

## **CAD IT: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT REPORT AT 31<sup>ST</sup> MARCH 2010**

*In the first quarter of 2010, the CAD IT Group registered a Value of Production of Euro 13.1 million, compared to the Euro 13 million in the first quarter of 2009.*

*EBITDA stands at Euro 1.3 million (Euro 1.5 million in the first quarter of 2009);  
EBIT stands at Euro 0.4 million (Euro 0.7 million in the first quarter of 2009);  
Pre-tax results for the period stands at Euro 0.5 million (Euro 0.9 million in the first quarter of 2009).*

*The Consolidated Net short-term Financial Position at 31<sup>st</sup> March 2010 is in credit by Euro 5 million compared to the Euro 5.1 million registered at 31<sup>st</sup> December 2009.*

The Board of Directors of CAD IT S.p.A. ([www.cadit.it](http://www.cadit.it)), leader in the Italian financial software market and quoted in the STAR segment of Borsa Italiana, today approved the Interim Management Report at 31<sup>st</sup> March 2010.

The main results in regard to the Consolidated Profit and Loss account at 31<sup>st</sup> March 2010 are as follows:

- **Value of Production** of Euro 13.1 million compared to Euro 13 million in the first quarter of 2009. The internal work capitalized under fixed assets went from Euro 0.7 million in the first quarter of 2009 to Euro 0.8 million in the first quarter of the current year;
- **Gross Operational Result (EBITDA)** of Euro 1.3 million, corresponding to 10% of the Value of Production, compared to Euro 1.5 million in the first quarter of 2009 (11.8% of the Value of Production). This, as other profitability margins, has been affected mainly by the Euro 0.5 million increase in labour costs;
- **Operational Result (EBIT)** of Euro 0.4 million corresponding to 2.8% of the Value of Production, compared to Euro 0.7 million in the first quarter of 2009 (5.4% of the Value of Production);
- **Pre-tax result for the period** of Euro 0.5 million (4% of the Value of Production), compared to Euro 0.9 million in the first quarter of 2009 (7.3% of the Value of Production);

The **Consolidated net short-Term Financial Position** at 31<sup>st</sup> March 2010 is **in credit** by Euro 5 million compared to Euro 5.1 million registered at 31<sup>st</sup> December 2009.

\* \* \*

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.

## Consolidated income statement

(in thousands of Euro)

	1° Quarter 2010		1° Quarter 2009		Variations	
	€/000	% on P.V.	€/000	% on P.V.	€/000	%
Income from sales and services	12,477	95.2%	12,260	94.3%	217	1.8%
Changes in ongoing orders	(133)	(1.0%)	52	0.4%	(185)	(354.8%)
Own work capitalised	755	5.8%	651	5.0%	105	16.1%
Other revenue and receipts	11	0.1%	41	0.3%	(30)	(73.2%)
<b>Production value</b>	<b>13,111</b>	<b>100.0%</b>	<b>13,004</b>	<b>100.0%</b>	<b>107</b>	<b>0.8%</b>
Purchases costs	(221)	(1.7%)	(231)	(1.8%)	10	(4.4%)
Services costs	(2,257)	(17.2%)	(2,427)	(18.7%)	170	(7.0%)
Other operational costs	(165)	(1.3%)	(188)	(1.4%)	23	(12.3%)
<b>Added value</b>	<b>10,467</b>	<b>79.8%</b>	<b>10,157</b>	<b>78.1%</b>	<b>310</b>	<b>3.1%</b>
Labour costs	(8,526)	(65.0%)	(8,017)	(61.6%)	(509)	6.3%
Other administrative costs	(631)	(4.8%)	(611)	(4.7%)	(20)	3.3%
<b>Gross operational result (EBITDA)</b>	<b>1,311</b>	<b>10.0%</b>	<b>1,529</b>	<b>11.8%</b>	<b>(218)</b>	<b>(14.3%)</b>
Allocation and Credit Depreciation	(2)	(0.0%)			(2)	
Amortisations:						
- Intangible fixed asset amortisation	(751)	(5.7%)	(637)	(4.9%)	(114)	17.9%
- Tangible fixed asset amortisation	(192)	(1.5%)	(191)	(1.5%)	(1)	0.7%
<b>Operational result (EBIT)</b>	<b>365</b>	<b>2.8%</b>	<b>701</b>	<b>5.4%</b>	<b>(336)</b>	<b>(47.9%)</b>
Financial income	20	0.2%	74	0.6%	(54)	(72.4%)
Financial expenses	(15)	(0.1%)	(14)	(0.1%)	(1)	4.7%
<b>Ordinary result</b>	<b>371</b>	<b>2.8%</b>	<b>761</b>	<b>5.9%</b>	<b>(390)</b>	<b>(51.3%)</b>
Revaluations and depreciations	159	1.2%	188	1.4%	(29)	(15.5%)
<b>Pre-tax result for the period</b>	<b>530</b>	<b>4.0%</b>	<b>949</b>	<b>7.3%</b>	<b>(420)</b>	<b>(44.2%)</b>
<i>Attributable to:</i>						
Non- controlling interests	(48)	(0.4%)	84	0.6%	(131)	(157.0%)
<b>Owners of the parent</b>	<b>577</b>	<b>4.4%</b>	<b>866</b>	<b>6.7%</b>	<b>(288)</b>	<b>(33.3%)</b>
Weighted average number of ordinary shares in circulation	8,980,000		8,980,000			
Basic earnings per share (in Euro)	0.064		0.096			

## Consolidated statement of comprehensive income

(in thousands of Euro)

	1° Quarter	1° Quarter
	2010	2009
Profit/(loss) for the period	530	949
Gains/(Losses) on fair value of available for sale financial assets	(87)	17
Total comprehensive income	443	966
Profit/(loss) for the period attributable to:		
Non-controlling interests	(48)	84
Owners of the parent	490	883

## Consolidated Balance Sheet

(in thousands of Euro)

	31/03/2010	31/12/2009
<b>ASSETS</b>		
A) Non-Current Assets		
Property, plant and equipment	19,082	19,212
Intangible assets	17,776	17,747
Goodwill	8,309	8,309
Investments	379	220
Other financial assets available for sale	694	781
Other non-current credits	88	72
Credits due to deferred taxes	244	244
<b>TOTAL NON-CURRENT ASSETS</b>	<b>46,571</b>	<b>46,583</b>
B) Current Assets		
Inventories	160	112
Ongoing orders	179	312
Trade receivables and other credits	31,927	28,905
Tax credits	1,768	1,791
Cash on hand and other equivalent assets	6,250	6,379
<b>TOTAL CURRENT ASSETS</b>	<b>40,284</b>	<b>37,498</b>
<b>TOTAL ASSETS</b>	<b>86,855</b>	<b>84,081</b>
<b>EQUITY AND LIABILITIES</b>		
A) Equity		
Company capital	4,670	4,670
Reserves	35,394	35,481
Accumulated profits/losses	16,931	16,354
<b>Equity attributable to owners of the parent</b>	<b>56,995</b>	<b>56,505</b>
Non-controlling interests	2,441	2,489
<b>TOTAL EQUITY</b>	<b>59,436</b>	<b>58,993</b>
B) Non-current liabilities		
Financing	172	179
Deferred tax liabilities	3,452	3,452
Employee benefits and quiescence provisions	6,461	6,317
Expense and risk provisions	130	135
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>10,216</b>	<b>10,083</b>
C) Current liabilities		
Trade payables	6,884	4,393
Current tax payables	1,681	2,644
Short-term financing	1,244	1,286
Other liabilities	7,394	6,682
<b>TOTAL CURRENT LIABILITIES</b>	<b>17,203</b>	<b>15,005</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>86,855</b>	<b>84,081</b>

## Consolidated Cash Flow Statement

(in thousands of Euro)

	1° Quarter 2010	1° Quarter 2009
<b>Opening cash balances and equivalents</b>	<b>5,093</b>	<b>13,346</b>
<b><u>OPERATING ACTIVITIES</u></b>		
Profit (loss) for the period	530	949
Amortisation, revaluation and depreciation:		
- Property, plant and equipment amortisation	192	191
- Intangible fixed asset amortisation	751	637
- revaluation of investments and financial assets available for sale	(159)	(188)
- depreciation of investments and financial assets available for sale	0	0
Allocations (utilization) of provisions:	140	33
Financial performance:		
- Net financial receipts (charges)	(6)	(60)
- Profit / (losses) on exchanges	(0)	(1)
Working capital variations	(674)	(52)
Income taxes paid	0	0
Interest paid	(15)	(13)
<b>(A) Cash flows from (used in) operating activities</b>	<b>760</b>	<b>1,497</b>
<b><u>INVESTMENT ACTIVITIES</u></b>		
Investments in activities		
- Property, plant and equipment purchases	(63)	(80)
- Intangible assets purchases/development	(781)	(669)
- increase in other fixed assets	(18)	(1)
Disinvestment activities		
- Property, plant and equipment transfers		1
- Decrease in other fixed assets	2	3
Cashed Interest	20	74
Cashed dividends	0	0
<b>(B) Cash flows from (used in) investment activities</b>	<b>(839)</b>	<b>(672)</b>
<b><u>FINANCING ACTIVITIES</u></b>		
Medium/long term financing repayment	(7)	(7)
Dividends paid	0	0
<b>(C) Cash flows from (used in) financing activities</b>	<b>(7)</b>	<b>(7)</b>
<b>(A+B+C) Cash balances and equivalents net changes</b>	<b>(86)</b>	<b>818</b>
<b>Closing cash balances and equivalents</b>	<b>5,006</b>	<b>14,164</b>

## Consolidated net financial position

(in thousands of Euro)

<i>Net consolidated financial position</i>	<i>31/03/2010</i>	<i>31/12/2009</i>	<i>31/03/2009</i>
Cash on hand and bank accounts	3,931	3,873	12,667
Insurance policies capitalized	2,320	2,505	2,451
Short-term payables due to banks	(1,244)	(1,286)	(954)
<b>Net short-term financial position/(indebtedness)</b>	<b>5,006</b>	<b>5,093</b>	<b>14,164</b>
Long-term loans	(172)	(179)	(200)
<b>Net long-term financial position/(indebtedness)</b>	<b>(172)</b>	<b>(179)</b>	<b>(200)</b>
<b>Net financial position / (indebtedness)</b>	<b>4,835</b>	<b>4,914</b>	<b>13,964</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, 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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