightly by €0.2 billion. Second, the favourable development of the result from the valuation of assets had a less pronounced impact on savings banks than on credit cooperatives. While savings banks cut their net valuation charges by €0.4 billion to €0.3 billion, credit cooperatives' valuation result was €1.4 billion higher on the year and thus even ventured into positive territory, at €0.5 billion.

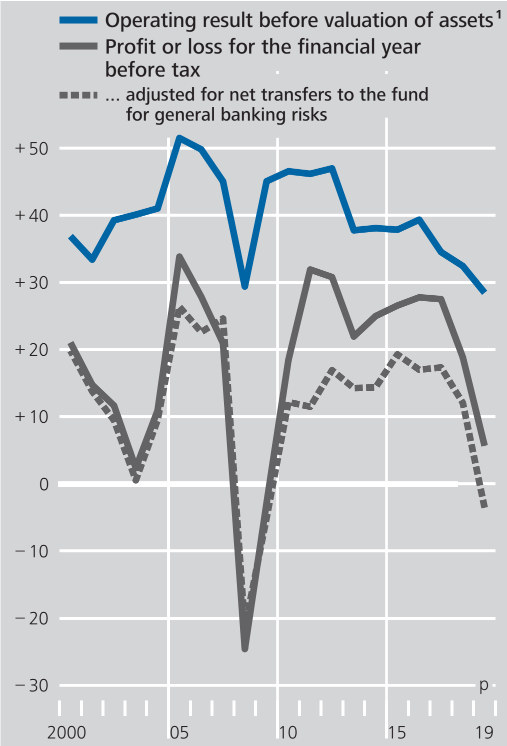
For the first time since the two crisis years of 2008 and 2009, there were net withdrawals from the reserves[5] in 2019 totalling €13.2 billion, marking a departure from the net transfers of €8.4 billion in the previous year. However, this was driven primarily by the offsetting of a loss that was incurred as a result of strategic restructuring at one big bank. Overall, there were thus withdrawals from reserves and participation rights capital of €21.7 billion in the big banks category.

Net capital withdrawals from capital reserves for first time since crisis years of 2008 and 2009

By contrast, as in previous years, savings banks and credit cooperatives were the main categories of banks to strengthen their equity base in 2019, with net transfers to reserves (€4.4 billion

Credit institutions' performance

€ billion



1 Operating income less general administrative spending.
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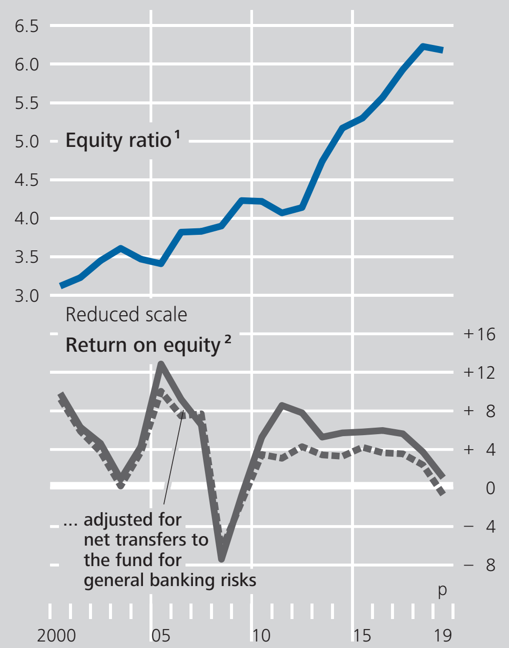
4 Regional banks and other commercial banks, branches of foreign banks, Landesbanken, savings banks, credit cooperatives, mortgage banks, building and loan associations as well as banks with special, development and other central support tasks.
5 Withdrawals from capital reserves, from revenue reserves and participation rights capital or transfers to revenue reserves and participation rights capital. This item comprises transfers to and withdrawals from the fund for general banking risks pursuant to Section 340g of the Commercial Code, transfers to reserves and participation rights capital as well as withdrawals from reserves and participation rights capital.

Credit institutions' equity ratio and return on equity

%



1 Equity (including the fund for general banking risks, but excluding participation rights capital) as a percentage of total assets as an annual average. 2 Profit or loss for the financial year before tax as a percentage of average equity.
Deutsche Bundesbank

and €4.2 billion, respectively). Transfers to the fund for general banking risks pursuant to the Section 340g of the Commercial Code accounted for the lion's share of these (around €4.1 billion for savings banks and around €3.6 billion for credit cooperatives).

Return on equity and return on assets

Return on equity lower overall than in previous year

Overall, the return on equity (profit for the financial year before tax in relation to balance sheet equity) before tax fell by 2.66 percentage points compared to 2018 to 1.07% in the reporting year, leaving it far below the long-term average (5.36%). The reduction reflects, first, the decline in profit for the financial year. Second, in the period under review, German credit institutions' balance sheet equity increased by €21.7 billion to €527.2 billion, amounting to growth of 4.3%.[6] The balance sheet equity ratio decreased marginally from 6.23% to 6.18% due to annual average total assets rising more strongly than equity in 2019.

The decline in the return on equity was also driven largely by the one-off effect at one institution belonging to the big banks category. The return on equity before tax in this category of banks fell from 1.14% in the previous year to -16.63% in the current reporting year.

Savings banks' return on equity dipped slightly by 0.33 percentage point to 6.86%. By contrast, credit cooperatives increased their return on equity by 1.04 percentage points to 9.23%, thus bringing them closer to their long-term average (10.76%), unlike savings banks.

Landesbanken also saw a particularly sharp rise. While their return on equity was still negative in 2018 (-2.45%), the 2019 figures were, at 2.03%, significantly higher than the long-term average of 1.27%, primarily on account of the strong improvement in the result from the valuation of assets compared with the previous year. Excluding big banks, the other categories of banks[7] raised their return on equity by 1.1 percentage points on aggregate to 5.48% in the reporting period.

Return on assets also down significantly overall

An analysis of the return on assets (profit for the financial year before tax in relation to annual average total assets) paints a generally similar picture to the one for the return on equity. All in all, the return on assets contracted from 0.23% in 2018 to 0.07% in the reporting year. However, this decline is also mainly attributable to the aforementioned developments at one big bank. The other categories of banks

6 When interpreting the data on the equity base, which are calculated as annual average values, it should be borne in mind that the amounts transferred from the profit for the respective financial year do not increase balance sheet equity until the year after the annual accounts are adopted, while withdrawals from equity items are to be deducted at the latest when the annual accounts are prepared.
7 Regional banks and other commercial banks, branches of foreign banks, Landesbanken, savings banks, credit cooperatives, mortgage banks, building and loan associations as well as banks with special, development and other central support tasks.

Return on equity of individual categories of banks*

%

Category of banks	2015		2016		2017		2018		2019p	
All categories of banks	5.82	(3.97)	5.97	(4.27)	5.63	(4.08)	3.73	(2.41)	1.07	(– 0.40)
Commercial banks	3.54	(2.18)	4.51	(3.20)	3.95	(2.79)	2.07	(1.54)	– 7.69	(– 8.98)
of which:										
Big banks	3.01	(1.81)	3.45	(2.50)	2.88	(2.30)	1.14	(1.24)	– 16.63	(– 17.58)
Regional banks and other commercial banks	4.22	(2.71)	6.30	(4.45)	5.31	(3.33)	3.30	(1.89)	4.46	(2.72)
Landesbanken	3.27	(1.89)	– 1.01	(– 1.95)	1.85	(0.98)	– 2.45	(– 3.89)	2.03	(1.55)
Savings banks	9.68	(6.54)	10.42	(7.42)	9.44	(6.72)	7.19	(4.83)	6.86	(4.83)
Credit cooperatives	10.74	(7.36)	11.54	(8.39)	10.11	(7.05)	8.19	(5.50)	9.23	(6.63)
Mortgage banks	4.94	(4.29)	5.54	(4.20)	5.49	(3.56)	2.09	(0.88)	5.31	(3.75)
Building and loan associations	4.49	(3.66)	8.87	(7.28)	9.18	(7.74)	2.21	(1.02)	3.47	(2.95)

* Profit or loss for the financial year before tax (in brackets: after tax) as a percentage of equity as shown in the balance sheet (including the fund for general banking risks, but excluding participation rights capital).

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raised their return on assets on aggregate by 0.07 percentage point compared with the previous year to 0.38% in 2019.

Cost efficiency

Overall further deterioration in cost efficiency compared with previous year

Measured by the cost/income ratio under its broad definition (administrative spending relative to operating income), German credit institutions' cost efficiency deteriorated overall compared with the previous year,[8] with the cost/income ratio rising by 2.9 percentage points year on year to 76.0%.

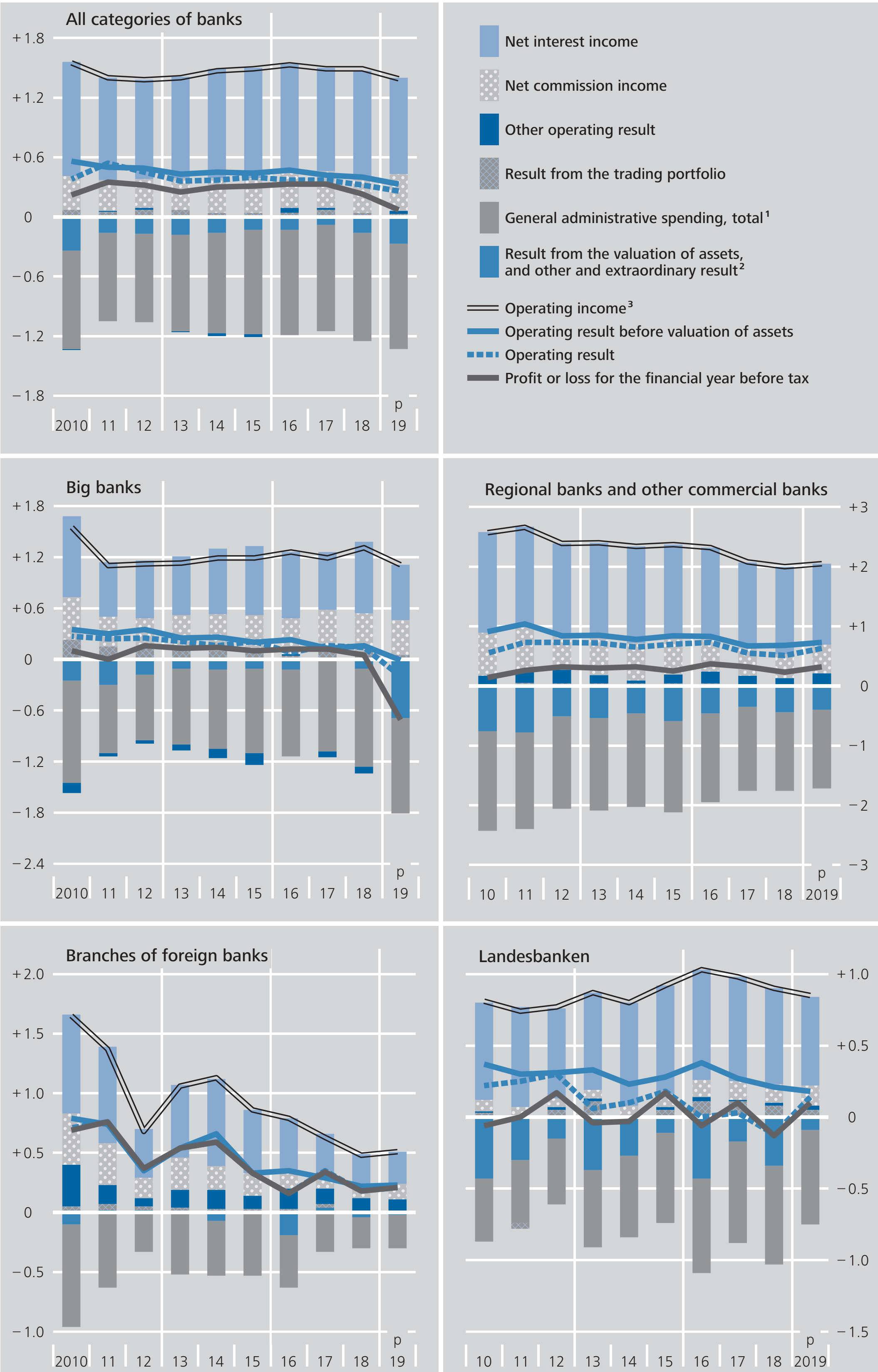
This increase was attributable, first, to higher administrative spending than in the previous year. This was on account of both a slight rise in staff costs and to higher other administrative spending, the increase in which, according to institutions' annual reports, was due in particular to additional costs in connection with ongoing digitalisation. Second, operating income declined in 2019, mainly on the back of the one-off effect at one big bank, as explained above. As a result, the deterioration in the overall cost/income ratio was also driven to a large extent by this one-off effect. In the reporting period, big banks' cost/income ratio rose significantly by 13.0 percentage points to 100.9%.

By contrast, mortgage banks, in particular, were able to improve their cost/income ratio by 8.6 percentage points. The cost/income ratio of savings banks and Landesbanken deteriorated by 3.1 percentage points and 1.9 percentage points, respectively, in 2019 compared with the previous year. In both cases, this was attributable to rising administrative costs; savings banks also reported a decline in operating income. Credit cooperatives recorded only a

8 Looking at the cost/income ratio in the narrower sense (administrative spending relative to gross earnings, i.e. the sum of net interest income and net commission income) paints a similar picture.

Return on assets and its components by category of banks*

As a percentage of total assets; the charts below use different scales



* Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. **1** Including depreciation of and value adjustments to tangible and intangible assets. **2** Other than tangible or financial fixed assets.

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As a percentage of total assets; the charts below use different scales

3 Gross earnings plus result from the trading portfolio and other operating result.

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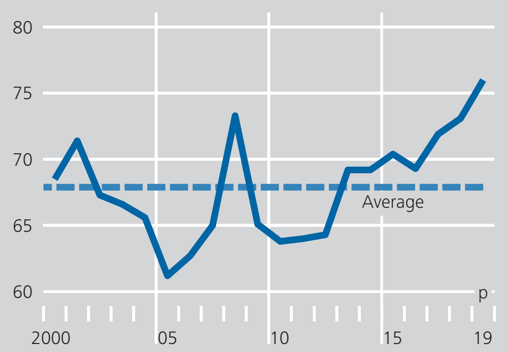
Ratio of credit institutions' administrative spending to operating income*

%



* Sum of net interest income, net commission income, result from the trading portfolio and other operating result.

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Cost/income ratios by category of banks

%

Category of banks	General administrative spending in relation to … 2017	2018	2019p
	… gross earnings[1]		
All categories of banks	76.2	75.5	79.3
Commercial banks	86.1	82.0	91.4
Big banks	95.3	88.9	105.8
Regional banks and other commercial banks	74.2	70.7	71.7
Branches of foreign banks	71.9	71.5	67.9
Landesbanken	83.0	86.0	87.4
Savings banks	67.5	70.0	71.5
Credit cooperatives	67.1	67.4	68.4
Mortgage banks	68.4	59.0	51.6
Building and loan associations	87.8	89.2	97.2
Banks with special, development and other central support tasks	63.0	68.2	61.6
	… operating income[2]		
All categories of banks	71.9	73.1	76.0
Commercial banks	79.4	79.3	84.9
Big banks	88.7	87.9	100.9
Regional banks and other commercial banks	67.8	66.1	64.4
Branches of foreign banks	53.3	55.0	54.3
Landesbanken	72.5	76.6	78.5
Savings banks	67.1	68.3	71.4
Credit cooperatives	65.7	66.2	67.1
Mortgage banks	70.2	59.8	51.2
Building and loan associations	66.3	88.6	96.8
Banks with special, development and other central support tasks	59.2	65.6	59.7

1 Sum of net interest income and net commission income. 2 Gross earnings plus result from the trading portfolio and other operating result.

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slight year-on-year deterioration of 1.0 percentage point in their cost/income ratio, as they were able to partly offset their higher administrative costs with higher operating income.

Breakdown of profit for the financial year

Net interest income

Net interest income remains most important income component

Measured by operating income, net interest income was, at 69.5%, once again the most important income component for German credit institutions in 2019. Owing to their interest-driven business model, net interest income as a share of operating income was particularly high at credit cooperatives (73.5%), Landesbanken (73.0%) and savings banks (71.4%). In the case of big banks, by contrast, it accounted for a comparatively small share of operating income (58.5%).

Net interest income down significantly again

Totalling €82.5 billion in 2019, net interest income was significantly below the already low level recorded in the previous year (€87.2 billion). This was mainly due to a €5.0 billion decline in interest income in the broader sense[9] to €162.8 billion, compared with only a slight reduction in interest expenditure by €0.3 billion to €80.3 billion. By contrast, net interest income in the narrower sense, at €71.9 billion, was almost on a par with the previous year's figure of €71.8 billion.

Primary institutions again generated majority of total net interest income

Despite a slight decline compared with the previous year, primary institutions again generated just under half of total net interest income in 2019, making €37.5 billion (previous year: €38.3 billion). However, big banks' net interest income fell by €3.6 billion to €16.1 billion. Although big banks generated less than one-fifth

9 Interest income in the narrower sense plus current income from variable-yield securities, participating interests and shares in affiliated enterprises as well as income from profit pooling, profit transfer agreements and partial profit transfer agreements.

of net interest income overall, they were thus responsible for around three-quarters of the total year-on-year decline. This was due to a €2.6 billion decrease in current income from variable-yield securities, participating interests and shares in affiliated enterprises compared with 2018, as well as a €2.7 billion reduction in income from profit transfers in connection with the restructuring measures undertaken at one big bank.

Overall, interest income in narrower sense virtually unchanged on the year

Although, on the whole, interest income in the narrower sense remained virtually unchanged on the year, developments varied to some extent across the individual categories of banks. Compared with the previous year, only big banks and Landesbanken succeeded in generating significantly higher interest income. Big banks' interest income in the narrower sense rose by €2.2 billion (7.5%) year on year to €31.6 billion in 2019. Landesbanken recorded an increase of €2.8 billion (11.6%) to €26.7 billion in the same period. In both cases, however, a mixed picture emerged when looking at institutions individually: while some institutions recorded significant growth, the interest income generated by the remaining institutions remained unchanged at – or fell short of – the previous year's level.

Savings banks recorded a decline in their interest income in the narrower sense, which fell by €0.9 billion (3.7%) to €24.1 billion. Credit cooperatives also saw their interest income decrease by €0.4 billion (2.1%) to €17.6 billion.

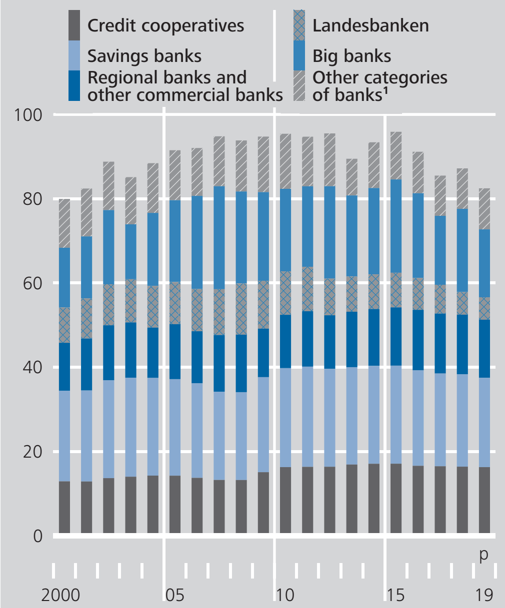
The reduction in interest income in the narrower sense at regional banks and other commercial banks by €2.5 billion (10.9%) to €20.1 billion was due to one institution being removed from the reporting group of regional banks and other commercial banks.[10]

Low interest income despite credit growth

With an annual growth rate of 4.8%, lending to the domestic private non-financial sector rose more strongly in the reporting year than in the year before for the sixth consecutive year. A higher rate of credit growth was last recorded in 2000. All the same, interest income in the narrower sense decreased again for most categories of banks. According to the monthly balance sheet statistics, loans to the private sector rose by €137.5 billion net in absolute terms across all categories of banks, with around half being attributable loans to households for house purchase. Many of these loans were granted by savings banks and credit cooperatives (around 29% and 25%, respectively), which are particularly dependent on deposit and lending business. Big banks contributed only around 14% to growth in loans.[11]

Net interest income generated by credit institutions*

€ billion



* Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. **1** Branches of foreign banks, regional institutions of credit cooperatives, mortgage banks, banks with special, development and other central support tasks, and building and loan associations.

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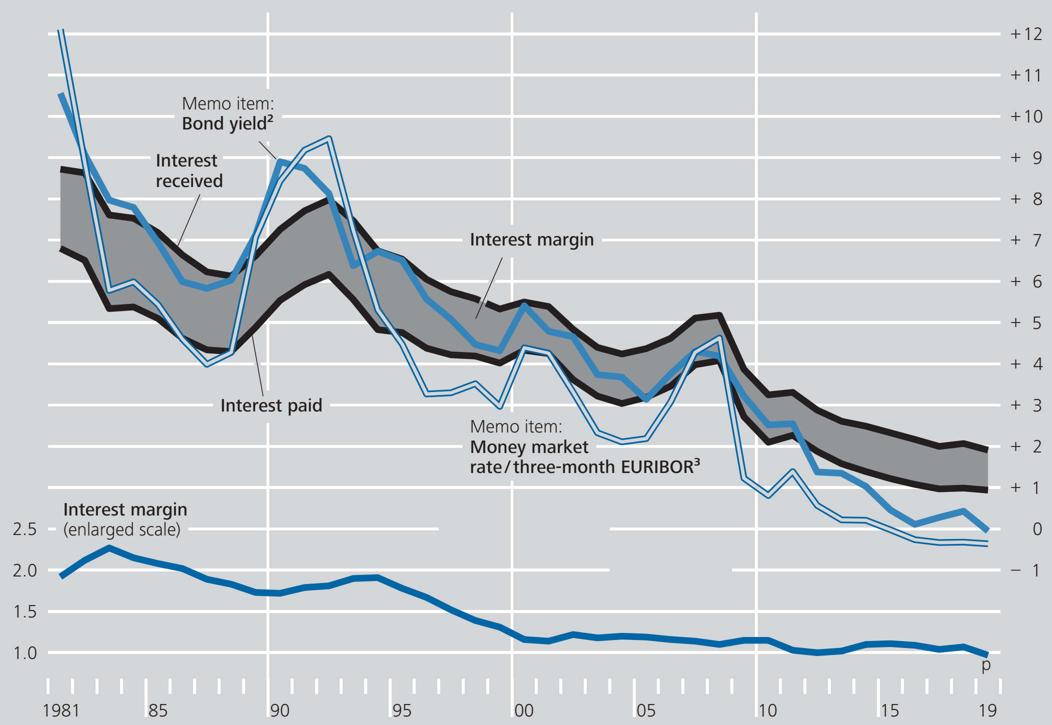
10 The acquisition of Dexia Kommunalbank Deutschland by Landesbank Hessen-Thüringen was completed in the second half of 2019. Dexia Kommunalbank was initially renamed KOFIBA-Kommunalfinanzierungsbank GmbH in May 2019 and was not merged with Landesbank Hessen-Thüringen until September 2019.
11 Banks reported in the Bank Lending Survey (BLS) that demand for loans, especially loans to households for house purchase, had increased owing to the low general interest rate level (see also Deutsche Bundesbank 2019/2020, January 2020 survey round).

Interest received and interest paid by credit institutions

As a percentage of total assets[1]



1 Up to end-1998, as a percentage of the average volume of business. **2** Average yield on domestic bearer debt securities. **3** Up to end-1998, money market rate for three-month funds in Frankfurt am Main.

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Interest margins reached new lows

The interest margin generated by German credit institutions (net interest income in relation to total assets) fell by 0.1 percentage point on the year to 0.97% in 2019. As credit cooperatives and savings banks make most of their income from interest-related business, they generated the highest interest margins, as in the past: these stood at 1.70% (-0.1 percentage point compared with 2018) and 1.61% (-0.12 percentage point compared with 2018), respectively. By contrast, big banks' interest margin amounted to only 0.65% in the 2019 reporting year (previous year: 0.84%).

Further flattening of yield curve reduces structural margin and prevents interest income from rising

A breakdown by asset/liability and structural margins[12] reveals that the latter was largely responsible for the diminishing interest margin. Whilst asset margins tended to widen in 2019,[13] the interest rate spread between short-term and long-term risk-free investments in the low interest rate setting amounted to only 0.5 percentage point at the end of 2019 (end-2018: 0.95 percentage point).[14] The further flattening

12 The asset/liability margin is the assets/liabilities-side margin contribution expressed in percentage points. This represents the difference between the interest rate charged on a loan/interest paid on a deposit and an alternative transaction of equal maturity in the money or capital market. The structural margin is the structural contribution to net interest income expressed in percentage points. This contribution is generated by banks' maturity transformation, the process in which assets such as loans with longer interest rate fixation periods are generally higher-yielding than the liabilities used to finance them, e.g. deposits with short interest rate fixation periods. See Deutsche Bundesbank (2018), p. 42.
13 The institutions participating in the Bank Lending Survey reported a widening of asset margins on both average and riskier loans to firms and riskier loans to households for house purchase in 2019. At the same time, credit standards and credit terms and conditions were tightened for loans to firms, in particular, in the first three quarters of 2019 owing to worsening costs of funds or elevated balance sheet constraints and an increased perception of risk. See Deutsche Bundesbank (2019/2020), April 2019, July 2019, October 2019 and January 2020 survey rounds.
14 In order to calculate the interest rate spread, the estimated interest rates of listed Federal securities with a residual term to maturity of one and ten years from the capital market statistics were compared. The term structure on the bond market shows the relationship between the interest rates and term to maturity of default-free zero coupon bonds. For information on estimating the term structure of interest rates, see also https://www.bundesbank.de/resource/blob/622360/81235d111935704c5c47a6f3a4f0e173/mL/1997-10-interest-rates-data.pdf

of the yield curve in the course of 2019 made it more difficult to generate earnings from maturity transformation, despite the fact that institutions continued the practice of maturity transformation on a large scale in the reporting year.[15]

In addition, the negative deposit facility rate dampened net interest income in the reporting year as well.[16] This initially stood at -0.4%, before dipping to -0.5% from mid-September 2019. By contrast, the two-tier system for remunerating excess liquidity holdings introduced in the fourth quarter of 2019 is likely to have had a positive impact.[17]

Limited pass-through of negative interest rates

Despite the negative deposit facility rate, the zero lower bound largely retained its binding effect, and institutions passed on negative interest rates to depositors to only a limited extent in the current reporting year, too. However, clear differences were observed between deposits from non-financial corporations and those from households. A large number of institutions charged negative interest rates on sight deposits from non-financial corporations in 2019.[18] For retail deposits, however, negative interest rates were still the exception. Nevertheless, interest rates on deposits from retail customers also saw further cuts.[19]

Net commission income

Net commission income includes income generated by the provision of services to customers. Institutions earn commission income, for example, through fees for account management, from the settlement of securities transactions as well as from the brokerage of real estate, savings and loan contracts, and insurance.[20]

Net commission income up significantly in 2019

The net commission income generated by German credit institutions in 2019 increased by €1.7 billion (5.8%) on the previous year to €31.2 billion. In relation to operating income, net commission income was the second most important source of income, accounting for 26.3%, and its significance has gone up considerably on the previous year. With the exception of 2008, it has now reached the highest level recorded since 1999. Net commission income has thus had a stabilising effect on income in the low interest rate environment of 2019. The commission margin (net commission income in relation to total assets) stood at 0.37% in the reporting year and remained virtually unchanged on the previous year (0.36%) owing to the increase in the aggregate of annual average total assets which was also recorded in the reporting year.

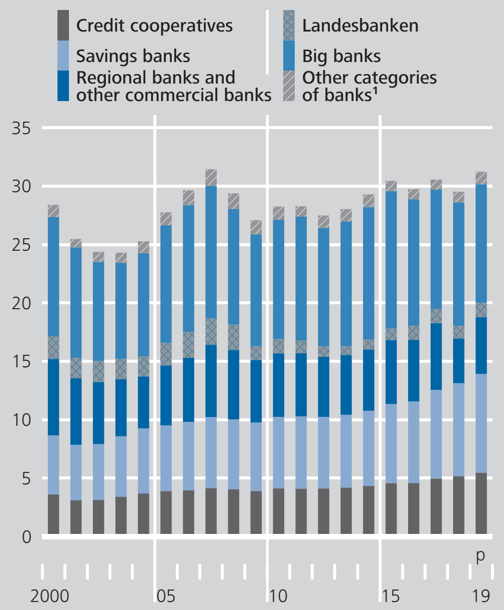
The net commission income of savings banks and credit cooperatives, in particular, increased, by €0.5 billion (6.2%) and €0.3 billion (5.7%), respectively. As commission margins in both categories of banks are more or less constant (savings banks: 0.64%; credit cooperatives: 0.57%), this would suggest that this development is due to a larger customer base rather than higher fees, as the expansion of credit and deposit business simultaneously pushed up total assets.

The net commission income of regional banks and other commercial banks also rose significantly by €1.0 billion (around 27%), which is

15 At around 46%, overall deposits as a percentage of annual average total assets remained virtually unchanged on the year in the period under review. By contrast, relative to annual average total assets, in 2019 the share of sight deposits rose slightly on the year, climbing by 0.6 percentage point to 27.6%, while the share of term deposits fell by around 1 percentage point to 10.8%. At the same time, 81.6% of loans issued by German institutions to domestic customers at the end of 2019 were loans of a long-term nature. Relative to annual average total assets, the share of long-term loans in 2019 remained unchanged year on year, at around 30%.
16 See Deutsche Bundesbank (2019/2020), April 2019, October 2019 and April 2020 survey rounds.
17 See Deutsche Bundesbank (2019/2020), April 2020 survey round.
18 According to the MFI interest rate statistics, the aggregate interest rate on overnight deposits from non-financial corporations was -0.05% in December 2019. In January of the reporting year, this figure was still -0.03%.
19 According to the MFI interest rate statistics, institutions offered an interest rate of only 0.008% on average for new overnight deposits from retail customers in December 2019. In January 2019, it was still 0.02%.
20 See Deutsche Bundesbank (2019).

Net commission income generated by credit institutions*

€ billion



* Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. 1 Branches of foreign banks, regional institutions of credit cooperatives, mortgage banks, banks with special, development and other central support tasks, and building and loan associations.

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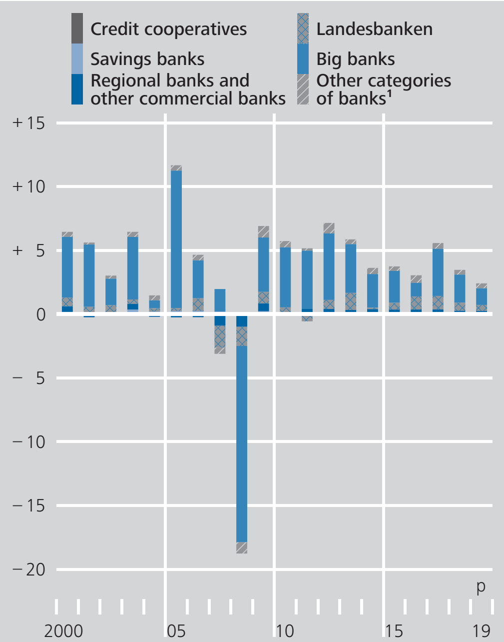
Credit institutions' trading result*

€ billion



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likely to have been partly attributable to shifts in business lines as a result of Brexit. By contrast, big banks recorded a decline of €0.4 billion (4%) to €10.2 billion.

Net result from the trading portfolio

Reduced net result from the trading portfolio

The net result from the trading portfolio fell by €1.1 billion, or more than 30%, to €2.4 billion in 2019. Its share in operating income slipped to 2.0% (previous year: 2.9%). Although fluctuations of this magnitude are not exceptional, the year under review saw the lowest trading result since the 2008 financial crisis. The sharp decline was chiefly driven by losses from derivatives at one institution belonging to the big banks category.

Trading result primarily relevant for big banks and Landesbanken

The trading result represents a major component of income only for big banks (at €1.3 billion, or 4.7% of operating income) and Landesbanken (at €0.5 billion, or 6.4% of operating income). Together, both categories of banks generated around 73% (previous year: around 82%) of the overall trading result.

Other operating result

The other operating result is a summary item used to record income and charges from operating business that have no connection to net interest income, net commission income or the trading result.[21] At €2.5 billion (2.1% of operating income), it increased almost sevenfold on the previous year (2018: €0.4 billion). In 2019, the importance of this item for the German banking system as a whole was thus on a par with the trading result. This development is primarily attributable to both big banks, where

21 It includes leasing expenses and income, the gross result for transactions in goods and subsidiary transactions, depreciation of assets leased, other operating charges and income, and other taxes as well as withdrawals from and transfers to the fund required by the building and loan association rules (only for building and loan associations).

the increase of €1.8 billion virtually cancelled out the negative balance of €1.9 billion from the previous year, as well as regional banks and other commercial banks (+€0.9 billion).

Administrative spending

Administrative spending remains high

Administrative spending encompasses staff costs and other administrative spending. In the reporting year, this item rose by 2.3% to a total of €90.2 billion, thus remaining well above the long-term average of €83.5 billion. Staff costs recorded only a marginal increase of €0.2 billion to €44.5 billion. However, other administrative spending was up by €1.9 billion, or 4.3%, to €45.7 billion. This mainly affected big banks as well as regional banks and other commercial banks. In 2019, the year-on-year increase in other administrative spending amounted to €0.7 billion for big banks and €0.5 billion for regional banks and other commercial banks.

Share of staff costs in administrative spending virtually unchanged

Despite the ongoing consolidation process and further thinning down of the branch network, staff costs – at an average of 49.3% – still accounted for just under half of administrative spending (previous year: 50.2%). The share is still comparatively high for savings banks (61.7%) and credit cooperatives (57.3%). This largely reflects their staffing-intensive business model with many branches throughout Germany. By contrast, big banks' share of staff costs in administrative spending is comparatively small (38.9%). In relation to annual average total assets, savings banks and credit cooperatives also had the highest staffing costs (0.99% and 0.89%, respectively). Across all categories of banks, this share amounted to 0.52%.

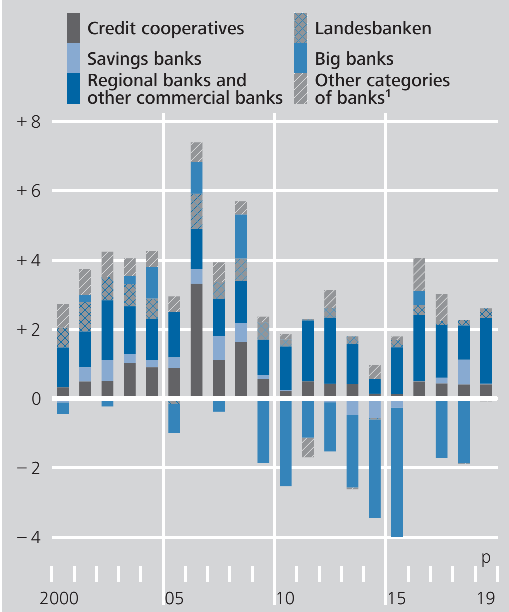
Ongoing digitalisation driving up other administrative spending

Other administrative spending includes, for example, investment in product development, information technology, and digitalisation.[22] In addition, other administrative spending also

22 See Deutsche Bundesbank (2019).

Credit institutions' other operating result*

€ billion



* Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. 1 Branches of foreign banks, regional institutions of credit cooperatives, mortgage banks, banks with special, development and other central support tasks, and building and loan associations.

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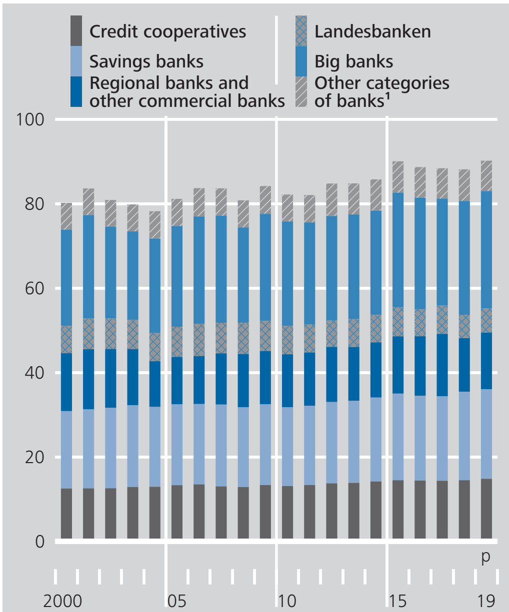
Credit institutions' administrative spending*

€ billion



* Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. 1 Branches of foreign banks, regional institutions of credit cooperatives, mortgage banks, banks with special, development and other central support tasks, and building and loan associations.

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Structural data on German credit institutions

End of year

Category of banks	Number of institutions[1]			Number of branches[1]			Number of employees[2]		
	2017	2018	2019p	2017	2018	2019p	2017	2018	2019p
All categories of banks	1,653	1,603	1,554	30,072	27,834	26,620	585,892	571,084	560,895
Commercial banks	283	281	275	9,004	7,732	7,601	[3] 158,100	[3] 156,200	[3] 153,250
Big banks	4	4	4	6,820	6,298	6,219	.	.	.
Regional banks and other commercial banks	164	158	154	2,024	1,274	1,215	.	.	.
Branches of foreign banks	115	119	117	160	160	167	.	.	.
Landesbanken	8	6	6	356	240	236	31,100	28,800	28,150
Savings banks	390	386	380	9,818	9,492	8,971	216,100	209,600	205,000
Credit cooperatives	918	878	844	9,442	8,942	8,471	[4] 146,400	[4] 142,850	[4] 140,650
Mortgage banks	13	11	10	38	44	38			
Building and loan associations	20	20	19	1,385	1,357	1,278	[5] 13,250	[5] 13,000	[5] 12,850
Banks with special, development and other central support tasks	21	21	20	29	27	25	[6] 20,942	[6] 20,634	[6] 20,995

1 Source: Bank office statistics, in Deutsche Bundesbank, Banking statistics, tables contained in the Statistical Series, IV. Structural figures, multi-office banks, p. 104. The term "credit institution" is used as in the Banking Act, resulting in divergences from data in "Balance sheet statistics" and "Statistics on the banks' profit and loss accounts". **2** Number of full-time and part-time employees excluding the Bundesbank. Sources: data provided by associations and Bundesbank calculations. **3** Employees in private banking, including mortgage banks established under private law. **4** Only employees whose primary occupation is in banking. **5** Only office-based employees. **6** Employees at public mortgage banks (mortgage banks established under public law), banks with special tasks established under public law and DZ BANK AG.

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comprises depreciation of and value adjustments to tangible and intangible assets; these were €1.0 billion up on the year. The increase thus accounted for just over half of the total increase in other administrative spending and was mainly attributable to big banks (+€0.9 billion).

According to German credit institutions' annual reports, ongoing digitalisation as well as consultancy costs and the costs of adapting IT systems to regulatory requirements drove their spending up further. As in the previous year, other administrative spending was reduced, inter alia, by the closure of branches and offices.

Result from the valuation of assets

The valuation result comprises the effects of value adjustments, write-ups and write-downs on accounts receivable and securities in the liquidity reserve.[23] In addition, income and charges in connection with transfers from and to loan-loss provisions are taken into account, as are transfers and releases relating to undisclosed reserves pursuant to Section 340f of the Commercial Code.[24]

Overall, valuation result virtually unchanged

Overall, at -€6.7 billion, the valuation result for 2019 remained virtually unchanged at the low level recorded in the previous year. Both income from value readjustments to loans and advances, and provisions for contingent liabilities and for commitments as well as depreciation of and value adjustments to loans and advances, and provisions for contingent liabilities and for commitments remained virtually unchanged on the year overall.

23 See Deutsche Bundesbank (2019).
24 However, due to the cross-offsetting option permissible under the Commercial Code, the annual accounts do not show the extent to which undisclosed reserves have been formed or released.

Sharp increase in net valuation charges at big banks

However, there was a sharp year-on-year increase in net valuation charges, primarily for big banks, where figures were up twelvefold to almost €4.7 billion. This development was driven primarily by intra-group value adjustments at one big bank.

By contrast, the net valuation charges for other categories of banks fell significantly in some cases compared with the previous year, thus virtually offsetting the negative development at big banks overall. Landesbanken improved their valuation result from -€2.6 billion in 2018 to -€0.3 billion in the reporting year. Here, too, the development was driven mainly by a single institution, where the reduction of its shipping loan portfolio had led to high depreciation in 2018, but this no longer weighed on the valuation result in 2019. In addition, Landesbanken released risk provisions they had set up in previous years.

Credit cooperatives improved their valuation result by €1.4 billion, in particular owing to positive valuation effects on the securities portfolio and the release of risk provisions from previous years, putting their net valuation income at €0.5 billion in 2019. Savings banks likewise recorded an improved valuation result for 2019 compared with the previous year, not least due to releasing risk provisions. However, unlike credit cooperatives, savings banks also reported a €0.4 billion fall in net valuation charges on the year to €0.3 billion in the reporting year.

Regional banks and other commercial banks reduced their net valuation charges by around €0.5 billion compared with the previous year to €1.0 billion in 2019, predominantly as a result of lower depreciation of and value adjustments to loans and advances, and provisions for contingent liabilities and for commitments.

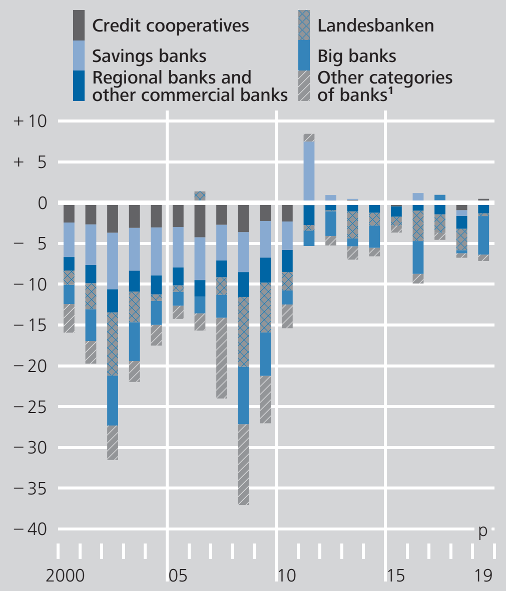
Other and extraordinary result

The negative balance in the other and extraordinary account[25] more than doubled compared with the previous year to €16.1 billion. This development was driven primarily by high value adjustments at one big bank, which caused the result from financial investment business in this category of banks to deteriorate massively by €11.2 billion to -€11.4 billion. Overall, big banks recorded a negative balance of -€12.5 billion in the other and extraordinary account in 2019 (previous year: -€2.2 billion).

Negative balance in other and extraordinary account more than doubled owing to one-off effect at big banks

Credit institutions' risk provisioning (result from the valuation of assets)*

€ billion



* Excluding investment in tangible and financial fixed assets. Where credit institutions have been reassigned to a different category of banks, this is taken into account as of the date of reclassification. **1** Branches of foreign banks, regional institutions of credit cooperatives, mortgage banks, banks with special, development and other central support tasks, and building and loan associations.

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In addition, regional banks and other commercial banks also recorded a negative balance of -€3.1 billion (previous year: -€2.7 billion), largely driven by subsidiaries of foreign institutions transferring profits of €3.4 billion to their par-

25 This includes depreciation of and value adjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets, income from value re-adjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets, charges and income from loss transfers, transfers to special reserves and income from the release of special reserves, extraordinary charges and income as well as profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement.

Breakdown of extraordinary result

€ million

Item	2017	2018	2019p
Other and extraordinary result	– 3,398	– 6,831	– 16,100
Income (total)	5,318	2,779	4,224
Value readjustments to participating interests, shares in affiliated enterprises, and securities treated as fixed assets	3,100	876	1,609
from loss transfers	610	730	772
Extraordinary income	1,608	1,173	1,843
Charges (total)	– 8,716	– 9,610	– 20,324
Depreciation of and value adjustments to participating interests, shares in affiliated enterprises, and securities treated as fixed assets	– 1,466	– 1,723	– 12,154
from loss transfers	– 636	– 497	– 917
Extraordinary charges	– 2,317	– 1,700	– 3,137
Profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement	– 4,297	– 5,690	– 4,116

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ent institutions on the basis of profit pooling, a profit transfer agreement or a partial profit transfer agreement.

Savings banks improved the balance in the other and extraordinary account by €0.8 billion to around zero. This improvement was mainly due to lower depreciation of and value adjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets. In the previous year, depreciation of a Landesbank at certain savings banks had a negative impact on the group result. Credit cooperatives' balance (-€0.2 billion) was unchanged on the year.

Outlook

Economic crisis as a result of coronavirus pandemic also likely to have adverse impact on profitability in 2020

Since the end of 2019, the economic outlook has become bleaker again. In the second quarter of 2020, the coronavirus pandemic triggered the largest decline in economic output in Germany since the beginning of the quarterly calculations of GDP published by the Federal Statistical Office for the period from 1970 onwards.[26] This is also likely to have an adverse impact on the profitability of German credit institutions in 2020. However, due to the high degree of uncertainty regarding the pace of recovery in both the German and the global economy, it is currently difficult to reliably assess the impact of the crisis.

In particular, credit defaults could lead to depreciation and value adjustments, and reduce income in interest-related business

In contrast to the financial crisis of 2008 and 2009, the current situation is primarily affecting the real economy. Therefore, the main threat is likely to be depreciation and value adjustments in the corporate lending business. Deferrals of interest and redemption payments could also weigh on interest-related business and thus on net interest income, albeit to a lesser extent. Although German credit institutions have taken countermeasures and, since the first quarter of

26 See Deutsche Bundesbank (2020a), p. 5.

2020, have increasingly tightened both credit standards and credit terms and conditions in anticipation of higher risks of default,[27] these measures only affect new lending business.

Growing signs of economic recovery

However, positive developments can also be observed, at least with regard to crisis-related and cyclical credit risks. While the picture obtained from economic indicators in the second quarter of 2020 is mixed, there are growing signs that industrial output has already bottomed out and that the economic recovery will continue in the second half of 2020.[28] This is likely to have a positive impact on the development of credit risk for German banks and to curb the expected crisis-induced rise in credit defaults compared with 2019.

Factors unrelated to the pandemic still important

Furthermore, the profitability of German institutions is likely to continue to be affected by factors unrelated to the coronavirus pandemic. The foreseeable persistence of the low interest rate phase will keep weighing on traditional interest business and cause further considerable pressure to cut costs. In addition, investment in digitalisation will continue to pose a major challenge for the industry in the future.

27 See Deutsche Bundesbank (2019/2020), April 2020 and July 2020 survey rounds.
28 See Deutsche Bundesbank (2020a), p. 5 and Deutsche Bundesbank (2020b), p. 7.

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The tables accompanying this article are printed on pp. 95 ff.

Major components of credit institutions' profit and loss accounts by category of banks*

As a percentage of total assets°

Financial year	All categories of banks	Commercial banks: Total	of which: Big banks[1]	of which: Regional banks and other commercial banks[1]	Landesbanken[1]	Savings banks[1]	Credit cooperatives	Mortgage banks[1]	Building and loan associations	Banks with special, development and other central support tasks
	Interest received[2]									
2013	2.61	1.70	1.29	3.09	3.49	3.40	3.40	3.91	3.61	2.58
2014	2.49	1.74	1.38	2.91	3.20	3.15	3.15	3.86	3.39	2.38
2015	2.33	1.66	1.33	2.71	3.04	2.90	2.84	4.07	3.18	2.21
2016	2.17	1.58	1.30	2.37	2.81	2.64	2.55	4.01	2.89	2.15
2017	2.00	1.54	1.26	2.25	2.74	2.42	2.33	3.35	2.63	1.78
2018	2.07	1.82	1.62	2.45	3.10	2.17	2.13	2.99	2.42	1.67
2019	1.91	1.58	1.41	2.08	3.23	2.03	2.00	2.80	2.34	1.52
	Interest paid									
2013	1.58	0.80	0.61	1.50	2.81	1.29	1.15	3.53	2.07	2.32
2014	1.39	0.77	0.60	1.30	2.47	1.06	0.94	3.38	1.95	1.95
2015	1.22	0.67	0.52	1.14	2.29	0.84	0.71	3.47	1.85	1.76
2016	1.08	0.61	0.52	0.85	2.04	0.68	0.55	3.47	1.73	1.73
2017	0.97	0.66	0.58	0.89	2.02	0.56	0.43	2.78	1.47	1.36
2018	0.99	0.82	0.77	0.98	2.43	0.44	0.33	2.25	1.29	1.28
2019	0.94	0.74	0.76	0.72	2.61	0.42	0.30	1.99	1.32	1.13
	Excess of interest received over interest paid = net interest income (interest margin)									
2013	1.02	0.89	0.69	1.60	0.68	2.10	2.25	0.38	1.54	0.26
2014	1.10	0.97	0.77	1.62	0.72	2.09	2.21	0.48	1.45	0.43
2015	1.11	0.99	0.81	1.56	0.76	2.06	2.14	0.60	1.32	0.45
2016	1.09	0.97	0.78	1.52	0.77	1.96	1.99	0.54	1.16	0.42
2017	1.04	0.87	0.68	1.36	0.73	1.87	1.90	0.58	1.16	0.42
2018	1.07	1.00	0.84	1.47	0.67	1.73	1.80	0.74	1.13	0.39
2019	0.97	0.84	0.65	1.36	0.62	1.61	1.70	0.81	1.03	0.38
	Excess of commissions received over commissions paid = net commission income (commission margin)									
2013	0.32	0.43	0.38	0.62	0.06	0.57	0.56	0.01	− 0.31	0.11
2014	0.35	0.47	0.43	0.63	0.07	0.58	0.56	0.00	− 0.26	0.12
2015	0.35	0.47	0.43	0.62	0.09	0.60	0.57	0.00	− 0.27	0.11
2016	0.36	0.45	0.42	0.56	0.12	0.60	0.55	− 0.01	− 0.23	0.10
2017	0.37	0.45	0.43	0.54	0.13	0.64	0.57	− 0.02	− 0.21	0.10
2018	0.36	0.43	0.45	0.40	0.13	0.63	0.57	− 0.03	− 0.21	0.11
2019	0.37	0.42	0.41	0.48	0.14	0.64	0.57	− 0.05	− 0.23	0.12

* The figures for the most recent date should be regarded as provisional in all cases. ° Excluding the total assets of the foreign branches of savings banks, excluding the total assets of the foreign branches of regional institutions of credit cooperatives until 2015 and, from 2016, excluding the total assets of the foreign branches of mortgage banks. For footnotes **1** and **2**, see p. 96.
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Major components of credit institutions' profit and loss accounts by category of banks* (cont'd)

As a percentage of total assets°

Financial year	All categories of banks	Commercial banks: Total	of which: Big banks[1]	of which: Regional banks and other commercial banks[1]	Landesbanken[1]	Savings banks[1]	Credit cooperatives	Mortgage banks[1]	Building and loan associations	Banks with special, development and other central support tasks
	General administrative spending									
2013	0.97	1.03	0.89	1.55	0.54	1.77	1.85	0.27	0.91	0.30
2014	1.01	1.08	0.93	1.57	0.57	1.79	1.84	0.29	0.90	0.32
2015	1.05	1.11	0.99	1.53	0.63	1.81	1.82	0.30	0.81	0.32
2016	1.06	1.14	1.02	1.49	0.66	1.74	1.73	0.32	0.83	0.33
2017	1.07	1.14	1.06	1.41	0.71	1.69	1.66	0.38	0.83	0.33
2018	1.09	1.17	1.15	1.32	0.69	1.65	1.59	0.42	0.82	0.34
2019	1.06	1.15	1.12	1.32	0.66	1.61	1.55	0.40	0.77	0.31
	Result from the trading portfolio									
2013	0.07	0.11	0.14	0.04	0.11	0.00	0.00	0.00	0.00	0.03
2014	0.04	0.09	0.10	0.04	0.01	0.00	0.00	0.00	0.00	0.04
2015	0.04	0.08	0.09	0.04	0.05	0.00	0.00	0.00	0.00	0.03
2016	0.04	0.04	0.04	0.04	0.11	0.00	0.00	0.00	0.00	0.04
2017	0.07	0.12	0.15	0.03	0.11	0.00	0.00	0.00	0.00	0.03
2018	0.04	0.07	0.09	0.03	0.08	0.00	0.00	0.00	0.00	0.03
2019	0.03	0.04	0.05	0.02	0.05	0.00	0.00	0.00	– 0.02	0.03
	Operating result before the valuation of assets									
2013	0.43	0.38	0.25	0.85	0.33	0.86	1.01	0.09	0.33	0.10
2014	0.45	0.39	0.26	0.78	0.23	0.83	0.95	0.21	0.26	0.29
2015	0.44	0.36	0.20	0.84	0.28	0.82	0.91	0.29	0.23	0.26
2016	0.47	0.39	0.23	0.83	0.38	0.83	0.87	0.21	0.43	0.25
2017	0.42	0.30	0.13	0.67	0.27	0.83	0.86	0.16	0.42	0.23
2018	0.40	0.31	0.16	0.68	0.21	0.77	0.81	0.28	0.11	0.18
2019	0.33	0.21	– 0.01	0.73	0.18	0.65	0.76	0.38	0.03	0.21
	Result from the valuation of assets									
2013	– 0.07	– 0.06	– 0.03	– 0.13	– 0.27	0.01	0.04	– 0.08	– 0.04	– 0.09
2014	– 0.08	– 0.11	– 0.10	– 0.12	– 0.14	0.00	– 0.03	– 0.07	0.14	– 0.08
2015	– 0.04	– 0.03	0.00	– 0.14	– 0.10	0.01	– 0.06	– 0.09	– 0.03	– 0.03
2016	– 0.10	– 0.14	– 0.16	– 0.10	– 0.38	0.09	0.01	– 0.04	0.01	– 0.07
2017	– 0.04	– 0.02	0.03	– 0.12	– 0.24	0.02	– 0.02	0.01	– 0.03	– 0.07
2018	– 0.08	– 0.06	– 0.02	– 0.16	– 0.33	– 0.06	– 0.10	– 0.15	0.01	– 0.02
2019	– 0.08	– 0.16	– 0.19	– 0.10	– 0.04	– 0.02	0.05	– 0.05	0.02	– 0.05

For footnotes * and °, see p. 95. **1** From 2018, DB Privat- und Firmenkundenbank AG (merger between Deutsche Postbank AG, belonging to the category "Big banks", with Deutsche Bank Privat- und Geschäftskunden AG, belonging to the category "Regional banks and other commercial banks") allocated to the category "Big banks". HSH Nordbank allocated to the category "Regional banks and other commercial banks" and Landesbank Berlin allocated to the category "Savings banks". DSK Hyp AG (formerly SEB AG) allocated to the category "Mortgage banks". Wüstenrot Bank Aktiengesellschaft Pfandbriefbank allocated to the category "Regional banks and other commercial banks". **2** Interest received plus current income and profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement.

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Major components of credit institutions' profit and loss accounts by category of banks* (cont'd)

As a percentage of total assets°

Financial year	All categories of banks	Commercial banks: Total	of which: Big banks[1]	of which: Regional banks and other commercial banks[1]	Landesbanken[1]	Savings banks[1]	Credit cooperatives	Mortgage banks[1]	Building and loan associations	Banks with special, development and other central support tasks
	Operating result									
2013	0.36	0.33	0.21	0.72	0.06	0.88	1.06	0.01	0.29	0.02
2014	0.37	0.28	0.16	0.65	0.10	0.83	0.93	0.14	0.39	0.21
2015	0.40	0.33	0.21	0.70	0.18	0.83	0.85	0.20	0.20	0.23
2016	0.37	0.25	0.08	0.73	0.00	0.92	0.88	0.17	0.44	0.18
2017	0.37	0.28	0.16	0.55	0.03	0.85	0.84	0.17	0.40	0.15
2018	0.32	0.25	0.14	0.51	− 0.12	0.71	0.71	0.14	0.11	0.17
2019	0.26	0.04	− 0.20	0.63	0.14	0.62	0.81	0.32	0.05	0.16
	Other and extraordinary result									
2013	− 0.11	− 0.16	− 0.08	− 0.41	− 0.10	− 0.09	− 0.04	0.02	− 0.07	− 0.07
2014	− 0.08	− 0.10	− 0.02	− 0.34	− 0.13	− 0.05	− 0.02	− 0.18	− 0.03	− 0.01
2015	− 0.09	− 0.19	− 0.11	− 0.45	− 0.01	− 0.03	− 0.02	− 0.01	0.00	− 0.01
2016	− 0.03	− 0.06	0.04	− 0.36	− 0.05	− 0.03	0.04	0.01	− 0.02	0.00
2017	− 0.04	− 0.10	− 0.05	− 0.23	0.07	− 0.01	0.00	0.03	0.04	− 0.04
2018	− 0.08	− 0.14	− 0.09	− 0.28	− 0.01	− 0.06	− 0.02	− 0.04	− 0.01	− 0.06
2019	− 0.19	− 0.43	− 0.50	− 0.30	− 0.05	0.00	− 0.02	− 0.09	0.13	0.00
	Profit or loss (–) for the financial year before tax									
2013	0.25	0.17	0.13	0.30	− 0.04	0.78	1.02	0.02	0.22	− 0.05
2014	0.30	0.19	0.14	0.32	− 0.03	0.78	0.91	− 0.04	0.36	0.20
2015	0.31	0.14	0.10	0.25	0.17	0.79	0.84	0.20	0.20	0.21
2016	0.33	0.19	0.12	0.37	− 0.06	0.89	0.93	0.18	0.41	0.17
2017	0.33	0.18	0.12	0.32	0.10	0.84	0.84	0.21	0.43	0.12
2018	0.23	0.10	0.05	0.23	− 0.13	0.65	0.69	0.09	0.11	0.11
2019	0.07	− 0.39	− 0.71	0.32	0.10	0.63	0.79	0.23	0.17	0.15
	Profit or loss (–) for the financial year after tax									
2013	0.17	0.12	0.09	0.22	− 0.08	0.54	0.76	0.01	0.12	− 0.07
2014	0.21	0.14	0.10	0.23	− 0.08	0.53	0.64	− 0.06	0.24	0.19
2015	0.21	0.09	0.06	0.16	0.10	0.54	0.57	0.17	0.16	0.17
2016	0.24	0.13	0.09	0.26	− 0.11	0.63	0.67	0.14	0.34	0.17
2017	0.24	0.13	0.09	0.20	0.05	0.60	0.58	0.13	0.37	0.13
2018	0.15	0.08	0.05	0.13	− 0.20	0.44	0.47	0.04	0.05	0.09
2019	− 0.02	− 0.45	− 0.75	0.20	0.07	0.44	0.57	0.16	0.15	0.12

For footnotes * and °, see p. 95. For footnote **1**, see p. 96.
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Credit institutions' profit and loss accounts*

Financial year	Number of reporting institutions	Total assets[1]	Interest business: Net interest income (col. 4 less col. 5)	Interest business: Interest received[2]	Interest business: Interest paid	Commissions business: Net commission income (col. 7 less col. 8)	Commissions business: Commissions received	Commissions business: Commissions paid	Result from the trading portfolio	Other operating result	Operating income[3] (col. 3 plus col. 6 plus col. 9 plus col. 10)
	1	2	3	4	5	6	7	8	9	10	11
		€ billion									
2012	1,776	9,542.7	95.5	274.7	179.2	27.5	40.0	12.5	7.1	1.6	131.8
2013	1,748	8,755.4	89.5	228.2	138.7	28.0	40.6	12.6	5.9	− 0.8	122.6
2014	1,715	8,452.6	93.4	210.8	117.4	29.3	42.6	13.3	3.6	− 2.5	123.8
2015	1,679	8,605.6	95.9	200.9	105.0	30.5	44.5	14.1	3.7	− 2.2	127.9
2016	1,611	8,355.0	91.1	181.5	90.4	29.7	43.2	13.5	3.0	4.1	128.0
2017	1,538	8,251.2	85.5	165.4	79.9	30.6	44.2	13.6	5.6	1.3	122.9
2018	1,484	8,118.3	87.2	167.8	80.6	29.5	43.1	13.6	3.5	0.4	120.6
2019	1,440	8,532.7	82.5	162.8	80.3	31.2	45.8	14.5	2.4	2.5	118.6
	Year-on-year percentage change										
2013	− 1.6	− 8.2	− 6.3	− 16.9	− 22.6	2.0	1.7	1.0	− 18.0	.	− 7.0
2014	− 1.9	− 3.5	4.4	− 7.6	− 15.3	4.5	5.0	6.1	− 38.2	− 201.2	1.0
2015	− 2.1	1.8	2.7	− 4.7	− 10.6	4.0	4.5	5.5	3.0	11.1	3.3
2016	− 4.1	− 2.9	− 4.9	− 9.6	− 13.9	− 2.3	− 3.0	− 4.4	− 18.4	.	0.1
2017	− 4.5	− 1.2	− 6.2	− 8.9	− 11.6	2.7	2.3	1.3	82.9	− 67.9	− 4.0
2018	− 3.5	− 1.6	2.0	1.4	0.8	− 3.4	− 2.4	− 0.2	− 37.7	− 70.1	− 1.9
2019	− 3.0	5.1	− 5.4	− 3.0	− 0.4	5.8	6.1	6.8	− 30.5	547.9	− 1.6
	As a percentage of total assets										
2012	.	.	1.00	2.88	1.88	0.29	0.42	0.13	0.07	0.02	1.38
2013	.	.	1.02	2.61	1.58	0.32	0.46	0.14	0.07	− 0.01	1.40
2014	.	.	1.10	2.49	1.39	0.35	0.50	0.16	0.04	− 0.03	1.47
2015	.	.	1.11	2.33	1.22	0.35	0.52	0.16	0.04	− 0.03	1.49
2016	.	.	1.09	2.17	1.08	0.36	0.52	0.16	0.04	0.05	1.53
2017	.	.	1.04	2.00	0.97	0.37	0.54	0.17	0.07	0.02	1.49
2018	.	.	1.07	2.07	0.99	0.36	0.53	0.17	0.04	0.00	1.49
2019	.	.	0.97	1.91	0.94	0.37	0.54	0.17	0.03	0.03	1.39

* The figures for the most recent date should be regarded as provisional in all cases. **1** Excluding the total assets of the foreign branches of savings banks, excluding the total assets of the foreign branches of regional institutions of credit cooperatives until 2015 and, from 2016, excluding the total assets of the foreign branches of mortgage banks. **2** Interest received plus current income and profits transferred under profit pooling, a profit transfer agreement or a partial profit

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General administrative spending: Total (col. 13 plus col. 14)	General administrative spending: Staff costs	General administrative spending: Total other administrative spending4	Operating result before the valuation of assets (col. 11 less col. 12)	Result from the valuation of assets (other than tangible or financial fixed assets)	Operating result (col. 15 plus col. 16)	Other and extra-ordinary result	Profit or loss (–) for the financial year before tax (col. 17 plus col. 18)	Taxes on income and earnings	Profit or loss (–) for the financial year after tax (col. 19 less col. 20)	Financial year
12	13	14	15	16	17	18	19	20	21	
									€ billion	
84.8	44.6	40.2	47.0	– 4.3	42.7	– 11.9	30.8	8.8	22.0	2012
84.8	43.8	41.0	37.8	– 6.5	31.2	– 9.3	22.0	7.4	14.6	2013
85.8	44.0	41.8	38.1	– 6.6	31.5	– 6.5	25.0	7.6	17.4	2014
90.0	46.0	44.0	37.9	– 3.5	34.4	– 7.8	26.6	8.4	18.1	2015
88.7	44.6	44.0	39.4	– 8.8	30.6	– 2.8	27.8	7.9	19.9	2016
88.4	44.6	43.8	34.5	– 3.6	30.9	– 3.4	27.5	7.5	20.0	2017
88.1	44.3	43.9	32.4	– 6.8	25.7	– 6.8	18.9	6.7	12.2	2018
90.2	44.4	45.7	28.5	– 6.7	21.8	– 16.1	5.7	7.7	– 2.1	2019
									Year-on-year percentage change	
0.0	– 1.9	2.2	– 19.6	– 50.9	– 26.8	21.8	– 28.7	– 15.8	– 33.9	2013
1.1	0.5	1.8	0.9	– 0.6	0.9	29.8	13.9	3.0	19.4	2014
5.0	4.7	5.3	– 0.6	46.9	9.0	– 19.7	6.3	11.2	4.1	2015
– 1.5	– 3.1	0.1	4.0	– 150.3	– 10.9	63.9	4.6	– 6.7	9.9	2016
– 0.3	– 0.1	– 0.5	– 12.2	58.7	1.0	– 20.8	– 1.0	– 4.3	0.4	2017
– 0.3	– 0.6	0.1	– 6.0	– 86.9	– 16.9	– 101.0	– 31.5	– 11.2	– 39.1	2018
2.3	0.4	4.3	– 12.3	0.9	– 15.3	– 135.7	– 69.9	15.8	.	2019
									As a percentage of total assets	
0.89	0.47	0.42	0.49	– 0.05	0.45	– 0.12	0.32	0.09	0.23	2012
0.97	0.50	0.47	0.43	– 0.07	0.36	– 0.11	0.25	0.08	0.17	2013
1.01	0.52	0.49	0.45	– 0.08	0.37	– 0.08	0.30	0.09	0.21	2014
1.05	0.53	0.51	0.44	– 0.04	0.40	– 0.09	0.31	0.10	0.21	2015
1.06	0.53	0.53	0.47	– 0.10	0.37	– 0.03	0.33	0.09	0.24	2016
1.07	0.54	0.53	0.42	– 0.04	0.37	– 0.04	0.33	0.09	0.24	2017
1.09	0.55	0.54	0.40	– 0.08	0.32	– 0.08	0.23	0.08	0.15	2018
1.06	0.52	0.54	0.33	– 0.08	0.26	– 0.19	0.07	0.09	– 0.02	2019

transfer agreement. **3** Net interest and commission income plus result from the trading portfolio and other operating result. **4** Including depreciation of and value adjustments to tangible and intangible assets, but excluding depreciation of and value adjustments to assets leased (“broad” definition).

Profit and loss accounts by category of banks*

Financial year	Number of reporting institutions	Total assets[1]	Net interest income (col. 4 less col. 5)	Interest received[2]	Interest paid	Net commission income (col. 7 less col. 8)	Commissions received	Commissions paid	Result from the trading portfolio	Other operating result	Operating income[3] (col. 3 plus col. 6 plus col. 9 plus col. 10)
		€ million	Interest business			Commissions business					
	1	2	3	4	5	6	7	8	9	10	11
	All categories of banks										
2014	1,715	8,452,585	93,398	210,822	117,424	29,297	42,639	13,342	3,624	– 2,470	123,849
2015	1,679	8,605,560	95,887	200,861	104,974	30,461	44,542	14,081	3,734	– 2,196	127,886
2016	1,611	8,355,020	91,146	181,543	90,397	29,746	43,201	13,455	3,046	4,065	128,003
2017	1,538	8,251,175	85,486	165,387	79,901	30,559	44,190	13,631	5,572	1,304	122,921
2018	1,484	8,118,298	87,202	167,777	80,575	29,522	43,124	13,602	3,470	390	120,584
2019	1,440	8,532,738	82,467	162,759	80,292	31,240	45,762	14,522	2,412	2,527	118,646
	Commercial banks										
2014	183	3,532,938	34,370	61,502	27,132	16,686	24,065	7,379	3,026	– 2,335	51,747
2015	177	3,678,042	36,282	60,993	24,711	17,337	25,183	7,846	2,867	– 2,320	54,166
2016	171	3,580,912	34,768	56,451	21,683	16,204	23,873	7,669	1,429	2,427	54,828
2017	172	3,532,639	30,887	54,373	23,486	16,027	23,832	7,805	4,074	– 83	50,905
2018	167	3,404,697	34,140	62,134	27,994	14,514	22,145	7,631	2,462	– 779	50,337
2019	165	3,591,261	30,199	56,670	26,471	15,154	23,253	8,099	1,546	1,959	48,858
	Big banks[7]										
2014	4	2,647,559	20,491	36,414	15,923	11,336	14,269	2,933	2,635	– 2,844	31,618
2015	4	2,736,876	22,151	36,394	14,243	11,762	14,569	2,807	2,496	– 3,732	32,677
2016	4	2,575,072	20,126	33,572	13,446	10,817	13,510	2,693	1,069	405	32,417
2017	4	2,400,315	16,369	30,216	13,847	10,205	12,929	2,724	3,701	– 1,712	28,563
2018	4	2,346,111	19,751	37,924	18,173	10,573	13,478	2,905	2,196	– 1,866	30,654
2019	4	2,475,076	16,126	34,920	18,794	10,154	13,650	3,496	1,302	– 32	27,550
	Regional banks and other commercial banks[7]										
2014	160	833,806	13,500	24,305	10,805	5,245	9,674	4,429	375	428	19,548
2015	154	884,457	13,832	23,939	10,107	5,469	10,492	5,023	353	1,348	21,002
2016	148	942,665	14,369	22,343	7,974	5,286	10,245	4,959	340	1,916	21,911
2017	149	1,048,189	14,237	23,545	9,308	5,712	10,779	5,067	350	1,516	21,815
2018	145	962,520	14,149	23,562	9,413	3,827	8,543	4,716	261	986	19,223
2019	142	1,013,378	13,793	21,103	7,310	4,863	9,456	4,593	238	1,893	20,787
	Branches of foreign banks										
2014	19	51,573	379	783	404	105	122	17	16	81	581
2015	19	56,709	299	660	361	106	122	16	18	64	487
2016	19	63,175	273	536	263	101	118	17	20	106	500
2017	19	84,135	281	612	331	110	124	14	23	113	527
2018	18	96,066	240	648	408	114	124	10	5	101	460
2019	19	102,807	280	647	367	137	147	10	6	98	521
	Landesbanken[7]										
2014	9	1,139,438	8,243	36,437	28,194	847	2,632	1,785	112	– 37	9,165
2015	9	1,087,623	8,230	33,092	24,862	995	2,816	1,821	535	210	9,970
2016	9	975,957	7,558	27,464	19,906	1,216	2,810	1,594	1,026	289	10,089
2017	8	940,293	6,833	25,797	18,964	1,238	2,867	1,629	1,059	114	9,244
2018	6	803,978	5,365	24,895	19,530	1,074	2,408	1,334	634	160	7,233
2019	6	862,346	5,327	27,818	22,491	1,226	2,617	1,391	466	280	7,299

For footnotes * and **1**-**7**, see pp. 102 f.
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General administrative spending												
Total (col. 13 plus col. 14)	Staff costs	Total other administrative spending[4]	Operating result before the valuation of assets (col. 11 less col. 12)	Result from the valuation of assets (other than tangible or financial fixed assets)	Operating result (col. 15 plus col. 16)	Other and extra-ordinary result	Profit or loss (–) for the financial year before tax (col. 17 plus col. 18)	Taxes on income and earnings[5]	Profit or loss (–) for the financial year after tax (col. 19 less col. 20)	Withdrawals from or transfers to (–) reserves and participation rights capital[6]	Balance sheet profit or loss (–) (col. 21 plus col. 22)	Financial year
12	13	14	15	16	17	18	19	20	21	22	23	
											All categories of banks	
85,756	43,979	41,777	38,093	− 6,583	31,510	− 6,510	25,000	7,596	17,404	− 15,454	1,950	2014
90,033	46,039	43,994	37,853	− 3,497	34,356	− 7,791	26,565	8,445	18,120	− 15,436	2,684	2015
88,653	44,615	44,038	39,350	− 8,754	30,596	− 2,812	27,784	7,875	19,909	− 15,395	4,514	2016
88,389	44,563	43,826	34,532	− 3,619	30,913	− 3,398	27,515	7,536	19,979	− 16,777	3,202	2017
88,135	44,282	43,853	32,449	− 6,763	25,686	− 6,831	18,855	6,692	12,163	− 13,116	− 953	2018
90,180	44,446	45,734	28,466	− 6,700	21,766	− 16,100	5,666	7,749	− 2,083	6,647	4,564	2019
											Commercial banks	
37,990	16,216	21,774	13,757	− 3,797	9,960	− 3,367	6,593	1,776	4,817	− 2,812	2,005	2014
40,961	17,530	23,431	13,205	− 1,183	12,022	− 6,890	5,132	1,969	3,163	− 1,870	1,293	2015
40,723	17,379	23,344	14,105	− 5,130	8,975	− 2,248	6,727	1,954	4,773	148	4,921	2016
40,400	17,160	23,240	10,505	− 540	9,965	− 3,536	6,429	1,885	4,544	− 4,064	480	2017
39,899	16,558	23,341	10,438	− 1,992	8,446	− 4,918	3,528	906	2,622	− 4,264	− 1,642	2018
41,472	16,934	24,538	7,386	− 5,772	1,614	− 15,571	− 13,957	2,344	− 16,301	17,507	1,206	2019
											Big banks[7]	
24,683	10,450	14,233	6,935	− 2,717	4,218	− 559	3,659	993	2,666	− 729	1,937	2014
27,101	11,422	15,679	5,576	85	5,661	− 2,953	2,708	1,082	1,626	− 216	1,410	2015
26,378	11,134	15,244	6,039	− 4,021	2,018	1,127	3,145	864	2,281	1,918	4,199	2016
25,324	10,489	14,835	3,239	666	3,905	− 1,126	2,779	559	2,220	− 433	1,787	2017
26,944	10,660	16,284	3,710	− 382	3,328	− 2,179	1,149	− 97	1,246	22	1,268	2018
27,805	10,806	16,999	− 255	− 4,723	− 4,978	− 12,480	− 17,458	988	− 18,446	21,922	3,476	2019
											Regional banks and other commercial banks[7]	
13,068	5,655	7,413	6,480	− 1,042	5,438	− 2,808	2,630	672	1,958	− 2,066	− 108	2014
13,562	5,987	7,575	7,440	− 1,267	6,173	− 3,937	2,236	802	1,434	− 1,633	− 199	2015
14,065	6,121	7,944	7,846	− 988	6,858	− 3,375	3,483	1,022	2,461	− 1,750	711	2016
14,795	6,538	8,257	7,020	− 1,252	5,768	− 2,405	3,363	1,257	2,106	− 3,612	− 1,506	2017
12,702	5,781	6,921	6,521	− 1,574	4,947	− 2,739	2,208	945	1,263	− 4,258	− 2,995	2018
13,384	6,001	7,383	7,403	− 1,027	6,376	− 3,090	3,286	1,282	2,004	− 4,393	− 2,389	2019
											Branches of foreign banks	
239	111	128	342	− 38	304	0	304	111	193	− 17	176	2014
298	121	177	189	− 1	188	0	188	85	103	− 21	82	2015
280	124	156	220	− 121	99	0	99	68	31	− 20	11	2016
281	133	148	246	46	292	− 5	287	69	218	− 19	199	2017
253	117	136	207	− 36	171	0	171	58	113	− 28	85	2018
283	127	156	238	− 22	216	− 1	215	74	141	− 22	119	2019
											Landesbanken[7]	
6,498	3,261	3,237	2,667	− 1,580	1,087	− 1,455	− 368	511	− 879	1,406	527	2014
6,893	3,488	3,405	3,077	− 1,114	1,963	− 158	1,805	764	1,041	− 580	461	2015
6,412	2,889	3,523	3,677	− 3,725	− 48	− 499	− 547	505	− 1,052	182	− 870	2016
6,699	3,083	3,616	2,545	− 2,257	288	656	944	443	501	− 741	− 240	2017
5,538	2,789	2,749	1,695	− 2,625	− 930	− 91	− 1,021	603	− 1,624	− 128	− 1,752	2018
5,729	2,805	2,924	1,570	− 337	1,233	− 410	823	196	627	− 575	52	2019

Profit and loss accounts by category of banks* (cont'd)

Financial year		€ million	Interest business			Commissions business					
	Number of reporting institutions	Total assets[1]	Net interest income (col. 4 less col. 5)	Interest received[2]	Interest paid	Net commission income (col. 7 less col. 8)	Commissions received	Commissions paid	Result from the trading portfolio	Other operating result	Operating income[3] (col. 3 plus col. 6 plus col. 9 plus col. 10)
	1	2	3	4	5	6	7	8	9	10	11
	Savings banks[7]										
2014	416	1,110,362	23,237	35,028	11,791	6,441	6,854	413	8	– 563	29,123
2015	413	1,130,688	23,285	32,807	9,522	6,776	7,211	435	– 7	– 260	29,794
2016	403	1,154,475	22,667	30,520	7,853	6,975	7,423	448	10	7	29,659
2017	390	1,179,915	22,018	28,577	6,559	7,590	8,069	479	6	169	29,783
2018	386	1,267,726	21,949	27,541	5,592	7,965	8,778	813	1	718	30,633
2019	380	1,315,579	21,214	26,758	5,544	8,455	9,402	947	10	23	29,702
	Credit cooperatives										
2014	1,047	771,932	17,063	24,305	7,242	4,324	5,266	942	10	143	21,540
2015	1,021	798,178	17,077	22,705	5,628	4,564	5,570	1,006	5	132	21,778
2016	972	832,181	16,578	21,180	4,602	4,577	5,601	1,024	10	495	21,660
2017	915	868,255	16,475	20,250	3,775	4,957	6,071	1,114	10	437	21,879
2018	875	911,385	16,375	19,424	3,049	5,160	6,318	1,158	4	408	21,947
2019	841	957,859	16,261	19,156	2,895	5,455	6,717	1,262	6	410	22,132
	Mortgage banks[7]										
2014	17	421,014	2,007	16,232	14,225	14	225	211	– 4	108	2,125
2015	16	376,908	2,245	15,323	13,078	– 11	212	223	– 2	9	2,241
2016	15	289,800	1,565	11,623	10,058	– 43	176	219	0	14	1,536
2017	13	236,414	1,360	7,921	6,561	– 48	158	206	0	– 35	1,277
2018	11	233,165	1,732	6,975	5,243	– 80	97	177	6	– 27	1,631
2019	10	234,978	1,908	6,576	4,668	– 109	116	225	0	15	1,814
	Building and loan associations										
2014	21	210,066	3,037	7,126	4,089	– 547	1,339	1,886	0	– 53	2,437
2015	21	214,613	2,841	6,818	3,977	– 590	1,375	1,965	0	– 2	2,249
2016	20	215,668	2,503	6,233	3,730	– 503	1,260	1,763	0	717	2,717
2017	20	227,924	2,634	5,995	3,361	– 481	1,226	1,707	0	701	2,854
2018	20	233,865	2,653	5,661	3,008	– 500	1,295	1,795	0	14	2,167
2019	19	237,363	2,438	5,566	3,128	– 548	1,309	1,857	– 43	52	1,899
	Banks with special, development and other central support tasks										
2014	22	1,266,835	5,441	30,192	24,751	1,532	2,258	726	472	267	7,712
2015	22	1,319,508	5,927	29,123	23,196	1,390	2,175	785	336	35	7,688
2016	21	1,306,027	5,507	28,072	22,565	1,320	2,058	738	571	116	7,514
2017	20	1,265,735	5,279	22,474	17,195	1,276	1,967	691	423	1	6,979
2018	19	1,263,482	4,988	21,147	16,159	1,389	2,083	694	363	– 104	6,636
2019	19	1,333,352	5,120	20,215	15,095	1,607	2,348	741	427	– 212	6,942
	Memo item: Banks majority-owned by foreign banks[8]										
2014	35	680,177	8,347	14,546	6,199	3,025	4,966	1,941	343	– 45	11,670
2015	33	735,491	8,383	13,502	5,119	2,919	4,834	1,915	435	456	12,193
2016	34	762,620	8,950	13,098	4,148	3,157	5,057	1,900	718	402	13,227
2017	34	765,500	8,801	12,037	3,236	3,589	5,218	1,629	812	891	14,093
2018	33	763,177	9,252	12,327	3,075	3,042	4,711	1,669	436	– 340	12,390
2019	32	849,008	9,692	12,860	3,168	3,520	5,338	1,818	532	1,188	14,932

* The figures for the most recent date should be regarded as provisional in all cases. **1** Excluding the total assets of the foreign branches of savings banks, excluding the total assets of the foreign branches of regional institutions of credit cooperatives until 2015 and, from 2016, excluding the total assets of the foreign branches of mortgage banks. **2** Interest received plus current income and profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement. **3** Net interest and commission income plus result from the trading portfolio and other operating result. **4** Including depreciation of and value adjustments to tangible and intangible assets, but excluding depreciation of and value adjustments to assets leased ("broad" definition). **5** In part, including taxes paid by legally dependent building and loan associations affiliated to Landesbanken. **6** Including profit or loss brought forward and withdrawals from or transfers

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General administrative spending			Operating result before the valuation of assets (col. 11 less col. 12)	Result from the valuation of assets (other than tangible or financial fixed assets)	Operating result (col. 15 plus col. 16)	Other and extra-ordinary result	Profit or loss (–) for the financial year before tax (col. 17 plus col. 18)	Taxes on income and earnings	Profit or loss (–) for the financial year after tax (col. 19 less col. 20)	Withdrawals from or transfers to (–) reserves and participation rights capital[6]	Balance sheet profit or loss (–) (col. 21 plus col. 22)	Financial year
Total (col. 13 plus col. 14)	Staff costs	Total other administrative spending[4]										
12	13	14	15	16	17	18	19	20	21	22	23	
											Savings banks[7]	
19,891	12,606	7,285	9,232	1	9,233	– 593	8,640	2,794	5,846	– 4,288	1,558	2014
20,517	12,946	7,571	9,277	92	9,369	– 392	8,977	2,913	6,064	– 4,491	1,573	2015
20,110	12,587	7,523	9,549	1,062	10,611	– 386	10,225	2,939	7,286	– 5,728	1,558	2016
19,991	12,646	7,345	9,792	283	10,075	– 153	9,922	2,861	7,061	– 5,517	1,544	2017
20,930	13,012	7,918	9,703	– 704	8,999	– 786	8,213	2,694	5,519	– 4,070	1,449	2018
21,210	13,076	8,134	8,492	– 286	8,206	35	8,241	2,436	5,805	– 4,360	1,445	2019
											Credit cooperatives	
14,201	8,538	5,663	7,339	– 198	7,141	– 153	6,988	2,077	4,911	– 3,480	1,431	2014
14,509	8,754	5,755	7,269	– 453	6,816	– 134	6,682	2,103	4,579	– 3,226	1,353	2015
14,423	8,649	5,774	7,237	103	7,340	361	7,701	2,104	5,597	– 4,246	1,351	2016
14,382	8,583	5,799	7,497	– 186	7,311	– 33	7,278	2,199	5,079	– 3,774	1,305	2017
14,520	8,564	5,956	7,427	– 926	6,501	– 172	6,329	2,078	4,251	– 2,978	1,273	2018
14,857	8,519	6,338	7,275	457	7,732	– 175	7,557	2,124	5,433	– 4,169	1,264	2019
											Mortgage banks[7]	
1,241	529	712	884	– 278	606	– 772	– 166	103	– 269	– 1,714	– 1,983	2014
1,147	492	655	1,094	– 327	767	– 20	747	98	649	– 1,385	– 736	2015
937	410	527	599	– 113	486	39	525	127	398	– 1,138	– 740	2016
897	411	486	380	32	412	75	487	171	316	– 722	– 406	2017
975	449	526	656	– 341	315	– 95	220	128	92	– 795	– 703	2018
929	428	501	885	– 125	760	– 217	543	160	383	– 229	154	2019
											Building and loan associations	
1,893	752	1,141	544	284	828	– 65	763	255	508	– 389	119	2014
1,749	721	1,028	500	– 72	428	– 2	426	78	348	– 4	344	2015
1,798	692	1,106	919	22	941	– 51	890	160	730	– 548	182	2016
1,891	719	1,172	963	– 61	902	89	991	155	836	– 622	214	2017
1,921	696	1,225	246	22	268	– 14	254	137	117	13	130	2018
1,838	647	1,191	61	49	110	303	413	62	351	– 139	212	2019
											Banks with special, development and other central support tasks	
4,042	2,077	1,965	3,670	– 1,015	2,655	– 105	2,550	80	2,470	– 4,177	– 1,707	2014
4,257	2,108	2,149	3,431	– 440	2,991	– 195	2,796	520	2,276	– 3,880	– 1,604	2015
4,250	2,009	2,241	3,264	– 973	2,291	– 28	2,263	86	2,177	– 4,065	– 1,888	2016
4,129	1,961	2,168	2,850	– 890	1,960	– 496	1,464	– 178	1,642	– 1,337	305	2017
4,352	2,214	2,138	2,284	– 197	2,087	– 755	1,332	146	1,186	– 894	292	2018
4,145	2,037	2,108	2,797	– 686	2,111	– 65	2,046	427	1,619	– 1,388	231	2019
											Memo item: Banks majority-owned by foreign banks[8]	
7,920	3,516	4,404	3,750	– 439	3,311	– 1,308	2,003	320	1,683	– 725	958	2014
8,503	3,992	4,511	3,690	– 479	3,211	– 1,723	1,488	430	1,058	– 396	662	2015
9,072	4,329	4,743	4,155	– 1,012	3,143	– 1,604	1,539	636	903	2,646	3,549	2016
8,817	4,070	4,747	5,276	– 590	4,686	– 1,819	2,867	808	2,059	– 565	1,494	2017
8,717	4,064	4,653	3,673	– 994	2,679	– 992	1,687	586	1,101	– 518	583	2018
9,601	4,612	4,989	5,331	– 162	5,169	– 1,952	3,217	1,177	2,040	2,064	4,104	2019

to the fund for general banking risks. **7** From 2018, DB Privat- und Firmenkundenbank AG (merger between Deutsche Postbank AG, belonging to the category “Big banks”, with Deutsche Bank Privat- und Geschäftskunden AG, belonging to the category “Regional banks and other commercial banks”) allocated to the category “Big banks”. HSH Nordbank allocated to the category “Regional banks and other commercial banks” and Landesbank Berlin allocated to the category “Savings banks”. DSK Hyp AG (formerly SEB AG) allocated to the category “Mortgage banks”. Wüstenrot Bank Aktiengesellschaft Pfandbriefbank allocated to the category “Regional banks and other commercial banks”. **8** Separate presentation of the (legally independent) banks majority-owned by foreign banks and included in other categories of banks.

Credit institutions' charge and income items*

Financial year	Number of reporting institutions	Charges, € billion										
							General administrative spending					
								Staff costs				
										Social security costs and costs relating to pensions and other benefits		
		Total	Interest paid	Commissions paid	Net loss from the trading portfolio	Gross loss on transactions in goods and subsidiary transactions	Total	Total	Wages and salaries	Total	of which: Pensions	Other administrative spending[1]
2011	1,801	367.1	208.3	12.8	1.2	0.0	78.6	42.5	34.7	7.8	2.4	36.1
2012	1,776	329.0	179.2	12.5	0.2	0.0	80.9	44.6	35.5	9.1	3.4	36.3
2013	1,748	285.8	138.7	12.6	0.3	0.0	81.1	43.8	35.2	8.6	2.9	37.4
2014	1,715	262.8	117.4	13.3	0.4	0.0	82.0	44.0	35.3	8.7	3.2	38.0
2015	1,679	256.6	105.0	14.1	0.5	0.0	86.0	46.0	36.4	9.6	3.7	39.9
2016	1,611	240.9	90.4	13.5	0.2	0.0	84.4	44.6	36.1	8.6	2.7	39.8
2017	1,538	224.1	79.9	13.6	0.0	0.0	84.0	44.6	35.6	8.9	2.9	39.4
2018	1,484	226.9	80.6	13.6	0.0	0.0	83.6	44.3	34.6	9.7	3.9	39.4
2019	1,440	241.9	80.3	14.5	0.1	0.0	84.7	44.4	34.9	9.6	3.6	40.3

Financial year	Income, € billion									
		Interest received			Current income					
	Total	Total	from lending and money market transactions	from debt securities and Debt Register claims	Total	from shares and other variable yield securities	from participating interests[2]	from shares in affiliated enterprises	Profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement	Commissions received
2011	392.0	288.8	246.1	42.7	11.2	6.7	1.2	3.3	3.0	41.1
2012	351.0	256.3	220.3	36.0	12.2	7.5	1.0	3.8	6.2	40.0
2013	300.4	213.6	184.9	28.7	10.0	6.0	1.0	3.0	4.6	40.6
2014	280.2	196.4	170.2	26.1	11.3	6.3	1.1	4.0	3.1	42.6
2015	274.7	183.1	160.1	22.9	15.0	6.7	1.8	6.5	2.8	44.5
2016	260.8	166.8	147.1	19.7	10.0	5.8	1.3	2.9	4.7	43.2
2017	244.1	151.0	134.4	16.5	11.0	6.9	1.1	3.0	3.4	44.2
2018	239.1	152.4	136.9	15.5	10.0	5.3	1.1	3.5	5.4	43.1
2019	239.8	152.2	137.4	14.7	7.6	4.8	1.1	1.7	3.0	45.8

* The figures for the most recent date should be regarded as provisional in all cases. **1** Spending item does not include depreciation of and value adjustments to tangible and intangible assets, shown net of depreciation of assets leased ("narrow" definition). All other tables are based on a broad definition of "other administrative spending". **2** Including amounts paid up on cooperative society shares.

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Depreciation of and value adjustments to tangible and intangible assets											
Total	of which: Assets leased	Other operating charges	Depreciation of and value adjustments to loans and advances, and provisions for contingent liabilities and for commitments	Depreciation of and value adjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets	Charges incurred from loss transfers	Transfers to special reserves	Extraordinary charges	Taxes on income and earnings	Other taxes	Profits transferred under profit pooling, a profit transfer agreement or a partial profit transfer agreement	Financial year
5.4	2.0	17.2	11.9	11.2	6.6	0.0	2.7	7.0	0.6	3.6	2011
5.8	2.0	15.3	11.7	7.1	0.6	0.0	2.4	8.8	0.2	4.3	2012
5.5	1.9	16.8	10.6	3.6	0.7	0.0	3.4	7.4	0.2	4.9	2013
5.5	1.8	16.4	10.5	3.5	0.6	0.0	1.5	7.6	0.2	3.9	2014
5.9	1.8	17.9	7.2	3.6	1.2	0.0	2.5	8.4	0.3	4.1	2015
6.6	2.3	13.8	12.7	3.7	0.9	0.0	1.8	7.9	0.3	4.7	2016
7.0	2.6	14.8	8.3	1.5	0.6	0.0	2.3	7.5	0.3	4.3	2017
7.4	2.9	15.2	10.0	1.7	0.5	0.0	1.7	6.7	0.2	5.7	2018
9.2	3.7	14.7	10.0	12.2	0.9	0.0	3.1	7.7	0.2	4.1	2019

				Other operating income					
Net profit from the trading portfolio	Gross profit on transactions in goods and subsidiary transactions	Value readjustments to loans and advances, and provisions for contingent liabilities and for commitments	Value readjustments to participating interests, shares in affiliated enterprises and securities treated as fixed assets	Total	of which: from leasing business	Income from the release of special reserves	Extraordinary income	Income from loss transfers	Financial year
5.8	0.2	15.0	0.7	20.2	6.3	0.0	0.8	5.2	2011
7.4	0.2	7.4	1.4	18.9	5.1	0.0	0.7	0.5	2012
6.2	0.2	4.0	1.5	17.9	4.7	0.0	0.9	0.9	2013
4.0	0.2	4.0	1.7	15.7	4.5	0.0	0.8	0.4	2014
4.2	0.2	3.8	1.9	17.6	4.7	0.0	0.5	1.1	2015
3.3	0.2	4.0	3.4	20.3	5.5	0.0	4.9	0.0	2016
5.6	0.2	4.7	3.1	18.8	6.0	0.0	1.6	0.6	2017
3.5	0.2	3.3	0.9	18.5	6.3	0.0	1.2	0.7	2018
2.5	0.2	3.3	1.6	21.1	8.4	0.0	1.8	0.8	2019