



CAD IT Company Overview

One day Investor Meeting



Milan, 4th December 2017

- **Overview of the Group**

- Financials results

- Strategies

- Attachment

Overview of the Group

CAD IT at a glance:

- **European** market-leading company for **cross-assets front-to-back office securities systems**
- On the market **for 40 years**
- **Listed** in the STAR segment of Borsa Italiana (London Stock Exchange Group) since 2000
- **640 employees**
- **Blue-chip customer base**

... references

- +1.5 Trillion Euro of AUM-Asset Under Management
- +200,000 professional final users
- +25,000,000 securities accounts



...customer types

- Retail Banks
- Private Banks
- Brokers & Traders
- Insurances
- Asset Managers/Fund Administration
- Depositories/Custodians

Shareholders and Corporate Governance

- The **four founder families** control about **60%** of the capital through equal stakes.

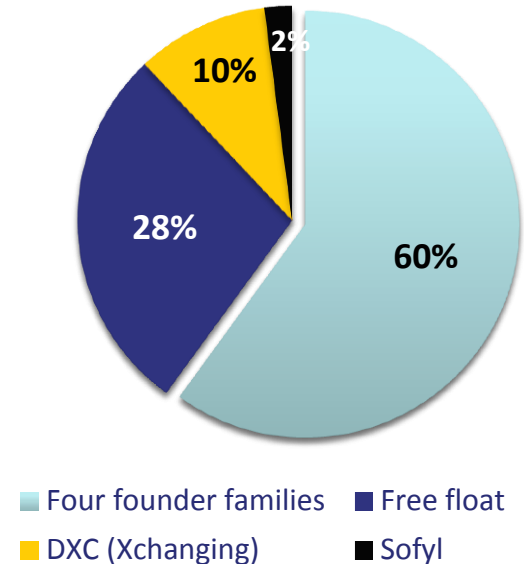
There isn't a syndicate agreement between the families shareholders.

- The **free float** is about **28%**.

- **DXC Technology Company** (through **Xchanging UK Ltd**) a world's leading multinational in the ICT sector, holds **10%** of the capital.

- **Sofyl** (**2%** of the capital) is a company controlled by the management of CAD IT.

Corporate governance:
CAD IT adheres to the Code of Conduct established for companies quoted on the Stock Exchange



CAD IT presence in the business environment



FINANCIAL SERVICES

85% Revenues (*)

- Finance Area
- Finance Area for Asset Management
- Corporate Actions
- Reconciliations
- Capital Markets
- Risk & Compliance
- Commissioning and Reporting
- ★ Clients MDM
- ★ C&LM

P.A.

12% Revenues (*)

- FE-Taxation for Public Authorities
- Suite for Tax collections

ERP

3% Rev. (*)

- ERP

Software Licence

Maintenance

Services: Customization Implementation System Integration

Application Management and 24x7 support

Consulting Training

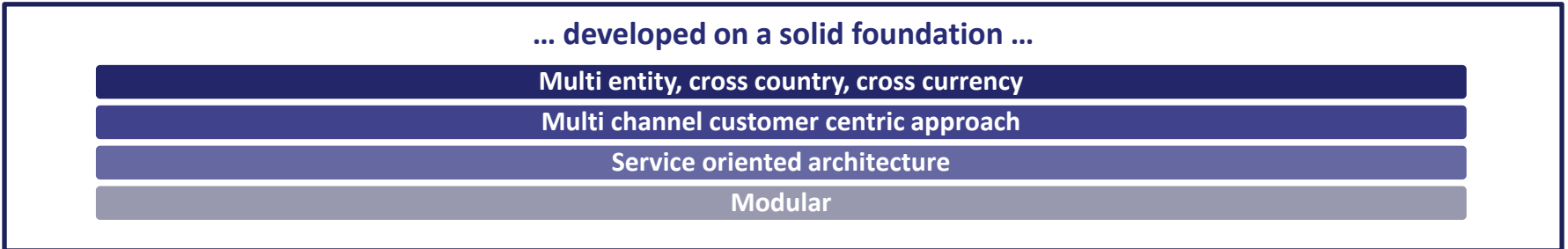
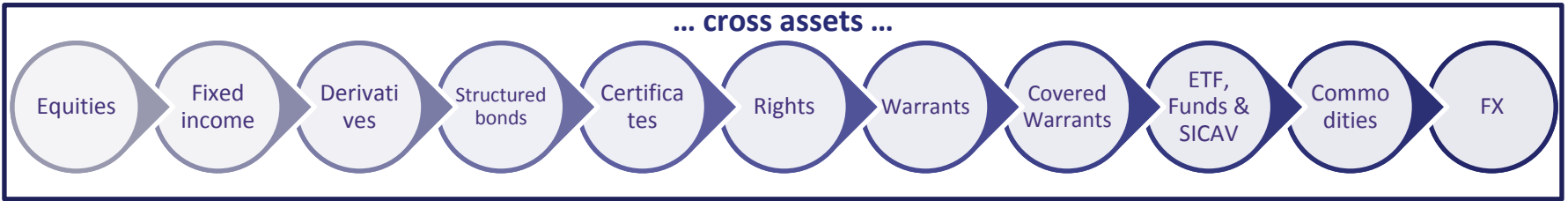
BPO - ITO



■ Sw packages ★ New

(*) Revenues from sales and services, subdivided according to the business line, as at 30th September 2017

What makes Finance Area Suite unique?



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First 9 months results - 9m2017/9m2016

Consolidated Income Statement	First 9 months 2017		First 9 months 2016		Variations	
	€/000	% on PV	€/000	% on PV	absolute	%
Income from sales and services	39,809	91.8%	38,491	91.3%	1,318	3.4%
Asset increases due to internal work	3,072	7.1%	3,574	8.5%	(502)	(14.0%)
Other revenues and receipts	503	1.2%	84	0.2%	419	497.9%
Production value	43,384	100.0%	42,149	100.0%	1,235	2.9%
Purchase costs	(224)	(0.5%)	(221)	(0.5%)	(3)	(1.5%)
Service costs	(6,183)	(14.3%)	(7,019)	(16.7%)	837	11.9%
Other operational costs	(645)	(1.5%)	(614)	(1.5%)	(31)	(5.0%)
Added value	36,332	83.7%	34,294	81.4%	2,038	5.9%
Labour costs	(27,915)	(64.3%)	(27,086)	(64.3%)	(829)	(3.1)
Other administrative expenses	(1,586)	(3.7%)	(1,628)	(3.9%)	42	2.6%
Gross operational result - EBITDA	6,831	15.7%	5,580	13.2%	1,251	22.4%
Amortizations and Depreciations	(4,356)	(10.0%)	(4,446)	(10.5%)	90	(2.0%)
Operational result - EBIT	2,475	5.7%	1,134	2.7%	1,341	118.2%
Financial income	2	0.0%	52	0.1%	(50)	(96.5%)
Financial expenses	(35)	(0.1%)	(39)	(0.1%)	4	9.3%
Ordinary result	2,441	5.6%	1,147	2.7%	1,294	112.8%
Revaluations and depreciations	556	1.3%	365	0.9%	192	52.6%
Pre-tax result	2,998	6.9%	1,512	3.6%	1,486	98.3%
Income taxes	(718)	(1.7%)	(530)	(1.3%)	(187)	(35.3%)
Profit (loss) for the period	2,280	5.3%	981	2.3%	1,299	132.3%
Profit (loss) for the period attributable to:						
Non-controlling interests	402	0.9%	54	0.1%	349	648.5%
Owners of the parent	1,878	4.3%	928	2.2%	950	102.4%

(in thousands of Euro)

Source: CAD IT

Tax rate

24%

35%

Consolidated Net Financial Position

699

1,127

Annual results - FY2016/FY2015

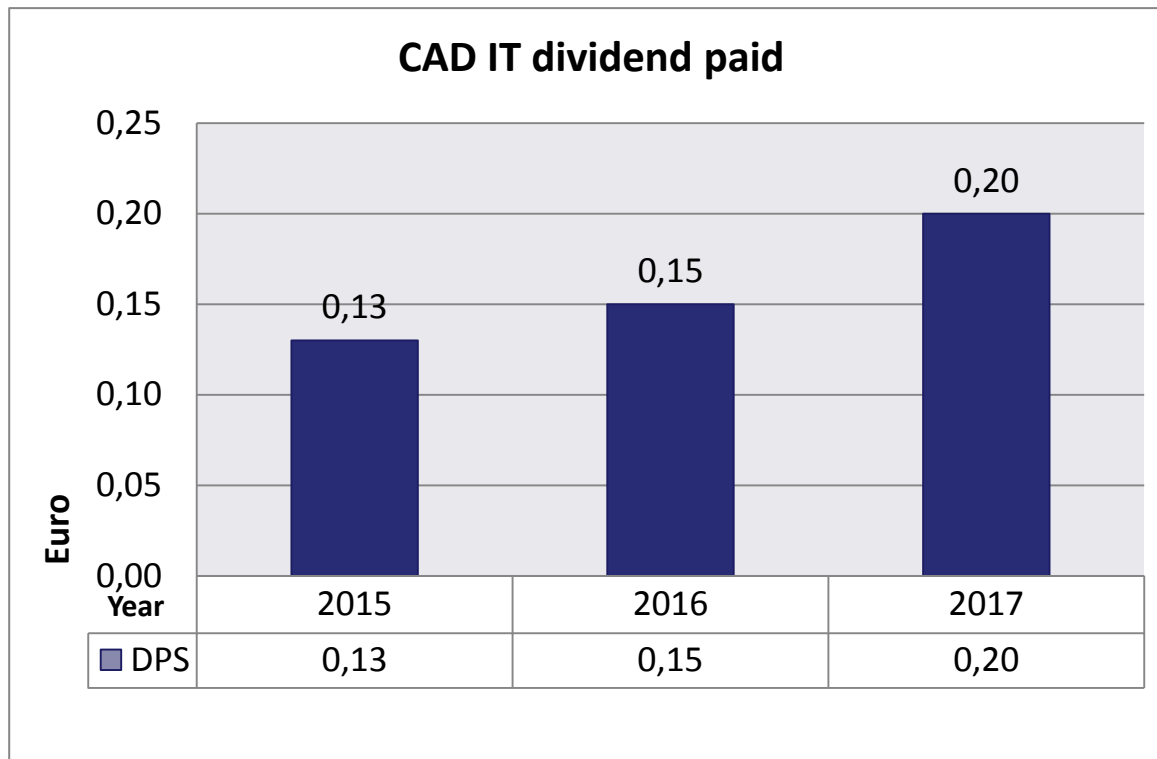
Consolidated Income Statement	Year 2016		Year 2015		Variations	
	€/000	% on PV	€/000	% on PV	€/000	%
Income from sales and services	52,060	91.1%	55,728	93.2%	(3,668)	(6.6%)
Asset increases due to internal work	4,755	8.3%	3,856	6.4%	899	23.3%
Other revenues and receipts	360	0.6%	235	0.4%	125	53.2%
Production value	57,175	100.0%	59,819	100.0%	(2,644)	(4.4%)
Purchase costs	(325)	(0.6%)	(389)	(0.7%)	64	16.5%
Service costs	(9,426)	(16.5%)	(12,437)	(20.8%)	3,011	24.2%
Other operational costs	(1,001)	(1.7%)	(1,015)	(1.7%)	14	1.4%
Added value	46,424	81.2%	45,978	76.9%	446	1.0%
Labour costs	(36,314)	(63.5%)	(36,206)	(60.5%)	(108)	(0.3%)
Other administrative expenses	(2,324)	(4.1%)	(2,314)	(3.9%)	(10)	(0.4%)
Gross operational result - EBITDA	7,787	13.6%	7,458	12.5%	328	4.4%
Amortizations and Depreciations	(6,105)	(10.7%)	(5,643)	(9.4%)	(462)	(8.2%)
Operational result - EBIT	1,681	2.9%	1,815	3.0%	(134)	(7.4%)
Financial income	59	0.1%	130	0.2%	(71)	(54.4%)
Financial expenses	(52)	(0.1%)	(33)	(0.1%)	(19)	(57.0%)
Ordinary result	1,689	3.0%	1,912	3.2%	(223)	(11.7%)
Revaluations and depreciations	360	0.6%	179	0.3%	181	101.1%
Pre-tax result	2,049	3.6%	2,091	3.5%	(42)	(2.0%)
Income taxes	(792)	(1.4%)	(640)	(1.1%)	(152)	(23.8%)
Profit (loss) for the period	1,257	2.2%	1,451	2.4%	(194)	(13.4%)
Profit (loss) for the period attributable to:						
Non-controlling interests	110	0.2%	329	0.5%	(219)	(66.5%)
Owners of the parent	1,147	2.0%	1,123	1.9%	24	2.2%

(In thousands of Euro)

Source: CAD IT

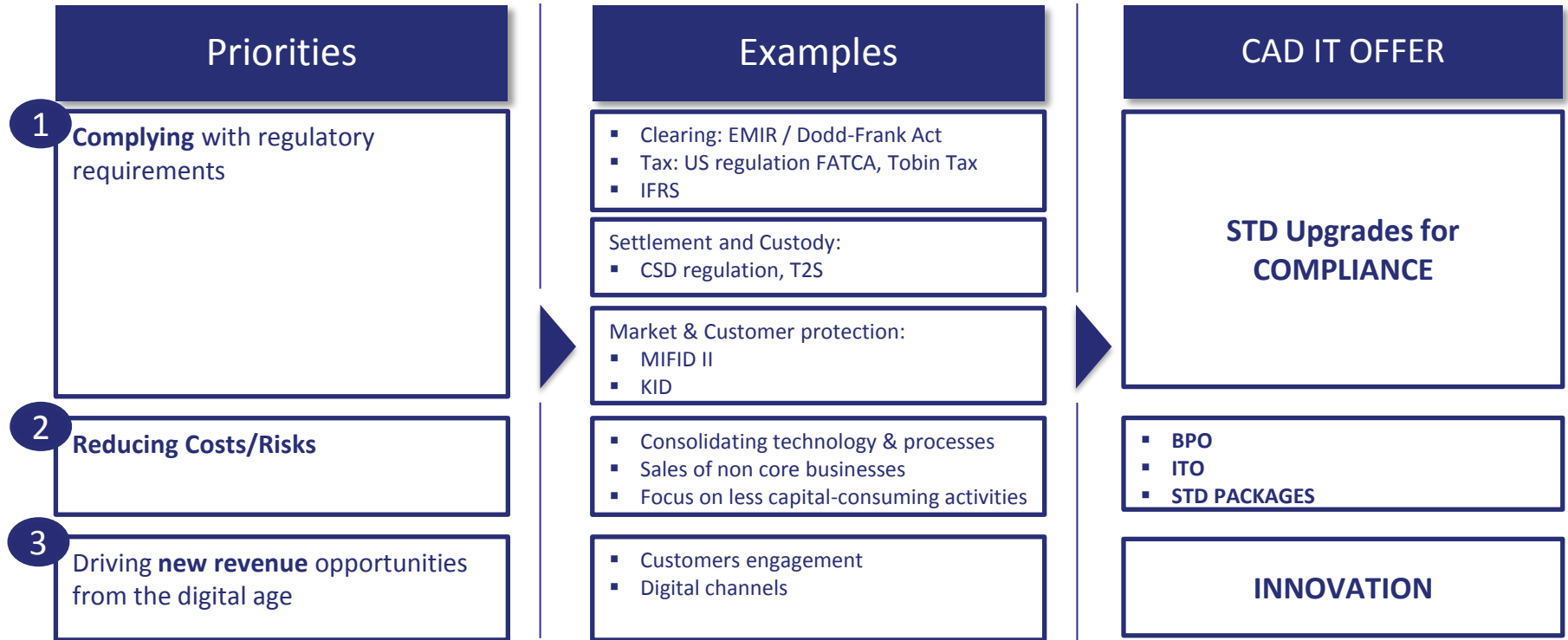
Tax rate

Consolidated Net Financial Position in credit



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Top Banking priorities in securities processing in Europe



Over 90% of Italian banks rely on CAD IT platform for securities

Growth Drivers

One off (2017 - 2018)

New regulations:

- IFRS9
- MiFID II - MiFIR
- KIDs for PRIIPs
- GDPR
- PIR, FTT
- Repo MTS

Structural

- New Customers
- New products (Cash & Liquidity Management, Master Data, ...)
- New niches: Insurances and Funds
- New proposition: Cloud and new technologies (I.T.O., B.P.O.)
- Internationalization
- Acquisitions (SFB)

R&D Network Centric

- Customers
- Partners/Fintech
- Universities
- Suppliers



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Some CAD IT Hot topics

New regulations

IFRS 9

In July 2014, the IASB issued the new IFRS 9 accounting standard that legislates financial instrument classification, measurement, impairment and hedge accounting and which will replace the IAS 39 accounting standard. The IFRS 9 application range involves all debt and equity financial instruments that were already included in the IAS 39 scope. The new standard will come into force as of 01/01/2018.

MiFID II - MiFIR

The new European Union directives, MiFID II and MiFIR, will be coming into force as of 2018. This new regulation regards various operational processes and will impact on income sources such as commissions, incentives and financial product distribution for banks and other investment companies.

Master Data

After meticulous international market research into best practices and best available technologies, and following years of research and development in collaboration with a leading banking group, CAD IT has created Master Data.

Cash & Liquidity Management – Basilea III compliant

SPIKE, CAD IT's Cash & Liquidity Management, supports the Treasury in managing the Liquidity needed for all the Bank's or Financial Institute's activities. Adaptable to the organisational structure in terms of security / enablement and operative workflow, SPIKE interfaces with the Systems (Internal and External) that operate on liquidity, providing an overall and detailed view of the Cash trend.

New products

Next

Company Events

Date

Board of Directors approval of draft of annual Financial Statements and Consolidated annual Financial Statements at 31st December 2017

Thursday 15th March 2018

Shareholders' Meeting approval of the annual Financial Statements at 31st December 2017 and corporate bodies renewal

Friday 27th April 2018
(single call)

Board of Directors approval of Additional periodic financial information at 31st March 2018

Monday 14th May 2018

Board of Directors approval of the Half-Yearly Report at 30th June 2018

Friday 7th September 2018

Board of Directors approval of Additional periodic financial information at 30th September 2018

Tuesday 13th November 2018



Q&A

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CAD IT supplies software and services to high-standing companies in Europe. CAD IT's customers include banks, insurance companies, investment fund organisations, brokers, IT outsourcers, public administration and manufacturing companies.

Due to the exceptional know-how of over 600, highly specialised experts and with a dominion of innovative technologies, CAD IT's software solutions daily provide support to over 1,000 European organisations.

With over 200,000 users at high-standing financial institutions, CAD IT's Finance Area software suite is the most commonly-used system in Europe for managing financial instrument trading and post-trading processes.

"Finance Area" is a complete front-to-back, cross-business, cross-asset, multi-channel, multi-browser, multi-language, multi-currency and multi-entity solution.

Moreover, CAD IT is not only the leader in the Italian financial software market but also for Public Administration tax collection and represents a reference point for Made in Italy companies as a supplier of software tools and services that guarantee high added value.



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SISTEMA DI GESTIONE
PER LA SICUREZZA DELLE
INFORMAZIONI CERTIFICATO

UNI EN ISO 9001:2015



SISTEMA DI GESTIONE
QUALITÀ CERTIFICATO



CERTIQUALITY
È MEMBRO DELLA
FEDERAZIONE CISQ

CAD IT S.p.A.
COMPANY WITH:

- A QUALITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI EN ISO 9001:2015 FOR THE ACTIVITIES OF SOFTWARE "COMPONENT BASED" DESIGN, PRODUCTION AND SALE, AND FOR THE PROVISION OF ASSISTANCE AND MAINTENANCE AFTER-SALES SERVICE, CERTIFIED BY CERTIQUALITY
- AN INFORMATION SECURITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI CEI ISO/IEC 27001:2014 FOR THE ACTIVITIES OF MANAGEMENT OF INFORMATION CERTIFIED BY CERTIQUALITY
- A HEALTH AND INDUSTRIAL SAFETY MANAGEMENT SYSTEM IMPLEMENTED IN ACCORDANCE WITH UNI/INAIL GUIDELINES (PUBLISHED SEPTEMBER 2001).