iSME
Irish SME Association

Quarterly Bank Watch Report Q4'25

27th February 2026

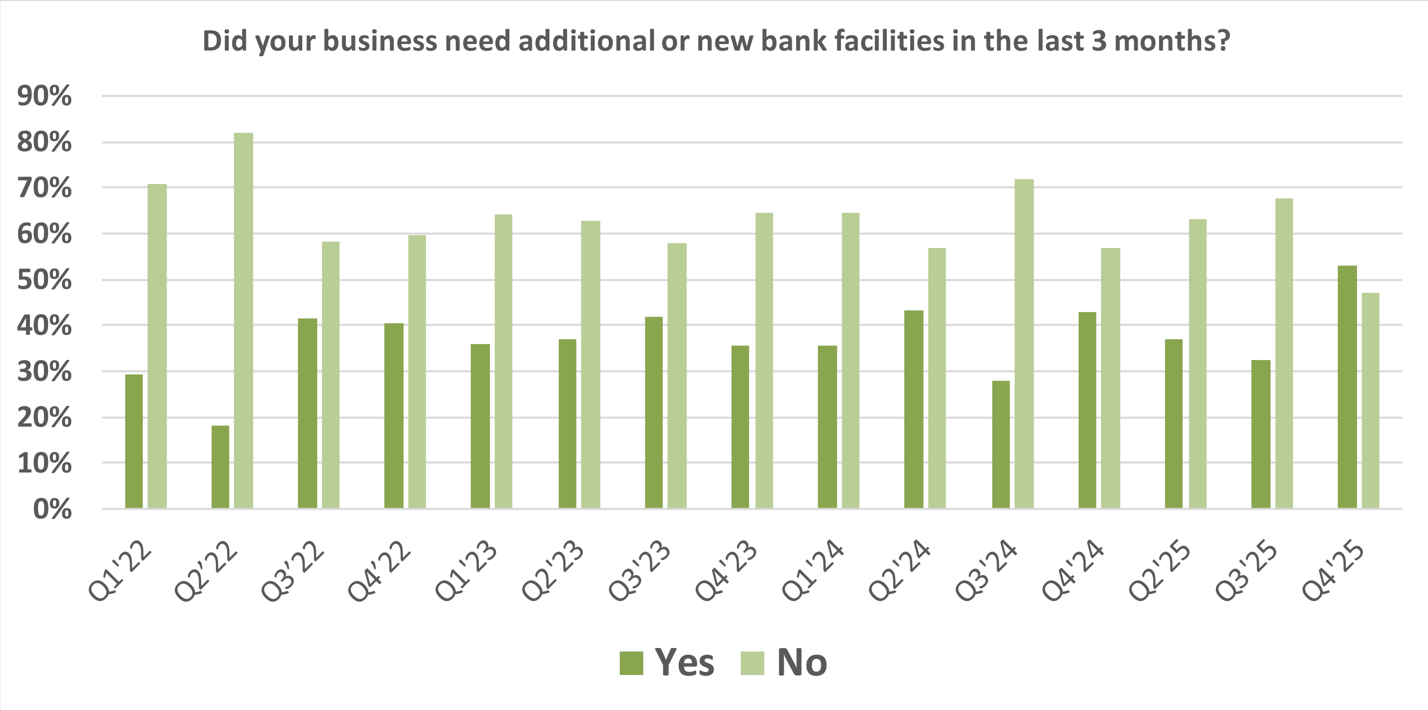
SME CREDIT DEMAND DECREASES, LOAN REFUSAL RATES INCREASE

- **Demand for credit is 53%, increasing from 33% in Q3'25.**
- **Loan refusal rates increased to 67%, up 1%. 0% were partially successful and 33% were successful with their request.**
- **3% have availed of peer-to-peer funding.**
- **67% stated that the bank was not helpful in their request for acquiring finance.**
- **75% of SMEs believe banks are making it more difficult for SMEs to access finance.**
- **5% of SMEs pay over €5,000 in Bank Charges (excluding interest).**

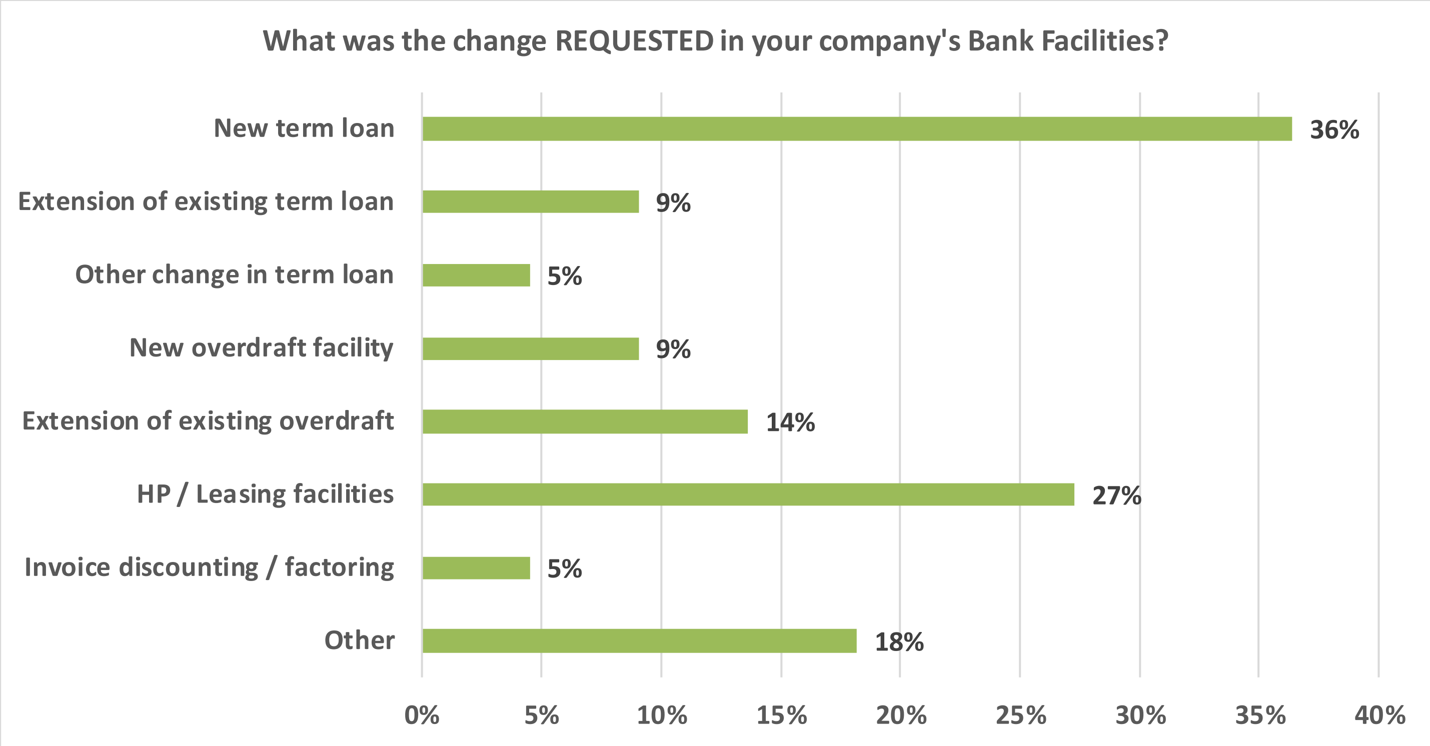
ISME, the Irish SME Association, today (27th Feb) released its quarterly Bank Watch survey for Q4'25. The results show that loan refusal rates increased from last quarter, rising to 67%, with 0% of respondents being partially successful with their request. Demand for credit increased to 53%.

The main findings from the 40 respondents are as follows:

- **53% required a change in banking facilities in the last three months, up from 33% in the previous quarter, while 47% required no change.**
- **There was a decrease in demand for a new overdraft facility of 3%, down from 12% in Q3'25 to 9% Q4'25.**
- **Demand for leasing / HP increased this quarter, going from 8% in Q3'25 to 27% in Q4'25.**
- **9% of SMEs requested an extension of an existing term loan this quarter, increasing from 0% in Q3'25.**
- **14% requested an extension of an existing overdraft facility, increasing from 8% in Q3'25.**



	Q1'24	Q2'24	Q3'24	Q4'24	Q2'25	Q3'25	Q4'25
Required change in bank facilities in last 3 months	35%	43%	28%	43%	37%	33%	53%
Unsuccessful	20%	41%	45%	41%	44%	100%	67%
Approach the Bank	50%	61%	58%	71%	60%	60%	100%
Made Informal Approach	43%	36%	39%	30%	24%	23%	26%
Made Formal (Written) Approach	36%	44%	39%	48%	43%	50%	52%
Banks making it more difficult for SMEs	83%	85%	77%	82%	66%	75%	75%
Aware of banks appeals procedure	48%	44%	53%	45%	41%	64%	29%
Aware of Credit Review Office	72%	55%	63%	52%	53%	72%	52%
Aware of Credit Guarantee Scheme	68%	64%	72%	57%	67%	64%	57%
Aware of Microfinance Scheme	75%	58%	65%	62%	57%	77%	77%



36% of respondents requested a ‘New Term Loan’, the same as in Q2 of 2025. 9% respondents requested an ‘Extension of an Existing Term Loan’, and 5% requested an ‘Other change in Term Loan’. 9% requested a ‘New Overdraft Facility’. 14% applied for an ‘Extension of existing Overdraft’. 27% applied for ‘HP/Leasing Facilities’, and 5% requested ‘Invoice Discounting/Factoring’. A significant number of respondents selected ‘Other’ as a response. This translated as no change or not applicable to those respondents.

ENDS.

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Note to Editors:

This survey was conducted in the second week of December covering the fourth quarter of 2025. There were 40 SME owner manager respondents.