

Press release

18 March 2026

ECB publishes supervisory banking statistics on significant institutions for the fourth quarter of 2025

- Common Equity Tier 1 ratio at 16.18% in fourth quarter of 2025, compared with 16.10% in previous quarter and 15.97% one year ago
- Annualised return on equity at 9.53% in fourth quarter of 2025, down from 9.88% in previous quarter and from 9.54% one year ago
- Non-performing loans ratio (excluding cash balances) at 2.18% in fourth quarter of 2025, the lowest value since series first published in 2020
- Liquidity coverage ratio at 158.60% in fourth quarter of 2025, compared with 156.71% in previous quarter and 158.28% one year ago
- Loan-to-deposit ratio at 100.49%, the second-lowest value since series began in 2015

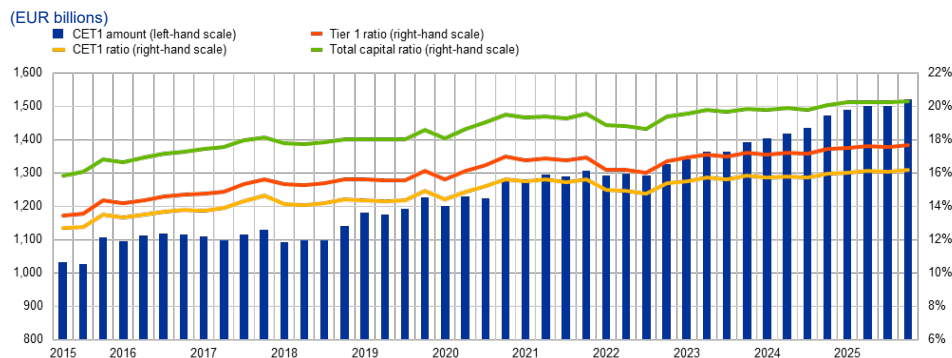
Capital adequacy

[Capital ratios interactive report](#)

In the fourth quarter of 2025, the aggregate [capital ratios](#) of significant institutions (banks supervised directly by the ECB) were up from the previous quarter and from the same period last year. The aggregate [Common Equity Tier 1 \(CET1\) ratio](#) stood at 16.18%, the aggregate [Tier 1 ratio](#) at 17.68% and the aggregate [total capital ratio](#) at 20.32%. [Across countries, the CET1 ratio](#) ranged from 13.29% in Spain to 22.05% in Latvia.

Chart 1

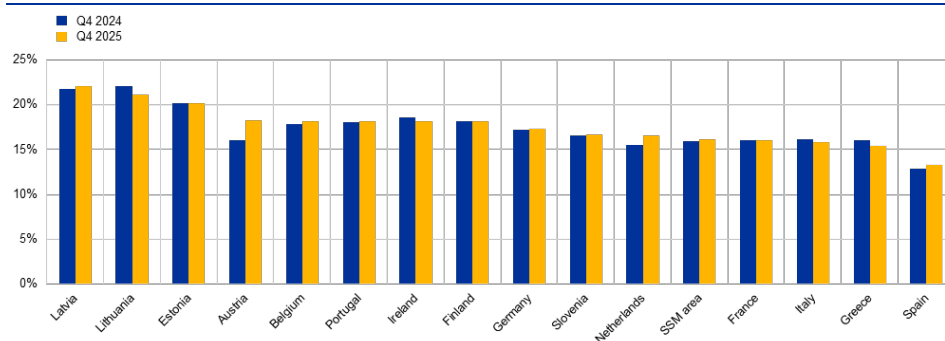
CET1 amount and capital ratios



Source: ECB.

Chart 2

CET1 ratios by country



Source: ECB.

Notes: SSM stands for Single Supervisory Mechanism. Some countries participating in European banking supervision are not included in this chart, either for confidentiality reasons or because there are no significant institutions at the highest level of consolidation in that country.

Asset quality

[Non-performing loans interactive report](#)

The [non-performing loans \(NPL\) ratio](#) excluding cash balances at central banks and other demand deposits stood at 2.18% in the fourth quarter of 2025, the lowest value since the start of the publication of these series in 2020. The [stock of NPLs](#) (numerator) decreased by €2.78 billion (-0.78%), and at the same time the [total amount of loans and advances](#) (denominator) rose by €146.92 billion (0.91%). As a result, the ratio decreased by 4 basis points compared with the previous quarter.

European Central Bank

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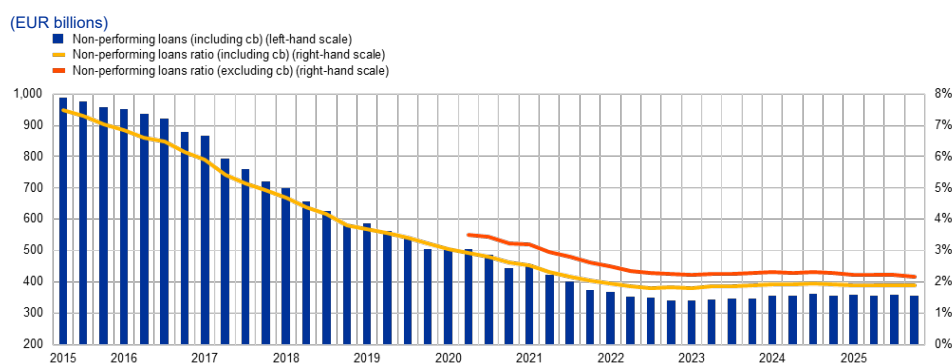
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At sector level, the NPL ratio for [loans to households](#) stood at 2.11%, compared with 2.16% in the previous quarter and 2.23% a year ago. For [loans to non-financial corporations](#) (NFCs), the ratio stood at 3.45%, compared with 3.51% in the previous quarter and 3.53% one year ago. Considering the NFC portfolio by segment, the NPL ratio for [loans collateralised by commercial immovable property](#) stood at 4.41%, down from 4.58% in the previous quarter and from 4.59% one year ago. The NPL ratio stood at 4.73% for [loans to small and medium-sized enterprises](#), compared with 4.88% in the previous quarter and 4.75% one year ago.

Aggregate [stage 2 loans as a share of total loans](#) decreased to 9.33% from 9.49% in the previous quarter and 9.93% one year ago. The ratio for [loans to NFCs](#) decreased to 13.32% and the ratio for [loans to households](#) decreased to 9.03% from 13.55% and 9.41% in the previous quarter, respectively.

Chart 3

Non-performing loans



Source: ECB.

Note: cb stands for cash balances at central banks and other demand deposits.

European Central Bank

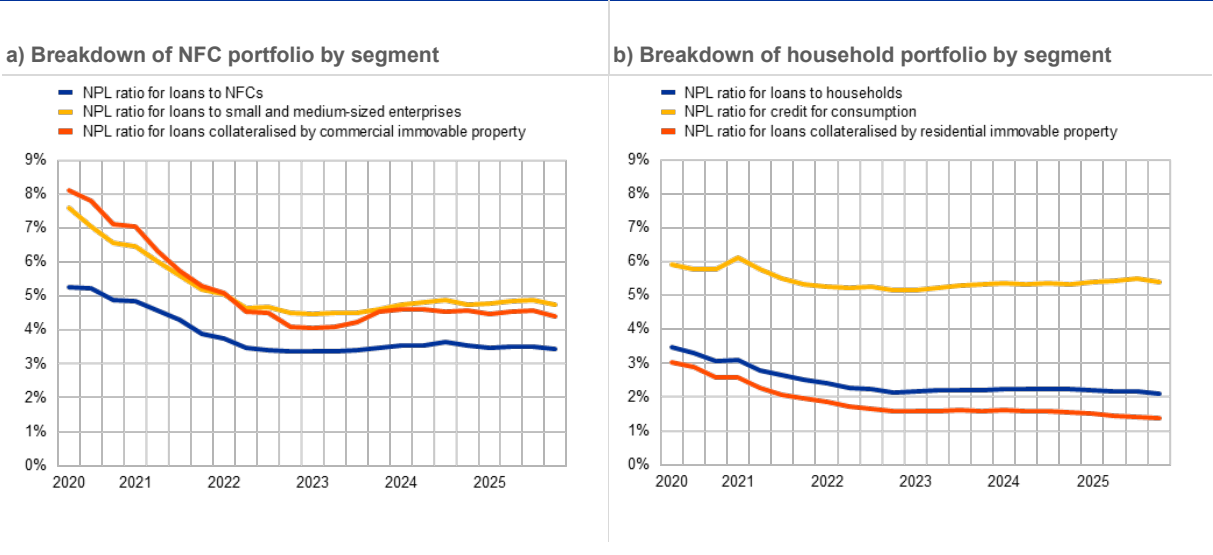
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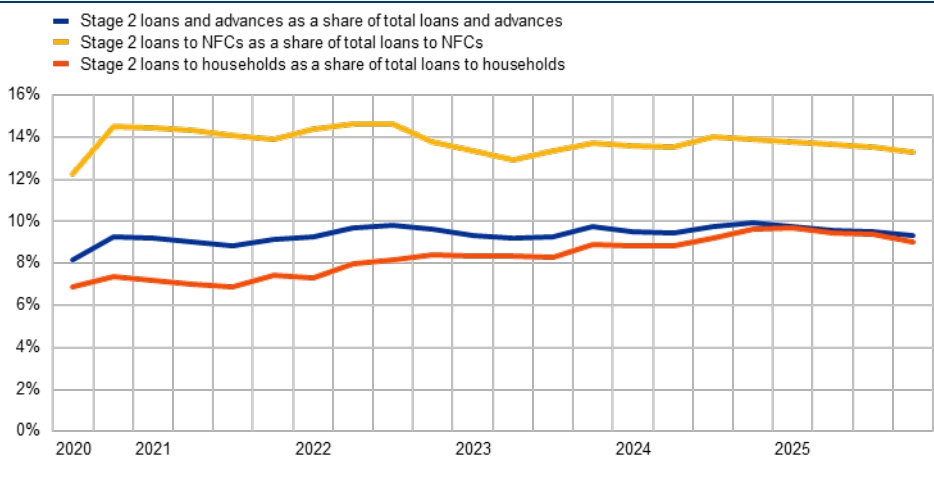
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Chart 4
Non-performing loans by counterparty sector



Source: ECB.

Chart 5
Stage 2 loans and advances as a share of total loans and advances subject to impairment review



Source: ECB.
Note: Stage 2 assets are those that have shown a significant increase in credit risk since initial recognition. Loans and advances subject to impairment review are loans and advances at amortised cost and fair value through other comprehensive income, classified in Stage 1, Stage 2, Stage 3, or as purchased or originated credit-impaired.

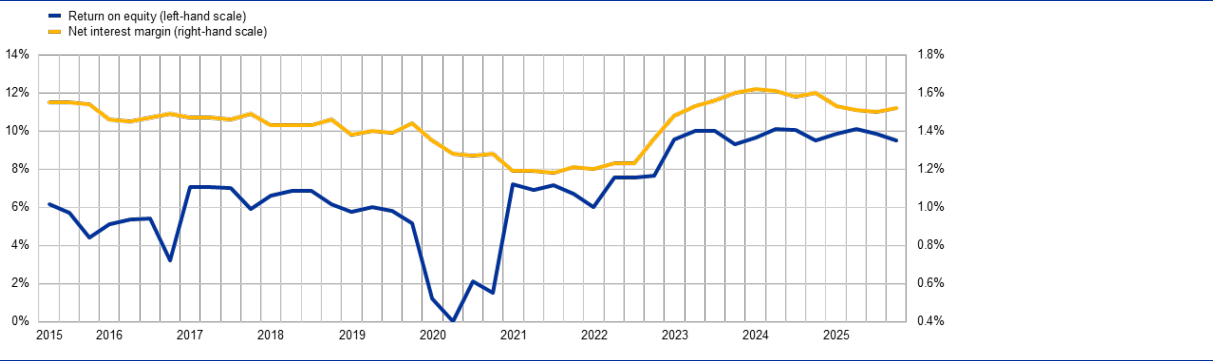
Profitability

[Profitability interactive report](#)

The aggregate annualised [return on equity](#) stood at 9.53% in the fourth quarter of 2025 compared with 9.88% in the previous quarter and 9.54% one year ago. The [return on equity across countries](#) ranged

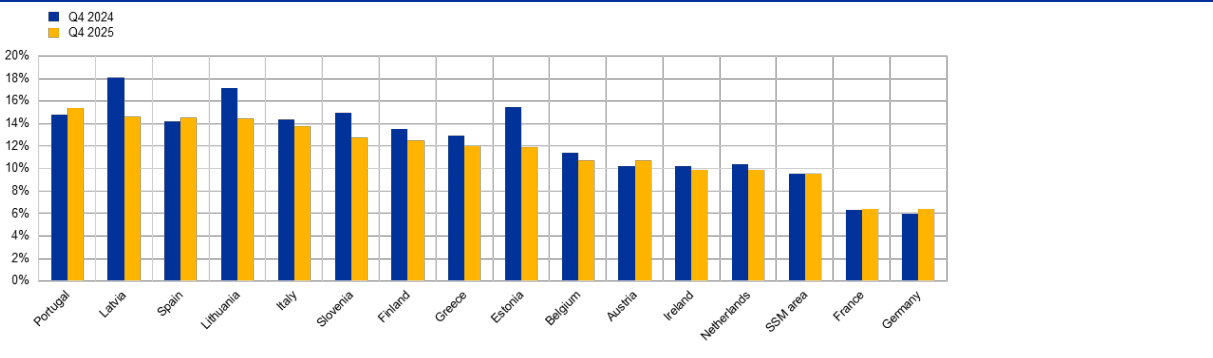
from 6.38% in Germany to 15.37% in Portugal in the fourth quarter of 2025. At the same time, the aggregate [net interest margin](#) was basically unchanged at 1.52% compared with 1.50% in the previous quarter.

Chart 6
Return on equity and net interest margin



Source: ECB.

Chart 7
Return on equity by country



Source: ECB.
Notes: SSM stands for Single Supervisory Mechanism. Some countries participating in European banking supervision are not included in this chart, either for confidentiality reasons or because there are no significant institutions at the highest level of consolidation in that country.

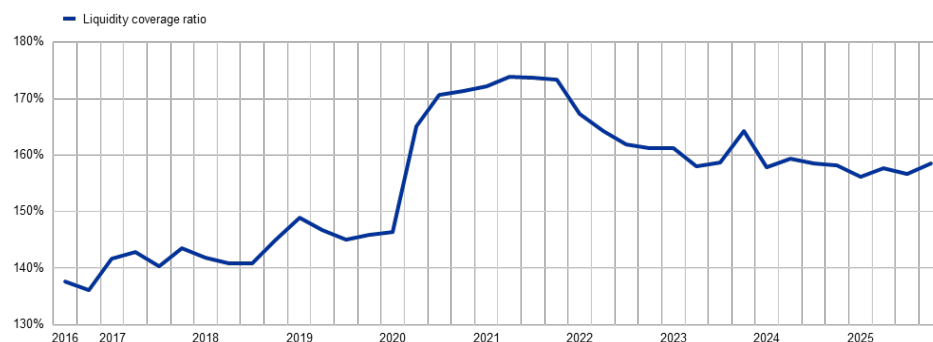
Liquidity

[Liquidity interactive report](#)

The aggregate [liquidity coverage ratio](#) increased to 158.60% in the fourth quarter of 2025, up from 156.71% in the previous quarter and from 158.28% one year ago. This upward trend was driven mainly by a decrease of €58 billion (-1.76%) in the net liquidity outflow compared with the previous quarter.

Chart 8

Liquidity coverage ratio



Source: ECB.

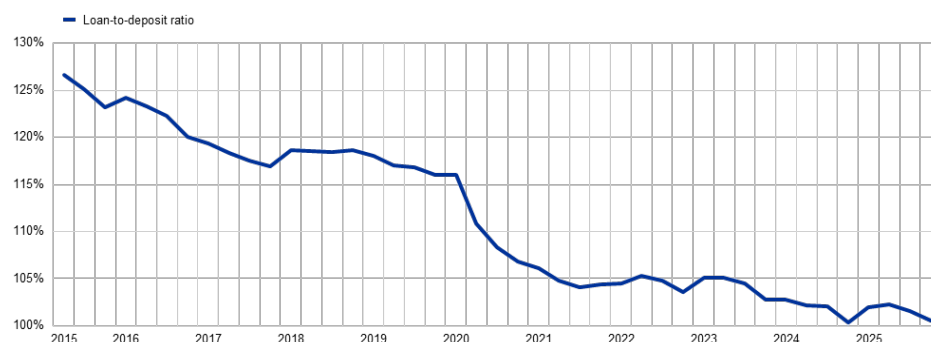
Loan-to-deposit ratio

[Loan-to-deposit interactive report](#)

In the fourth quarter of 2025, the [aggregate ratio of loans to deposits to/from non-financial corporations and households](#) was 100.49%, the second-lowest value recorded since the start of the time series in 2015. This value marks a decrease from 101.50% in the previous quarter but an increase from 100.32% in the same period last year.

Chart 9

Loan-to-deposit ratio



Source: ECB.

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Factors affecting changes

Supervisory banking statistics are calculated by aggregating the data reported by banks which report COREP (capital adequacy information) and FINREP (financial information) data at the relevant point in time. Consequently, changes from one quarter to the next can be influenced by the following factors:

- changes in the sample of reporting institutions;
- mergers and acquisitions;
- reclassifications (e.g. portfolio shifts as a result of certain assets being reclassified from one accounting portfolio to another).

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Notes

- The complete set of [supervisory banking statistics](#) with additional quantitative risk indicators is available on the ECB's banking supervision website. The time series are also available for download from the [ECB Data Portal](#).