

Announcement**NOVO BANCO, S.A. informs on the sale of the entire share capital of GNB - Companhia de Seguros de Vida, S.A.**

Following the announcement on 12 September 2018 and pursuant to article 248 - A of the Portuguese Securities Code, NOVO BANCO, S.A. hereby informs that it has completed the sale of the entire share capital of GNB – Companhia de Seguros de Vida, S.A. (“GNB Vida”) to GBIG Portugal, S.A., an entity wholly owned by funds to which the investment adviser is APAX PARTNERS, LLP.

The total consideration for the sale amounts to an upfront fixed price of 123 million euro and an earn-out component of up to 125 million euro indexed to distribution targets associated to the 20-year agreement between NOVO BANCO and GNB Vida to distribute life insurance products in Portugal. The transaction fixed consideration announced in 12 September 2018 was 190 million euro and on a like for like basis the value achieved on closing is 168 million euro. As at 30 June 2019, this transaction would have a positive impact on the Common Equity Tier 1 of NOVO BANCO of 6 million euro.

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

Lisbon, 14 October 2019

NOVO BANCO, S.A.