

Novo Banco, S.A. informs about Investment Grade Rating by Fitch

Novo Banco, SA (“novobanco” or the “Bank”) informs that Fitch Ratings Ltd (“Fitch”) has assigned an Investment Grade rating to novobanco, with Long-Term Issuer Default Rating (IDR) of 'BBB-' with a Stable Outlook. Fitch has also assigned a Viability Rating (VR) of 'bbb-'.

The rating action announced today reflects “the turnaround of the Bank’s business model supported by the good retail and commercial franchise in Portugal”, with novobanco's “risk profile improving significantly since the sale to Lone Star”.

In addition to the “turnaround of the Bank’s business model”, the rating also reflects novobanco’s “significant improvement in asset quality”, “levels of profitability that compare favorably to peers”, significantly improvement of capital buffers in 2023, and “stable funding, along with adequate liquidity”.

On April 28, 2023, novobanco announced the target to reach Investment Grade rating in the medium term. The milestone reached today, confirms novobanco’s continuous positive credit ratings trajectory, achieving its target earlier than anticipated.

Following the announcement, novobanco ratings are:

Rating Type		Rating
Intrinsic	Viability Rating (Investment Grade)	bbb-
	Support	ns
LT / ST	Issuer Default Rating LT/ST (Investment Grade)	BBB-/F3
	Deposits LT/ST (Investment Grade)	BBB/F3
	Senior Debt LT/ST (Investment Grade)	BBB-/F3
	Outlook	Neutral

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, 1 February 2024
Novo Banco, S.A.