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**NOVO BANCO S.A., acting through its London branch (the "Guarantor")**

*(incorporated with limited liability in Portugal)*

announces Consent Solicitations in respect of the series of outstanding  
EMTN Securities issued pursuant to the Euro Medium Term Note Programme listed below  
and the Exchangeable Securities listed below

each issued by

**BES Finance Ltd. (the "Issuer")**

*(incorporated with limited liability under the laws of the Cayman Islands)*

and guaranteed by the Guarantor

**EMTN Securities**

ISIN	Issuer/Guarantor	Description of Coupon/Note	Nominal Amount Outstanding <sup>1</sup>	Amortised Face Amount Outstanding <sup>2</sup>	Maturity date
XS0550892219	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	5.19 per cent. Fixed Rate Credit Linked Note	€600,000	Not Applicable	18 October 2015
XS0550893290	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	5.19 per cent. Fixed Rate Credit Linked Note	€1,400,000	Not Applicable	18 October 2015
XS0550895238	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	5.19 per cent. Fixed Rate Credit Linked Note	€1,950,000	Not Applicable	18 October 2015
XS0712907863	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	6.00 per cent. Fixed Rate Credit Linked Note	€7,311,000	Not Applicable	30 November 2021
XS0723597398	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	6.00 per cent. Fixed Rate Credit Linked Note	€9,841,000	Not Applicable	21 December 2021
XS0201209755	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€20,000,000	€3,245,072	28 September 2029
XS0210172721	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	CMS Linked Note	€29,860,000	Not Applicable	7 February 2035
XS0442126925	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€1,987,000	€1,493,679	30 July 2040
XS0442127063	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€102,857,000	€18,018,183	30 July 2041
XS0442126842	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€66,280,000	€10,955,724	30 July 2042

<sup>1</sup> The outstanding nominal amount of the relevant Securities as at 15 May 2015. Securities of any Series which are held by or on behalf of the Issuer, the Guarantor, any other subsidiary of the Guarantor, any holding company of the Guarantor or any other subsidiary of any such holding company are deemed not to be outstanding.

<sup>2</sup> The outstanding Amortised Face Amount of the relevant Zero Coupon Securities as at 15 May 2015. Securities of any Series which are held by or on behalf of the Issuer, the Guarantor, any other subsidiary of the Guarantor, any holding company of the Guarantor or any other subsidiary of any such holding company are deemed not to be outstanding.

XS0439763979	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€81,719,000	€1,761,930	13 July 2043
XS0439764191	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€9,444,000	€3,472,859	13 July 2044
XS0439639617	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	Zero Coupon Note	€3,080,000	€1,885,483	13 July 2045

**U.S.\$450,000,000 3.50 per cent. Guaranteed Exchangeable Bonds due 2015 (the "Exchangeable Securities")**

ISIN	Issuer/Guarantor	Description of Coupon/Note	Amount Outstanding <sup>3</sup>	Maturity date
XS0861577301	BES Finance Ltd./ NOVO BANCO S.A., acting through its London branch	3.50 per cent. Fixed Rate Exchangeable Bond	U.S.\$449,200,000	6 December 2015

## 20 May 2015

The Guarantor has today given notice of meetings to consider consent solicitations (the "**Consent Solicitations**") in respect of the EMTN Securities and the Exchangeable Securities listed above (each referred to as a "**Series**" and together, the "**Securities**")

The Guarantor is seeking the consent of the holders of each Series of Securities at separate meetings in respect of each Series of Securities (each a "**Meeting**" and together, the "**Meetings**") to substitute (the "**Issuer Substitution**") NB Finance Ltd. (the "**Substitute Issuer**") for the Issuer as the principal debtor under the relevant Securities, the relevant trust deed and the relevant agency agreement in respect of each Series of Securities as set forth in the consent solicitation memorandum prepared by the Guarantor dated 20 May 2015 (the "**Consent Solicitation Memorandum**") and the relevant notice of meeting (each, a "**Notice of Meeting**") and (in the case of the EMTN Securities only) the relevant further details document regarding the Meeting, the form of each of which is scheduled to the Consent Solicitation Memorandum.

Capitalised terms used in this announcement have the same meaning ascribed to them in the Consent Solicitation Memorandum.

## Background to the Proposals

A Bank of Portugal (the "**BdP**") resolution on 3 August 2014 (amended on 11 August 2014) made in accordance with article 145-H of the Portuguese Banking Act (Decree-Law No. 298/92 dated 31 December 1992, as amended) (the "**Order**") provided for resolution measures to be applied to Banco Espírito Santo S.A. ("**BES**"). As a result of the Order, the original guarantor in respect of the Securities (being BES, acting through its London branch) was automatically substituted by the Guarantor. The Order, however, did not automatically substitute the issuer of the Securities, which remain obligations of the Issuer. The Issuer also continues to be the issuer of a number of undated subordinated debt securities which, following the Order, continue to be guaranteed by BES (the "**Subordinated Securities**").

When the Securities were originally issued, the issue proceeds of each series were deposited with BES, Cayman branch and such deposits were pledged in favour of BES, London branch as security in respect of its obligations as guarantor in respect of the relevant series of Securities. Following the Order, each such deposit transferred to and became a deposit with NOVO BANCO S.A., Cayman branch, pledged in favour of the Guarantor as security in respect of its obligations as guarantor in respect of the relevant series of Securities.

<sup>3</sup> The outstanding nominal amount of the Exchangeable Securities as at 15 May 2015. Exchangeable Securities which are beneficially held by or on behalf of the Issuer or the Guarantor or any of their respective Subsidiaries are deemed not to be outstanding.

In light of the ongoing resolution of BES pursuant to the Order (which the Guarantor expects to involve the revocation of BES's banking licence and its liquidation which would, among other things, constitute an event of default under the terms of the Subordinated Securities, and in which a change in the ownership of the Issuer cannot be excluded in accordance with the applicable legal framework), the Guarantor wishes to change the issuer of the Securities. The intention is that the issuer of the Securities, which are guaranteed by the Guarantor, should be a different entity to the issuer of the Subordinated Securities, which are guaranteed by BES. For this reason, the Guarantor, having sought the approval of the Issuer, is seeking the consent of holders of the Securities to effect the Issuer Substitution. If the Issuer Substitution is effected in respect of one or more series of the Securities pursuant to the Proposal, (a) the related deposits of the Issuer referred to above will be transferred and become a deposit of the Substitute Issuer, pledged in favour of the Guarantor as security in respect of its obligations as guarantor in respect of the relevant series of Securities and (b) certain other related assets and liabilities will be transferred from the Issuer to the Substitute Issuer. The Issuer will, in respect of each series of Securities pursuant to which the Issuer Substitution is effected, transfer an amount of assets equal to or lower than the amount of liabilities also being transferred.

The Proposal in respect of a Series will (assuming the relevant Extraordinary Resolution is passed at the relevant Meeting) be documented by, and will become effective upon, the execution of the relevant Supplemental Documents, drafts of which are available for inspection by holders, all as more fully set out in the Consent Solicitation Memorandum and the relevant Notice of Meeting.

#### **Proposals relating to the Securities**

The Guarantor is seeking approval by way of Extraordinary Resolution of the Beneficial Owners of the Securities in respect of each Series, pursuant to the relevant Conditions and the Meeting Provisions in respect of each Series, to effect the Issuer Substitution.

If the relevant Extraordinary Resolution is passed and the relevant Supplemental Documents are executed, with effect on and from the Effective Date, all rights, obligations and liabilities of the Issuer under, or pursuant to, the relevant Securities and the Conditions thereof, the relevant Trust Deed and the relevant Agency Agreement and all other relevant agreements in respect of the relevant Securities shall be assumed by the Substitute Issuer including, but without limiting the generality of the foregoing and where applicable under the Conditions, the obligation to pay (i) any and all unpaid interest on the relevant Securities accrued up to and including the Effective Date (if any) and (ii) all other unpaid moneys payable under or pursuant to the relevant Securities accrued up to and including the Effective Date (if any) and, accordingly, with effect on and from the Effective Date, the Issuer shall cease to have all such rights, obligations and liabilities, and will be released and discharged from all such obligations and liabilities as are stated to be assumed by the Substitute Issuer pursuant the relevant Supplemental Documents. The Guarantor in respect of any Securities pursuant to which the Issuer Substitution is approved will remain the same and no amendments to the terms of the relevant Guarantee will be made.

If the Extraordinary Resolution in respect of a Series is passed, the relevant Proposal will be binding on the Common Depositary or Registered Holder, as the case may be (each as holder and legal owner of the Securities of such Series), and all Beneficial Owners of the Securities in respect of such Series, including those Beneficial Owners of the Securities of such Series who do not consent to the Proposal or do not vote at all. The passing of the relevant Extraordinary Resolution and the implementation of the Proposal in respect of one Series of Securities is not conditional upon the passing of the relevant Extraordinary Resolution and the implementation of the Proposal in respect of any other Series of Securities.

The Meetings to consider and, if thought fit, pass the relevant Extraordinary Resolutions will be held at Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom on 11 June 2015 at the times set out in the relevant Notice of Meeting. The Meetings have been convened pursuant to the relevant Notice of Meeting.

### **Early Voting and Consent Fee**

The Guarantor will pay in euro or (in the case of the Exchangeable Securities) in U.S. dollars to each Beneficial Owner of the Securities (other than where such Beneficial Owner is a Sanctions Restricted Person) from whom a valid Consent Instruction in favour of the Extraordinary Resolution is received at or prior to the Early Voting Deadline (and not revoked), an Early Voting and Consent Fee 0.1 per cent. of the nominal amount of the relevant Securities (other than Zero Coupon Securities) or 0.1 per cent. of the Amortised Face Amount (as at the Voting and Consent Fee Payment Date) of the relevant Zero Coupon Securities (the "**Early Voting and Consent Fee**"). The Early Voting and Consent Fee will be paid as consideration for the Beneficial Owners of the Securities voting in favour of the Proposal at or prior to the Early Voting Deadline and payment thereof is subject to the Meeting being quorate and validly held, the Extraordinary Resolution being passed at such Meeting and the Supplemental Documents being executed. Only Beneficial Owners of the Securities who deliver, or arrange to have delivered on their behalf, valid Consent Instructions in favour of the Extraordinary Resolution on or before the Early Voting Deadline (and who do not revoke such Consent Instructions) will be eligible to receive the Early Voting and Consent Fee.

For the avoidance of doubt, Beneficial Owners of the Securities will not be eligible to receive the Early Voting and Consent Fee if they (i) do not instruct the Principal Paying Agent to appoint the Tabulation and Information Agent (or its nominee) as a proxy to attend and vote at the Meeting or (ii) attend the Meeting in person or (iii) do not attend or are not represented at the Meeting or (iv) submit a Consent Instruction against the Proposal or (v) if they revoke their instructions or unblock their Securities before the Meeting (in the limited circumstances permitted) or (vi) are a Sanctions Restricted Person.

The passing of the Extraordinary Resolution in respect of a Series and execution of the relevant Supplemental Documents are conditions to the payment of the Early Voting and Consent Fee. The amendments to the relevant Trust Deed and the relevant Agency Agreement implementing the relevant Proposal will take effect upon execution of the relevant Supplemental Documents.

Following the relevant Meeting (or the relevant adjourned Meeting) being held and the passing of the relevant Extraordinary Resolution, Beneficial Owners of the Securities will be notified through the Clearing Systems of the date on which the applicable Early Voting and Consent Fee will be paid to eligible Beneficial Owners of the Securities.

Where payable, the Early Voting and Consent Fee shall be paid in euro or (in the case of any Early Voting and Consent Fee in respect of the Exchangeable Securities) in U.S. dollars to each eligible Beneficial Owner into the Securities' account through which they hold the Securities in Euroclear or Clearstream, Luxembourg, as the case may be, on the Early Voting and Consent Fee Payment Date which is expected to be no later than 5 Business Days following the relevant Supplemental Documents being executed.

### **Euronext Lisbon Securities condition**

The implementation of the relevant Proposal (including the payment of the Early Voting and Consent Fee) in respect of each Series of Euronext Lisbon Securities is conditional on the Guarantor having received confirmation from the Portuguese Securities Commission prior to any such implementation that the Issuer Substitution will not impact the listing of the relevant Series of Euronext Lisbon Securities. This condition cannot be waived by the Guarantor.

### **Extraordinary Resolution to be passed without the benefit of the votes of U.S. persons**

Notwithstanding any other provision of the Consent Solicitation Memorandum, the Guarantor will not implement the Proposal in respect of a Series of Securities, even if the relevant Extraordinary Resolution is passed, unless it is content that the Extraordinary Resolution was passed without the benefit of votes cast by U.S. persons, persons acting for the account or benefit of U.S. persons, or persons located or resident in the United States (or would still have been passed even if such votes had been disregarded).

For these purposes, the Guarantor will not implement the Proposal in respect of a Series of Securities (notwithstanding the relevant Extraordinary Resolution being passed) in either of the following circumstances:

- (a) had such votes by U.S. persons, persons acting for the account or benefit of U.S. persons, or persons located or resident in the United States not been cast, a quorum would not have been present at the relevant Meeting (or any relevant adjourned Meeting); or
- (b) had such votes by U.S. persons, persons acting for the account or benefit of U.S. persons, or persons located or resident in the United States not been cast, less than 75 per cent. of the votes cast would have been in favour of the relevant Extraordinary Resolution.

#### **Expected timetable of events**

For eligibility for payment of the Early Voting and Consent Fee, Consent Instructions in favour of the Proposals must be received by the Tabulation and Information Agent (and not subsequently revoked) by no later than the Early Voting Deadline.

The deadline for submission of Consent Instructions is the relevant Expiration Time.

Only Direct Participants may submit Consent Instructions. Each Beneficial Owner of the Securities that is not a Direct Participant must arrange for the Direct Participant through which it holds the relevant Securities or for the broker, dealer, bank, custodian, trust company or other nominee through which it holds the Securities to arrange for their Direct Participant in Euroclear, or Clearstream, Luxembourg to submit a Consent Instruction, as the case may be, on its behalf to the relevant Clearing System prior to the deadline(s) specified by such Clearing System and so as to be received by the Tabulation and Information Agent at or prior to the relevant Expiration Time.

Subject to applicable law and the Meeting Provisions in respect of each Series and subject also as provided in the Consent Solicitation Memorandum, the Issuer may, in its absolute discretion, re-open, extend, decline, waive any condition of and/or amend the Consent Solicitations (including, but not limited to, the amendment of the Early Voting and Consent Fee or extension of the relevant Early Voting Deadline) in respect of each Series.

The indicative timetable is as follows:

<b>Date and Time</b>	<b>Event</b>
20 May 2015	<b>Launch Date</b>
4:00 p.m. (London time), 29 May 2015	<b>Early Voting Deadline</b>
48 hours prior to the relevant Meeting	<b>Expiration Time</b>
11 June 2015	<b>Meetings of the holders of the Securities</b>
The time of each Meeting is as set out in the relevant Notice of Meeting.	
As soon as reasonably practicable after the relevant Meeting	<b>If the relevant Meeting is quorate and validly held and the relevant Extraordinary Resolution is passed at such Meeting, execution of the relevant Supplemental Documents to implement the Proposal</b>
As soon as reasonably practicable after the relevant Meeting and in any case within 14 days following conclusion of the relevant Meeting	<b>Announcement of results of the relevant Meeting or that the relevant Meeting is adjourned</b>

<b>Date and Time</b>	<b>Event</b>
Expected to be no later than 5 Business Days following the relevant Supplemental Documents being executed	<b>Voting and Consent Fee Payment Date</b>

*All of the above dates are subject to earlier deadlines that may be specified by the Clearing Systems or any intermediary.*

*Beneficial Owners of the Securities are advised to check with the bank, securities broker, Clearing System or other intermediary through which they hold their Securities as to whether such intermediary applies different deadlines for any of the events specified above, and then to adhere to such deadlines if such deadlines are prior to the deadlines set out above.*

**In the event that the relevant Extraordinary Resolution is not passed at the relevant Meeting and the relevant Meeting is adjourned, an adjourned Meeting will be notified in accordance with the relevant Meeting Provisions and the Consent Solicitation Memorandum, and may be held not less than 13 clear days and not more than 42 clear days following the adjournment of the relevant Meeting (exclusive of the date of such meeting and the date fixed for the adjourned meeting). In the case of the EMTN Securities only, an adjourned Meeting may be further adjourned in accordance with the relevant Meeting Provisions.**

#### **For further information**

A complete description of the procedures in relation to the relevant Meeting, the terms of the Consent Solicitations and the text of the relevant Extraordinary Resolutions is set out in the relevant Notice of Meeting (and in the case of the EMTN Securities, the relevant Further Details Document) and the Consent Solicitation Memorandum. The Notices of Meeting and the Further Details Documents will be published on the website of the Guarantor at <http://www.novobanco.pt/SITE/cms.aspx?labelid=NHMEETING>.

Further details about the transaction can be obtained from:

#### **The Solicitation Agent**

##### **Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

Tel: +44 20 7545 8011  
Attention: Liability Management Group  
Email: [liability.management@db.com](mailto:liability.management@db.com)

Copies of the Consent Solicitation Memorandum and the relevant Notice of Meeting are available to eligible persons upon request from the Tabulation and Information Agent free of charge.

#### **The Tabulation And Information Agent**

##### **Lucid Issuer Services Limited**

Leroy House  
436 Essex Road  
London N1 3QP  
United Kingdom

Tel: +44 20 7704 0880  
Attention: Victor Parzyjagla / Sunjeeve Patel  
Email: novobanco@lucid-is.com

## **Disclaimer**

This announcement must be read in conjunction with the Consent Solicitation Memorandum, the relevant Notice of Meeting and (in the case of the EMTN Securities) the relevant Further Details Document. Each of the Consent Solicitation Memorandum, the relevant Notice of Meeting and (in the case of the EMTN Securities) the relevant Further Details Document contains important information that should be read carefully together with the terms and conditions of each Series of Securities before any decision is made with respect to the Consent Solicitations in respect of each Series of Securities.

Any individual or company whose Securities are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitations.

None of the Issuer, the Solicitation Agent, the Tabulation and Information Agent or any Trustee (or their respective directors, employees or affiliates (other than the Guarantor in the case of the Issuer) makes any recommendation or representation whatsoever regarding the Consent Solicitations or the Extraordinary Resolutions.

## **Consent Solicitations and Distribution Restrictions**

Neither this announcement nor the Consent Solicitation Memorandum constitutes or forms part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Guarantor, the Issuer or any other entity.

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The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Consent Solicitation Memorandum comes are required by the Guarantor, the Issuer, the Solicitation Agent and the Tabulation and Information Agent to inform themselves about, and to observe, any such restrictions. This announcement and any materials relating to the Consent Solicitations do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law.

If a jurisdiction requires that the Consent Solicitations be made by a licensed broker or dealer and the Solicitation Agent or any of its affiliates is such a licensed broker or dealer in that jurisdiction, the Consent Solicitations shall be deemed to be made by the Solicitation Agent or such affiliate, as the case may be, on behalf of the Guarantor in such jurisdiction where it is so licensed and the Consent Solicitations are not being made in any such jurisdiction where the Solicitation Agent or one of its affiliates is not so licensed.

The communication of this announcement and the Consent Solicitation Memorandum by the Guarantor and any other documents or materials relating to the Consent Solicitations is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. Such documents and/or materials are only directed at and may only be communicated to (1) any person within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 which includes a creditor or member of the Issuer, and (2) any other persons to whom these documents and/or materials may lawfully be communicated in circumstances where section 21(1) of the FSMA does not apply.