

March 1, 2022

Georgia's Banks Post Strong 2021 Results

Georgia's 150 FDIC-insured banks closed out 2021 with net income of \$1.9 billion, a 52.2% increase from year-end 2020, according to FDIC data released Tuesday. Loans were up 6.5%, deposits grew by 14.2% and total assets increased by 13.3%. Credit quality also remains extremely strong, with noncurrent loans and charge-offs declining from already low levels.

The 144 Georgia banks classified by FDIC as community banks posted increased earnings for the year of \$646.3 million, up 32.2%, also with good growth in loans, deposits and assets.

Fourth-quarter performance was solid, as well. Earnings for the quarter by all Georgia banks totaled \$486.3 million, up 14.3% from the same period in 2020. And for Georgia's community banks, quarterly earnings were up 11.9% compared to fourth quarter 2020.

"The industry's performance in 2021 is a reflection that the state's economy and the banking industry is successfully moving beyond the pandemic period," said Joe Brannen, GBA president and CEO. "Georgia's bankers fulfilled their mission to be true partners in helping their customers and communities maintain financial stability, providing access to credit to qualified borrowers, and supporting financial growth throughout the state."

Below are some specific highlights of the latest data. GBA's analysis includes comparative performance of only the banks classified by FDIC as Georgia-headquartered banks at year-end 2021. As of June 30, 2021, FDIC reported an additional 42 banks chartered in other states were doing business in Georgia. Those institutions reported holding an additional \$230.6 billion of deposits in Georgia.

All FDIC-Insured Georgia-Headquartered Banks (150 Institutions)

- Yearly net income of \$1.9 billion up 52.2% from 2020 year-end
- Quarterly net income of \$486.3 million, up 14.3% compared to the same period in 2020
- Assets up 13.3%
- Loans up 6.5%
- Deposits up 14.2%
- Credit quality pristine: Noncurrent loans and charge offs down and at extremely low levels
- 94% of banks profitable, 81% with earnings gains
- Net interest margin down to 3.19%, but better than the national level of 2.14%
- Capital levels remain strong

Georgia-Headquartered FDIC-Defined Community Banks (144 Institutions)

- Yearly net income of \$646.3 million, up 32.2%
- Quarterly net income \$150.1 million, up 11.9% compared to the same period in 2020
- Assets up 17.9%
- Loans up 6.8%
- Deposits up 20.6%
- Credit quality pristine
- Capital levels remain strong

About the Georgia Bankers Association: Founded in September 1892, the Georgia Bankers Association promotes the general welfare and usefulness of banking and the preservation of a sound banking system. For 130 years, GBA has been the resource that empowers Georgia's banks, providing effective government relations and public advocacy, a community of professional peers, top-quality education and professional development, and revenue-enhancing products and services.