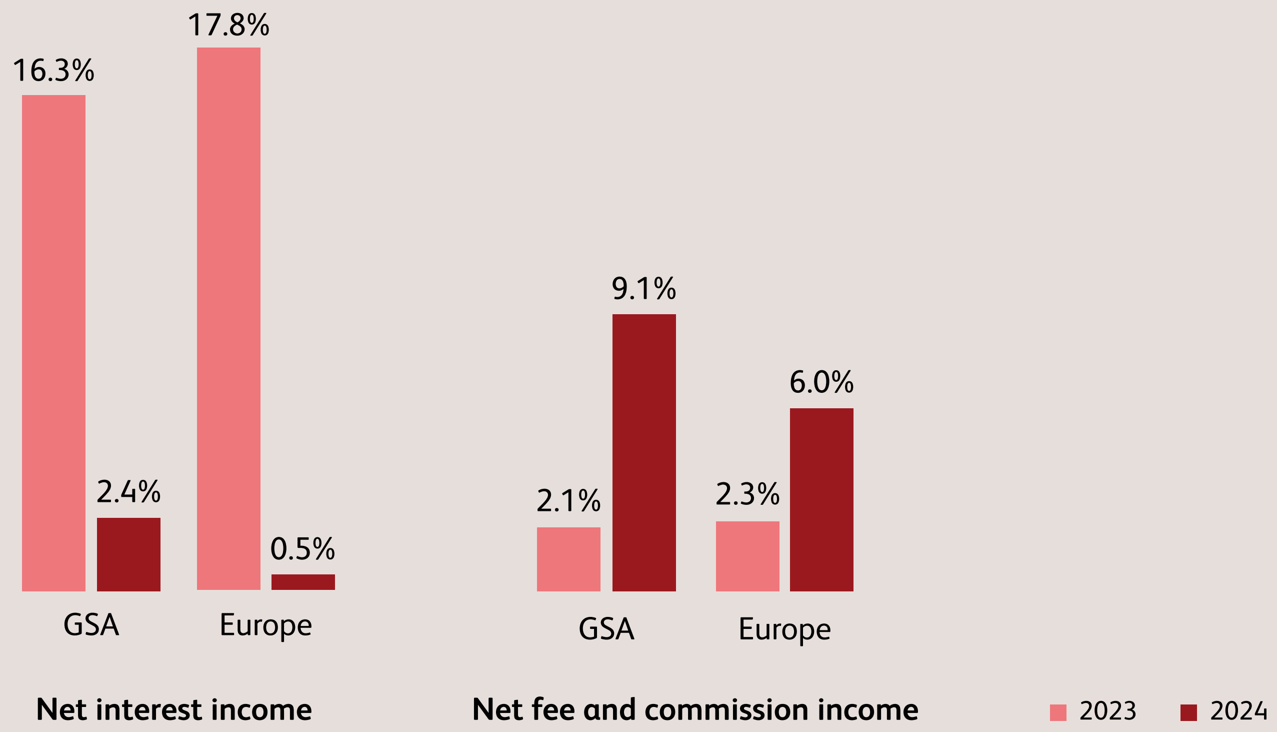
European banks weather the storm

Institutions are resilient and investing in the future again

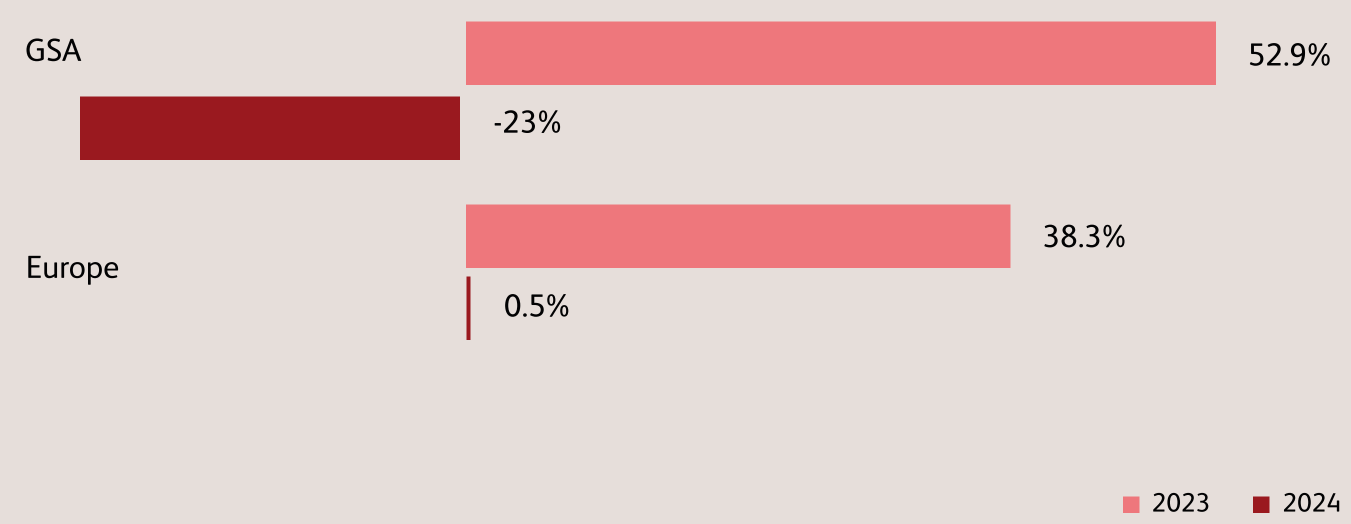
Fee and commission income has once again become the driver of earnings

After a record increase in net interest income last year, the pendulum is swinging back toward net fee and commission income.



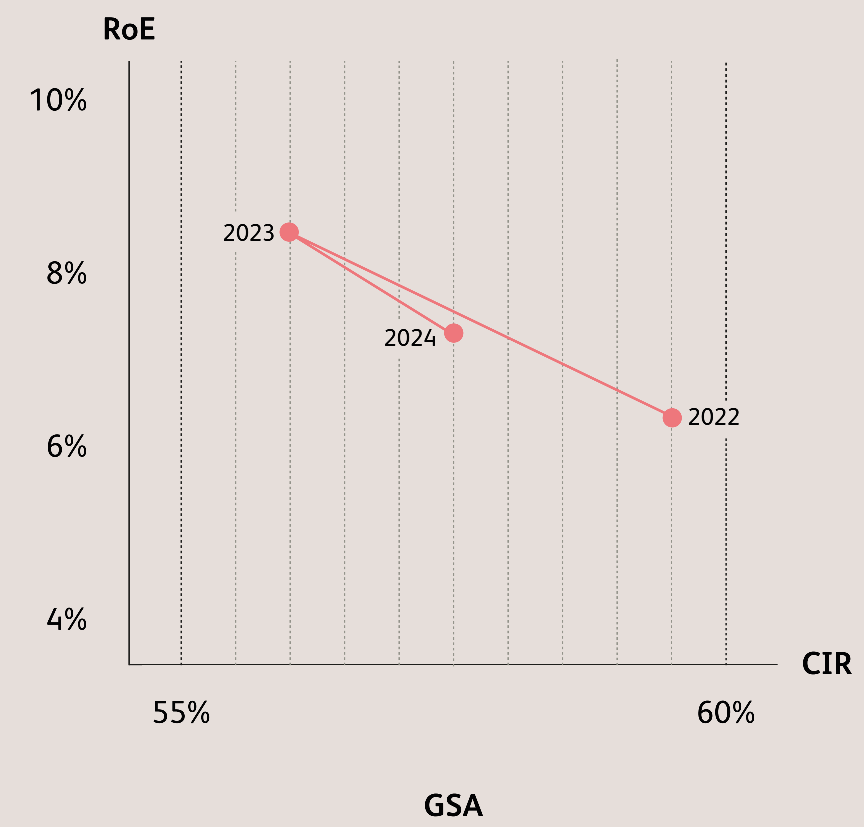
Pre-tax profit grows only marginally

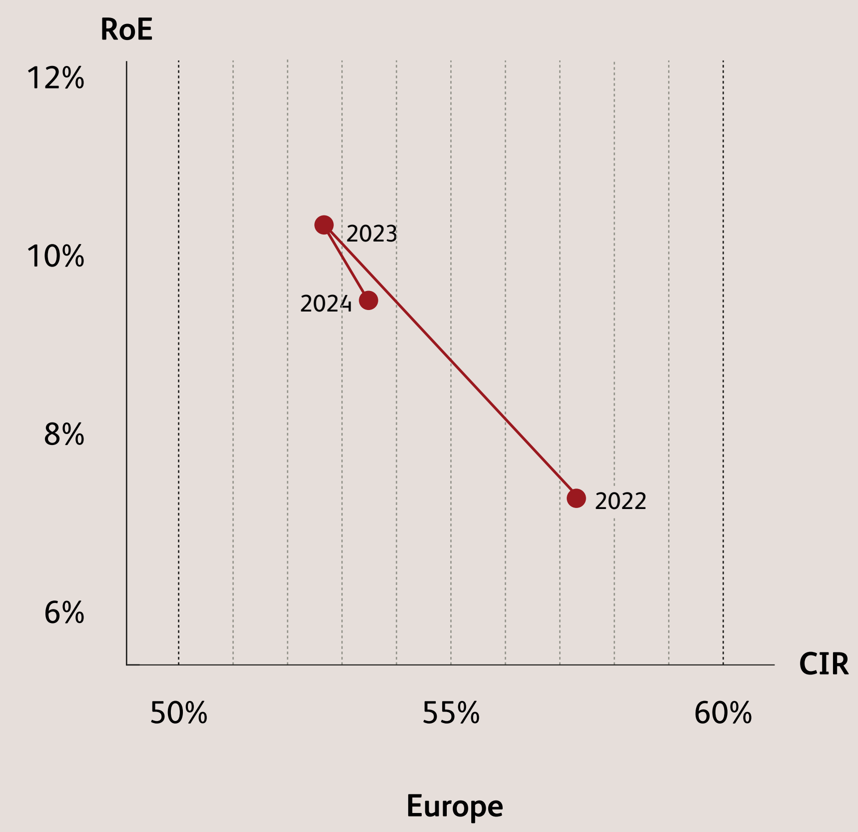
Following record growth last year, pre-tax profit is now rising only slightly – in the GSA region, it is even declining.



Bank efficiency slightly declines

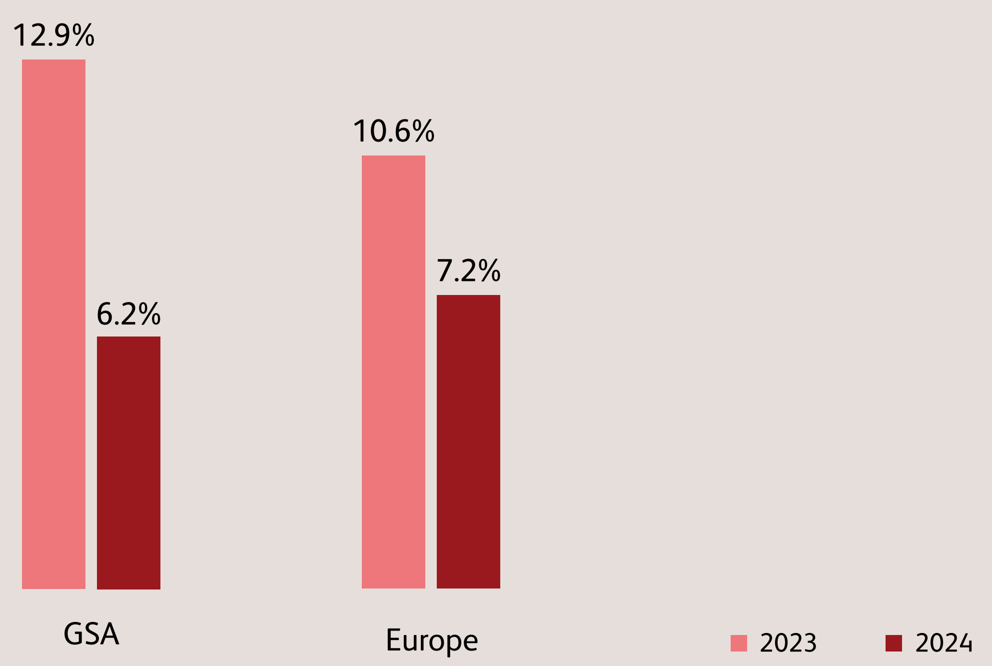
Despite continued positive earnings development, the CIR has increased compared to the previous year due to catch-up investments.
As a result, RoE has slightly decreased.





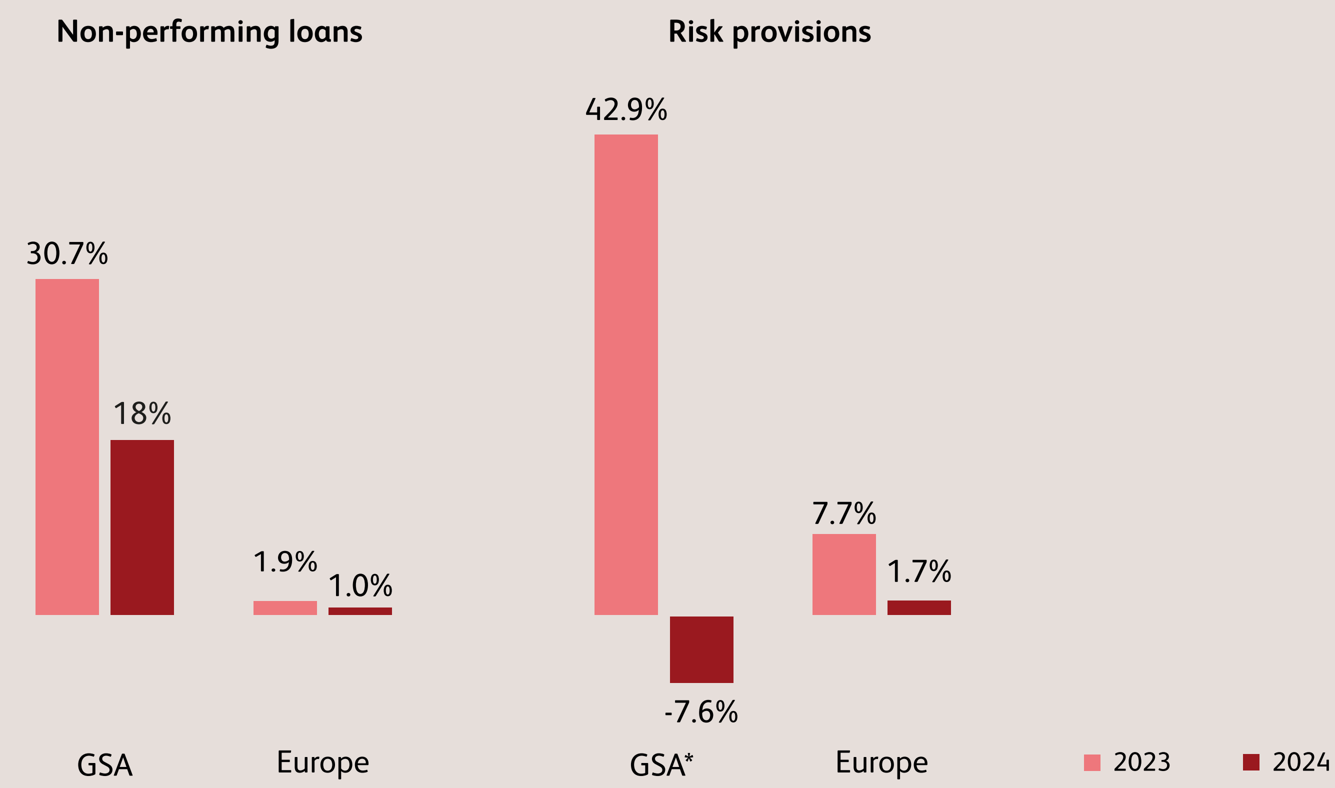
IT costs continue to rise

New technological opportunities driven by automation and AI are leading to a sharp increase in investments in banks' IT infrastructure.



The economic situation remains a double-edged sword for banks

Both non-performing loans and risk provisions continue to rise.



*The development of risk provisions in the GSA region is being distorted by the developments at UBS.

About the study: The BearingPoint Banking Study 2025 is based on an analysis of the annual financial statements of 163 European banks over the past three years (2022–2024). All institutions are supervised by the European Central Bank (ECB) or a national supervisory authority. The total aggregated balance sheet of the banks examined in 2024 amounts to approximately €40 trillion, covering institutions in the Eurozone, other EU member states such as Denmark and Sweden, and non-EU countries including the UK, Switzerland, and Norway.

BearingPoint