

**Announcement****NOVO BANCO, S.A. informs on a sale and purchase agreement in respect of a portfolio of non-performing assets**

In accordance and for the purposes of article 248 – A of the Portuguese Securities Code, NOVO BANCO, S.A. hereby informs that its branch in Spain and Novo Banco Servicios Corporativos, S.L. have signed a Sale and Purchase Agreement with Waterfall Asset Management L.L.C., a New York-based asset management firm, for the sale of a portfolio of real estate properties and non-performing loans known as “Project Albatroz”. The portfolio has a gross book value of 308 million euro at NOVO BANCO consolidated level.

NOVO BANCO expects the transaction to be fully completed until the end of this year, once all the conditions related with its formalisation have been satisfied.

This transaction is an important step forward in NOVO BANCO’s divestment strategy of non-core assets whilst focusing in its core banking activity.

Lisbon, 5 August 2019

NOVO BANCO, S.A.