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## Fitch Revises MVM's Outlook to Negative on Sovereign Action; Affirms IDR at 'BBB'

Fitch Ratings - Warsaw - 12 Dec 2025: Fitch Ratings has revised the Outlook on MVM Zrt.'s Long-Term Issuer Default Rating (IDR) to Negative from Stable and affirmed the IDR at 'BBB'.

The rating action follows the revision of the Outlook on Hungary's Long-Term Foreign-Currency and Local-Currency IDRs to Negative from Stable on 5 December 2025 (see Fitch Revises Hungary's Outlook to Negative; Affirms at 'BBB' at [www.fitchratings.com](http://www.fitchratings.com)).

The affirmation reflects MVM's unchanged Standalone Credit Profile (SCP) of 'bbb' and the strong linkage between the state and the company under our Parent and Subsidiary Linkage (PSL) Rating Criteria. MVM's rating is constrained by the sovereign IDR when the sovereign rating is lower than MVM's SCP. The revision of the sovereign Outlook to Negative from Stable results in a revision of MVM's Outlook, as a downgrade of Hungary to 'BBB-' would lead to a downgrade of the company.

### Key Rating Drivers

**Change in PSL Approach:** We view the links between the Hungarian state and MVM as strong under our PSL Criteria. The revision of the Outlook on Hungary's IDRs to Negative from Stable changed the approach from the same as the SCP to stronger subsidiary. MVM's IDR has become constrained by the parent and is no longer separate. A downgrade of Hungary to 'BBB-' would lead to a downgrade of the company. Fitch's assessment of the fundamental issuer-specific credit considerations is unchanged and as a result, MVM's SCP remains 'bbb'.

For full key ratings drivers, see the rating action commentary "Fitch Affirms MVM at 'BBB'; Outlook Stable" dated 19 September 2025, at [www.fitchratings.com](http://www.fitchratings.com).

### RATING SENSITIVITIES

#### Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Negative rating action on Hungary would lead to similar rating action on MVM due to the sovereign cap
- FFO net leverage above 3.5x and FFO interest cover below 5x on a sustained basis would be negative for the SCP, but not necessarily for the IDR, provided Hungary's rating was unchanged
- Substantial adverse change in the business profile, such as a material reduction in the share of regulated or quasi-regulated business in total EBITDA

## **Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade**

- We do not anticipate an upgrade due to the Negative Outlook on Hungary
- A revision of Hungary's Outlook to Stable would lead to similar rating action on MVM, assuming the SCP was not revised down
- FFO net leverage below 2.5x on a sustained basis, supported by a more stringent financial policy, and a stronger business risk profile, for instance, due to increased share of regulated and quasi-regulated businesses in EBITDA, may be positive for MVM's SCP, but not for the IDR, which remains capped by the sovereign rating

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **Public Ratings with Credit Linkage to other ratings**

MVM's ratings are credit-linked to Hungary's ratings

## **MACROECONOMIC ASSUMPTIONS AND SECTOR FORECASTS**

[Click here](#) to access Fitch's latest quarterly Global Corporates Sector Forecasts Monitor data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

## **ESG Considerations**

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

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### Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
MVM Zrt.	LT IDR	BBB	Affirmed	BBB
	LC LT IDR	BBB	Affirmed	BBB
	• senior unsecured <sup>LT</sup>	BBB	Affirmed	BBB

### RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

### Applicable Criteria

[Corporate Rating Criteria \(pub.27 Jun 2025\) \(including rating assumption sensitivity\)](#)

[Corporates Recovery Ratings and Instrument Ratings Criteria \(pub.02 Aug 2024\) \(including rating assumption sensitivity\)](#)

[Government-Related Entities Rating Criteria \(pub.18 Jul 2025\)](#)

[Parent and Subsidiary Linkage Rating Criteria \(pub.27 Jun 2025\)](#)

[Sector Navigators – Addendum to the Corporate Rating Criteria \(pub.27 Jun 2025\)](#)

## Applicable Models

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.2.0 (1)

## Additional Disclosures

[Solicitation Status](#)

## Endorsement Status

MVM Zrt. EU Issued, UK Endorsed

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