

## THE CAD IT BOARD OF DIRECTORS APPROVES THE SECOND QUARTERLY FIGURES FOR 2007

In the second quarter of 2007, the CAD IT Group registered Production Revenues of Euro 14.4 million, a 7.7% increase compared to Euro 13.4 million in the same period of the previous year.

All income margins also showed an increase:

EBITDA stood at Euro 4 million compared to Euro 2.6 million in the same quarter in 2006 (+52.5%);

EBIT was Euro 3.5 million compared to Euro 2.2 million in the second quarter of 2006 (+56.2%);

Pre-tax profit was Euro 3.8 million compared to Euro 1.8 million in the same period in the previous year (+113.9%).

Production Revenues over the six-month period showed an increase of 5.9%, equal to Euro 27.5 million compared to Euro 26 million in the first six months of 2006; EBITDA stood at Euro 6.3 million compared to Euro 4.6 million in the first six months of 2006 (+36.5%).

The Net Consolidated Financial Position is in credit by Euro 8.6 million (after dividends payment for 2.6 million Euro) compared to Euro 9.9 million registered at 31st March 2007.

The Board of Directors of CAD IT S.p.A., leader in the Italian financial software market, met today to examine the figures for the second quarter of 2007 which show an increase in incomes and margins.

The main results of the consolidated Profit and Loss Account of the **second quarter 2007** are as follows:

- **Production Revenues** were Euro 14.4 million compared to Euro 13.4 million in the second quarter of 2006. Production Revenues had shown a **7.7% increase** despite the reduction in intangible fixed assets which came to Euro 0.7 million compared to Euro 1.5 million in the same period of the previous year. Sales revenues **grew by 16.2%** (from Euro 11.8 million to Euro 13.7 million);

- **Gross Operational Result (EBITDA)** equal to Euro 4 million (27.6% of Production Revenues), a **52.5% increase** compared to Euro 2.6 million in the second quarter of 2006 (19.5% of Production Revenues);
- **Operational Result (EBIT)** equal to Euro 3.5 million (24% of Production Revenues), a **56.2% increase** compared to the Euro 2.2 million registered at the second quarter of 2006 (16.5% of Production Revenues);
- **Pre-tax profit** of Euro 3.8 million (corresponding to 26.4% of Production Revenues), a **113.9% increase** compared to Euro 1.8 million in the second quarter of 2006 (13.3% of Production Revenues). Pre-tax profits were positively influenced by revaluations and depreciation amounts (589 thousand Euro) mainly due to the registering of profits deriving from ceding activities available for sales.

In the **six-month period**, the consolidated Profit and Loss Account showed the following results:

- **Production Revenues** of Euro 27.5 million (Euro 26 million in the first six months of 2006). Production Revenues showed a **5.9% growth** despite a slight increase in intangible fixed assets which, over the six month period, came to Euro 1.5 million compared to Euro 2.5 million in the same period of the previous year. Sales revenues **increased by 11.1%** (from Euro 23.3 million to Euro 25.9 million);
- **Gross Operational Result (EBITDA)** of Euro 6.3 million (22.8% of Production Revenues), a **36.5% increase** compared to Euro 4.6 million in the first six months of 2006 (17.7% of Production Revenues);
- **Operational Result (EBIT)** of Euro 5.3 million (19.2% of Production Revenues), a **38.5% increase** compared to Euro 3.8 million in the first six months of 2006 (14.7% of Production Revenues);
- **Pre-tax Profit** equal to Euro 5.6 million (20.3% of Production Revenues), a **77.2% increase** compared to Euro 3.1 million in the first six months of 2006 (12.1% of Production Revenues). Pre-tax profits were positively influenced by revaluations and depreciation amounts (654 thousand Euro) mainly due to the registering of profits deriving from ceding activities available for sales.

The **Net Consolidated Financial Position** at 30<sup>th</sup> June 2007 was in credit by Euro 8.6 million compared to the Euro 9.9 million registered at 31<sup>st</sup> March 2007, despite the payment of dividends for Euro 2.6 million last May. Cash flow from operating activities stood at Euro 3.5 million.

The Chairman and CEO, Giuseppe Dal Cortivo, said: *“Investments made in Research and Development in previous financial periods have led to the positive results of the last six months. The ongoing internationalisation process of our market sector, the new services on offer to our existing clients and the extension of our offer to the insurance market are part of our strategy to cultivate this positive trend in the long term.”*

## Consolidated profit and loss account

(in thousands of Euro)

	2° Quarter		2° Quarter		Period 2007		Period 2006		Variations	
	2007		2006		01/01 - 30/06		01/01 - 30/06			%
Turnover - goods and services	13,727	95.1%	11,818	88.2%	25,913	94.2%	23,321	89.9%	2,592	11.1%
Variations in stock of products being elaborated			(6)	(0.0%)						
Variations in contract work in progress	42	0.3%	118	0.9%	58	0.2%	118	0.5%	(60)	(51.0%)
Increase in internal work capitalised under fixed assets	651	4.5%	1,461	10.9%	1,502	5.5%	2,478	9.5%	(977)	(39.4%)
Other revenues and income	16	0.1%	12	0.1%	27	0.1%	38	0.1%	(11)	(28.1%)
<b>Production revenues</b>	<b>14,435</b>	<b>100.0%</b>	<b>13,403</b>	<b>100.0%</b>	<b>27,499</b>	<b>100.0%</b>	<b>25,955</b>	<b>100.0%</b>	<b>1,544</b>	<b>5.9%</b>
Raw materials, consumables and supplies	(152)	(1.1%)	(301)	(2.2%)	(520)	(1.9%)	(573)	(2.2%)	53	(9.3%)
Services	(2,310)	(16.0%)	(2,375)	(17.7%)	(4,479)	(16.3%)	(4,482)	(17.3%)	3	(0.1%)
Other operating costs	(225)	(1.6%)	(166)	(1.2%)	(391)	(1.4%)	(356)	(1.4%)	(35)	10.0%
<b>Added value</b>	<b>11,749</b>	<b>81.4%</b>	<b>10,562</b>	<b>78.8%</b>	<b>22,109</b>	<b>80.4%</b>	<b>20,544</b>	<b>79.2%</b>	<b>1,565</b>	<b>7.6%</b>
Personnel expenses	(7,119)	(49.3%)	(7,399)	(55.2%)	(14,599)	(53.1%)	(14,805)	(57.0%)	205	(1.4%)
Other administrative expenses	(648)	(4.5%)	(551)	(4.1%)	(1,245)	(4.5%)	(1,149)	(4.4%)	(96)	8.3%
<b>Gross operating result (EBITDA)</b>	<b>3,981</b>	<b>27.6%</b>	<b>2,611</b>	<b>19.5%</b>	<b>6,265</b>	<b>22.8%</b>	<b>4,590</b>	<b>17.7%</b>	<b>1,675</b>	<b>36.5%</b>
Allocation to Credit Depreciation Fund	(32)	(0.2%)	1	0.0%	(34)	(0.1%)			(34)	
Amortizations:										
- Intangible fixed asset amortization	(287)	(2.0%)	(195)	(1.5%)	(571)	(2.1%)	(381)	(1.5%)	(190)	49.8%
- Tangible fixed asset amortization	(198)	(1.4%)	(199)	(1.5%)	(389)	(1.4%)	(403)	(1.6%)	15	(3.7%)
Other allocations										
<b>Operational result (EBIT)</b>	<b>3,464</b>	<b>24.0%</b>	<b>2,218</b>	<b>16.5%</b>	<b>5,271</b>	<b>19.2%</b>	<b>3,806</b>	<b>14.7%</b>	<b>1,465</b>	<b>38.5%</b>
Financial receipts	95	0.7%	85	0.6%	162	0.6%	148	0.6%	15	9.8%
Financial charges	(35)	(0.2%)	(25)	(0.2%)	(84)	(0.3%)	(59)	(0.2%)	(25)	42.1%
<b>Profit from ordinary activities</b>	<b>3,524</b>	<b>24.4%</b>	<b>2,278</b>	<b>17.0%</b>	<b>5,349</b>	<b>19.5%</b>	<b>3,894</b>	<b>15.0%</b>	<b>1,455</b>	<b>37.4%</b>
Revaluations and depreciations	589	4.1%	(364)	(2.7%)	654	2.4%	(430)	(1.7%)	1,084	(252.2%)
<b>Pre-tax and pre-third party share result</b>	<b>4,113</b>	<b>28.5%</b>	<b>1,914</b>	<b>14.3%</b>	<b>6,003</b>	<b>21.8%</b>	<b>3,464</b>	<b>13.3%</b>	<b>2,539</b>	<b>73.3%</b>
Third party pre- tax (Profit)/loss	(303)	(2.1%)	(133)	(1.0%)	(427)	(1.6%)	(317)	(1.2%)	(109)	34.5%
<b>Group pre-tax profit/loss</b>	<b>3,810</b>	<b>26.4%</b>	<b>1,781</b>	<b>13.3%</b>	<b>5,576</b>	<b>20.3%</b>	<b>3,147</b>	<b>12.1%</b>	<b>2,429</b>	<b>77.2%</b>

## Net consolidated financial position

(in thousands of Euro)

	at 30.06.2007	at 31.03.2007
Cash on hand and other equivalent assets	4,989	4,707
Payables due to banks excluding portion of medium to long-term loans	5,087	6,242
<i>Net short-term financial position/(indebtedness)</i>	(1,195)	(665)
Long-term loans net of short-term portion	<b>8,880</b>	<b>10,285</b>
<i>Net long-term financial position/(indebtedness)</i>	(318)	(359)
<i>Net financial position / (indebtedness)</i>	<b>(318)</b>	<b>(359)</b>
Cash on hand and other equivalent assets	<b>8,562</b>	<b>9,927</b>

### THE CAD IT GROUP

*CAD IT is at the head of a group that represents one of the most dynamic organisations in the Italian Information Technology sector.*

*The group aims its operations at the banking-insurance sector, the business world and public administration, and has been offering software solutions, maintenance, customizing, integration and other correlated services, from application management to outsourcing and consulting to training for over 30 years.*

*The CAD IT Group, with head offices in Verona, operates in Italy through its own branches and associated companies in Milan, Rome, Florence, Bologna, Padua, Mantua and Trento.*

*CAD IT is leader in the Italian software market for the banking sector with its main product, Financial Area, a programme which completely manages all functions connected to the negotiation, settlement and administration of security transactions, debentures, derivatives (in any currency) and adopted by the majority of Italian banking outlets.*

*In addition, the Group boasts a long-standing activity in the industrial sector and the capacity to offer solutions for e-business, credit and industrial companies in constant evolution.*

*Solutions for Public Administration is the most recent sector but one which capitalises the Group's traditional skills, such as its twenty-year experience in the development of systems for the computerisation of public bodies.*

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