

**NOVO BANCO, S.A.**  
**informs on rating decision by Dagong Europe**

NOVO BANCO, S.A. hereby informs that today, 20 April 2017, the Rating Agency Dagong Europe has taken a rating action on NOVO BANCO.

Dagong Europe has today affirmed the Long-Term Credit Rating at 'CCC+' and Short-Term Credit Rating at 'C' of NOVO BANCO and its subsidiaries/branches and removed the stable outlook and assigned a watch 'Evolving' to all ratings.

The rating action follows the release of NOVO BANCO's unaudited results for the financial year 2016 and the announcement on 31 March 2017 of the terms of the sale agreement of NOVO BANCO that includes a liability management exercise (LME) involving non-subordinated bondholders. The watch 'Evolving' will be resolved dependent on additional information related to the closing of the sale process and the conditions of the LME not yet disclosed.

Lisbon, 20 April 2017

NOVO BANCO, S.A.