

PRESS RELEASE

**BANCA SISTEMA: LAUNCHED SHARE BUY-BACK PROGRAM TO SUPPORT KEY-PERSONNEL REMUNERATION AND INCENTIVE POLICIES**

Milan, 5 October 2018

Following the authorization to dispose of own shares given by the Bank's Shareholders during the General meeting held on 27 April 2017, Banca Sistema announces the launch of a share buy-back program to set up a "securities pool" aimed exclusively at paying part of the variable compensation of "key personnel" in shares, in accordance with the remuneration and incentive policies approved by the Shareholders.

The share buy-back program designed for the above aims, in compliance with the Shareholders' resolutions, has the following features:

- purchase of own shares for a total amount no greater than Euro 200,000.00;
- the buy-back program will start today and end by 27 October 2018;
- share buy-backs will be carried out in compliance with the operating terms and modalities set out by the "market practice" approved by Consob pursuant to art. 180, paragraph 1, lett. c), of Lgs.D. 58/1998 (hereinafter "TUF"), to the provisions under art. 5 of Regulation no. 596/2014, to the Delegated Regulation no. 2016/1052, as well as the temporary "market abuse" regulations in force, as resolved by Shareholders in the above-mentioned General meeting held on 27 April 2017 and in line with additional limits resolved in the same meeting. More specifically: (i) purchases can be carried out, even in more tranches, at a minimum price no lower than 15% - and at a maximum price no greater than 15% - of the price fixed in the last working day of each week, namely the average official closing stock price of Banca Sistema shares of the last two weeks according to the TARGET calendar prior to the average price fixing day. This minimum and maximum price range will remain valid for the period starting the day after the average price fixing day until the following new weekly average price fixing day (included); (ii) the purchased shares may be sold back, with no time limits, even in more tranches and also before reaching the maximum number of purchasable shares, at a price no lower than 85% of the average carrying value of the entire Banca Sistema own share portfolio, determined the day before the date of the single sale transaction;

- purchases will be carried out in compliance with the procedures under art. 144-*bis*, paragraph 1, lett. b) of the Issuers Regulation and with applicable provisions, in order to guarantee the equal treatment of shareholders as required under art. 132 of TUF and in accordance with applicable regulations and market practices approved by Consob pursuant to article 13 of the Regulation (EU) no. 596/2014.

The shares will be purchased based on a specific mandate given to the authorized intermediary, Intermonte Sim S.p.A.

Each transaction will be duly communicated to the market under the terms and procedures required by applicable regulations.

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Please remember that a share disposal program is underway to support the liquidity of the Bank's stock for a maximum amount of Euro 40,000, launched by the Company's Board of Directors on 22 June 2018. As of today, the above program is going to be suspended until completion of the share buy-back program discussed in this press release. The Company shall inform the market as soon as the liquidity-supporting program is restarted, and in any case it will last until 27 October 2018.

\*

Please note that, on 4 October 2018, Banca Sistema holds the following own shares:

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	<b>no. shares</b>	<b>% of share capital</b>
<b>Liquidity provider</b>	0	0
<b>Pool</b>	68.240	0,085
<b>Total</b>	<b>68.240</b>	<b>0,085</b>

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