

OTP Bank PLC

October 1, 2026

This report does not constitute a rating action.

Ratings Score Snapshot

SACP: bbb			Support: 0		Additional factors: 0	
Anchor	bb+		ALAC support	0	Issuer credit rating	
Business position	Strong	1	GRE support	0	BBB/Negative/A-2	
Capital and earnings	Adequate	0	Group support	0	Resolution counterparty rating	
Risk position	Moderate	-1	Sovereign support	0	BBB+/-/A-2	
Funding	Strong	1				
Liquidity	Strong					
CRA adjustment		1				

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Leading market position in Hungary and a strong franchise in several central, eastern, and southeastern European countries.	Exposure to Russia results in financial and non-financial risks.
Solid risk-adjusted margins in core markets with a diversified loan portfolio.	Frequent extraordinary government intervention in the banking system.
Substantial digitalization efforts with a noteworthy digital franchise.	While there is a long track record of good execution, high acquisition appetite comes along with risks.

OTP Bank PLC's planned acquisition of Luminor would build up its Baltic presence and add to its franchise. On July 20, 2026, OTP agreed to fully acquire Luminor Holding and its subsidiary Luminor Bank, which is the third-largest bank in the Baltic with €17 billion in total assets. This would represent about 11% of OTP group's total assets. In our view, there is still a chance that

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Lithuania's banking regulator stops the deal, due to OTP's operations in Russia. Should the acquisition go ahead, we expect it to be beneficial for the group. It would expand OTP's Central and Eastern Europe portfolio, enhancing its scale and associated operating efficiencies. We do not expect material capital depletion as a result of the acquisition. We acknowledge, however, that the acquisition will further increase group complexity.

OTP's business position remains a key strength compared to many peers. OTP maintained strong profitability over 2025, and the trend continued in 2026, when adjusting for seasonal effects. As the group books most of the banking taxes upfront for the whole year, we generally see a dip in profitability at the beginning of the year. For the whole of 2026, we expect the group's return on equity to stagnate at strong 21%, despite the targeted buildup of equity, as its revenue-generating capacity remains intact. This comes despite continued one-offs and integration-related expenses. Sustained pricing power, expertise in operations in developing countries, and high geographical revenue diversification support the bank's business profile. The Hungarian banking tax, extraordinary windfall taxes, the extension of interest rate caps, and provisioning related to group's Russian operations will continue to partly offset strong earnings generation. However, OTP's bottom-line profitability is likely to remain stronger than most peers'.

Apart from Russia, we see no pressure on the asset quality for the group. Given stabilizing macroeconomic conditions and subsiding inflation, we do not anticipate any material deterioration in the credit risk of households or corporates in OTP's main countries of operations. Russia remains an exception. In Hungary, compounding external and fiscal pressures could weaken the macroeconomic outlook, hampering macroeconomic flexibility as well as banks' earnings capabilities and asset quality. Given OTP's increasing diversification of the loan book--Hungary's share in lending was only 34% at end-June 2026 --and OTP's prudent risk management, we expect asset quality metrics to remain resilient. Stage 3 loans were low at 3.2% by end-June 2026.

Downside risks to OTP's operations relate mainly to its exposure in Russia and Ukraine. OTP has expanded its lending in Russia over recent years, while its Western European peers, such as UniCredit or Raiffeisen Bank International AG, have been reducing their operations in the country. The Hungarian regulator has adopted a different stance than the European Central Bank, tolerating the group's expansion of its Russian operations. OTP's Russian growth stems from its retail portfolio, while it has materially reduced the size of its corporate loan book.

The overall share of the group's exposure in Russia and Ukraine is relatively small: at the end of first-half 2026, the loan portfolio of OTP's Russian subsidiary amounted to 6% of the bank's total net loans and that of its Ukrainian subsidiary to 2%. In our view, while direct financial risks from Russian operations are contained, reputational and compliance risks related to OTP's continued presence in Russia remain elevated. We understand that given OTP's strategic interest in the Baltics and the limited progress in upstreaming additional dividends from Russia over the past year, OTP has begun reviewing its Russia-related strategy, including a potential full exit from the country.

Outlook

The negative outlook primarily mirrors that on Hungary, OTP's home sovereign. However, pressure could also arise if we observe a weakening of OTP's SACP, for instance due to deterioration of asset quality or a drag on profits related to economic and geopolitical challenges affecting its core markets.

Downside scenario

We could downgrade OTP Bank and OTP Mortgage Bank in the next two years if:

- We take a similar rating action on Hungary;
- The group significantly increases its country risk exposure to Hungary, contrary to our current expectations. Evidence of challenges in repatriating capital from subsidiaries in EU countries, or a substantial financial weakening of those subsidiaries, could also lead to a negative rating action;
- There is a material weakening of OTP Bank's earnings capacity, or higher-than-anticipated credit losses significantly affect the group's capitalization; or
- The bank experiences material reputational risks or other nonfinancial risks affecting its franchise, for instance due to its business operations in Russia.

A lowering of our issuer credit rating (ICR) on OTP would lead to a lowering of the long-term resolution counterparty rating and senior unsecured and subordinated debt ratings.

Upside scenario

We could revise the outlook to stable if we take a similar action on Hungary.

Key Metrics

OTP Bank PLC--Key ratios and forecasts

(%)	--Fiscal year ended Dec. 31--				
	2024a	2025a	2026f	2027f	2028f
Growth in operating revenue	10.5	13.9	11.5-12.5	12.5-13.5	11.5-12.5
Growth in customer loans	13.8	10.4	14.0-16.0	24.0-26.0	14.0-16.0
Growth in total assets	9.6	4.6	9.0-11.0	14.6-17.6	9.0-11.0
Net interest income/average earning assets (NIM)	5.2	5.1	5.0-5.6	5.0-5.5	5.0-5.5
Cost-to-income ratio	45.9	47.9	47.5-50.0	47.4-49.8	48.0-50.5
Return on average common equity	23.3	21.3	20.6-22.8	22.0-24.3	21.0-23.2
Return on assets	2.6	2.6	2.3-2.8	2.3-2.8	2.3-2.8
New loan loss provisions/average customer loans	0.5	0.6	0.6-0.7	0.5-0.6	0.5-0.5
Gross nonperforming assets/customer loans	3.6	3.5	2.9-3.2	2.8-3.1	2.5-2.8
Net charge-offs/average customer loans	0.4	0.2	0.3-0.3	0.2-0.2	0.2-0.2
Risk-adjusted capital ratio	8.6	8.6	8.4-8.6	7.6-7.8	8.4-8.6

All figures include S&P Global Ratings' adjustments. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'bb+' Reflecting Exposure To High Economic Risk Countries

We use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an ICR. We take OTP's international exposure into account when analyzing its economic risks, with two thirds of its operations outside of its home market of Hungary, including subsidiaries in Bulgaria, Croatia,

Serbia, Slovenia, Ukraine, Russia, Montenegro, Albania, Moldova, and Uzbekistan. Our assessment of the weighted economic risks of exposure at default of customer loans in those countries (rounded average of '6') and our industry risk assessment for Hungary ('6') lead to the 'bb+' starting point for our ratings, which is one notch below that for a purely domestic bank. The Luminor acquisition is marginally positive to the overall economic risk profile of the group (as we assess Estonia's BICRA as '4' economic risk), but not to the extent to change the current assessment.

We anticipate the share of foreign lending will increase slightly over the medium term. OTP's domestic growth is unlikely to fully balance out potential acquisitions, provided its footprints in Ukraine and Russia are not materially altered. If we were to include Luminor in the analyses (with relatively low economic risk compared to OTP's operations span), we would expect no material change, as further organic lending growth is likely to be stronger in higher economic risk countries, balancing the benefits.

Business Position: Market Leader In Hungary With A Diversified Foreign Franchise

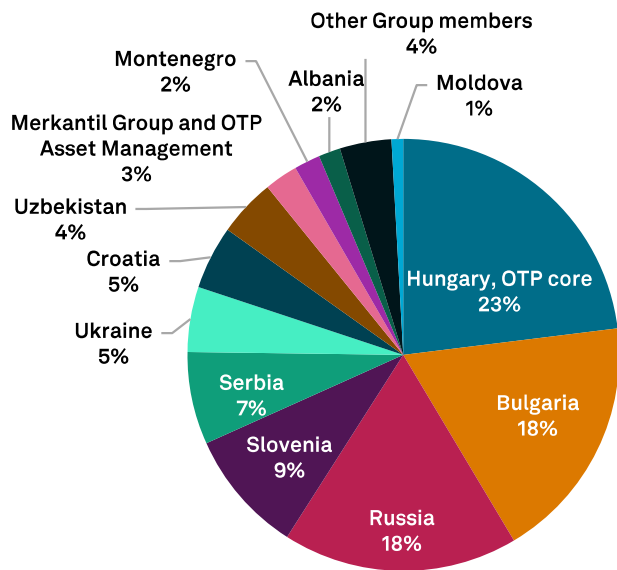
In our view, OTP's business position will remain a strength, compared to peers operating in a similar industry risk environment. In our assessment we balance risks related to the high pace of acquisitions with the management's proven track record of integrating new subsidiaries and the group's strong profitability and revenue diversification. We consider OTP's robust income generation to be a sufficient buffer against potentially higher credit risk costs related to its activities in less developed countries, as proven in recent years.

OTP's peer group encompasses mainly banks in a country with an industry risk of 6, which are, for example, banks in Oman, Morocco, Qatar, Cyprus, or Kazakhstan. We currently do not see a peer fully matching OTP's international diversification facing a similar risk span, so our peer analyses include a set of mainly local banks. We see peers from Western Europe active in Central and Eastern Europe as incomparable to OTP, as they operate in a materially lower industry risk environment, facing different regulation and funding conditions.

Chart 1

OTP's geographic reach is highly diversified

Consolidated adjusted profit after tax by geography as of year-end 2025



Source: OTP Bank PLC Integrated Annual Report 2025.

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OTP has a diversified revenue stream, across regions and segments. A broad mix of business activity and limited concentration risks strengthens revenue predictability and business volume continuity. The bank is a key player in the Central European region. In Hungary, the bank has a leading position, holding a 35% share of the retail loan market and 40% of household deposits as of the end of the second-quarter 2026.

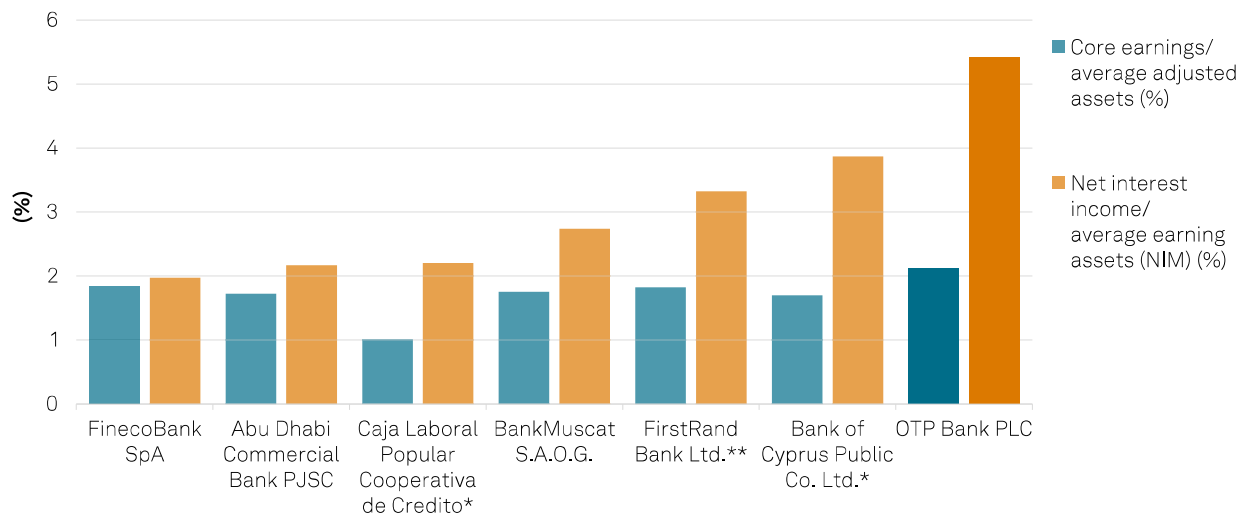
In recent years, OTP has reduced its sensitivity to Hungarian risks, largely due to a series of acquisitions outside its domestic market. The bank has successfully acquired and integrated multiple EU and non-EU banks, notably Slovenia's second largest bank, OTP Bank Slovenia (previously known as Nova Kreditna banka Maribor d.d.). In July 2026, OTP announced an agreement to acquire Luminor, the third-largest banking group in the Baltic region. With this acquisition, OTP would enter Estonia, Latvia, and Lithuania, expanding its presence to 14 countries. We anticipate that the group will continue its international expansion.

We view the group's management team as having sufficient capacity, skill sets, and experience to govern this large, multinational group. We also expect OTP's management to meet its profitability targets and successfully reposition and integrate recent acquisitions. While we have seen high levels of government intervention and corruption in Hungary, we think that OTP's management and supervisory board are sufficiently independent to facilitate prudent decision making. Please also see the Environmental, Social, and Governance section of this report.

Chart 2

OTP's operating profitability and NIM are the highest among peers

As of H1-2026



*Data as of Q1-2026. **Data as of YTD Dec-2025. NIM--Net interest margin. Source: S&P Global Ratings.
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In our view, OTP maintains a competitive edge with its advanced digital capacities. Given its digital solutions and online franchise, we consider the bank better prepared for the ongoing shift in customer preferences than many local peers. OTP Lab serves as the group’s in-house innovation hub and a point of cooperation with external networks. While past digitization efforts have improved OTP's cost efficiency, there is room for further improvement in efficiency compared with its peers. Its cost-to-assets ratio remains higher than most peers’, which could become an issue in case of potential interest margins squeezing. We understand that cost control remains a key management focus area.

In our view, governance aspects add to risks for the group, both in Hungary and in many other countries of operations. There is risk of government interference amid high perceived corruption and lower governance standards. Particularly in Hungary, unpredictable government policies and the potential for government involvement in the financial sector remain significant risks. While political changes in Hungary may lead to an improvement of our assessment, the new government still needs to deliver proof of tangible changes.

At the same time, we think that OTP’s institutional setup, to some extent, mitigates the governance risks that Hungarian banks in domestic ownership/ without free float are exposed to. In our view, OTP’s shareholder structure promotes better governance standards than at local peers. All shares are free-floating, and about 45% of investors are domestic institutions and individuals, with the rest being international. There are only two investors with more than a 5% share--Hungarian Oil and Gas Co owns the largest at 8.57%. Apart from a negligible 0.05% owned by the government, there are no apparent holdings of state-linked entities in the shareholder structure.

We note a prominent family link between the two most influential positions at the bank (the father of the CEO is the chairman of the board of directors), which is not an optimal governance setup, potentially creating risks for checks and balances. Risks are mitigated by the fact that

most members of the board of directors are independent (nonexecutive) and have no family connections.

OTP has a material presence in less developed European countries with weaker governance standards than Hungary's. We will monitor any potential reputational issues emerging from these countries, which could come from nonfinancial risks like deficiencies in underwriting or compliance and know-your-customer practices. This has not been the case so far and we understand that OTP takes a groupwide, uniform approach to oversight.

Capital And Earnings: Strong Earnings Continue To Support Capitalization

OTP's risk-adjusted capital (RAC) ratio stood at 8.6% at year-end 2025, unchanged from 2024. OTP's consolidated common equity tier 1 capital ratio declined to 17.6% as of June 30, 2026 (compared with 18.1% at Dec. 31, 2025) but remained significantly above the regulatory minimum of 11.1%.

We expect OTP to maintain adequate capitalization, with its RAC ratio projected around 8.4-8.6% by 2028. Our forecast incorporates the following assumptions:

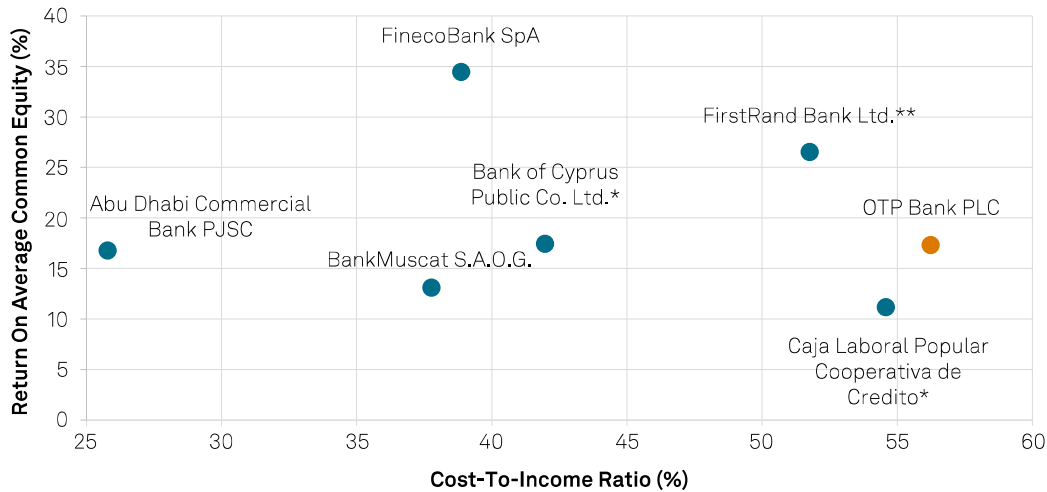
- Net interest margin about 5.3%;
- Loan growth of about 15% in 2026, spike in 2027 to about 25% due to the planned Luminor acquisition and a normalization back to 15% in 2028, and S&P Global Ratings risk-weighted assets moving in tandem;
- Growth in noninterest expenses at 17% in 2026, decreasing toward 10% by 2028;
- Return on average common equity to stagnate; and
- Cost of risk to remain at about 65 basis points (bps) in 2026, moderating to 48 bps by 2028.

Our forecast does not include any potential acquisitions other than Luminor.

Chart 3

OTP's profitability remains competitive, while its cost efficiency lags that of its peers

As of H1-2026



*Data as of Q1-2026. **Data as of YTD Dec-2025. Source: S&P Global Ratings.
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Our assessment also considers OTP's good earnings quality, reflected in its solid margins, low share of market sensitive income, and good geographical diversity. The group has shown a good track record over the cycle and we expect the trend to continue. While we acknowledge some correlations between several countries of operations, we deem the revenue diversification effects, overall, as beneficial to the group.

Risk Position: Key Risks Stem From Exposure To Russia And Ukraine

We assess OTP's risk profile overall weaker than its main peer banks due to the sizeable exposure in Russia. In our view, the bank's presence in Russia presents material--both financial and nonfinancial--risks to the rating. Among the key topics remains the risk of regulatory intervention, which might either negatively impact the existing operations or prevent further growth in the EU. At the same time, we expect OTP to execute an underwriting discipline in other core markets at least in line with local peers and aligned with group strategy.

At the same time, OTP's prudent risk management supports our assessment. We deem it particularly important that OTP has a highly centralized risk management framework, with limited decision-making freedom at the subsidiaries' level, ensuring that risk, governance, and anti-money laundering standards are consistent throughout the group. This is key to our rating.

Also, OTP's large mortgage portfolio, prudent loan-to-value distribution, and good coverage of impaired assets by provisions support its risk profile and indicate that it would likely remain relatively robust during moderate downturns. Regulatory limitations on certain customer loan metrics also contribute positively to asset quality. In our view, its most recent acquisitions and the sale of its Romanian operations do not alter overall portfolio risk.

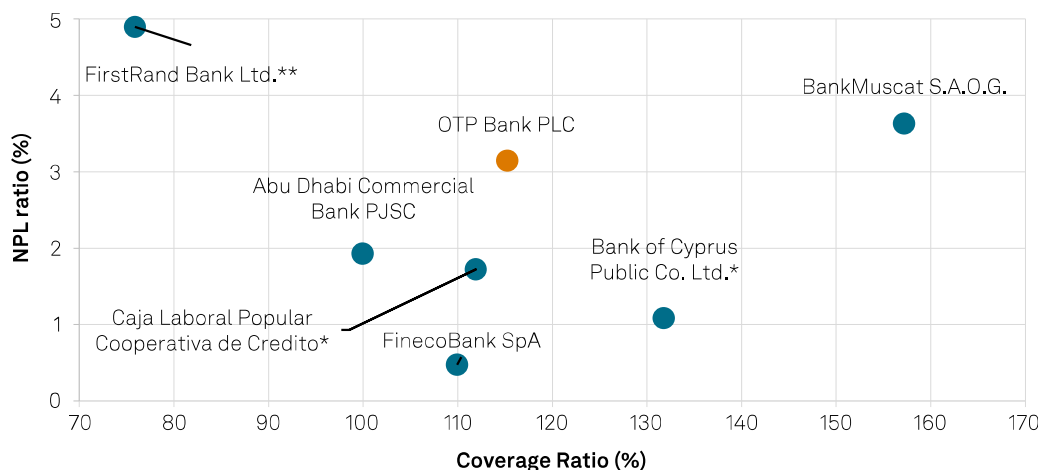
About 33% of OTP's net customer loans were disbursed to corporates, 30% toward residential mortgage, and 27% to consumers, with the rest split largely between small and midsize enterprise loans and automobile loans and leasing as of June 30, 2026. Most foreign subsidiaries largely follow the same structure. Notable exceptions are: Russia (only consumer), Ipoteka Bank (predominantly retail), and Ukraine (largely corporate). We view the mortgage loan book as adequately collateralized. The overall loan book does not show significant single-name concentration.

OTP's Stage 3 loans reduced to 3.2% as of June 30, 2026, compared with 3.5% at year-end 2025. We expect the level to reduce further, closer to the international peer average. Given OTP's high coverage of nonperforming loans, we think the group follows a conservative provisioning policy. In our base case, we expect the asset quality metrics to persist over the medium term, as economic recovery and lower interest rates benefit the private sector.

Chart 4

OTP's coverage is one of the highest among peers, however its NPL ratio is also high

As of H1-2026



*Data as of Q1-2026. **Data as of YTD Dec-2025. NPL--Nonperforming loans. NPAs--Nonperforming assets. NPL ratio=Adjusted NPAs/(customer loans + other real estate owned). Coverage ratio=Loan loss reserves/adjusted NPAs. Source: S&P Global Ratings.

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In our view, overall, market risk remains limited. This is because OTP hedges most of its foreign currency and interest rate risks and provides its subsidiaries with fixed- or floating-rate internal loans to match the repricing characteristics of their loan books, mitigating interest rate risk. It closes trading positions and adjusts the repricing structure of external debt to hedge interest rate risk at the group level. Investments in network banks are also partly hedged against foreign exchange risk.

We are closely monitoring Hungarian authorities' push to increase banks' holdings of government securities, which can intensify sensitivity to market risk depending on the valuation of government bonds. Repricing risks may not be adequately covered by capital if the sovereign suffers from negative market sentiment.

Focus Russia

At 6% of net loans as of the end of June 2026, the bank's exposure to Russia is small but can pressure the rating in adverse scenarios, primarily through nonfinancial risks. The group has

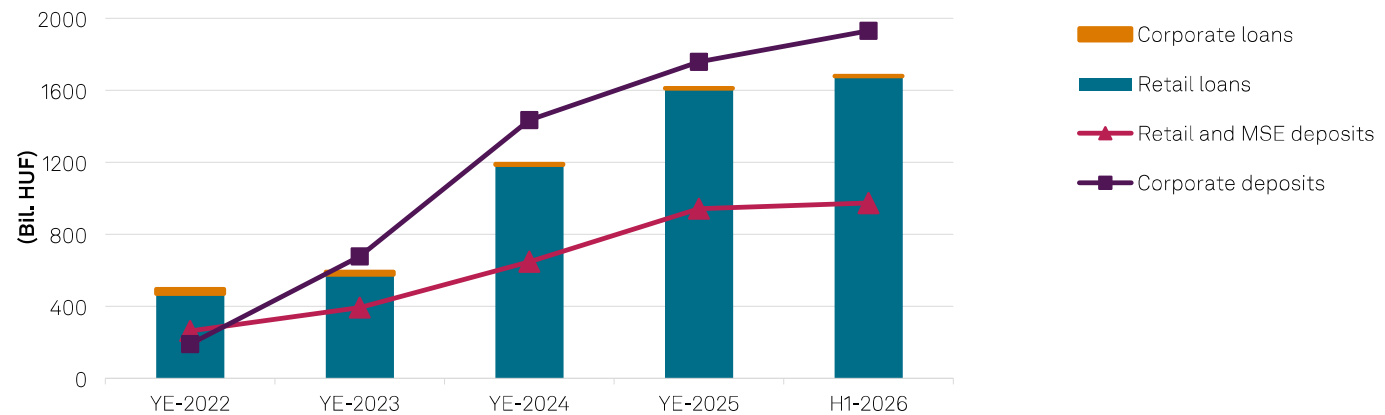
reduced the size of its Russian corporate portfolio to mitigate the risks, but has been growing its retail portfolio, funded by a strong inflow by both corporate and retail deposits. While OTP considers all strategic options in Russia, we do not regard an exit as feasible in the medium term. Possible further sanctions by the EU and other countries against Russia may exacerbate the risk. Direct financial risks are limited, but we think that there are significant reputational and legal/compliance risks associated with OTP's business in the country. Such risks could occur primarily if a regulator (in any relevant country) opens an investigation or the bank's exposure in Russia results in sanction breaches. At the same time, we note OTP is fully compliant with regulatory requirements and faces no related legal dispute.

Risk costs stemming from OTP's operations in Russia have declined in line with the portfolio rundown/maturity of Russian bonds but remain high.

Chart 5

OTP's exposure to Russia has increased significantly

OTP Russia's performing loans and deposits over YE-2022 to H1-2026



MSEs--Micro and small enterprises. HUF-- Hungarian Forint. Source: OTP Bank PLC financial reports.

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Funding And Liquidity: Largely Retail Funding Base And A High Level Of Liquid Assets

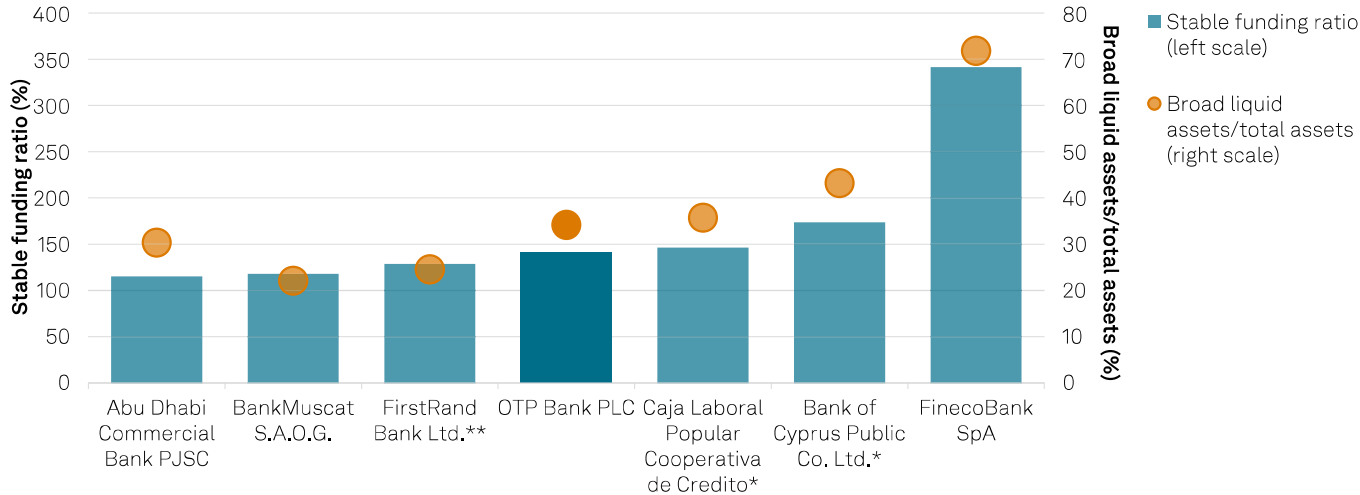
We expect OTP's funding profile to remain better than the peer average over the cycle. We also think that the group will retain its very high liquidity buffer. Our analysis is mainly based on the qualitative considerations derived from the group's strong and diversified deposit franchise in core countries of operations. Financial metrics are supportive of the assessment, but not its main driver.

Core customer deposits totaled around 85% of total liabilities as of June 30, 2026 (S&P calculation), translating into a low net loan-to-deposit ratio of about 78%. OTP's S&P-adjusted stable funding ratio strengthened to about 141% as of the end of second-quarter 2026 and is well placed within the peer group. We expect the ratio to remain around this level over the coming years as loan growth aligns more closely with increase in deposits. Given the attractiveness of its franchise, OTP has not had to rely on overly aggressive pricing to retain customers. We regard OTP's strong retail franchise as loyal and well diversified in most countries of operations.

Chart 6

OTP benefits from sound funding and liquidity metrics comparable to that of its peers

As of H1-2026



*Data as of Q1-2026. **Data as of YTD Dec-2025. Source: S&P Global Ratings.
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We consider that OTP's individual foreign subsidiaries have similar strong funding and liquidity profiles, with metrics in line with the consolidated ratios. The bank is able to collect long-term funding by issuing mortgage-covered bonds via OTP Mortgage Bank, which we assess as positive.

Our assessment factors in OTP's strong liquid assets, mainly cash and government bonds equivalent to about one-third of total assets. Accordingly, coverage of total assets by broad liquid assets was high at 34.2% as of June 30, 2026. This, however, reflects in part the limited use of long-term wholesale debt by OTP (11% of the funding base). We center our liquidity assessment on deposit-related liquidity metrics and qualitative factors, given the high share of customer deposits in OTP's funding mix. Net broad liquid assets to short-term customer deposits--among the main metrics we consider--stood at a solid 44% on June 30, 2026, and is stronger than for most other banks we rate. This supports our view that OTP would be able to withstand adverse market shocks.

Comparable Rating Analysis (CRA): Positive One-Notch Adjustment

We assign a positive one-notch CRA adjustment to arrive at the 'bbb' SACP. This adjustment is informed by a track record of above-peer-average returns and supported by our expectation of economic conditions recovering in its main countries of operations. We think that the OTP Group will continue to outperform peers' risk-adjusted profitability. A return on equity of 21.3% and a cost-to-income ratio of 47.9% in 2025 indicate strong earnings-generating capacity, better than the peer average. Same relativities persist on the risk-adjusted return: we project OTP's three-year average earnings buffer to remain strong at around 2%, supporting our capital and earnings assessment (year-end 2025: 1.98% of S&P Global Ratings' risk-weighted assets). The buffer measures a bank's capacity to cover its normalized credit losses using its earnings. In our base case, we expect this advantage to persist in the medium term.

Support: No Uplift To The SACP

We do not incorporate any uplift for potential extraordinary government support into our ratings on OTP. This view is based on the implementation of the Bank Recovery and Resolution Directive for stressed banks into national law. Given OTP's systemic importance, we do not rule out the possibility of support. However, we believe the government's willingness to extend support is uncertain under the resolution framework.

The OTP Group's preferred resolution strategy is Multiple Point of Entry, with two resolution groups within the OTP Group: (i) the first resolution group consists of the Issuer as resolution entity and the entities in the prudential scope of consolidation of the Issuer, excluding the Slovenian OTP Banka d.d. and its subsidiaries (OTP Bank Resolution Group) and (ii) the second resolution group has the Slovenian OTP Banka d.d. as a resolution entity and its subsidiaries. The bank fully meets its minimum requirement for own funds and eligible liabilities (MREL), with the ratio at 25.9% versus the regulator-mandated 23.9% as of June 30, 2026. We believe it will maintain this ratio in the foreseeable future.

The ratings on OTP do not benefit from any uplift to additional loss-absorbing capacity (ALAC) due to low issuances of senior non-preferred and Tier 2 capital instruments. The bank does not meet the relevant thresholds for ALAC eligible instruments to S&P Global Ratings' RWAs before diversification, set at 375 bps for a one-notch uplift and at 750 bps for two notches of ALAC uplift to the SACP. The thresholds include adjustments for maturity concentration and prepositioning of instruments.

Other Issues: Rating Above The Sovereign

We think that OTP's capital and liquidity ratios are resilient enough to withstand a potential stress scenario, even the unlikely event of a default by Hungary. Therefore, we rate OTP above the Hungarian sovereign.

We consider that, to some extent, OTP would be able to withstand the financial stress occurring in case of a default by Hungary. This assessment justifies that our ICRs on OTP are not limited by the Hungarian Foreign Currency (FC) sovereign rating. However, we think there would still be a substantial effect on the bank's franchise and financial standing if the Hungarian sovereign were to default. Therefore, we restrict our ICR on OTP at a maximum of one notch above the sovereign FC rating on Hungary.

Our assessment of OTP's ability to withstand a sovereign default is informed by our sovereign stress test model. Under this approach, we estimate the potential credit losses and liquidity outflows that OTP could suffer in a sovereign default scenario, and also the bank's financial resilience. Our analysis considers the potential solvency of the group on a consolidated basis, and, more challengingly, that of OTP Bank PLC as a legal entity. The modelled losses--arising principally from its home sovereign bond portfolio and domestic loan book--could be substantial. That said, we see two factors that could offer some mitigation to the depletion in its regulatory capital:

- We assume that authorities would apply resolution powers to OTP, leading to the write-down of all outstanding capital instruments and the bail-in of nonpreferred senior debt instruments.
- We assume that the Hungarian parent bank could repatriate profits and some of the excess regulatory capital held in EU subsidiaries (excluding Slovenia), that is, those within its OTP Bank Resolution Group perimeter.

For non-EU subsidiaries, we see a higher likelihood of local regulators impeding the transfer of profits and excess regulatory capital to the Hungarian parent due to diverging regulatory frameworks and national interests.

Based on these assumptions, we think that OTP would, under a sovereign stress scenario, be able to maintain liquidity and capitalization at levels likely to be deemed acceptable by Hungarian authorities, applying some form of regulatory forbearance. This would give the bank time to restore capital and liquidity ratios to regulatory minimums.

Climate And Other Evolving Factors

Environmental and social factors are neutral to our credit rating analysis of OTP. In our view, the bank manages the risks prudently and proactively, balancing our concerns that arise due to the group's complexity and presence across multiple jurisdictions, which make it exposed to a broad set of climate and social trends.

OTP Group is committed to sustainability across multiple dimensions, with key priorities including green lending, the decarbonization of own operations, and reducing the carbon footprint of our financed portfolio. De-carbonization may challenge some customers' business cases and collateral value deterioration, resulting in higher risk costs. At the same time, as for OTP's peers, the transition to a low-carbon economy also brings chances for new business, if well managed.

Some of the group's subsidiaries are sensitive to physical climate events. In particular, this is important for countries with a high share of agriculture, such as Uzbekistan or Albania. Also, some countries of operations face strong negative demographic trends, such as Ukraine, Bulgaria or Serbia. Consumer protection, conduct and responsible lending risk is also a topic in developing economies, as standards are evolving and the institutional framework is somewhat unpredictable and consumer protection can be populist at times.

Group Structure And Rated Subsidiaries

We equalize our ratings on OTP Mortgage Bank with those on OTP because of its integral position in the group's strategy. Our view of its status is based on its full ownership and very close organizational and operational integration with its parent.

We understand OTP Mortgage Bank is key in fulfilling the group's regulator-mandated mortgage funding adequacy ratio via issuances of mortgage-covered bonds.

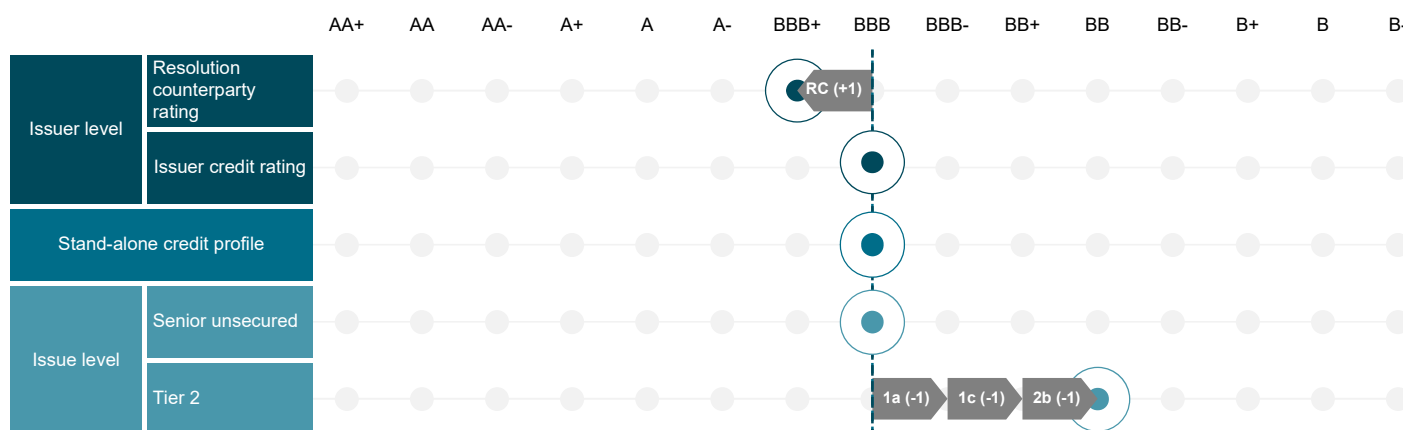
OTP Mortgage Bank has a leading position in retail mortgage lending in Hungary. The capital allocated to OTP Mortgage Bank is only moderate, and we think that OTP Bank will support its core subsidiary under all foreseeable circumstances if necessary.

We consider Ipoteka Bank a moderately strategic Uzbek subsidiary of OTP and therefore incorporate potential support in our ratings on Ipoteka Bank. We do not consider Uzbekistan a key market for OTP Group and expect that support to Ipoteka Bank will not be prioritized over other subsidiaries. At the same time, we think Ipoteka Bank will benefit from OTP's knowledge and expertise in retail lending and bank risk management systems, which could eventually lift the bank's corporate governance standards, positively differentiating the entity from other banks in Uzbekistan.

Issue Ratings

Chart 7

OTP Bank PLC: Notching



Key to notching

- Issuer credit rating
- Group stand-alone credit profile
- RC Resolution counterparty liabilities (senior secured debt)
- 1a Contractual subordination
- 1c Mandatory contingent capital clause or equivalent
- 2b Other nonpayment or default risk not captured already

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on Oct. 13, 2025.

AT1--Additional Tier 1. NDSD--Non-deferrable subordinated debt. NVCC--nonviability contingent capital.

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Key Statistics

OTP Bank PLC Key Figures

MIL. HUF	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Adjusted assets	46,263,889	45,041,348	43,062,564	39,317,786	32,567,179
Customer loans (gross)	27,430,136	26,863,462	24,334,695	21,385,765	19,643,558
Adjusted common equity	4,934,729	4,882,081	4,445,307	3,613,026	2,950,059
Operating revenues	1,578,530	3,012,023	2,644,933	2,392,942	1,688,206
Noninterest expenses	887,745	1,442,640	1,212,774	1,074,337	1,042,863
Core earnings	483,038	1,154,675	1,070,828	1,040,309	369,633

*2026 data is for the 6 months to end-June. HUF--Hungarian forint.

OTP Bank PLC Business Position

(%)	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Loan market share in country of domicile	28.5	27.5	27	26.5	27.0
Deposit market share in country of domicile	30.5	30.0	31.0	30.5	31.5

OTP Bank PLC Business Position

(%)	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Return on average common equity	17.3	21.3	23.3	26.7	10.6

*2026 data is for the 6 months to end-June.

OTP Bank PLC Capital And Earnings

(%)	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Tier 1 capital ratio	17.6	18.1	18.9	16.6	16.4
S&P Global Ratings' RAC ratio before diversification	N/A	8.6	8.6	7.9	7.4
S&P Global Ratings' RAC ratio after diversification	N/A	8.0	7.8	7.2	6.6
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	67.6	64.4	66.0	58.0	64.6
Fee income/operating revenues	29.6	34.1	31.9	28.9	35.6
Market-sensitive income/operating revenues	1.9	1.1	0.9	3.6	(0.6)
Cost to income ratio	56.2	47.9	45.9	44.9	61.8
Preprovision operating income/average assets	3.0	3.5	3.5	3.6	2.1
Core earnings/average managed assets	2.1	2.6	2.6	2.9	1.2

*2026 data is for the 6 months to end-June. N/A--Not applicable.

OTP Bank PLC RACF [Risk-Adjusted Capital Framework] Data

(Mil. HUF)	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit risk					
Government & central banks	17,647,548	3,322,065	19	5,307,129	30
Of which regional governments and local authorities	392,476	66,711	17	157,451	40
Institutions and CCPs	1,755,359	450,196	26	555,769	32
Corporate	15,861,301	9,991,895	63	20,405,377	129
Retail	16,003,582	8,235,769	51	16,396,512	102
Of which mortgage	6,074,099	1,699,852	28	3,450,219	57
Securitization§	0	0	0	0	0
Other assets†	2,743,166	2,319,648	85	4,783,875	174
Total credit risk	54,010,955	24,319,572	45	47,448,663	88
Credit valuation adjustment					
Total credit valuation adjustment	'--	80,860	'--	0	'--
Market Risk					
Equity in the banking book	330,118	328,817	100	2,951,558	894
Trading book market risk	'--	348,445	'--	522,668	'--
Total market risk	'--	677,262	'--	3,474,226	'--
Operational risk					
Total operational risk	'--	3,839,627	'--	5,647,543	'--

OTP Bank PLC RACF [Risk-Adjusted Capital Framework] Data

(MIL HUF)	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
(MIL HUF)	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global RWA	% of S&P Global RWA
Diversification adjustments					
RWA before diversification	'--	28,933,659	'--	56,570,431	100
Total Diversification/ Concentration Adjustments	'--	'--	'--	4,542,526	8
RWA after diversification	'--	28,933,659	'--	61,112,957	108
(MIL HUF)		Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global RAC ratio (%)
Capital ratio before adjustments		5,253,292	18.2	4,882,081	8.6
Capital ratio after adjustments‡		5,253,292	18.1	4,882,081	8.0

*Exposure at default. \$Securitization Exposure includes the securitization tranches deducted from capital in the regulatory framework.
†Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons).
RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital.HUF -- Hungary Forint. Sources: Company data as of 'Dec. 31 2025', S&P Global Ratings.

OTP Bank PLC Risk Position

(%)	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Growth in customer loans	4.2	10.4	13.8	8.9	18.1
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	8.0	10.3	9.7	12.1
Total managed assets/adjusted common equity (x)	9.5	9.3	9.8	11.0	11.1
New loan loss provisions/average customer loans	0.6	0.6	0.5	0.4	1.2
Net charge-offs/average customer loans	N.M.	0.2	0.4	0.3	0.7
Gross nonperforming assets/customer loans + other real estate owned	3.2	3.5	3.6	4.5	4.9
Loan loss reserves/gross nonperforming assets	115.2	110.4	109.7	105.1	103.5

*2026 data is for the 6 months to end-June. N/A--Not applicable. N.M.--Not meaningful.

OTP Bank PLC Funding And Liquidity

(%)	--Fiscal year ended Dec. 31--				
	2026*	2025	2024	2023	2022
Core deposits/funding base	85.3	87.5	85.73	85.3	89.5
Customer loans (net)/customer deposits	78.4	76.6	73.8	71.9	74.0
Long-term funding ratio	97.0	98.1	97.7	97.6	97.5
Stable funding ratio	140.8	142.1	147.9	141.5	139.4
Short-term wholesale funding/funding base	3.4	2.2	2.6	2.7	2.8
Regulatory net stable funding ratio	151.0	151.5	158.0	153.0	131.0
Broad liquid assets/short-term wholesale funding (x)	11.7	18.4	16.8	15.7	14.1
Broad liquid assets/total assets	34.2	33.5	36.6	35.7	33.5
Broad liquid assets/customer deposits	47.3	45.2	50.2	49.9	43.6
Net broad liquid assets/short-term customer deposits	44.0	43.5	47.9	47.4	41.4
Regulatory liquidity coverage ratio (LCR) (x)	212.0	251.0	266.0	246.0	172.1

OTP Bank PLC Funding And Liquidity

(%)	--Fiscal year ended Dec. 31 --				
	2026*	2025	2024	2023	2022
Short-term wholesale funding/total wholesale funding	23.3	17.2	17.9	18.5	26.2
Narrow liquid assets/3-month wholesale funding (x)	35.6	24.4	23.2	21.6	18.2

*2026 data is for the 6 months to end-June.

Rating Component Scores

Issuer Credit Rating	BBB/Negative/A-2
SACP	bbb
Anchor	bb+
Business position	Strong (1)
Capital and earnings	Adequate (0)
Risk position	Moderate (-1)
Funding and liquidity	Strong and Strong (1)
Comparable ratings analysis	1
Support	0
ALAC support	0
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.

Related Criteria

- [Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology](#), May 5, 2026
- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), Oct. 13, 2025
- [Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions](#), Dec. 9, 2021
- [Criteria | Financial Institutions | General: Financial Institutions Rating Methodology](#), Dec. 9, 2021
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions](#), Nov. 19, 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [OTP's Full Acquisition Of Luminor Will Build Its Baltic Presence And Adds To Franchise](#), July 22, 2026
- [Banking Industry Country Risk Assessment – Hungary](#), May 5, 2026
- [Reduced Macroeconomic Flexibility Increases Risks To Banks In Hungary; BICRA Economic Risk Trend Now Negative](#), March 6, 2026
- [How S&P Global Ratings Applies Its Ratings Above The Sovereign Methodology To Banks](#), Feb. 19, 2026
- [OTP Bank PLC](#), Aug. 4, 2025

Ratings Detail (as of October 01, 2026)*

[OTP Bank PLC](#)

Issuer Credit Rating	BBB/Negative/A-2
Resolution Counterparty Rating	BBB+/-/A-2
Senior Unsecured	BBB
Subordinated	BB

Issuer Credit Ratings History

14-Apr-2025	BBB/Negative/A-2
30-Jan-2023	BBB-/Stable/A-3
16-Aug-2022	BBB/Negative/A-2

Sovereign Rating

Hungary	BBB-/Negative/A-3
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Related Entities

[OTP Mortgage Bank](#)

Issuer Credit Rating	BBB/Negative/A-2
Resolution Counterparty Rating	BBB+/-/A-2

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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