

## The CAD IT Board of Directors approves the Interim Management Statement at 30<sup>th</sup> September 2008

The CAD IT Group closes the **third quarter 2008** with a **Value of Production** of Euro 15.2 million.

**EBITDA** stood at Euro 3.9 million.

**EBIT** and **Group Pre-tax Profit** were equal to Euro 3 million.

The **Net Consolidated Financial Position** at 30<sup>th</sup> September 2008 is **in credit** by Euro 13.6 million.

In the **first nine months** of 2008, the **Value of Production** was Euro 44.6 million.

**EBITDA** was Euro 9.9 million.

**EBIT** and **Group Pre-tax Profit** were Euro 7.3 and 7.2 million respectively.

Furthermore, the CAD IT Board of Directors announces that it has today approved the **Financial Calendar 2009**.

The Board of Directors of CAD IT S.p.A., leader in the Italian financial software market and quoted in the STAR segment of Borsa Italiana, today approved the Interim Management Statement at 30<sup>th</sup> September 2008.

The main consolidated results of the **third quarter 2008** are as follows:

- **Value of Production** of Euro 15.2 million compared to Euro 15.1 million in the third quarter of 2007.
- **Gross Operational Result (EBITDA)** of Euro 3.9 million, corresponding to 25.5% of the Value of Production, compared to Euro 4.1 million in the third quarter of 2007 (27.2% of the Value of Production);
- **Operational Result (EBIT)** of Euro 3 million, corresponding to 20% of the Value of Production, compared to Euro 3.6 million in the third quarter of 2007 (23.6% of the Value of Production);
- **Group Pre-tax Profit** of Euro 3 million, corresponding to 19.6% of the Value of Production, compared to Euro 3.8 million in the third quarter of 2007 (24.9% of the value of Production).

The **Net Consolidated Financial Position** at 30<sup>th</sup> September 2008 is **in credit** by Euro 13.6 million compared to the Euro 14 million registered at 30<sup>th</sup> June 2008, the Euro 12.1 million registered at 31<sup>st</sup> December 2007 and the Euro 11.5 million at 30<sup>th</sup> September 2007.

\* \* \*

To give a complete report, below are the main consolidated results of the **first nine months of 2008**:

- The **Value of Production** shows a **4.5% growth** and equals Euro 44.6 million compared to Euro 42.6 million in the same period of the previous year. The increase in internal work capitalised under fixed assets in the first nine months, which stands at Euro 1.8 million, is in line with the Euro 1.8 million of the same period in 2007. **Net sales have grown by 4.1%** (from Euro 40.7 million in the first nine months of 2007 to Euro 42.4 million in the first nine months of 2008);
- **Gross Operational Result** (EBITDA) of Euro 9.9 million, corresponding to 22.1% of the Value of Production, compared to Euro 10.4 million in the first nine months of 2007 (24.4% of the Value of Production);
- **Operational Result** (EBIT) of Euro 7.3 million, corresponding to 16.3% of the Value of Production, compared to the Euro 8.8 million in the first nine months of 2007 (20.7% of the Value of Production);
- **Group Pre-tax Profit** of Euro 7.2 million, corresponding to 16.1% of the Value of Production, compared to Euro 9.3 million in the same period of the previous year (21.9% of the Value of Production).

\* \* \*

Furthermore, the CAD IT Board of Directors announces that it has today approved the Financial Calendar 2009, in accordance with the Borsa Italiana STAR Market Regulations:

Event type	Date
Board of Directors approval of draft of Annual Report and Consolidated Financial Statement at 31 <sup>st</sup> December 2008	Friday 13 <sup>th</sup> March
Shareholder meeting approval of the Annual Report at 31 <sup>st</sup> December 2008 and renewal of the corporate bodies	Thursday 30 <sup>th</sup> April
Board of Directors approval of Interim Management Statement at 31 <sup>st</sup> March 2009	Friday 15 <sup>th</sup> May
Board of Directors approval of the half-Yearly Report at 30 <sup>th</sup> June 2009	Friday 7 <sup>th</sup> August
Board of Directors approval of the Interim Management Statement at 30 <sup>th</sup> September 2009	Friday 13 <sup>th</sup> November

The market will receive immediate notification of any variations to the above dates.

\* \* \*

The manager responsible for preparing the company's financial reports, Maria Rosa Mazzi, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

\* \* \*

“I am extremely satisfied with these results,” said **Giuseppe Dal Cortivo, CAD IT’s Chairman and CEO**, and added: “In the third quarter, and on the whole over the first nine months of the year, we have yet again reached our targets by increasing revenues and maintaining good margins.”

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## CONSOLIDATED INCOME STATEMENT THIRD QUARTER 2008

(in thousands of Euro)

	3 <sup>o</sup> Quarter		3 <sup>o</sup> Quarter		Variations	
	2008		2007			%
Income from sales and services	14,171	93.3%	14,774	97.7%	(603)	(4.1%)
Changes in ongoing orders	6	0.0%	59	0.4%	(53)	(89.5%)
Asset increases due to internal work	615	4.1%	281	1.9%	334	119.0%
Other revenue and receipts	389	2.6%	12	0.1%	376	3,116.7%
<b>Production value</b>	<b>15,180</b>	<b>100.0%</b>	<b>15,126</b>	<b>100.0%</b>	<b>55</b>	<b>0.4%</b>
Costs for raw	(231)	(1.5%)	(362)	(2.4%)	130	(36.0%)
Service costs	(2,406)	(15.8%)	(2,542)	(16.8%)	137	(5.4%)
Other operational costs	(179)	(1.2%)	(147)	(1.0%)	(32)	21.5%
<b>Added value</b>	<b>12,365</b>	<b>81.5%</b>	<b>12,075</b>	<b>79.8%</b>	<b>290</b>	<b>2.4%</b>
Labour costs	(7,876)	(51.9%)	(7,350)	(48.6%)	(526)	7.2%
Other administrative expenses	(612)	(4.0%)	(604)	(4.0%)	(8)	1.4%
<b>Gross operational result (EBITDA)</b>	<b>3,877</b>	<b>25.5%</b>	<b>4,121</b>	<b>27.2%</b>	<b>(244)</b>	<b>(5.9%)</b>
Allocation and Credit Depreciation	(3)	(0.0%)	(67)	(0.4%)	64	(94.8%)
Amortizations:						
- Intangible fixed asset amortization	(648)	(4.3%)	(288)	(1.9%)	(359)	124.6%
- Tangible fixed asset amortization	(196)	(1.3%)	(202)	(1.3%)	7	(3.3%)
<b>Operational result (EBIT)</b>	<b>3,030</b>	<b>20.0%</b>	<b>3,563</b>	<b>23.6%</b>	<b>(533)</b>	<b>(15.0%)</b>
Financial receipts	151	1.0%	99	0.7%	51	51.5%
Financial charges	(29)	(0.2%)	(42)	(0.3%)	13	(31.8%)
<b>Ordinary result</b>	<b>3,151</b>	<b>20.8%</b>	<b>3,620</b>	<b>23.9%</b>	<b>(469)</b>	<b>(12.9%)</b>
Revaluations and depreciations	106	0.7%	361	2.4%	(256)	(70.8%)
<b>Pre-tax and pre-third party share result</b>	<b>3,257</b>	<b>21.5%</b>	<b>3,981</b>	<b>26.3%</b>	<b>(724)</b>	<b>(18.2%)</b>
Income taxes	26	0.2%	-	-	26	-
Third party (profit) loss	(310)	(2.0%)	(218)	(1.4%)	(92)	42.2%
<b>Group pre-tax profit (loss)</b>	<b>2,973</b>	<b>19.6%</b>	<b>3,763</b>	<b>24.9%</b>	<b>(790)</b>	<b>(21.0%)</b>

## CONSOLIDATED INCOME STATEMENT FIRST 9 MONTHS 2008

(in thousands of Euro)

	Period 2008		Period 2007		Variations	
	01/01 - 30/09		01/01 - 30/09			%
Income from sales and services	42,354	95.1%	40,686	95.5%	1,668	4.1%
Changes in ongoing orders	(11)	(0.0%)	117	0.3%	(129)	(109.7%)
Asset increases due to internal work	1,787	4.0%	1,783	4.2%	5	0.3%
Other revenue and receipts	423	0.9%	39	0.1%	383	981.1%
<b>Production value</b>	<b>44,553</b>	<b>100.0%</b>	<b>42,625</b>	<b>100.0%</b>	<b>1,928</b>	<b>4.5%</b>
Costs for raw	(852)	(1.9%)	(882)	(2.1%)	30	(3.4%)
Service costs	(7,600)	(17.1%)	(7,021)	(16.5%)	(579)	8.2%
Other operational costs	(571)	(1.3%)	(538)	(1.3%)	(32)	6.0%
<b>Added value</b>	<b>35,531</b>	<b>79.8%</b>	<b>34,184</b>	<b>80.2%</b>	<b>1,347</b>	<b>3.9%</b>
Labour costs	(23,785)	(53.4%)	(21,949)	(51.5%)	(1,835)	8.4%
Other administrative expenses	(1,885)	(4.2%)	(1,849)	(4.3%)	(37)	2.0%
<b>Gross operational result (EBITDA)</b>	<b>9,861</b>	<b>22.1%</b>	<b>10,386</b>	<b>24.4%</b>	<b>(525)</b>	<b>(5.1%)</b>
Allocation and Credit Depreciation	(67)	(0.1%)	(101)	(0.2%)	35	(34.4%)
Amortizations:						
- Intangible fixed asset amortization	(1,936)	(4.3%)	(859)	(2.0%)	(1,077)	125.3%
- Tangible fixed asset amortization	(583)	(1.3%)	(591)	(1.4%)	8	(1.4%)
<b>Operational result (EBIT)</b>	<b>7,276</b>	<b>16.3%</b>	<b>8,834</b>	<b>20.7%</b>	<b>(1,558)</b>	<b>(17.6%)</b>
Financial receipts	470	1.1%	262	0.6%	209	79.8%
Financial charges	(65)	(0.1%)	(127)	(0.3%)	62	(49.1%)
<b>Ordinary result</b>	<b>7,682</b>	<b>17.2%</b>	<b>8,969</b>	<b>21.0%</b>	<b>(1,287)</b>	<b>(14.3%)</b>
Revaluations and depreciations	323	0.7%	1,015	2.4%	(692)	(68.2%)
<b>Pre-tax and pre-third party share result</b>	<b>8,005</b>	<b>18.0%</b>	<b>9,984</b>	<b>23.4%</b>	<b>(1,979)</b>	<b>(19.8%)</b>
Income taxes	26	0.1%	-	-	26	-
Third party (profit) loss	(875)	(2.0%)	(645)	(1.5%)	(230)	35.7%
<b>Group pre-tax profit (loss)</b>	<b>7,156</b>	<b>16.1%</b>	<b>9,339</b>	<b>21.9%</b>	<b>(2,183)</b>	<b>(23.4%)</b>

## CONSOLIDATED BALANCE SHEET

(in thousands of Euro)

31/12/2007	ASSETS	30/09/2008	30/09/2007	Variations
	A) Non-Current Assets			
20,147	Assets, equipment and machinery	19,712	20,259	(547)
15,572	Intangible assets	15,692	15,453	239
8,309	Goodwill	8,309	8,309	0
186	Holdings	425	209	215
1,193	Other financial assets available for sale	854	1,474	(620)
56	Other non-current credits	65	54	11
254	Credits due to deferred taxes	254	315	(61)
<b>45,716</b>	<b>TOTAL NON-CURRENT ASSETS</b>	<b>45,311</b>	<b>46,073</b>	<b>(762)</b>
	B) Current Assets			
508	Stock	442	629	(187)
286	Ongoing orders	275	509	(234)
29,695	Commercial credits and other credits	27,488	30,768	(3,280)
156	Tax credits	2,641	1,697	944
13,097	Cash on hand and other equivalent assets	14,014	12,360	1,654
<b>43,744</b>	<b>TOTAL CURRENT ASSETS</b>	<b>44,861</b>	<b>45,964</b>	<b>(1,103)</b>
<b>89,460</b>	<b>TOTAL ASSETS</b>	<b>90,172</b>	<b>92,037</b>	<b>(1,865)</b>

31/12/2007	LIABILITIES	30/09/2008	30/09/2007	Variations
	A) Equity			
4,670	Company capital	4,670	4,670	0
35,428	Reserves	35,090	35,709	(620)
20,282	Accumulated profits/losses	21,147	21,653	(506)
<b>60,380</b>	<b>TOTAL EQUITY OF THE GROUP</b>	<b>60,907</b>	<b>62,032</b>	<b>(1,125)</b>
3,041	Third party Equity	3,319	3,110	209
<b>63,421</b>	<b>TOTAL EQUITY</b>	<b>64,226</b>	<b>65,142</b>	<b>(916)</b>
	B) Non-current liabilities			
284	Financing	213	301	(88)
3,507	Liabilities due to deferred taxes	3,507	3,546	(39)
6,339	TFR and quiescence reserves	6,329	6,261	68
25	Expense and risk reserves	25	25	0
<b>10,155</b>	<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>10,074</b>	<b>10,133</b>	<b>(59)</b>
	C) Current liabilities			
4,346	Commercial debts	5,858	6,315	(458)
3,563	Tax debts	2,718	2,531	187
1,017	Short-term financing	461	905	(444)
6,957	Other debts	6,835	7,010	(175)
<b>15,884</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>15,872</b>	<b>16,762</b>	<b>(890)</b>
<b>89,460</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>90,172</b>	<b>92,037</b>	<b>(1,865)</b>

## CONSOLIDATED CASH FLOW STATEMENT

*(in thousands of Euro)*

31/12/2007		30/09/2008	30/09/2007
	<b><u>A) OPERATING ACTIVITIES</u></b>		
7,968	Profit (loss) for the period	7,156	9,339
	Amortisation, revaluation and depreciation:		
793	- Assets, equipment and machinery amortisation	583	591
1,434	- Intangible fixed asset amortization	1,936	859
(992)	- revaluation of holding and financial assets available for sale	(323)	(1,015)
(577)	Allocations (utilisation) of funds:	(10)	(655)
	Financial performance:		
(220)	- Net financial receipts (charges)	(406)	(135)
(36)	- Profit / (losses) on exchanges	1	(31)
2,065	Working capital variations	2,725	(3,019)
(4,780)	Income taxes paid	(2,380)	(1,685)
(137)	Interest payment	(64)	(96)
<b>5,518</b>	<b>(A) - Cash flows from (for) operating activities</b>	<b>9,217</b>	<b>4,154</b>
	<b><u>B) INVESTING ACTIVITIES</u></b>		
	Investing activities		
(408)	- Assets, equipment and machinery purchases	(150)	(309)
(2,554)	- Intangible assets purchases/development	(2,056)	(1,861)
(11)	- increase in other fixed assets	(14)	(8)
	Disinvestment activities		
61	- Assets, equipment and machinery transfers	1	51
2,919	- Assets available for sale transfers	0	2,919
2	- Decrease in other fixed assets	5	1
376	Cashed Interest	464	245
80	Cashed dividends	90	80
<b>465</b>	<b>(B) - Cash flows from (for) investing activities</b>	<b>(1,659)</b>	<b>1,118</b>
	<b><u>C) FINANCING ACTIVITIES</u></b>		
(23)	Medium/long term debts repayment	(71)	(6)
0	Effects on consolidation reserve	(5)	0
333	Third party net patrimony	278	402
(2,604)	Distribution of dividends	(6,286)	(2,604)
<b>(2,294)</b>	<b>(C) - Cash flows from (for) financing activities</b>	<b>(6,085)</b>	<b>(2,209)</b>
<b>3,689</b>	<b>(A+B+C) - Total cash and other equivalent assets flows</b>	<b>1,473</b>	<b>3,064</b>
<b>8,391</b>	<b>Opening liquid funds and other equivalent assets</b>	<b>12,080</b>	<b>8,391</b>
<b>12,080</b>	<b>Closing liquid funds and other equivalent assets</b>	<b>13,553</b>	<b>11,455</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, Prato, 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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