NOVO BANCO, S.A.

informs on rating upgrade by DBRS

NOVO BANCO, S.A. hereby informs that today, 17 April 2019, the rating agency DBRS Rating GmbH ("DBRS") has taken several rating actions on NOVO BANCO.

DBRS has upgraded the Long-Term Issuer rating to B (high) from B, the Long-Term Senior Debt rating to B (high) from B, the Long-Term Deposits rating to BB (low) from B (high), the Intrinsic Assessment (IA) to B (high) from B, the Long-Term Critical Obligations Ratings (COR) to BB (high) from BB, and the Short-Term COR to R-3 from R-4.

Regarding the Long-Term Deposits rating, the DBRS decision represents the second upgrade in less than one month after, on the last 28 March, this rating having been upgraded from B to B (high), and now to BB (low).

The Subordinated Debt rating was also upgraded to B (low) from (CCC (high).

The upgrade of the Long-Term Issuer rating to B (high) takes into consideration the improvement in the NOVO BANCO's risk profile, particularly in terms of the reduction in Non-Performing Loans (NPLs), the divestment of non-core assets and the further rationalisation of the organisational structure. DBRS also made reference to notable achievements in 2018 included large sales of NPLs and real estate assets.

The trend remains Positive for the Long-Term ratings and for the Subordinated Debt.

Other Short-Term ratings of NOVO BANCO remained unchanged at R-4 and the trend remains Stable. The Support Assessment remains at SA3.

Lisbon, 17 April 2019

NOVO BANCO, S.A.