

EU Banks NPL Heatmaps

Asset quality steady but downside pressures emerging

We continue to expect a mild deterioration in EU banks' asset quality in coming quarters as pressure in some corporate sectors intensifies. Heightened geopolitical risks and a slowdown in global trade due to higher or newly imposed tariffs could exacerbate asset-quality weakening, translating into higher credit risk for banks.

The consolidated non-performing loan (NPL) ratio remained low and relatively stable at 1.85% in Q1 2025, though, down slightly from 1.88% in Q4 2024 (See Heatmap 1). This is largely reflective of increased lending in the wake of lower interest rates. But this stability should be viewed with caution: banks added roughly EUR 2.6bn of new NPLs in the quarter, increasing the total NPL stock to around EUR 378bn, the second largest since the second quarter of 2022.

The largest quarterly increases in NPL ratios to Q1 2025 were in France and Italy. Moderate declines were seen in Germany, the Netherlands and Austria. The gap in asset-quality trends between core and peripheral countries observed in recent periods has narrowed. While Spanish banks continue to show one of the highest NPL stocks (2.67% albeit with a declining trend), the NPL ratio of Austrian banks (2.3%) remains slightly higher than Italy's.

Corporate NPL ratios remained stable in the first quarter compared to Q4 2024, amounting to approximately 3.4% in Q1 2025, but the trend varies greatly between countries and sectors. While Italy and Denmark (+8bp each) saw the largest increases in the quarter followed by France and Sweden (+4bp each), banks in many countries experienced a decline in their quarterly metrics, notably Germany and Austria (-24 bp and -19bp, respectively, Heatmap 2).

By sector, there was a mild deterioration in wholesale and retail trade, construction and some smaller sectors (including agriculture), which together represent less than 30% of the aggregate EU corporate loan portfolio for banks in the EBA sample. In other sectors, NPL ratios are stable or decreasing.

Real estate, the largest corporate segment at 25.6% of lending, remains stable from an NPL perspective at 2.8% in Q1 2025 (Heatmap 4). The construction sector, which accounts for about 5% of total corporate lending, saw the sharpest deterioration, rising 20bp to 6.5% with weakening particularly evident in France (+90bp quarter on-quarter, Heatmap 5).

The household segment continues to show a solid performance, showing no signs of deterioration. NPL levels remain stable at 2.14% (Heatmap 3). The most visible improvement was observed in Denmark (-10bp). Household NPL ratios in Denmark, Finland and Germany are also declining, but there were signs of mild deterioration in France (+4bp).

The moderate increase in the cost of risk at EU level reflects higher net provisioning in many countries, often driven by management overlays. Above-average increases were recorded in Germany and Denmark (+40bp and +38bp, respectively) followed by France and Spain (+10bp and +7bp). Italy and Austria experienced slight relief (Heatmap 6).

The share of Stage 2 loans at EU level marginally improved to 9.5% in Q1 2025 (vs 9.7% in Q4 2024). The Netherlands and Germany experienced the largest declines (-60bp and -40bp respectively); six other EU countries also recorded declines. France was the only country to show a negative development (Heatmap 7).

Analysts

Alvaro Dominguez Alcalde, London
a.dominguez@scoperatings.com

Karlo Fuchs, Frankfurt
k.fuchs@scoperatings.com

Angela Cruz Gomez, Madrid
a.cruzgomez@scoperatings.com

Carola Saldias Castillo, Milan
c.saldias@scoperatings.com

Julian Zimmermann, Vienna
j.zimmermann@scoperatings.com

Alessandro Boratti, Milan
a.boratti@scoperatings.com

Magnus Rising, Oslo
m.rising@scoperatings.com

Milya Safiullina, Frankfurt
m.safiullina@scoperatings.com

Andre Hansen, London
a.hansen@scoperatings.com

Diego de Freitas Apitz, Madrid
d.defreitas@scoperatings.com

Team leader

Marco Troiano, Milan
m.troiano@scoperatings.com

Media

Keith Mullin
k.mullin@scopegroup.com

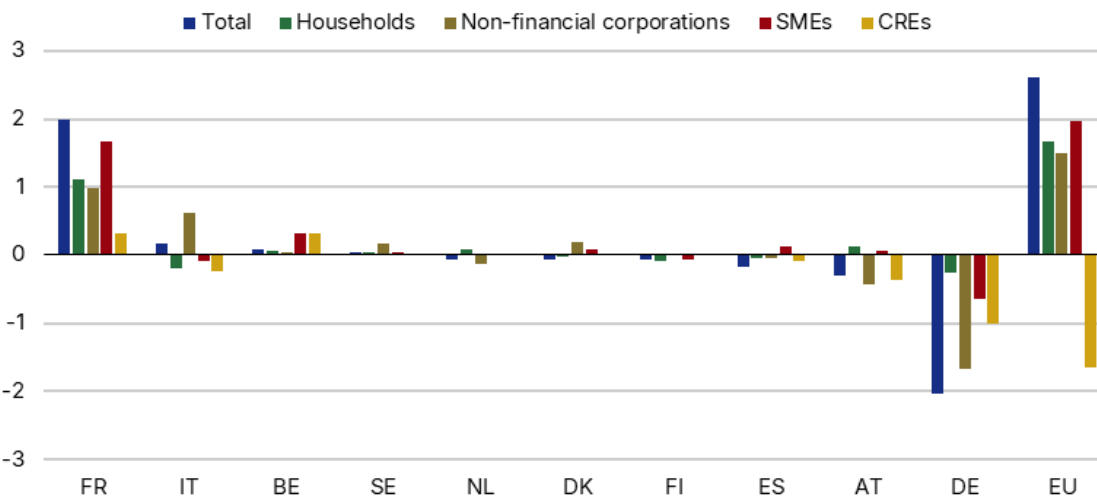
Heatmap 1: EU banks: non-performing loan ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
FR	2.49%	2.19%	1.90%	1.86%	1.94%	2.00%	2.03%	2.06%	2.03%	2.05%		0.03%	-0.01%	0.06%
IT	6.67%	4.13%	3.09%	2.45%	2.35%	2.44%	2.41%	2.40%	2.31%	2.32%		0.01%	-0.09%	-0.12%
ES	3.23%	2.93%	3.05%	2.77%	2.81%	2.86%	2.79%	2.78%	2.68%	2.67%		-0.01%	-0.11%	-0.19%
FI	1.44%	1.52%	1.25%	0.93%	1.14%	1.17%	1.21%	1.23%	1.21%	1.19%		-0.03%	-0.05%	0.01%
BE	2.00%	1.97%	1.52%	1.49%	1.20%	1.22%	1.23%	1.31%	1.31%	1.28%		-0.03%	-0.03%	0.06%
SE	0.53%	0.46%	0.32%	0.23%	0.30%	0.32%	0.32%	0.36%	0.40%	0.37%		-0.03%	0.01%	0.05%
DK	1.82%	1.87%	1.74%	1.40%	1.27%	1.27%	1.22%	1.22%	1.25%	1.21%		-0.04%	-0.02%	-0.06%
AT	2.31%	2.10%	1.87%	1.84%	2.18%	2.17%	2.18%	2.27%	2.41%	2.34%		-0.07%	0.07%	0.17%
NL	1.95%	1.99%	1.51%	1.39%	1.40%	1.36%	1.42%	1.41%	1.51%	1.41%		-0.09%	0.00%	0.05%
DE	1.25%	1.27%	1.08%	1.08%	1.32%	1.32%	1.37%	1.46%	1.58%	1.45%		-0.14%	-0.01%	0.13%
EU	2.75%	2.57%	2.04%	1.80%	1.84%	1.86%	1.86%	1.88%	1.88%	1.85%		-0.04%	-0.04%	-0.01%

AT: Austria, DE: Germany, FI: Finland, SE: Sweden; NL: the Netherlands, BE: Belgium, FR: France; ES: Spain, DK: Denmark, IT: Italy. Ranking according to the increase of NPLs in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. Sample includes countries with the ten largest loan amounts. Source: EBA risk dashboard, Scope Ratings.

Section 1: NPL amounts and ratios by sub-sectors

Chart 1: Breakdown of quarterly NPL change between retail and corporate NPLs (EUR bn)














Source: EBA risk dashboard, Scope Ratings.

Heatmap 2: country ranking by corporate NPL ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
IT	11.42%	7.48%	5.39%	4.12%	3.87%	3.99%	3.94%	4.00%	3.75%	3.83%		0.08%	-0.17%	-0.16%
DK	4.52%	5.52%	3.81%	2.83%	2.78%	2.77%	2.60%	2.57%	2.67%	2.75%		0.08%	0.18%	-0.02%
SE	1.01%	0.96%	0.57%	0.33%	0.39%	0.41%	0.39%	0.50%	0.49%	0.53%		0.04%	0.04%	0.12%
FR	3.94%	3.87%	3.46%	3.43%	3.63%	3.75%	3.77%	3.90%	3.72%	3.76%		0.04%	-0.15%	0.01%
ES	4.76%	4.67%	4.84%	4.07%	3.83%	3.78%	3.60%	3.63%	3.37%	3.35%		-0.02%	-0.28%	-0.43%
BE	3.64%	4.08%	3.28%	2.89%	2.84%	3.00%	2.96%	3.36%	3.25%	3.22%		-0.03%	-0.14%	0.22%
NL	4.34%	4.80%	3.37%	3.12%	2.97%	3.02%	3.14%	3.20%	3.06%	3.03%		-0.03%	-0.17%	0.01%
FI	2.61%	2.30%	2.13%	1.27%	1.56%	1.49%	1.63%	1.74%	1.63%	1.60%		-0.03%	-0.14%	0.11%
AT	3.25%	3.37%	3.11%	2.92%	3.52%	3.68%	3.70%	3.81%	4.36%	4.16%		-0.19%	0.35%	0.49%
DE	2.33%	2.61%	2.30%	2.18%	3.11%	3.20%	3.37%	3.58%	3.71%	3.46%		-0.24%	-0.12%	0.27%
EU	4.99%	4.76%	3.77%	3.25%	3.33%	3.39%	3.40%	3.50%	3.38%	3.37%		-0.02%	-0.13%	-0.03%

Ranking according to the increase of corporate NPL ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. Source: EBA risk dashboard, Scope Ratings




















Heatmap 3: country ranking by household NPL ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
FR	2.90%	2.60%	2.32%	2.06%	2.06%	2.08%	2.15%	2.16%	2.17%	2.21%		0.04%	0.05%	0.13%
AT	2.83%	2.71%	2.40%	2.16%	2.29%	2.36%	2.37%	2.35%	2.16%	2.17%		0.01%	-0.18%	-0.20%
BE	1.92%	1.95%	1.27%	1.16%	0.91%	0.93%	0.95%	0.97%	1.00%	1.01%		0.01%	0.04%	0.08%
NL	1.09%	1.29%	1.15%	1.01%	1.06%	1.08%	1.07%	1.05%	1.20%	1.20%		0.00%	0.14%	0.12%
SE	0.32%	0.29%	0.27%	0.27%	0.38%	0.44%	0.45%	0.47%	0.48%	0.46%		-0.01%	0.00%	0.02%
ES	3.69%	3.49%	3.85%	3.49%	3.79%	3.87%	3.74%	3.80%	3.73%	3.71%		-0.01%	-0.09%	-0.15%
IT	5.05%	3.72%	3.28%	2.32%	2.20%	2.25%	2.23%	2.18%	2.07%	2.03%		-0.04%	-0.15%	-0.22%
DE	1.56%	1.76%	1.51%	1.33%	1.39%	1.51%	1.52%	1.64%	1.66%	1.60%		-0.06%	-0.04%	0.09%
FI	1.15%	1.46%	1.33%	1.25%	1.51%	1.61%	1.58%	1.60%	1.59%	1.51%		-0.08%	-0.09%	-0.10%
DK	2.56%	2.71%	2.27%	1.94%	2.25%	2.31%	2.39%	2.43%	2.39%	2.30%		-0.10%	-0.13%	-0.02%
EU	2.92%	2.88%	2.41%	2.06%	2.12%	2.18%	2.16%	2.17%	2.14%	2.14%		-0.01%	-0.04%	-0.05%

Ranking according to the increase of household NPL ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.
Source: EBA risk dashboard, Scope Ratings.

Section 2: Corporate sectors with the highest quarterly increase

Heatmap 4: Overview of NPL ratios by corporate sector in the EU

Country	NACE code	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months	Sector as % of total loans
EU	F Construction	13.9%	10.5%	8.0%	6.2%	6.2%	6.2%	6.3%	6.3%	6.3%	6.5%		0.2%	0.2%	0.2%	4.8%
EU	N Admin. & support services	3.1%	3.9%	3.7%	3.2%	2.7%	2.8%	2.5%	2.9%	2.9%	3.0%		0.1%	0.1%	0.2%	3.5%
EU	J Information and communication	2.9%	2.8%	2.2%	1.9%	2.4%	2.8%	2.7%	2.7%	2.1%	2.2%		0.1%	-0.5%	-0.6%	3.4%
EU	A Agriculture, forestry and fishing	6.6%	5.9%	4.5%	4.0%	4.0%	4.1%	4.2%	4.2%	4.1%	4.2%		0.1%	0.0%	0.1%	3.7%
EU	G Wholesale and retail trade	5.8%	5.9%	4.4%	3.9%	3.9%	4.0%	4.0%	4.2%	4.0%	4.1%		0.1%	-0.1%	0.1%	12.8%
EU	P Education	3.9%	4.2%	3.7%	3.5%	3.5%	3.6%	3.6%	3.8%	3.6%	3.7%		0.1%	-0.1%	0.1%	0.3%
EU	O Public admin. & defence	0.9%	1.5%	1.1%	0.7%	1.2%	0.9%	1.0%	0.7%	0.3%	0.4%		0.0%	-0.4%	-0.5%	0.2%
EU	R Arts, entertainment	6.8%	7.2%	7.8%	6.4%	5.4%	5.1%	4.8%	4.8%	4.1%	4.1%		0.0%	-0.6%	-1.0%	0.5%
EU	C Manufacturing	5.5%	5.5%	4.0%	3.5%	3.6%	3.7%	3.7%	3.9%	4.0%	4.0%		0.0%	0.1%	0.2%	14.8%
EU	D Electricity, gas	2.4%	1.6%	1.3%	1.4%	1.5%	1.4%	1.4%	1.5%	1.5%	1.5%		0.0%	-0.1%	0.0%	5.7%
EU	S Other services	4.5%	4.4%	3.4%	3.2%	2.9%	2.6%	2.8%	2.8%	2.9%	2.8%		0.0%	0.0%	0.3%	2.5%
EU	L Real estate activities	2.8%	2.6%	2.3%	1.8%	2.5%	2.6%	2.7%	2.7%	2.8%	2.8%		0.0%	0.1%	0.2%	25.6%
EU	I Accom. & food services	7.9%	8.4%	9.4%	7.9%	6.8%	6.7%	6.6%	6.3%	5.9%	5.8%		-0.1%	-0.5%	-0.9%	2.6%
EU	B Mining and quarrying	6.2%	8.5%	5.5%	5.5%	3.7%	3.7%	4.2%	3.8%	3.1%	3.0%		-0.1%	-0.7%	-0.7%	1.0%
EU	M Prof., scientific & tech. activ.	4.2%	4.5%	3.6%	3.0%	3.4%	3.5%	3.6%	3.6%	3.5%	3.4%		-0.1%	-0.2%	-0.1%	5.3%
EU	E Water supply	3.1%	2.6%	2.3%	1.4%	1.3%	1.4%	1.9%	2.1%	1.7%	1.5%		-0.1%	-0.6%	0.1%	1.1%
EU	H Transport and storage	6.1%	5.8%	4.5%	3.8%	2.9%	2.8%	2.7%	2.8%	2.6%	2.5%		-0.1%	-0.3%	-0.3%	5.5%
EU	K Financial & insurance	3.3%	3.2%	2.6%	2.2%	2.3%	2.2%	2.4%	2.3%	2.1%	2.0%		-0.2%	-0.3%	-0.2%	4.8%
EU	Q Human health & social work	3.0%	3.0%	2.3%	4.9%	4.9%	4.9%	4.7%	4.6%	2.8%	2.6%		-0.2%	-2.0%	-2.3%	1.8%

Ranking according to the increase of NPL ratios by NACE corporate sectors in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.
Source: EBA risk dashboard, Scope Ratings

Heatmap 5: Top 3 corporate sectors with the highest quarterly increase of NPL ratios by country

Country	NACE code	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months	Sector as % of total loans
AT	F Construction	4.4%	3.7%	3.1%	3.0%	4.5%	4.8%	5.4%	6.0%	7.1%	7.2%		0.1%	1.2%	2.4%	8.0%
AT	G Wholesale and retail trade	4.0%	4.1%	3.0%	3.2%	3.3%	3.4%	3.7%	4.1%	4.7%	4.8%		0.1%	0.6%	1.3%	12.7%
AT	H Transport and storage	3.7%	4.4%	4.1%	3.3%	3.0%	3.0%	3.1%	2.8%	2.6%	2.6%		0.1%	-0.2%	-0.4%	4.5%
BE	B Mining and quarrying	3.0%	3.4%	1.0%	1.1%	2.1%	2.2%	2.3%	1.4%	0.7%	2.4%		1.8%	1.0%	0.2%	0.4%
BE	C Manufacturing	4.3%	4.9%	3.8%	3.6%	3.7%	3.7%	3.6%	3.6%	3.4%	3.7%		0.3%	0.0%	-0.1%	15.4%
BE	P Education	1.7%	2.4%	1.8%	1.6%	1.3%	1.6%	1.6%	1.8%	1.4%	1.6%		0.1%	-0.2%	0.0%	0.3%
DE	R Arts, entertainment and recreation	3.2%	3.1%	1.9%	2.2%	1.6%	1.6%	1.1%	2.3%	1.0%	1.4%		0.3%	-1.0%	-0.2%	0.3%
DE	J Information and communication	0.8%	2.6%	2.0%	1.0%	1.1%	2.3%	1.7%	2.0%	1.3%	1.6%		0.3%	-0.4%	-0.8%	3.5%
DE	P Education	1.3%	1.4%	0.9%	0.9%	1.5%	1.5%	1.5%	1.7%	1.6%	1.8%		0.1%	0.0%	0.3%	0.2%
DK	N Administrative and support service activities	1.2%	3.0%	2.0%	2.0%	2.7%	3.2%	5.0%	4.9%	4.9%	9.2%		4.4%	4.3%	6.0%	1.7%
DK	D Electricity, gas, steam and air conditioning supply	0.3%	0.2%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	1.0%		0.9%	0.9%	0.9%	3.7%
DK	S Other services	2.9%	2.8%	1.4%	1.1%	1.1%	1.3%	1.2%	1.1%	1.3%	1.9%		0.5%	0.8%	0.6%	0.5%
ES	S Other services	3.3%	3.5%	3.1%	2.7%	3.6%	3.7%	3.8%	3.4%	3.4%	4.1%		0.8%	0.7%	0.4%	3.3%
ES	L Real estate activities	3.3%	3.7%	4.1%	3.5%	3.3%	3.3%	3.1%	3.2%	2.9%	3.0%		0.1%	-0.2%	-0.3%	10.8%
ES	P Education	6.2%	5.9%	5.8%	4.7%	4.7%	5.1%	5.2%	5.2%	5.3%	5.4%		0.1%	0.2%	0.3%	0.5%
FI	A Agriculture, forestry and fishing	7.4%	8.3%	5.5%	3.9%	3.0%	3.0%	2.9%	3.5%	3.4%	4.2%		0.8%	0.7%	1.2%	4.8%
FI	C Manufacturing	4.6%	3.3%	3.0%	1.9%	2.6%	2.3%	2.0%	2.0%	1.7%	2.3%		0.6%	0.4%	0.0%	11.0%
FI	I Accommodation and food service activities	2.3%	3.6%	2.8%	2.3%	2.8%	3.2%	3.1%	3.4%	3.4%	3.8%		0.4%	0.4%	0.6%	0.8%
FR	F Construction	8.7%	7.7%	7.2%	7.0%	7.7%	8.1%	8.3%	8.3%	8.1%	9.0%		0.9%	0.6%	0.9%	4.4%
FR	P Education	2.5%	3.3%	3.5%	4.1%	4.5%	4.7%	4.8%	4.9%	4.7%	4.9%		0.2%	0.0%	0.2%	0.4%
FR	I Accommodation and food service activities	7.5%	8.4%	9.4%	8.5%	8.8%	8.5%	8.7%	8.4%	8.3%	8.5%		0.2%	0.1%	0.1%	2.4%
IT	Q Human health services and social work activities	4.8%	3.8%	4.5%	5.3%	5.0%	5.3%	4.4%	4.9%	4.5%	5.5%		1.0%	0.5%	0.2%	1.2%
IT	B Mining and quarrying	6.1%	4.5%	2.0%	4.2%	4.2%	4.5%	4.7%	3.2%	2.4%	3.3%		0.9%	0.2%	-1.1%	0.7%
IT	G Wholesale and retail trade	8.7%	6.1%	4.2%	3.4%	3.7%	3.9%	4.1%	4.6%	4.3%	4.6%		0.3%	0.0%	0.7%	17.3%
NL	M Professional, scientific and technical activities	4.6%	6.4%	3.9%	3.9%	3.5%	3.5%	3.5%	3.4%	3.7%	4.6%		0.9%	1.1%	1.0%	3.0%
NL	J Information and communication	1.6%	2.2%	1.7%	2.9%	2.6%	3.5%	2.4%	2.5%	1.8%	2.2%		0.4%	-0.3%	-1.3%	4.0%
NL	R Arts, entertainment and recreation	4.9%	6.0%	6.9%	6.8%	5.3%	4.6%	3.2%	3.2%	2.8%	3.2%		0.4%	0.1%	-1.4%	0.4%
SE	M Professional, scientific and technical activities	1.0%	0.2%	0.1%	0.1%	0.9%	0.4%	0.3%	0.5%	0.2%	1.8%		1.6%	1.3%	1.4%	3.7%
SE	S Other services	3.2%	3.1%	2.9%	2.4%	0.8%	0.8%	0.9%	0.4%	0.3%	0.5%		0.3%	0.1%	-0.3%	0.8%
SE	N Administrative and support service activities	0.7%	1.2%	1.4%	0.2%	0.2%	0.3%	0.4%	0.5%	0.3%	0.4%		0.1%	-0.2%	0.0%	1.6%

Ranking according to the increase of corporate NPL ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.

Source: EBA risk dashboard, Scope Ratings Source: EBA risk dashboard, Scope Ratings.

Section 3: Other asset-quality indicators

Heatmap 6: Cost of risk

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
DE	27	47	25	27	38	62	48	53	49	89		40	36	27
DK	35	85	43	50	42	44	27	24	23	61		38	37	17
FR	39	54	38	45	47	61	54	53	50	59		10	6	2
ES	108	137	91	95	112	115	108	108	107	114		7	6	1
SE	13	21	6	11	9	8	6	6	6	8		2	2	0
BE	24	49	20	17	12	16	17	17	19	20		1	3	4
NL	25	54	9	21	13	15	18	16	17	15		-	2	1
FI	27	32	16	18	20	25	19	16	15	11		-	4	5
IT	61	94	63	52	38	28	32	31	35	29		-	6	2
AT	33	74	37	49	48	51	53	47	51	44		-	7	4
EU	48	75	47	46	48	56	51	50	49	57		8	8	1

Ranking according to the increase of cost of risk in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: Increases due to origination and acquisition + Changes due to change in credit risk (net) + Changes due to modifications without derecognition (net) + Changes due to update in the institution's methodology for estimation (net) + Other adjustments] (annualised) (A) / Total gross loans and advances subject to impairment (B + C). Source: EBA risk dashboard, Scope Ratings

Heatmap 7: Stage 2 loan ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
FR	6.7%	8.4%	9.0%	9.8%	9.4%	9.5%	9.5%	9.5%	9.4%	9.7%		0.3%	0.2%	0.2%
SE	3.9%	4.0%	3.5%	4.4%	6.0%	5.8%	5.5%	5.2%	4.8%	4.8%		0.0%	-0.4%	-1.0%
DK	7.1%	7.6%	6.5%	8.6%	8.9%	9.1%	9.1%	9.5%	9.1%	8.9%		-0.2%	-0.6%	-0.2%
FI	5.2%	5.6%	5.4%	5.8%	8.1%	8.9%	8.8%	8.7%	7.3%	7.1%		-0.2%	-1.6%	-1.8%
AT	10.3%	18.3%	17.5%	16.8%	16.4%	15.4%	14.1%	15.8%	13.8%	13.6%		-0.2%	-2.2%	-1.8%
ES	5.8%	7.1%	7.4%	6.8%	7.2%	7.2%	7.3%	7.0%	6.8%	6.5%		-0.3%	-0.5%	-0.7%
BE	9.1%	11.4%	10.7%	13.2%	10.9%	9.1%	9.0%	9.0%	7.4%	7.1%		-0.3%	-1.8%	-2.0%
IT	8.8%	13.8%	14.0%	12.2%	11.5%	10.3%	9.4%	9.2%	9.2%	8.8%		-0.3%	-0.3%	-1.5%
DE	5.0%	9.2%	9.1%	9.9%	11.7%	11.5%	12.8%	15.2%	15.9%	15.5%		-0.4%	0.3%	4.0%
NL	5.0%	7.7%	6.0%	7.9%	8.3%	8.0%	7.3%	7.1%	10.1%	9.5%		-0.6%	2.4%	1.5%
EU	6.8%	9.1%	9.0%	9.4%	9.6%	9.4%	9.3%	9.6%	9.7%	9.5%		-0.2%	0.0%	0.2%

Ranking according to the increase of Stage 2 loan ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: Stage 2 loans and advances at amortised cost / Sum of stage 1, 2, 3 and POCI loans and advances at amortised cost (code T13_2). Source: EBA risk dashboard, Scope Ratings

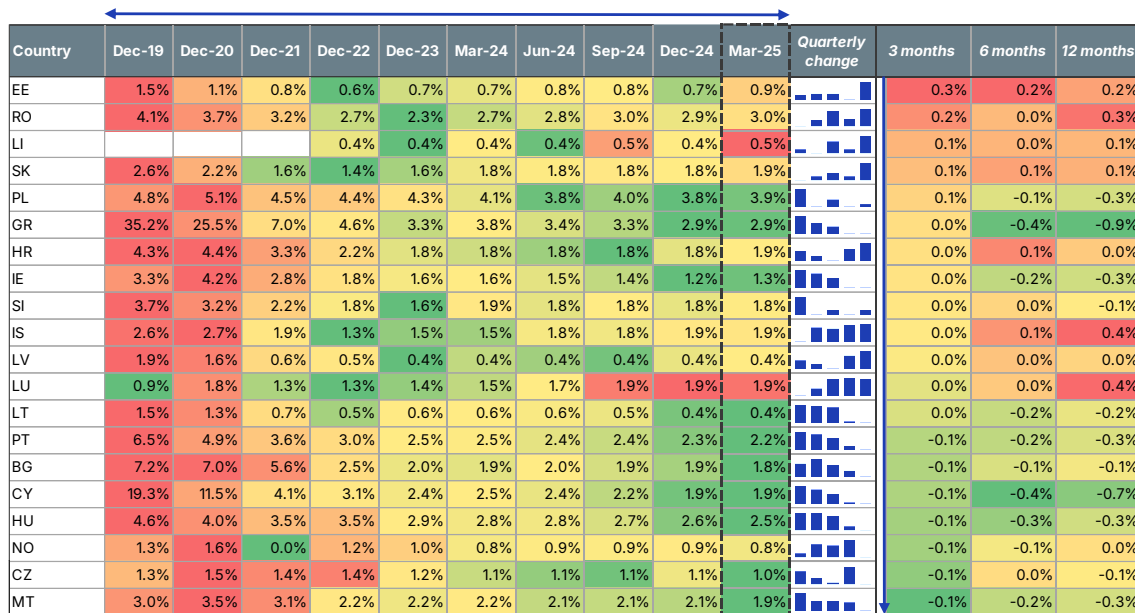
Heatmap 8: Forbearance ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Quarterly change	3 months	6 months	12 months
AT	1.2%	1.7%	1.9%	1.8%	1.7%	1.7%	1.8%	1.9%	2.0%	2.1%		0.09%	0.24%	0.41%
FR	0.9%	1.0%	1.2%	1.0%	1.0%	1.0%	1.0%	1.1%	1.1%	1.1%		0.02%	0.03%	0.11%
FI	1.1%	1.5%	1.5%	1.2%	1.4%	1.5%	1.6%	1.6%	1.6%	1.6%		0.01%	-0.02%	0.03%
IT	3.6%	2.6%	2.8%	2.5%	1.9%	1.9%	1.8%	1.8%	1.8%	1.7%		-0.02%	-0.11%	-0.15%
DK	1.0%	1.3%	1.1%	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%		-0.04%	-0.03%	-0.14%
SE	0.5%	0.5%	0.4%	0.3%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%		-0.04%	0.02%	0.10%
BE	0.9%	1.4%	1.6%	1.4%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%		-0.05%	0.00%	-0.03%
ES	3.1%	2.8%	3.0%	2.7%	2.4%	2.3%	2.2%	2.1%	2.0%	1.9%		-0.05%	-0.16%	-0.38%
DE	0.9%	1.6%	1.6%	1.2%	1.3%	1.4%	1.5%	1.5%	1.7%	1.7%		-0.06%	0.13%	0.28%
NL	1.7%	2.7%	2.3%	1.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.4%		-0.09%	-0.03%	-0.03%
EU	1.8%	2.0%	2.0%	1.6%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%		-0.03%	-0.02%	-0.01%

Ranking according to the increase of forbearance ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: exposures with forbearance measures for loans and advances/total instruments on BS (code AQT_42.2). Source: EBA risk dashboard, Scope Ratings.

Section 4: NPL ratios in other EU/EEA countries

Heatmap 9: Non-performing loan ratios



Ranking according to the increase of NPL ratios in Q1 2025 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. Source: EBA risk dashboard, Scope Ratings.

*Overview of the European Banking Authority's risk dashboard

Data presented in this report are based on the data set provided by the European Banking Authority as part of the EBA quarterly risk dashboard. Q1 2025 data were released on August 11, 2025. This report is designed to shed light on key asset-quality trends.

The EBA risk dashboard provides data on a sample of EU/EEA institutions. Given its limitations, the sample may not fully reflect trends at consolidated national banking system level.

From the EBA risk dashboard:

"The EBA Risk Dashboard is part of the regular risk assessment conducted by the EBA and complements the Risk Assessment Report. The EBA Risk Dashboard summarises the main risks and vulnerabilities in the banking sector in the European Union (EU) by looking at the evolution of Risk Indicators (RI) among a sample of banks across the EU".

"Individual country data includes subsidiaries, which are excluded from EU aggregate. For example, at country level the subsidiary in country X of a bank domiciled in country Y is included both in data for countries X and Y (for the latter as part of the consolidated entity). In the EU aggregate, only the consolidated entity domiciled in country Y is considered. The sample of banks is unbalanced and reviewed annually. Being an unbalanced sample, the number of reporting banks per country can display minor variations between quarters, which might accordingly affect quarterly changes in absolute and relative figures".

"The figures included in the Risk Dashboard are based on a sample of 162 banks, covering more than 80% of the EU/EEA banking sector (by total assets), at the highest level of consolidation, while country aggregates also include large subsidiaries" (the list of banks can be found on the EBA website).

Source: <https://www.eba.europa.eu/risk-and-data-analysis/risk-analysis/risk-monitoring/risk-dashboard>

Related research

[UK car finance: redress scheme will have modest impact on UK banks rated by Scope](#), August 2025

[European banks: 2025 stress tests: Resilient in the face of not-so-remote downside risks](#), August 2025

[European bank capital quarterly](#), July 2025

[EU-US trade deal: impacts on Italian banking sector will be manageable](#), July 2025

[Mid-year European bank outlook: earnings expected to stay resilient through risks skewed to downside](#), July 2025

[BPCE's acquisition of Novo Banco is a step towards greater European Banking Union](#), June 2025

[Spanish bank quarterly: trade doubts weigh on asset quality; fees and commissions key to profits](#), June 2025

[UK banks quarterly: credit fundamentals still resilient but moderating](#), June 2025

[UniCredit: large M&A setbacks will not curb strategic ambition](#), May 2025

[Italian Bank Quarterly: banks well positioned to weather economic headwinds](#), May 2025

[European Bank Capital Quarterly: solvency positions a strength in uncertain times](#), May 2025

[Trade wars likely to weigh on European banks' asset quality](#), April 2025

[French banks quarterly: favourable earnings trajectory challenged by fragile economic recovery](#), April 2025

[EU banks NPL heatmaps: asset quality stable for now but downside risks remain](#), March 2025

[Spanish banks quarterly: Competitive dynamics put margins under pressure](#), March 2025

[Rising bond yields will support European bank profitability in the near term](#), March 2025

[UK banks: Sound credit fundamentals, but profitability, asset quality set to decline](#), March 2025

[Deutsche Bank: Improved profitability outlook on non-operating cost normalisation](#), February 2025

[Italian Bank Quarterly: Amid surging M&A, banks project another record year but caution is warranted](#), Feb 2025

[BPER's new bid a defensive move to create a stronger group](#), February 2025

[Georgia: microbank law to enhance financial-sector competitiveness and support growth](#), February 2025

[Digital euro: a wake-up call for banks to adapt and innovate](#), February 2025

[ING, Goldman Sachs set to exit Russia; RBI faces legal provision related to failed asset swap](#), February 2025

[MPS bid for Mediobanca could reshape Italy's financial landscape but faces hurdles](#), January 2025

[BPCE's joint venture with Generali supports business diversification and profitability](#), January 2025

[European Bank Capital Quarterly: Capital positions remain sound, requirements manageable](#), January 2025

[Bank Outlook 2025: Sound fundamentals in less benign rate environment amid geopolitical uncertainty](#), January 2025

[EU banks' NPL Heatmaps: marginal increase in non-performing loan ratio](#), January 2025

[Covered Bond Outlook 2025: Credit stability in times of increasing uncertainty](#), January 2025

[Stress-testing European banks: significant climate-related credit losses likely](#), January 2025

Scope Ratings GmbH

Lennéstraße 5, D-10785 Berlin

Phone: +49 30 27891-0

Fax: +49 30 27891-100

info@scoperatings.com**Scope Ratings UK Limited**

52 Grosvenor Gardens

London SW1W 0AU

Phone: +44 20 7824 5180

info@scoperatings.com

Bloomberg: RESP SCOP

[Scope contacts](#)scoperatings.com**Disclaimer**

© 2025 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Fund Analysis GmbH, Scope Innovation Lab GmbH and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5, D-10785 Berlin.