

BANCA SISTEMA S.P.A.

Fully paid-up share capital € 9,650,526.24

Tax code and Milan Company Register No. 12870770158 - ABI code No. 03158.3

Largo Augusto 1/A, at the corner of Via Verziere 13, 20122 Milan

www.bancasistema.it

**ORDINARY SHAREHOLDERS' MEETING, HELD ON SINGLE CALL
AT THE REGISTERED OFFICE AT LARGO AUGUSTO 1/A, AT THE CORNER OF VIA VERZIERE
13, MILAN
18 APRIL 2019, 10.00 A.M.**

**BOARD OF DIRECTORS' REPORT
ON ITEM 1 OF THE AGENDA**

(prepared pursuant to Art. 125-ter of Legislative Decree No. 58 of 24 February 1998,
as amended and supplemented)

**"APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS OF BANCA SISTEMA S.P.A AT 31
DECEMBER 2018. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AT 31
DECEMBER 2018. REPORTS OF THE DIRECTORS, THE BOARD OF STATUTORY AUDITORS
AND THE INDEPENDENT AUDITORS. RELATING AND RESULTING RESOLUTIONS"**

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

The "Annual Financial Report as at 31 December 2018" of Banca Sistema S.p.A. containing the separate financial statements, the Directors' report and the statement under article 154-bis, paragraph 5, of Legislative Decree no. 58 of 24 February 1998, the independent auditors' report and the Board of Statutory Auditors' report, will be made available to the public in accordance with the terms established by law at the registered office, on the website of Banca Sistema S.p.A. and on the centralised storage mechanism authorised by Consob called "1Info" (available at www.1info.it).

We invite you to read the above documents and approve the proposed resolution submitted in the Annual Financial Report, to which we refer.

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We also submit the consolidated financial statements at 31 December 2018 which have not yet been approved by the Shareholders' Meeting, but provide disclosure in addition to that provided in the separate financial statements of Banca Sistema S.p.A.

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Dear Shareholders,

With reference to the above, we invite you to approve the following resolutions:

"The Shareholders' Meeting of Banca Sistema S.p.A.,

resolves:

to approve the separate financial statements at 31 December 2018 of Banca Sistema S.p.A. that show a profit of € 28,070,559.59".

Milan, 27 March 2019

On behalf of the Board of Directors
Ms. Luitgard Spögler
Chairperson of the Board of Directors