

PRESS RELEASE

Verona, 30th September 2002

CAD IT: THE BOARD APPROVES THE HALF YEAR 2002 RESULTS

CAD IT closes the first semester of 2002 with a production value of 30 million Euro, 3% more than the first semester of 2001

Late this afternoon the Board of Directors of CAD IT SpA, leader in the Italian financial software market, approved the consolidated six-monthly report of the CAD IT Group.

On **30th June 2002** CAD IT reported the following consolidated six-monthly data:

- a **production value** of 30 million Euro, an increase of 3% compared to the first semester of 2001;
- an **EBITDA** of 6.3 million Euro, corresponding to 21% of the production value;
- an **EBIT** of 4.6 million Euro, corresponding to 15.2% of the production value;
- a **net profit** of 2.6 million Euro, corresponding to 8.6% of the production value.

During the first semester of 2002 the Group has continued its policy of increasing investment in research and development activities in order to enrich the range of products on offer. In particular, the investments in R&D, mainly due to staff costs, were completely financed from the budget for that period. Moreover, more new products are on offer thanks to the acquisition of two small companies; Bit Groove, which produces Babele, a *software for business intelligence*, and Elidata, which developed the Caronte *software* for linking banks and brokers to domestic and foreign financial markets.

The Group's staff, 640 people at the end of June, has increased by 40 members (+6.7%) since the beginning of the year.

CAD IT further reports that the **consolidated net financial position** at 30th June 2002 was 35.4 million Euro. During the semester the group purchased stakes and invested in technical assets for about 4.2 million Euro and paid dividends for 5.8 million Euro. The investments and the acquisition of stakes were partially compensated by a positive monetary flow from operating activities of about 4.5 million Euro.

The President of CAD IT, Giuseppe Dal Cortivo, said: "In the first semester of 2002 the Group's profits have grown by only 3%: the slackening in the economy has in fact induced Italian banks to defer decisions on investment in instrumental assets. In this conjunctural phase we are of the

opinion that maintaining large investments in research and development is of strategic importance. We are indeed convinced that our new products will allow us to meet the greater demand which we expect for the present semester and in 2003”.

The CAD IT Group

The CAD IT Group has developed and distributed information systems for the banking sector and small and medium sized companies for over 20 years. CAD IT's offers include standard and personalized 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 57% 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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Consolidated profit and loss account of the CAD IT Group for the period ended 30/06/2002

(euro)

31.12.2001	%	30.06.2002	%	30.06.2001	%	variaz.%
60.955.403	100,00%	29.944.917	99,65%	29.239.877	100,19%	2,41%
(287.395)	(0,47%)	10.000	0,03%	(169.442)	(0,58%)	105,90%
289.458	0,47%	94.506	0,31%	113.040	0,39%	(16,40%)
60.957.466	100,00%	30.049.423	100,00%	29.183.475	100,00%	2,97%
Production revenues						
(1.546.488)	(2,54%)	(758.179)	(2,52%)	(788.063)	(2,70%)	(3,79%)
(13.087.486)	(21,47%)	(6.560.416)	(21,83%)	(6.137.040)	(21,03%)	6,90%
(1.053.973)	(1,73%)	(708.238)	(2,36%)	(383.831)	(1,32%)	84,52%
45.269.518	74,26%	22.022.591	73,29%	21.874.541	74,96%	0,68%
Added Value						
(24.838.175)	(40,75%)	(14.363.873)	(47,80%)	(11.706.549)	(40,11%)	22,70%
(2.464.278)	(4,04%)	(1.315.143)	(4,38%)	(1.344.078)	(4,61%)	(2,15%)
17.967.066	29,47%	6.343.575	21,11%	8.823.915	30,24%	(28,11%)
Gross operating result (EBITDA)						
A Charge to provision for bad debts Amounts						
(122.004)	(0,20%)	(65.300)	(0,22%)	(67.156)	(0,23%)	(2,76%)
(2.982.565)	(4,89%)	(1.702.267)	(5,66%)	(1.363.274)	(4,67%)	24,87%
-	-	(516)	(0,00%)	-	-	-
14.862.497	24,38%	4.575.492	15,23%	7.393.485	25,33%	(38,11%)
Operating result (EBIT)						
2.557.176	4,20%	786.576	2,62%	1.409.587	4,83%	(44,20%)
17.419.673	28,58%	5.362.068	17,84%	8.803.072	30,16%	(39,09%)
Result from operating activities						
52.363	0,09%	20.633	0,07%	26.646	0,09%	(22,56%)
(175.022)	0,29%	363.100	1,21%	(138.678)	(0,48%)	(361,83%)
17.297.015	28,38%	5.745.801	19,12%	8.691.041	29,78%	(33,89%)
Profit (loss) before taxation						
(7.230.458)	(11,86%)	(2.685.436)	(8,94%)	(3.421.206)	(11,72%)	(21,51%)
10.066.557	16,51%	3.060.365	10,18%	5.269.834	18,06%	(41,93%)
Profit before minority interest						
(Profit)/loss for the year pertaining to minority						
(897.095)	(1,47%)	(462.455)	(1,54%)	(363.769)	(1,25%)	27,13%
9.169.462	15,04%	2.597.910	8,65%	4.906.066	16,81%	(47,05%)
Profit/(loss) for the period						

Reclassified consolidated balance sheet of the CAD IT Group as at 30/06/2002

(euro)

31.12.2001		30.06.2002	30.06.2001
Fixed Assets			
12.966.121	Intangibile fixed assets	13.367.889	13.629.751
9.164.382	Tangibile fixed assets	11.365.513	5.953.846
6.698.415	Other fixed assets	6.708.707	745.338
28.828.917	Total fixed assets (A)	31.442.109	20.328.935
Current assets			
29.845.160	Trade receivables, net	34.200.615	29.041.361
146.669	Closing inventory	157.889	243.978
2.195.738	Other current assets	1.577.685	1.860.295
196.139	Accrued income and deferred expenses	286.121	335.643
32.383.706	Total current assets (B)	36.222.311	31.481.277
Current liabilities			
299.209	Payments on account	156.510	299.483
6.649.608	Accounts payable to creditors	4.891.634	5.597.727
-	Accounts payable to other creditors	7.512	-
7.029.684	Other current liabilities	8.734.871	9.093.131
2.053.751	Sums payable to taxation authorities	3.249.756	4.625.587
61.172	Accrued expenses and deferred revenues	2.656.602	2.459.288
16.093.424	Total current liabilities (C)	19.696.886	22.075.217
16.290.282	Operating capital, net (D = B - C)	16.525.425	9.406.060
3.145.511	Employees' leaving entitlement (E)	3.526.430	3.911.210
41.973.689	Invested capital, net (F = A + D - E)	44.441.103	25.823.785
Shareholders' equity and net financial position			
81.214.861	Total shareholders' equity of the group	77.975.771	76.951.464
1.820.914	Minority interest	1.848.034	1.324.425
-	Medium/long term payables due to banks	15.494	47.245
23.363	Provisions for contingencies and other charges	42.781	1.847
(41.085.449)	Short term net indebtedness (financial position)	(35.440.976)	(52.501.197)
41.973.689	Total shareholders' equity less net financial position	44.441.103	25.823.785
12.394.966	Memorandum and contingency accounts	12.394.966	12.394.966