



**CORPORATE PROFILE**

April 2009



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## SIA-SSB GROUP

Operative since 1 May 2007, the SIA-SSB Group is an industry leader in Italy and among the first in Europe to perform, fully and in an integrated manner, in the areas of:

- credit and debit card processing, with full processing services, system services and accessory services;
- payment systems, with clearing services, inter-bank corporate banking, solutions for central and commercial banks and system services;
- capital markets with market platform management services, securities back-office and financial information system, surveillance solutions for financial intermediaries, access systems to fixed income markets;
- networking services for connectivity and messaging.

The key factor in the Group's development is its international orientation: this allows it to play its role effectively, promptly, professionally and with vast know-how as a leading provider of payment clearing platforms, in readiness for the profound transformations brought about by the European directives, SEPA (Single Euro Payments Area) and MiFID (Markets in Financial Instruments Directive).

State-of-the-art infrastructure and technology, wide-ranging competences, sector-specific know-how and talent development are the levers of SIA-SSB Group's development. These levers support its capacity to extend and innovate the broad range of solutions, services and products to meet the customers' requirements.

The Group's three-year industrial plan for 2008-2010 is based on business development at international level and strengthening of the competitive position on the domestic market.

The Group is composed of the parent company, SIA-SSB, and the subsidiaries GBC, Kedrios, Perago, RA Computer, SiNSYS and TSP.



**SIA-SSB KEY FIGURES** (at 31 December 2007)

Total transactions	<b>6.4 billion</b> of which
• debit and credit card operations	<b>3.7 billion</b>
• payment and collection operations	<b>2.7 billion</b>
Volume of data transfers	<b>10.3 terabytes</b> (1 terabyte=1,000 billion bytes)
Deals carried out on financial markets	<b>73 million</b>
SIA-SSB Group employees	<b>1,800</b>
Value of production	<b>403.4 million euros</b>

**Payment Cards**

Total cards managed	<b>60.5 million</b> of which
• credit cards	<b>21.9 million</b>
• debit cards	<b>38.6 million</b>
Merchants managed	<b>over 1 million</b>
POS terminals managed	<b>170,000</b>

**Payment systems**

<i>SIA-SSB CSM transactions</i>	<b>2.7 billion</b> of which
Credit transfers	<b>251 million</b>
Remote banking services	<b>415 million</b>
Checks	<b>157 million</b>
Direct debits	<b>581 million</b>
Bi-Comp balances	<b>42 million</b>
Inter-bank charges	<b>862 million</b>
Other inter-bank transactions	<b>152 million</b>
<i>EBA STEP 2 - Cross Border</i>	
Transactions	<b>217 million</b>
Total participants	<b>1,744 (114 direct and 1,630 indirect)</b>



### Capital Markets

Italian and foreign intermediaries and banks using compliance platform	<b>over 60</b>
Compliance market segments served	<b>14</b>
Centrally managed price variations per individual financial market	<b>over 3,000</b>
Percentage of transactions processed in under 1 second	<b>over 99.9%</b>
Number of transactions processed daily	<b>approx. 290,000</b>
Value of transactions processed daily	<b>90 billion euros</b>
Number of deals processed annually	<b>73 million</b>
Value of deals processed annually	<b>23,000 billion euros</b>
Compliance platform market share on bank assets under management	<b>over 40%</b>
Compliance market share on asset management funds	<b>over 40%</b>
Financial brokers and traders using the SIA-SSB trading platform	<b>over 150</b> <b>(in 15 European countries)</b>
End-users of financial information dissemination service	<b>over 1 million</b>
Daily distributed market data messages	<b>approx. 25 million</b> on more than <b>180,000</b> financial instruments

### Network Infrastructure

Active network nodes	<b>592</b> (of which 423 in Italy e 169 abroad)
Volume of data transfers	<b>10.3 terabytes</b>
File transfers managed	<b>30.1 million</b>
Messages managed	<b>563 million</b>
Infrastructure availability	<b>99.99%</b>
Overall Bandwidth capacity	<b>12 gigabit/sec.</b>
Transactions managed daily in Europe	<b>3.6 million</b>



## **CORPORATE STRUCTURE**

### ***Subsidiaries***

#### **GBC**

A wholly owned subsidiary of SIA-SSB, GIRO Bankkártya ZRt (GBC) is based in Budapest and provides financial institutions, payment cards issuers and acquirers with management services for ATM and POS terminals, transaction switching, fraud control and other services for payment systems. The Hungarian company has recorded growth of 63% on turnover over the past three years, at the same time increasing the numbers of terminals and transactions under management and taking full advantage of the opportunities offered by the country's rapid growth.

#### **Kedrios**

81% owned, Kedrios is the Group's specialist for design, implementation and offering of administrative, applicative and consulting services in the technology field, aimed at financial market players. Kedrios' offering of products and services ranges across three lines of business:

- outsourcing back-office services mainly for Traditional and Alternative Funds, stock investment firms, investment and private banks and depository banks, that respond to all the requirements for securities dealing and portfolio management, in individual and collective formats
- information and system services designed for financial firms dealing with corporate actions and public tender offers
- consulting services for IT applications to manage the organization and restructuring of company processes, application consultancy, feasibility studies and "turn-key" projects to support the different activities and the specific requirements of individual customers

Kedrios also provides qualified technical and specialist personnel, through its subsidiaries.

#### **Perago**

SIA-SSB holds a 100% equity participation in Perago, the most important provider of solutions and services for the financial system in South Africa. Founded in Pretoria with the aim of modernizing the regional and international financial system infrastructures, Perago is active in the area of payment systems development for central banks, and financial clearing and settlement systems. Thanks to its technological know-how, Perago developed its own RTGS system (Perago:rtgs) which facilitates funds transfer between banks and provides central banks with the tools to reduce risk, safeguarding security and reliability of the payments system of each country.



### **RA Computer**

SIA-SSB holds a 65% equity participation in RA Computer, a company specializing in the development of back-office products in Euro and other currencies for the banking community and web applications for the banking and public sectors. RA Computer addresses three target markets: banks, business and public sector bodies.

The company has developed a specific set of banking solutions to manage the innovations that will come about from implementation of SEPA (Single Euro Payments Area), the European directive that is intended to create a single payments area by 2010. In this sector the company has unparalleled know-how as a result of the international experience acquired while supplying services for EBA STEP2, the pan-European clearing house for retail payments in euros. The members of the new Group will integrate their respective solutions for CBI (inter-bank corporate banking) to meet the needs of businesses and for public sector bodies will expand the current range of products for local authority treasury management.

### **SiNSYS**

SiNSYS was founded in 2003 as a joint venture between the leading European payment card companies. Created with the objective of offering solutions and services to manage international credit and debit cards, SiNSYS is an expert and reliable partner of the banking sector for card processing outsourcing.

Owned by SIA-SSB (51%) and ATOS Worldline SA/NV (49%), SiNSYS focuses on IT and back-office services for cards and merchants management. The offer is completely modular and customized to meet customer requirements.

The SiNSYS processing platform is one of the most state-of-the-art market. Both the issuing platform and the acquiring platform permit great flexibility to manage customized products and offer access to the economies of scale that derive from the management of a single system handling large volumes of banking groups in many European countries.

SiNSYS handles more than 22 millions cards, 700,000 points of sale and 1 billion transactions in the eleven nations where it operates: Belgium, Netherlands, Italy, Germany, Austria, Czech Republic, Hungary, Poland, Slovakia, Ukraine and Russia.

### **TSP**

TSP (Tecnologie e Servizi per il Pubblico), 100% owned by SIA-SSB, is a leader in the creation, development and management of solutions and services that boost the efficiency of collection, accounting and reconciliation processes of businesses and public sector bodies.

Thanks to its Gateway infrastructure, TSP is the only interface capable of processing payments originating from a myriad of channels (ATM, home banking, POS, Call/Phone center, cash desks at retail outlets), enabling consumers and citizens to pay for services in self-service mode through bank and business networks using proven tools and methods.

TSP's most widespread creations are prepaid reload services (mobile phone, pay-per-view TV, etc.), utility payments, taxes and electronic ticketing.

In addition, TSP provides card-based solutions such as the inter-bank electronic wallet service and a wide range of easy-to-customize value added services (such as control of gasoline subsidies, parking payments, lunch voucher management, loyalty services,



access to university services, payment for parking and public transport services in contact and contact-less mode, vending machine applications).

Know-how gained in the chip card sector and active participation in the ABI Microchip Project allow TSP to call on a high level of expertise concerning microchip technology (EMV) and therefore to offer consulting services to the Group's customers.

### ***Associated companies***

#### **ATS**

With a SIA-SSB's equity participation of 30%, ATS, a software development company, is part of the Group strategy of reinforcing the development of applications for the financial markets.

#### **Glesia**

Glesia, of which SIA-SSB holds 49% of the equity, is a joint-venture set up with the French company GL Trade, which distributes solutions and access services to Italian and international financial markets.

Glesia supplies Italian banks and financial institutions with an access and interface solution to the national financial markets and 95 foreign markets. The principal products of the company are, in fact, gateways to markets, GLNet (remote connection with 350 brokers), order management systems, middle office systems, the multi-market data flows and solutions for basket trading and market making.

#### **Isnova**

SIA-SSB holds an equity quota of 16.34% in Isnova, a non-profit organization set up to promote the offering and demand for innovation, to supply research, information and training, as well as technical, scientific, organizational and financial assistance. In its role as shareholder SIA-SSB participates in the national and international programs for the creation and spread of new technologies.



## SHAREHOLDERS

The top leading SIA-SSB shareholders and their equity stakes:

Intesa Sanpaolo Group	26.8%
Unicredit Group	24%
MPS Group	5.2%
Istituto Centrale delle Banche Popolari Italiane	4.3%
Telecom Italia	4.1%
BNL Group	3.6%
UBI Banca Group	3.6%
Banco Popolare Group	2.6%
Deutsche Bank	2.6%
Banca Popolare di Milano	2.4%



#### **BOARD OF DIRECTORS**

Carlo Tresoldi	Chairman
Bruno Matteo Accornero	Deputy Chairman
Renzo Vanetti	Chief Executive Officer
Paolo Abbo	Director
Tiziana Bernardi	Director
Giorgio Ferrero	Director
Paolo Grandi	Director
Nazzareno Gregori	Director
Ennio La Monica	Director
Piero Luongo	Director
Giovanni Pirovano	Director
Umberto Quilici	Director
Alessandro Santarsiero	Director
Elvio Sonnino	Director
Eugenio Tornaghi	Director

#### **BOARD OF STATUTORY AUDITORS**

Mario Cattaneo	Chairman
Fausto Gobbi	Statutory Auditor
Giorgio Silva	Statutory Auditor



## STRATEGY

The SIA-SSB Group operates in a highly dynamic and rapidly evolving sector. The Group aims to achieve growth through a unique full service offering for the banking and finance world.

The new Group strategy will thus develop along the following lines:

1. complete the portfolio of products and services for the card processing sector with value-added services and terminal management services;
2. develop an industry-specific offering for the European payment sector - clearing solutions, access systems, inter-bank corporate banking solutions, banking applications and solutions for central banks;
3. focus the capital markets offering on solutions for financial intermediaries (securities back-office, surveillance solutions, market access solutions, financial information solutions) as well as evaluating opportunities to enhance value-added services to capital market players;
4. develop networking services so as to guarantee a technological infrastructure offering that is effective at data level and with European coverage;
5. pursue opportunities for internal and external growth by concluding large scale contracts with medium to large scale operators in Italy and Europe;
6. achieve the greatest possible economies of scale through structure integration and greater efficiency by implementing cost optimization programs.



## COMMERCIAL OFFER

SIA-SSB is able to perform fully and in an integrated way, in the areas of payment cards, payment systems, capital markets and network infrastructures.

### *Payment cards*

With over 60 million payment cards issued, 3.7 billion transactions managed in 2007 and operations in 11 countries, the SIA-SSB Group is one of the leading processors in Europe for all major debit and credit cards and domestic and international prepaid payment cards.

Thanks to its professional competences and experience, the Group delivers modular, flexible card Issuing and Acquiring services customizable for the processing of domestic payment cards (Bancomat and PagoBancomat), international cards (Visa, Visa Electron, MasterCard, Cirrus) and private-label cards, with the highest service levels on the market.

### Cards Issuing services

The Group can handle requests for new cards both on paper and electronic format, as well as requests for data archive updating. At the client's request, it is possible to implement risk detection systems and define new decisional strategies in order to design innovative, customized solutions.

The Issuing services also include:

- card personalization and distribution of plastic cards for domestic and international credit and debit circuits, in conformity with the standards defined by the respective circuits and ISO standards;
- management of the entire authorization process for all types of cards issued by clients;
- uninterrupted connections with international and domestic networks, guaranteed 24 hours a day, 7 days a week;
- domestic and international circuit accounting data processing and related settlement services;
- transaction management and preparation of monthly statements according to the type of payment predefined (balance, revolving, immediate debit);
- possibility for the cardholder to pay the balance indicated in the statement using one of several alternative methods: authorized debit on current account, post office payment, check;
- 24/7 customer care service, with highly qualified operators offering clients personalized services such as card usage information, card blocking services, according to the highest levels of quality on the market;
- dispute management, credit recovery and risk management through personalized services compliant with international circuit regulations and agreed with clients.

### Acquiring services

The SIA-SSB Group is one of the few processors qualified to manage payments made with credit, debit and prepaid cards at subscribing merchants, banks and the national and international circuits.



In particular, the acquiring services include:

- management of cardholder archives (registration, updates, etc.) for merchants that accept debit card payments (product and service merchants including self-service payment of toll road fees - FastPay, manual and automatic bank terminals for cash advances -ATM);
- management of all the maintenance activities required to guarantee efficiency of the machines in the card payments system (POS terminals and EFT Servers installed at retail outlets and hotels)
- management of the entire card payments authorization process;
- management of paper transactions (acceptance, control, balancing, accounting) and the electronic transactions generated by payment cards (from banks, application centers, terminal managers and merchants);
- transactions on international circuits through clearing procedures;
- management of the accounting service for merchants (processing, printout and mailing of the monthly statements to merchants accepting credit and debit cards);
- in conclusion, operational management of security activities, dispute handling, credit recovery, customer care and system applications maintenance (that is risk management, charge-backs and retrieval handling, credit collection and customer servicing).

### ***Payment Systems***

In view of the upcoming implementation of SEPA (Single Euro Payments Area), the SIA-SSB Group has started up a development strategy that will be introduced along the following lines:

#### *SEPA Clearing and domestic payment instruments*

To respond in real terms to the requirements of the banks which will need to provide their clientele with new collection and payment instruments (SEPA Credit Transfer – SCT and Sepa Direct Debit - SDD), as defined by the new European standards, SIA-SSB has developed a processing and clearing solution which will effectively simplify and manage the process of migration to the SEPA standards in an extremely flexible manner, in accordance with the evolutionary strategy defined by the banks themselves.

The solution has been designed to minimize the organizational and cost impacts during the so-called “duality” phase, a term referring to the period of time in which the current domestic instruments will coexist alongside the new European payment instruments (at least until 2010).

The SEPA Clearing solution covers:

- core clearing for new instruments, that is processing of SEPA products, access via web to monitor information managed by the central system relating to flows and operations exchanged, transmission of the information needed for balancing of accounts (for each settlement and close of day cycle), and balancing of traffic;
- management of duality, through a single channel to process all SEPA and non-SEPA inter-bank payment instruments, both in terms of co-existence for the categories for which a gradual migration is planned (e.g. credit transfers and RID direct debits), and in terms of continuity for categories of domestic instruments not provided for at SEPA level (e.g. bank checks);
- the option to choose among various settlement channels for SEPA instruments: the BI-COMP system managed by the Bank of Italy and the EBA Clearing EURO1 system;
- the option to choose between two transport networks (SIANet and SWIFTNet) for exchange of flows between the bank’s back office system and the clearing platform.



This guarantees the greatest possible reachability of the clearing platform by client banks, who can choose among various providers according to their cost and/or service requirement;

- the option to choose between two means of access to clearing (product or service) with the aim of facilitating the use of SEPA instruments, guaranteed rapid compliance.

In addition to the core services, the platform provides access to historic information, distribution to subscribers' routing tables and detailed reporting. It is also designed to manage inter-bank charges amongst banks belonging to the domestic community.

#### Eba Step2

EBA STEP2 is the first Pan-European Clearing House for retail payments in euro. Managed operationally by SIA-SSB, STEP2 intends to provide all EU countries with a single technology platform through which to process international retail payments. The STEP2 platform, already active as of 2003 for cross-border credit transfers and as of the end of 2006 for the domestic credit transfers of 6 major Italian bank groups, from January 2008 will manage the new collection and payment instruments (SEPA Credit Transfer – SCT and Sepa Direct Debit - SDD) and will enable the reachability of banks in the context of SEPA, wherever they may be located.

#### Access Accelerator for Payments

SIA-SSB offers solutions for access to payment clearing and settlement systems that are flexible, modular and easily adapted to all technology platforms.

Access Accelerator for Payments is a state-of-the-art system offering efficient and flexible access to EBA STEP2 and to the SIA-SSB SEPA clearing solution.

It is a suite of solutions based on an innovative technology platform and on the adoption of a multi-instrument approach: EBA STEP2 XCT, EBA STEP2 SCT, EBA STEP2 SDD, SIA-SSB SCT, SIA-SSB SDD.

With the products and services of the Access Accelerator for Payments suite, SIA-SSB supports banks in the migration to SEPA, with a flexible and personalized approach.

#### SAPA – Single Architecture for Payments Area

SEPA will offer banks a great opportunity to rethink and redesign their respective payments processing and will promote internal STP (Straight Through Processing), in order to benefit from an increasingly integrated payments framework. The Group provides banks with an architectural model called SAPA (Single Architecture for Payments Area).

SAPA is an innovative approach, offering banks an integrated solution to handle the entire payments procedure: from order reception to management of clearing and settlement procedures, up to enquiries and management of exceptions, making the whole payments process efficient, entirely STP-based and compliant with the new European regulations.

#### Perago:RTGS

The RTGS (Real Time Gross Settlement) system offered by the SIA-SSB Group permits totally automated gross settlement of wholesale payments, in real time. The term "gross" refers to the settlement mechanism: payment orders, coming from bank and central bank systems are settled individually by the system and in the same instant they are originated, provided there are sufficient funds or credit available in the customer's account. RTGS increases the efficiency and transparency of payments in the entire financial system and its integration with the financial systems of other



countries. RTGS consists of a base system to which modules can be added to improve operational efficiency, in order to ensure the greatest possible flexibility.

#### Access solutions for Inter-bank Corporate Banking

This is a range of innovative solutions in both product and service versions, aimed at subscribers to the new Inter-bank Corporate Banking (CBI) architectural to reduce the complexity of integrating operational procedures with the system requirements provided for by the CBI Association.

The macro activities performed on behalf of client banks concern:

- management of messages in XML format;
- management of service workflows provided for by the CBI Association;
- management of interaction with the central data file;
- execution of diagnostic tests with certification;
- feed of the Performance Management module.

The ASP-managed solution also covers saving and storing of data in addition to management of digital signature, with no need to adapt the bank's operational and technology infrastructures when interfacing with the new network.

#### Delegated Technical Structure for CBI

The SIA-SSB Group offers its services as a Delegated Technical Structure (STD) with a complete solution supporting banks in the corporate market, compliant with the requirements provided for by the CBI Association. Banks can therefore count on a single technical structure to manage the CBI service (aimed at the Corporate sector, PMI - small/medium-scale enterprises, POE – small-scale economic operators and small businesses) without the need to develop or maintain multiple solutions and with consequent financial benefits.

The services offered include both system and additional functions, for example Document Management modules and online information and transactional services.

#### Document Management Solutions

Thanks to the new regulatory framework and to the possibility of exploiting advanced channels such as those offered by the new Inter-bank Corporate Banking, all companies (regardless of their size, level of automation and industry) can adopt the SIA-SSB Group's document management solution.

Already used to support the credit and debit cycles as part of e-Procurement services, this solution has been integrated with the functions necessary to permit the provision of a complete, multi-channel service to clients (banks as part of the CBI services offering or directly to Corporate clients), who can thus manage both debit invoices and their credit invoices in total compliance with the provisions regarding electronic invoicing.

The platform uses advanced technologies for document management, data translation, workflow and applicative integration covering the four macro-processes of fundamental interest to companies:

- electronic presentment and transport of invoices – including the functions necessary to create invoices in electronic format and send/receive them, at the same time guaranteeing the translation of multiple formats (SAP, CBI, proprietary XML, etc.) and management of the various possible transmission channels (CBI, Internet, Postel, etc.);
- dispute management – including the functions necessary to correct errors/omissions that can block the payment of invoices and support functions for management of credit/debit notes;



- bill-book and reconciliation – including reporting on invoice status, integration with management of payments and receipts and solution of reconciliation problems;
- alternate storage – includes filing functions, completes the dematerialization process and guarantees storage, access and reproduction over time in compliance with the regulatory framework.

The application is designed to be integrated with the bank's Corporate/Internet Banking systems and with the information system of the companies using it, for the automatic export of credit invoices and import of invoices received.

### ***Capital Markets***

The Group proposes a new integrated offering of technology solutions that will support market players in complying with new market regulations.

These solutions are forerunners of the profound changes generated by MiFID (Market in Financial Instruments Directive).

The products and services included are easy-to-use, highly informative, highly customizable and flexible, ensuring the integration of future architectural evolutions.

### ***SIA-Eagle***

Attention to investors represents the driver of evolution in the EC law, as established in the market abuse directive. Compliant with new market directives, SIA-EAGLE ensures market integrity, transparency and reliability of the trading sessions and guarantees efficiency to market players as well as the market itself.

This solution has been conceived to supply integrated management of market surveillance and provides trading-off-line coverage (conforming to the European market abuse directive) and pre- and post-trading information. SIA-EAGLE provides a complete overview of market activity and financial player's behavior. The solution's modularity and flexibility protect the value of investments and reduce operating risk.

### ***Network Infrastructures***

The Group provides an integrated network based on a single technological infrastructure capable of satisfying the most complex requirements, overcoming the traditional division between network connectivity (typical of telecommunications operators) and messaging services (such as that of SWIFT).

In order to facilitate greater integration with customers' applications, the basic service fees of SIA-SSB Group network solutions include the basic overhead (transmission lines, hardware, software licenses, etc.).

The SIA-SSB Group network solutions are designed to provide uninterrupted connections with international and domestic networks, guaranteed 24 hours a day, 7 days a week.

### ***Network connectivity services***

Characterized by a scalable architecture, in terms of bandwidth capacity and multi-carrier architecture, they provide a single gateway using state-of-the-art security mechanisms end-to-end (IPSEC).

SIA-SSB network connectivity services provide access to financial markets (London Stock Exchange, MTS, e-MID, TLX), to card processors, to the Montetitolli market, to the Kedrios, RA Computer, and GLESLIA services, as well as the SWIFT network.



Recently the London Stock Exchange Group has granted SIA-SSB the status of accredited Network Service Provider (NSP) to supply European financial operators with new connectivity services to all LSE markets

#### *Messaging services*

These services provide customers with a single gateway, scalable in terms of traffic capacity and service level, for access to the applicative domains of applications available on the network in one of three ways:

- File transfer
- Message switching
- Transactional

The peer-to-peer architecture makes it possible to transfer data securely and in compliance with privacy regulations. It also simplifies integration with the user network applications, relieving it of the complexity of transport process management (retry, status management, monitoring, etc).

The automatic management of Disaster Recovery procedures through backup nodes, integrated compression into the network infrastructure so as to process the lowest possible number of bytes, and the availability of multiple interfaces for the different application environments, are just a few of the advantages of these services.

The network infrastructure of the Group provides access to the applications of the RNI (national inter-bank network), the new CBI (inter-bank corporate banking), SIPA (information system of the public sector bodies), EBA STEP2 (Italian and pan-European XCT), and private banking domains.



## **INTERNATIONAL PRESENCE**

The SIA-SSB Group's international development is based on a careful evaluation of the opportunities offered by foreign markets to enhance business activities.

The Group's strategy for the three-year period 2008-2010 is based on expansion in specific market and in the EU countries in order to enlarge its customer base abroad and the ratio of international business.

### **Belgium**

The Group has been active in Belgium since 2003, when SiNSYS was set up with head offices in Belgium.

The principal Belgian banks are among the current clients of the Group, which through SiNSYS, supplies them with credit card processing, issuing and acquiring services.

### **Czech Republic**

The SIA-SSB Group has been operating successfully in the Czech Republic since September 2005 when it won the bid for the "*Capital Markets - Central Depository of Securities - Development and Supply of Software*" project launched by the Ministry of Finance of the Czech Republic, financed by the EU as part of the PHARE program. The purpose of the project is to implement an information system to manage and optimize the flow of data among the systems handling post-trading processes for the capital markets of the Czech Republic.

The Group is also pleased to include the leading Czech bank, CSOB, among its customers, which through SiNSYS, offers payment cards processing, issuing and acquiring services.

### **Hungary**

The Group further consolidated its presence in Europe, particularly in Hungary, when it acquired GBC in January 2007. With head offices in Budapest and clients in Hungary and Slovakia, GBC supplies financial institutions, issuers and acquirers of payment cards with ATM and POS terminal management systems, transaction switching, fraud control and other payment system services. Like many areas in Eastern Europe and the new EU countries, Hungary represents still largely untapped potential for growth in the use of payment cards with respect to other countries in the EU: the average number of cards per resident is 0.65, as against 1.18 in Europe (25 member states), and with the prevalence of debit cards over credit cards.

The second bank of Hungary (by market share), K&H, is also a client, and through SiNSYS the group offers payment cards processing, issuing and acquiring services.

### **The Netherlands**

The Group is also present in the Netherlands through the subsidiary SiNSYS where it has established a Competence Center (the other ones are located in Milan and Brussels).

ING Card is one of the principal clients of the country, again for card processing services offered by SiNSYS.



### Norway

The Group is proud of its presence in Norway since March 2006, when it signed an agreement with Norges Bank, the Norwegian central bank, to design and implement a new technological platform for the new RTGS system. The system, again based on the Perago:RTGS solution, is linked to the SCP (Scandinavian Cash Pool), which manages liquidity between Norway, Sweden and Denmark. The project to replace the existing system and integrate the new platform with the national financial structure, will be completed in April 2009 and also includes solution maintenance services and support for the following 6 years (duration until 2015).

### Partnership with EBA for STEP2

The Group can count on the partnership with EBA (Euro Banking Association), which in 2002 chose SIA as its technology partner to design and implement STEP2, the pan-European clearing house for retail euro payments. For all European nations that are already EU members or will become members, EBA STEP2 will be the point of reference for their involvement in the realization of the Single Euro Payments Area (SEPA). In January 2003, the European Payment Council (EPC) declared that the STEP2 platform meets all of the requirements established to create PEACH, the pan-European automatic clearing house. Currently there are 107 financial institutions that participate directly and 1,632 participating indirectly.

As far as the 2006 managed cross-border transactions are concerned, the total annual value was 267.5 billion euros; the daily average was 368.000 transactions for 1.4 billion euro value on December 2006.

As for the managed Italian Credit Transfer transactions (went live on 24 November 2006 with 5 participating banks), the December volume was 6 million transactions equals to 27 billion euros.

### Romania

The SIA-SSB Group has had a strong presence in Romania from the beginning of 2002 when the Central Bank of Romania commissioned the Group to develop the entire inter-bank system of Romanian payments, an indispensable condition for the European Union entry of the nation, achieved in 2007. SIA created four fundamental components:

- the wholesale payments system (RTGS: Real Time Gross Settlement System)
- an ACH - Automated Clearing House
- the clearing and settlement system for government securities and registry (GSRS: Government Securities Registration and Settlement system)
- a disaster recovery site and a business continuity plan

In April 2005 the RTGS system of Romania went live. During the first two days of service extremely high trading volumes were registered: 3,314 deals with a value of approximately 45,000 billion leu, equal to about 1,200 million euros.

### South Africa

The Group also enjoys a strong presence in the South African region thanks to the acquisition of Perago Financial System Enablers, a provider of solutions and services for the financial system, based in Pretoria. The market recognizes the Perago RTGS system as a sophisticated, modular and scalable system, based on the most advanced technology available in the sector.



The RTGS system facilitates the transfer of funds among banks and improves risk management by the central bank, preserving the security and availability of the payment system in each country.

Sweden

Thanks to strong collaboration with the Swedish banking sector, in August 2005 SIA-SSB won the bid launched by the Swedish Central Bank for a second generation technological platform for wholesale payments. New technology infrastructure operates since February 2009.

The nucleus of the solution is precisely the Perago RTGS (Perago:rtgs system).

Poland

SIA-SSB Group has recently opened new sales representative offices in Warsaw, according to its expansion strategy in Eastern Europe.

The new offices pursue the double objective of effectively monitoring the Poland market and grasping multiple business development and partnerships opportunities in Central and Eastern Europe.

The SIA-SSB Group is also actively present, through its subsidiaries, business partners and/or major local contracts, in the following countries: Ukraine, Slovakia, France, Germany, Greece, Austria, Switzerland, Finland, Spain, Portugal, Denmark, Great Britain and Ireland.

## TOP MANAGEMENT

### **Carlo Tresoldi – *Chairman***



Carlo Tresoldi is Chairman of SIA-SSB.

He was formerly Central Director of the Treasury and Payment Systems area at the Bank of Italy from 1999.

He began his career at Università Pro-Deo (now LUISS) in Rome, as a voluntary assistant to the chair of Economic Development and later to the chair of Monetary Economics.

In 1966 he joined the Bank of Italy where, in 1980, he was assigned to the department of Studies until 1988, when he was nominated head of the Advances, Discounts and Compensations department.

He collaborated in the construction of the econometric model M1BI, with particular reference to the investments sector in residential real estate and was one of the principal contributors to the construction of the block of equations that refer to the real sector of the M2BI model.

During the years prior to the introduction of the Euro, he contributed to the definition and application of a number of innovative changes to the inter-bank cycle of payment instruments, cash and securities settlement systems. During the various phases of preparation for the passage to the Euro, Tresoldi also coordinated the activities to modify the payment systems, the operations of financial intermediaries, market management and the inter-bank network, to make them compatible with the new scenario.

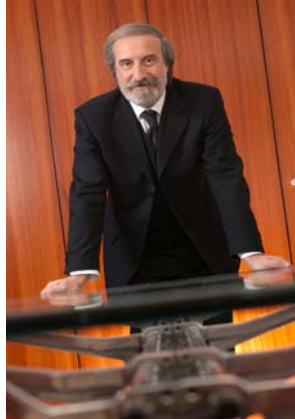
More recently, he collaborated in the implementation of the TARGET2 project and the definition of SEPA-compliant payment instruments.

In conclusion, he actively promoted the transformation of public payments to electronic platforms, and he conceived and directed the realization of SIOPE, the information system for operations of the public sector bodies.

From 1988 to 2001 he was a member of the Board of Directors of SIA.



**Renzo Vanetti – Chief Executive Officer**



Renzo Vanetti is Chief Executive Officer of SIA-SSB and Chairman of the subsidiary RA Computer.

He is also member of the Supervisory Board of the subsidiary GBC, Chairman of the Steering Committee of subsidiary Perago AG and Chairman of the associated company Glesia.

Vanetti began his career at IBM in 1968, where he held various managerial positions for fifteen years. He first joined SIA in 1984, when he was assigned to the leadership of the project to create a national inter-bank network. He was later appointed Director of the Technical Area, Director of Strategic Planning and Chief of Development for Financial Markets, until 1991 when he was appointed Chief of the Inter-bank Applications Services Division and, following a spin-off, that division became SSB. In 1992, Renzo Vanetti was nominated General Manager of SSB until 1998 when he was called back in SIA for merging with CED BORSA company. He has been CEO of SIA from 1998 to 2007 when the merge with SSB was completed.

Other current offices:

- member of the Scheme Management Committee of the European Payments Council (EPC)
- member of the Management Council of the "Forum for Information Technology";
- member of the Programme Committee of CeTIF, the Research Centre on Technologies, Innovation and Financial Services at Università Cattolica del Sacro Cuore in Milan;
- consultant to the European Union for CESR (Committee of European Securities Regulators), which defines the regulations and operational procedures of the securities markets;
- member of the Management Committee of CIPA, set up by the Bank of Italy to promote inter-bank activities in Italy.



Gian Bruno Mazzi – *Managing Director*



Gian Bruno Mazzi is the Managing Director of SIA-SSB.

After taking his degree in Political Science at the University of Bologna, Gian Bruno Mazzi began his professional career at SIP, the Italian telephone company. From 1980 until 1996 he worked in the Finance and Banks Department of Andersen Consulting, where he became partner in 1989. Among other responsibilities, he was chief of the offices in Bologna and chief of commercial management for banking in Italy. In 1996 he joined Cassa di Risparmio di Bologna as Chief of the Resources area. Later he became Chief Executive Officer of Caer Servizi, in the Caer Banking Group, born from the merger between Cassa di Risparmio di Bologna and Banca Popolare dell'Adriatico.

After directing the Organization, Information Systems and Back Office Shared Services in Cardine Banca, he joined SSB following his appointment as Chief Executive Officer in October 2003.

Gian Bruno Mazzi is also CEO of Kedrios, Chairman of the Supervisory Board of GBC and Vice President of SiNSYS and TSP (Tecnologie e Servizi per il Pubblico).

Other offices held currently:

- member of the Management Council of the "Forum for Information Technology";
- member of the Management Committee of CIPA, set up by the Bank of Italy to promote inter-bank activities in Italy.



#### DEPARTMENT MANAGERS

Capital Markets  
Chief Financial Officer  
Chief Information Officer  
Internal & External Communication  
Group Strategies & Development  
Human Resources, Organization and Quality  
Internal Auditing  
Law and Corporate Affairs  
Network Services  
Payment Cards  
Payment Systems  
Risk and Security Management  
Sales

Armando Bolzoni  
Andrea Severi  
Fabio Grignani  
Sofia Masiello  
Fabrizio Canedoli  
Paolo Ghia  
Raffaele Pace  
Monica Coppo  
Giacomo Buico  
Nicola Cordone  
Mario De Lorenzo  
Claudio Pedrotti  
Tiziana Natale