

BANCA SISTEMA S.P.A.
Share capital Euro 9,650,526.24 fully paid-in
Tax Code and registration number with the Milan Register of Companies
12870770158 – ABI 03158.3
Corso Monforte, 20 - 20122 Milan

www.bancasistema.it

**ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING CONVENED IN A SINGLE
CALL AT THE REGISTERED OFFICE LOCATED AT CORSO MONFORTE 20, MILAN
28 APRIL 2016, 10:00 A.M.**

**DIRECTORS' EXPLANATORY REPORT ON THE PROPOSALS CONCERNING
ITEM 2) ON THE AGENDA - ORDINARY SESSION**

**(Report pursuant to article 125-ter of Italian Legislative Decree no. 58 of
24th February 1998 - "Consolidated Law on Finance")**

"ALLOCATION OF THE NET PROFIT OF THE YEAR 2015"

DIRECTORS' EXPLANATORY REPORT

Dear Shareholders,

It is addressed to your attention the draft resolution to be submitted to the General Meeting of Shareholders, as below detailed, regarding the proposed allocation of the net profit for the year 2015.

On a stand-alone basis, the Company registered, for the year 2015, a profit amounting to Euro 17,037,107.19.

The Board of Directors proposes to the General Meeting of Shareholders to allocate the profit of the year 2015 as follows:

- to the *Legal Reserve* Euro 407,860.16;
- as *Dividend* Euro 4,262,315.76, for the no. 80,421,052 ordinary shares, equal to Euro 0.053 per share (coupon 4);
- as *Profits Brought Forward*, the remaining amount of Euro 12,366,931.27.

In this regard, it is proposed that the allocation of the dividend will take place in cash, in accordance with the law and applicable regulations, with coupon detachment date on 9 May 2016 and dividend made payable on 11 May 2016. Pursuant to Art. terdecies 83 of Legislative Decree no. 58/1998 (TUF), entitled to receive such dividend will be those shareholders as resulting from the findings of the accounts at the end of the accounting day of 10 May 2016 (the so-called "record date").

We also submit to your attention the Consolidated Balance Sheet as at 31 December 2015 which, even if not subject to approval by the General Meeting of Shareholders, is disclosed as additional information provided with the Financial Statements of the Banca Sistema S.p.A..

For more extensive information on the above, please refer to the contents of the reports and documents filed at the registered office in accordance with Article 2429, paragraph 3, of the Civil Code, the Italian Stock Exchange S.p.A. and the authorized storage mechanism 1Info at the address www.1info.it and on the website of the Company in the section www.bancasistema.it Governance / Shareholders' Meeting 2016, as provided by law pursuant to art. 154 ter of TUF.

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Dear Shareholders,

In connection with the above, we invite you to adopt the following resolutions:

⁴⁹⁹The General Meeting of Shareholders of Banca Sistema S.p.A., in ordinary session, based upon the decisions taken in connection with the approval of the financial statements as at December 31, 2015,

resolves:

(i) to allocate the profit of the year 2015 of Banca Sistema S.p.A., amounting to Euro 17,037,107.19, as follows:

- *to the Legal Reserve Euro 407,860.16;*
- *as Dividend Euro 4,262,315.76, for the no. 80,421,052 ordinary shares, equal to Euro 0.053 per share (coupon 4);*

- as Profits Brought Forward, the remaining amount of Euro 12,366,931.27.
according to the manners and terms set out in this Report;
(ii) to pay the aforementioned dividend starting from May 11, 2016. The payment will be made through
the authorized intermediaries with whom the shares are registered under the Monte Titoli system.

Milan, March 15, 2016

For the Board of Directors
Esq. Luitgard Spögler
Chairman of the Board of Directors