

Novo Banco, S.A. informs on Moody's rating upgrade while maintaining a positive outlook

The BCA, opinion of the bank's standalone intrinsic strength, is now investment grade.

Novo Banco, SA ("novobanco" or the "Bank") informs that Moody's Ratings ("Moody's") agency has today upgraded novobanco's Baseline Credit Assessment ("BCA") by 1 notch, to baa3 from ba1. Following this upgrade, novobanco's long-term deposit ratings was also upgraded to A3 from Baa1 and its senior unsecured debt ratings to Baa2 from Baa3, keeping the outlook at Positive.

The upgrade of novobanco's BCA to baa3 "reflects ongoing improvements in the Bank's creditworthiness in the context of stronger operating conditions for Portuguese banks", including its improved asset quality metrics, its strong profitability metrics, and improved loss absorption capacity amid very high capital levels.

The rating action also reflects the improved Portuguese Macro Profile to Strong from Strong-, reflecting an increasingly supportive operating environment, which positively impacts the standalone credit profiles of Portuguese banks.

The Outlook on the long-term deposit and senior unsecured debt ratings remains Positive, reflecting Moody's view of the expected performance of the Bank over the next 12 to 18 months.

Following the announcement, novobanco ratings are:

Moody's		To:	From:
Intrinsic	Baseline Credit Assessment /Adj. BCA	baa3	ba1
LT / ST	Counterparty Risk Assessment LT/ST	A3(cr)/P-2 (cr)	Baa1(cr)/P-2 (cr)
	Counterparty Risk LT/ST	A3/P-2	Baa1/P-2
	Deposits LT/ST	A3/P-2	Baa1/P-2
	Senior Unsecured Debt LT/ST	Baa2	Baa3
	Junior Senior Unsecured	Baa3	Ba1
	Outlook Deposits / Senior	Positive	Positive
Others	Subordinated debt	Ba1	Ba2

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, 19 November 2024
Novo Banco, S.A.