

PRESS RELEASE

BANCA SISTEMA: RATINGS ASSIGNED TO THE CQS PORTFOLIO SECURITIZATION

Milan, 19 October 2016

Today the ratings were assigned to the securitization of the portfolio of salary/pension – backed loans which has a total value of Euro 170 million.

As announced on March 31, 2016, when the process started the securitization - which has a ramp-up period until February 2017 – has been realized through the vehicle Quinto Sistema Sec. 2016 S.r.l., which issued 3 classes of partly-paid notes (Senior, Junior and Mezzanine).

Moody's and DBRS have assigned to the Senior class (Euro 133 million) respectively Aa2 rating and A rating and to the Mezzanine class (Euro 16 million) respectively A3 rating and BBB rating. Such securities will be listed on the Luxembourg Stock Exchange. The Junior class amounts to Euro 21 million and it is unrated.

Senior notes, today utilized by Banca Sistema for refinancing transactions with institutional investors, will then be eligible for refinancing operations with ECB.

The deal is in line with the strategy to diversify funding sources and it will enable the bank to pursue its growth targets in this business segment.

The Securitisation team of Banca IMI's Global Markets and Banca Sistema have structured the deal as joint Arrangers, while the Law Firm Jones Day advised the parties in its capacity as transaction legal counsel.

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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 and Rome, 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 minority shareholding in CS Union S.p.A..