

PRESS RELEASE

BANCA SISTEMA: APPROVED 2015 DRAFT FINANCIAL STATEMENTS

Milan, 15 March 2016

Today, the Board of Directors of Banca Sistema has approved the Bank's draft financial statements and the draft consolidated financial statements of Banca Sistema Group as at 31 December 2015, confirming the results already approved by the Board and disclosed to the market with a press release published on 5 February.

The Parent Company closed financial year 2015 with a net income of 17.0 million. The consolidated net income for the year came in at 17.6 million (23.7 million adjusted to include non-recurring items).

The Board of Directors decided to submit the distribution of a dividend of 0.053 euro per ordinary share for approval to the Shareholders' Meeting, to be convened on 28 April 2016. If approved by Shareholders, the dividend will be paid out as of 11 May 2016, with ex-dividend date on 9 May (coupon no.4) and record date on 10 May.

At the General Meeting, Shareholders will be called to approve the 2016 Stock Grant Plan and the setting up of a specific reserve restricted to the scrip issue reserved to the beneficiaries of the Stock Grant Plan. As to the General Meeting's Extraordinary session, Shareholders will be asked to approve the capital increase reserved to the divisible Stock Grant Plan (up to max. nominal euro 49,920), as illustrated in the press release published on 16 December 2015.

Statement of the Manager in charge of preparing corporate financial reports

The Manager in charge of preparing the corporate financial reports of Banca Sistema, in compliance with paragraph two of art. 154 bis of the "Consolidated act for financial intermediation", hereby states that the accounting information illustrated in this press release is consistent with documental evidence, accounting books and book-keeping entries.

All amounts reported in the press release are in euro.

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Banca Sistema

Banca Sistema was founded in 2011, as a bank specialized in financing and managing trade receivables owed by the Italian Public Administrations, thereby entering a sector of the Italian financial system aimed at granting liquidity to corporate entities in their business dealings with the PA's, mainly through factoring and credit management services.

With main offices in Milan, Rome and London, during this time Banca Sistema has extended its activities and services available both to business and retail Clients.

As an independent financial operator characterized by a diversified business model, Banca Sistema can offer, today, recourse and non-recourse factoring services. This includes receivables between private companies, yearly and quarterly VAT receivables refunds, current accounts, time deposits with durations up to 10 years, guarantees, securities deposit, reverse factoring, certification of Public Administration credits, salary and pension backed loans, and small and medium enterprises financing.

The Bank is also active in the purchasing and management of non-performing financial and trade receivables as well as management and debt recovery from individuals, thanks to its shareholding in CS Union S.p.A..

Attachments

- Consolidated Balance-sheet
- Consolidated Income statement
- Normalized Consolidated Income statement at 31 December 2015

BANCA SISTEMA GROUP: CONSOLIDATED BALANCE SHEET

| | Figures in thousands of euro | 31/12/2015 | 31/12/2014 | Changes A - B | Changes % A - B |
|------|-------------------------------------|------------------|------------------|------------------|--------------------|
| | ASSETS | | | | |
| 10. | Cash and cash equivalents | 104 | 66 | 38 | 57.6% |
| 20. | Financial assets held for trading | - | 63 | (63) | -100.0% |
| 40. | Available-for-sale financial assets | 925,402 | 858,007 | 67,395 | 7.9% |
| 60. | Loans and advances to banks | 2,076 | 16,682 | (14,606) | -87.6% |
| 70. | Loans and advances to customers | 1,457,990 | 1,193,754 | 264,236 | 22.1% |
| 100. | Equity investments | 2,696 | 2,448 | 248 | 10.1% |
| 120. | Property, plant and equipment | 1,058 | 1,201 | (143) | -11.9% |
| 130. | Intangible assets | 1,872 | 1,904 | (32) | -1.7% |
| | <i>of which: goodwill</i> | 1,786 | 1,786 | - | 0.0% |
| 140. | Tax assets | 7,353 | 2,752 | 4,601 | 167.2% |
| 160. | Other assets | 13,119 | 4,376 | 8,743 | 199.8% |
| | Total assets | 2,411,670 | 2,081,253 | 330,417 | 15.9% |

| | Figures in thousands of euro | 31/12/2015 | 31/12/2014 | Changes A - B | Changes % A - B |
|---------------------------|---------------------------------------------------------------------------------|------------------|------------------|------------------|--------------------|
| | LIABILITIES AND EQUITY | | | | |
| 10. | Due to banks | 362,075 | 821,404 | (459,329) | -55.9% |
| 20. | Due to customers | 1,878,339 | 1,153,797 | 724,542 | 62.8% |
| 30. | Debt securities issued | 20,102 | 20,109 | (7) | 0.0% |
| 80. | Tax liabilities | 804 | 6,248 | (5,444) | -87.1% |
| 100. | Other liabilities | 55,317 | 36,441 | 18,876 | 51.8% |
| 110. | Post-employment benefits | 1,303 | 1,173 | 130 | 11.1% |
| 120. | Provisions for risks and charges: | 372 | 1,030 | (658) | -63.9% |
| | b) other provisions | 372 | 1,030 | (658) | -63.9% |
| 140. + 170. + 180. + 190. | Share capital, share premiums, reserves, valuation reserves and treasury shares | 75,751 | 21,512 | 54,239 | 252.1% |
| 220. | Profit (loss) for the year | 17,607 | 19,539 | (1,932) | -9.9% |
| | Total liabilities and equity | 2,411,670 | 2,081,253 | 330,417 | 15.9% |

BANCA SISTEMA GROUP: CONSOLIDATED INCOME STATEMENT AS AT 31 DECEMBER 2015

| | Figures in thousands of euro | 31.12.2015 A | 31.12.2014 B | Changes A - B | Changes % A - B |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|------------------|--------------------|
| 10. | Interest income | 79,019 | 75,792 | 3,227 | 4.3% |
| 20. | Interest expenses | (21,013) | (27,456) | 6,443 | -23.5% |
| 30. | Net interest income | 58,006 | 48,337 | 9,669 | 20.0% |
| 40. - 50. | Net fee and commission income | 11,168 | 11,501 | (333) | -2.9% |
| 70. | Dividends and similar income | - | 33 | (33) | -100.0% |
| 80. + 90. + 100. + 110. | Net income from trading, hedging and disposal/repurchase activities and from assets/liabilities designated at fair value | 2,640 | 4,679 | (2,039) | -43.6% |
| 120. | Operating income | 71,814 | 64,550 | 7,264 | 11.3% |
| 130. | Net impairment losses on loans | (5,439) | (3,520) | (1,919) | 54.5% |
| 140. | Net operating income | 66,375 | 61,030 | 5,345 | 8.8% |
| 180. a) | Staff costs | (17,528) | (12,107) | (5,421) | 44.8% |
| 180. b) | Other administrative expenses | (24,350) | (18,384) | (5,966) | 32.5% |
| 190. | Net allowance for risks and charges | 300 | (369) | 669 | -181.2% |
| 200. + 210. | Net provisions for risks and charges | (312) | (230) | (82) | 35.9% |
| 220. | Other net operating income/expense | 71 | (338) | 409 | -121.0% |
| 230 | Operating expenses | (41,819) | (31,428) | (10,391) | 33.1% |
| 240. | Profits of equity-accounted investees | 422 | 71 | 351 | 495.5% |
| 270 | Profits from investments disposal | 534 | - | | |
| 280. | Pre-tax profit from continuing operations | 25,512 | 29,672 | (4,160) | -14.0% |
| 290. | Taxes on income for the period/year from continuing operations | (7,905) | (10,133) | 2,228 | -22.0% |
| 340. | Profit (loss) for the year/period attributable to the shareholders of the Parent | 17,607 | 19,539 | (1,932) | -9.9% |

BANCA SISTEMA GROUP: CONSOLIDATED INCOME STATEMENT NORMALISED AS AT 31 DECEMBER 2015

| | Figures in thousands of euro | 31.12.2015 A (Normalised) | 31.12.2014 B | Changes A - B | Changes % A - B |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------|------------------|--------------------|
| 10. | Interest income | 79,019 | 75,792 | 3,227 | 4.3% |
| 20. | Interest expenses | (21,013) | (27,456) | 6,443 | -23.5% |
| 30. | Net interest income | 58,006 | 48,337 | 9,669 | 20.0% |
| 40. - 50. | Net fee and commission income | 11,168 | 11,501 | (333) | -2.9% |
| 70. | Dividends and similar income | - | 33 | (33) | -100.0% |
| 80. + 90. + 100. + 110. | Net income from trading, hedging and disposal/repurchase activities and from assets/liabilities designated at fair value | 2,640 | 4,679 | (2,039) | -43.6% |
| 120. | Operating income | 71,814 | 64,550 | 7,264 | 11.3% |
| 130. | Net impairment losses on loans | (5,439) | (3,520) | (1,919) | 54.5% |
| 140. | Net operating income | 66,375 | 61,030 | 5,345 | 8.8% |
| 180. a) | Staff costs | (13,139) | (12,107) | (1,032) | 8.5% |
| 180. b) | Other administrative expenses | (20,112) | (18,384) | (1,728) | 9.4% |
| 190. | Net allowance for risks and charges | 300 | (369) | 669 | -181.2% |
| 200. + 210. | Net provisions for risks and charges | (312) | (230) | (82) | 35.9% |
| 220. | Other net operating income/expense | 71 | (338) | 409 | -121.0% |
| 230 | Operating expenses | (33,192) | (31,428) | (1,764) | 5.6% |
| 240. | Profits of equity-accounted investees | 422 | 71 | 351 | 495.5% |
| 270. | Profits from investments disposal | 534 | - | - | - |
| 280. | Pre-tax profit from continuing operations | 34,139 | 29,672 | 4,467 | 15.1% |
| 290. | Taxes on income for the period/year from continuing operations | (10,426) | (10,133) | (293) | 2.9% |
| 340. | Profit (loss) for the year/period attributable to the shareholders of the Parent | 23,713 | 19,539 | 4,174 | 21.4% |