

PRESS RELEASE 15/34

■ PROFIT AND LOSS ACCOUNT OF CREDIT INSTITUTIONS AS AT 30 JUNE 2015

The CSSF estimates profit before provisions of the Luxembourg banking sector for the first half of 2015 at EUR 2,996 million. Compared to the same period in 2014, profit before provisions thus increased by 2.8%.

The items that contributed to this positive development are net commissions received as well as the interest-rate margin.

Overall, the **interest-rate margin** grew by 1.7%. This rise is mainly due to the growth in the overall business volume of the banks since the second quarter of 2014.

Compared to their level at the end of the second quarter of 2014, **net commissions received** climbed by 8.4%. The positive performance of the financial markets continued to increase the value of the assets deposited with Luxembourg banks and thereby contributed to a rise of commissions received.

General expenses rose by 3.7% over a year. This increase is linked to the other general expenses whereas the staff costs fell by 0.4% over a year.

The sum of the aforementioned developments results in a 2.8% increase of the profit before provisions year-on-year.

Profit and loss account as at 30 June 2015

Items in million EUR	June 2014	June 2015	%
Interest-rate margin ¹	2,100	2,135	1.7%
Net commissions received	2,019	2,188	8.4%
Other net income ¹	1,329	1,300	-2.2%
Banking income	5,448	5,623	3.2%
Staff costs	1,361	1,355	-0.4%
Other general expenses	1,173	1,272	8.4%
General expenses	2,534	2,627	3.7%
Profit before provisions	2,914	2,996	2.8%

¹ In order to better reflect the trends of the different income sources of the banks, the dividends received have been reclassified from interest-rate margin to other net income. This reclassification appropriately reflects the existing relation between the assets valued at fair value and the distribution of relating dividends.

Luxembourg, 29 July 2015