

Novo Banco, S.A. informs about LT Issuer Rating upgrade to BB (low) by DBRS Morningstar

Novo Banco, SA (“novobanco” or the “Bank”) informs that DBRS Ratings GmbH (“DBRS Morningstar”) upgraded novobanco’s Long-Term Issuer ratings to BB (low) from B (high). The Trend on all ratings remains at Stable.

The upgrade reflects novobanco’s progress in implementing its restructuring plan, including the improvement in the Bank’s profitability, capital, and asset quality. In the rating action announced today, DBRS Morningstar has also considered that the Stable trend reflects the view that “risks are broadly balanced. The improvements achieved to date put the Bank in a stronger position to cope with a more demanding operating environment due to rising interest rates and economic slowdown”.

Following the announcement, novobanco ratings are:

	Long-term	Short-Term
Intrinsic Assessment	BB (low) [from B (high)]	
Issuer Rating	BB (low) [from B (high)]	R-4
Deposits	BB [from BB (low)]	R-4
Senior Debt	BB (low) [from B (high)]	R-4
Subordinated Debt	B [from B (low)]	
Critical Obligations Rating	BB (high)	R-3

This announcement is made in accordance and for the purpose of article of article 29-Q, No. 3 of the Portuguese Securities Code and the article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council.

Lisbon, 29 March, 2023
Novo Banco, S.A.