

PRESS RELEASE

Verona, 12th August 2005

**CAD IT: THE BOARD OF DIRECTORS HAS MET TO
EXAMINE FIGURES AT 30 JUNE 2005**

In the second quarter of 2005, the CAD IT Group recorded Production Revenues of €13.4 million compared to €13.8 million recorded for the second quarter of 2004 and an EBITDA of €2.8 million, the same as at the second quarter of 2004.

The other income margins show a significant growth:

EBIT shows an increase of over 13% equal to €2.2 million;

Pre-tax profit has increased by 39% equal to €2.1 million (€1.5 million in the second quarter of 2004),

In the semester with a production revenue equal to €26.1 million, a 14% increase in EBITDA was recorded thanks to a better income mix.

The Net Consolidated Financial Profit was €16.5 million compared to the €14.4 million in June 2004 (+14.3%) and the €11.4 million recorded in December 2004.

The Board of Directors of CAD IT S.p.A., leader in the Italian financial software market, has today met to analyse the figures at 30th June 2005 before the application of the IAS/IFRS regulations which will be included in the half year report on 13th September 2005.

In fact, as announced in the Press Release of 26th July 2005, the CAD IT Group is taking advantage of the exemption laws (articles 81 and 82 of the CONSOB decision n. 14990) and is not publishing the second quarterly report for 2005. The 13th of September 2005 is confirmed as the approval date for the half year report, which will be drafted in accordance with the conditions laid down by the transitory body and will include the IAS/IFRS connection prospectus.

However, to keep the market informed, the CAD IT Board hereby gives a brief indication of some of the economical-financial figures as at 30th June 2005.

The main results of the **second quarter 2005** on the consolidated profit and loss account (not including the effects of IAS/IRFS) are as follows:

- **Production Revenues** of €13.4 million compared to the €13.8 million of the second quarter of 2004. Increases in intangible assets due to internal work come to €1.6 million;
- **Gross Operating Result (EBITDA)** of €2.8 million (21.13% of Production Revenues), in line with the €2.8 million recorded in the second quarter of 2004 (20.39% of Production Revenues);
- **Operating Result (EBIT)** of €2.2 million (16.13% of Production Revenues), showing an increase of more than 13% compared to the €1.9 million of the second quarter of 2004;
- **Pre-tax profit** of €2.1 million (16.04% of Production Revenues) showing a considerable increase (39%) compared to the €1.5 million of the second quarter in 2004.

At six months the consolidated profit and loss account showed the following results (not including the effects of IAS/IRFS):

- **Production Revenues** of €26.1 million (€26.6 million in the first six months of 2004). Increases in intangible assets due to internal work come to €2.7 million;
- **Gross Operating Result (EBITDA)**, with a 14% increase, stands at €4.9 million compared to the €4.3 million of the first six months of 2004. This increase in EBITDA is due to a better income mix and cost optimisation;
- **Operating Result (EBIT)** of €3.6 million compared to the €2.5 million (+46%) of the first six months of 2004;
- **Pre-tax profit** of €3.6 million compared to the €2.3 million of the first six months of 2004 (+57%).

The **Net Consolidated Financial Position** at 30th June 2005 was €16.5 million, an increase compared to the €14.4 million of the first six months of 2004 and the €11.4 million recorded at 31st December 2004. This increase was mainly due to the increase in receivables and, despite last May's dividend payment (about €3 million), shows an increase of 10% compared to May 2004.

The CAD IT Group

The CAD IT Group has developed and distributed information systems for the banking sector, small and medium sized companies and Public Administration for over 20 years. CAD IT's offers include standard and personalised applicative packages, software maintenance, updating, consultancy and training.

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 negotiation, settlement and administration of security transactions, debentures, derivatives (in any currency) and adopted by 50% 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.

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