

Novo Banco, S.A. informs about its second multi-notch rating upgrade from Moody's this year while maintaining a positive outlook

Novo Banco, SA ("novobanco" or the "Bank") informs that Moody's Investors Service ("Moody's") upgraded novobanco's long-term deposit and senior unsecured debt ratings by 2 notches, to Baa2 from Ba1 and to Ba1 from Ba3, respectively. The outlook on the long-term deposit and senior unsecured debt ratings remains positive.

The rating action announced today follows the rating agency's decision to upgrade Portugal's government bond rating to A3 from Baa2, and reflects novobanco's "ongoing improvements in the Bank's creditworthiness resulting from enhanced asset risk and capital levels and the significant improvement in recurrent profitability".

For the third consecutive time (Jun/22, Apr/23, Nov/23), novobanco has received a multi-notch rating upgrade from Moody's today, indicating the Bank's successful recovery and transformation journey. The announcement of a 2-notch senior unsecured debt rating upgrade today marks a remarkable 5-notch rating increase within a 7-month period, moving to Ba1 from B3 while maintaining a "Positive Outlook".

Following the announcement, novobanco ratings are:

Moody's		To:	From:
Intrinsic	Baseline Credit Assessment /Adjusted BCA	ba1	ba3
LT / ST	Counterparty Risk Assessment LT/ST (Investment Grade)	Baa1(cr)/P-2 (cr)	Baa3(cr)/P-3
	Counterparty Risk LT/ST (Investment Grade)	Baa1/P-2	Baa3/P-3
	Deposits LT/ST (Investment Grade)	Baa2/P-2	Ba1/NP
	Senior Unsecured Debt LT/ST	Ba1	Ba3
	Junior Senior Unsecured	Ba1	Ba3
	Outlook deposits / senior	Positive	Positive
Others	Subordinated debt	Ba2	B1

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, 22 November 2023
Novo Banco, S.A.