

THE CAD IT BOARD OF DIRECTORS APPROVES THE 2008 CONSOLIDATED FINANCIAL STATEMENTS AND THE PROPOSAL FOR AN ORDINARY DIVIDEND OF EURO 0.50 PER SHARE

The CAD IT Group closes 2008 with a Value of Production of Euro 59.8 million compared to Euro 60.7 in the previous financial period.

EBITDA stood at Euro 12.7 million compared to Euro 15.2 million in the previous financial period;

EBIT was equal to Euro 9.2 million compared to Euro 12.6 million in 2007;

Net Profit was Euro 4.9 million compared to Euro 8 million in the previous year.

The Net Consolidated Financial Position was in credit by Euro 13.3 million showing an increase compared to the Euro 12.1 million at 31st December 2007.

An ordinary dividend payment of Euro 0.50 per share will be proposed at the Shareholders' Meeting.

The Board of Directors of CAD IT S.p.A. (www.cadit.it), leader in the Italian financial software market and quoted in STAR, today approved the 2008 Draft Financial Statements and the Consolidated Financial Statements as at 31st December 2008.

The Consolidated Financial Statements at 31st December 2008 shows:

- Ø **Value of Production** of Euro 59.8 million compared to Euro 60.7 million in 2007; internal work capitalised under fixed asset went from Euro 2.3 million for the entire duration of 2007 to Euro 2.5 million in 2008;
- Ø **Gross Operational Result (EBITDA)** of Euro 12.7 million (21.2% of the Value of Production) compared to Euro 15.2 million in 2007 (equal to 25.0% of the Value of Production). The increase in labour cost, which went from Euro 31.0 million in 2007 to Euro 32.2 million in 2008 and which was mainly due to the renewal of the Collective Labour Agreement, significantly influenced this profit margin;
- Ø **Operational Result (EBIT)** of Euro 9.2 million (15.4% of the Value of Production), compared to Euro 12.6 million in 2007 (equal to 20.8% of the Value of Production). This margin was mainly influenced by the increase in intangible fixed asset amortization that went from Euro 1.4 million in 2007 to Euro 2.6 million in 2008;

- Ø **Group pre-tax profit** stood at Euro 9.4 million (15.8% of the Value of Production) compared to Euro 13.9 million in the previous financial period (22.8% of the Value of Production);
- Ø **Net profit** of Euro 4.9 million, equal to 8.1% of the Value of Production compared to Euro 8 million in the previous year (13.1% of the Value of Production).

The **Parent Company CAD IT S.p.A.** recorded a Value of Production of Euro 50.9 million compared to Euro 39.7 million in the previous financial period with a net profit of Euro 4.6 million compared to Euro 6.6 million at 31st December 2007.

CAD IT hereby reports that the **Consolidated Net Financial Position** at 31st December 2008 was in credit at Euro 13.3 million showing an **increase of 10.5%** compared to Euro 12.1 in the previous year despite a payment of Euro 6.3 million for dividends during 2008.

On the basis of the 2008 results, the Board of Directors has decided to propose the **distribution of an ordinary dividend of Euro 0.50 per share** at the Shareholders' Meeting. The dates that the CAD IT Board of Directors will suggest at the Shareholders' Meeting for coupon release and ordinary dividend payment are 11th May 2009 and 14th May 2009 respectively.

Notification is hereby given, as partial amendment to the press release of 14th November 2008 and in order to fulfill notification obligations regarding the Annual Report for 2009, that the CAD IT Board of Directors expects to hold the **Shareholders' Meeting** for approval of the 2008 Statement on **29th April 2009** and **30th April 2009** respectively for the **first call** and the second call.

The **Dividend yield**, in respect of the reference price at 12th March 2009, stands at 12.9%, with a **pay out** of 92.2% compared to the consolidated net profit and equals Euro 4.5 million.

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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.

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CAD IT also reports, in accordance with art. 89 bis of the Issuer Regulations, to have approved the annual **Corporate Governance report** which will be published on the company's internet site and made available at its head offices.

Consolidated Financial Statements of the CAD IT Group

Consolidated income statement

(in thousands of Euro)

	Period 2008 01/01 – 31/12		Period 2007 01/01 – 31/12		Variations	
						%
Income from sales and services	56,699	94.9%	58,256	96.0%	(1,558)	(2.7%)
<i>of which related parties</i>	<i>338</i>	<i>0.6%</i>	<i>805</i>	<i>1.3%</i>	<i>(467)</i>	<i>(58.0%)</i>
Variations in stock of products being elaborated			(91)	(0.1%)	91	(100.0%)
Changes in ongoing orders	66	0.1%	(106)	(0.2%)	172	(162.5%)
Asset increases due to internal work	2,540	4.3%	2,335	3.8%	205	8.8%
<i>of which related parties</i>	<i>1,042</i>	<i>1.7%</i>	<i>832</i>	<i>1.4%</i>	<i>209</i>	<i>25.2%</i>
Other revenue and receipts	461	0.8%	301	0.5%	161	53.5%
Production value	59,766	100.0%	60,696	100.0%	(929)	(1.5%)
Costs for raw	(1,141)	(1.9%)	(1,227)	(2.0%)	87	(7.1%)
Service costs	(10,395)	(17.4%)	(10,002)	(16.5%)	(393)	3.9%
<i>of which related parties</i>	<i>(736)</i>	<i>(1.2%)</i>	<i>(138)</i>	<i>(0.2%)</i>	<i>(598)</i>	<i>434.2%</i>
Other operational costs	(795)	(1.3%)	(814)	(1.3%)	19	(2.3%)
Added value	47,436	79.4%	48,652	80.2%	(1,216)	(2.5%)
Labour costs	(32,244)	(54.0%)	(30,999)	(51.1%)	(1,245)	4.0%
<i>of which related parties</i>	<i>(521)</i>	<i>(0.9%)</i>	<i>(501)</i>	<i>(0.8%)</i>	<i>(20)</i>	<i>4.1%</i>
Other administrative expenses	(2,529)	(4.2%)	(2,499)	(4.1%)	(30)	1.2%
<i>of which related parties</i>	<i>(1,126)</i>	<i>(1.9%)</i>	<i>(1,082)</i>	<i>(1.8%)</i>	<i>(44)</i>	<i>4.1%</i>
Gross operational result (EBITDA)	12,663	21.2%	15,155	25.0%	(2,492)	(16.4%)
Allocation to Credit Depreciation fund	(103)	(0.2%)	(279)	(0.5%)	177	(63.3%)
Amortizations:						
- Intangible fixed asset amortization	(2,605)	(4.4%)	(1,434)	(2.4%)	(1,170)	81.6%
- Tangible fixed asset amortization	(780)	(1.3%)	(793)	(1.3%)	13	(1.6%)
Operational result (EBIT)	9,176	15.4%	12,649	20.8%	(3,473)	(27.5%)
Financial receipts	615	1.0%	393	0.6%	222	56.6%
Financial charges	(100)	(0.2%)	(173)	(0.3%)	73	(42.2%)
Ordinary result	9,691	16.2%	12,868	21.2%	(3,178)	(24.7%)
Revaluations and depreciations	(248)	(0.4%)	992	1.6%	(1,240)	(125.0%)
Pre-tax and pre-third party share result	9,443	15.8%	13,861	22.8%	(4,418)	(31.9%)
Income taxes	(4,014)	(6.7%)	(5,316)	(8.8%)	1,302	(24.5%)
Third party (profit)loss for the period	(561)	(0.9%)	(576)	(0.9%)	15	(2.7%)
Profit (loss) for the period	4,867	8.1%	7,968	13.1%	(3,101)	(38.9%)

Consolidated Balance Sheet

(in thousands of Euro)

	31/12/2008	31/12/2007
ASSETS		
A) Non-Current Assets		
Assets, equipment and machinery	19,620	20,147
Intangible assets	15,789	15,572
Goodwill	8,309	8,309
Holdings	212	186
Other financial assets available for sale	655	1,193
Other non-current credits	64	56
Credits due to advanced taxes	231	254
TOTAL NON-CURRENT ASSETS	44,881	45,716
B) Current Assets		
Stock	435	508
Ongoing orders	352	286
Commercial credits and other credits	24,623	29,695
<i>of which related parties</i>	<i>13</i>	<i>283</i>
Tax credits	4,871	156
Cash on hand and other equivalent assets	13,999	13,097
TOTAL CURRENT ASSETS	44,281	43,744
TOTAL ASSETS	89,163	89,460

	31/12/2008	31/12/2007
LIABILITIES		
A) Equity		
Company capital	4,670	4,670
Reserves	35,346	35,428
Accumulated profits/losses	18,858	20,282
TOTAL EQUITY OF THE GROUP	58,874	60,380
Third party Equity	3,005	3,041
TOTAL EQUITY	61,879	63,421
B) Non-current liabilities		
Financing	206	284
Liabilities due to deferred taxes	3,497	3,507
TFR and quiescence reserves	6,276	6,339
<i>of which related parties</i>	<i>88</i>	<i>67</i>
Expense and risk reserves	25	25
TOTAL NON-CURRENT LIABILITIES	10,004	10,155
C) Current liabilities		
Commercial debts	4,130	4,346
<i>of which related parties</i>	<i>180</i>	<i>101</i>
Tax debts	5,626	3,563
Short-term financing	653	1,017
Other debts	6,870	6,957
<i>of which related parties</i>	<i>121</i>	<i>68</i>
TOTAL CURRENT LIABILITIES	17,279	15,884
TOTAL LIABILITIES AND EQUITY	89,163	89,460

Consolidated Cash Flow Statement

(in thousands of Euro)

	2008	2007
A) OPERATING ACTIVITIES		
Profit (loss) for the period	4,867	7,968
Amortisation, revaluation and depreciation:		
- Assets, equipment and machinery amortisation	780	793
- Intangible fixed asset amortization	2,605	1,434
- revaluation of holding and financial assets available for sale	(208)	(992)
- devaluation of holding and financial assets available for sale	456	0
Allocations (utilisation) of funds:	(63)	(577)
Financial performance:		
- Net financial receipts (charges)	(515)	(220)
- Profit / (losses) on exchanges	0	(36)
Working capital variations	8,519	2,065
Income taxes paid in the financial period	(6,382)	(4,780)
Interest payment	(100)	(137)
(A) - Cash flows from (for) operating activities	9,959	5,518
B) INVESTING ACTIVITIES		
Investing activities		
- Assets, equipment and machinery purchases	(257)	(408)
- Intangible assets purchases	(2,822)	(2,554)
- Increase in other fixed assets	(14)	(11)
Disinvestment activities		
- Assets, equipment and machinery transfers	3	61
- Assets available for sale transfers	0	2,919
- Decrease in other fixed assets	6	2
Cashed Interest	609	376
Cashed dividends	188	80
(B) - Cash flows from (for) investing activities	(2,288)	465
C) FINANCING ACTIVITIES		
Medium/long term debts repairement	(78)	(23)
Opening of medium/long term debts		
Effects on consolidation reserve	(5)	0
Third party net patrimony	(36)	333
Distribution of dividends	(6,286)	(2,604)
(C) - Cash flows from (for) financing activities	(6,405)	(2,294)
(A+B+C) - Total cash and other equivalent assets flows	1,266	3,689
Opening liquid funds and other equivalent assets	12,080	8,391
Closing liquid funds and other equivalent assets	13,346	12,080

CAD IT S.p.A. Financial Statements

Income Statement

(in thousands of Euro)

	Period 2008 01/01 - 31/12		Period 2007 01/01 - 31/12		Variations	
						%
Income from sales and services	48,115	94.4%	38,268	96.5%	9,847	25.7%
<i>of which related parties</i>	<i>1,903</i>	<i>3.7%</i>	<i>17,431</i>	<i>43.9%</i>	<i>(15,528)</i>	<i>(89.1%)</i>
Variations in stock of products being elaborated						
Changes in ongoing orders						
Asset increases due to internal work	2,442	4.8%	1,307	3.3%	1,135	86.9%
<i>of which related parties</i>	<i>1,042</i>	<i>2.0%</i>			<i>1,042</i>	
Other revenue and receipts	387	0.8%	100	0.3%	287	285.7%
Production value	50,944	100.0%	39,675	100.0%	11,269	28.4%
Costs for raw	(254)	(0.5%)	(245)	(0.6%)	(10)	3.9%
Service costs	(22,245)	(43.7%)	(10,637)	(26.8%)	(11,609)	109.1%
<i>of which related parties</i>	<i>(17,118)</i>	<i>(33.6%)</i>	<i>(6,845)</i>	<i>(17.3%)</i>	<i>(10,273)</i>	<i>150.1%</i>
Other operational costs	(346)	(0.7%)	(319)	(0.8%)	(28)	8.7%
Added value	28,098	55.2%	28,475	71.8%	(377)	(1.3%)
Labour costs	(17,630)	(34.6%)	(16,783)	(42.3%)	(847)	5.0%
<i>of which related parties</i>	<i>(423)</i>	<i>(0.8%)</i>	<i>(385)</i>	<i>(1.0%)</i>	<i>(39)</i>	<i>10.1%</i>
Other administrative expenses	(1,011)	(2.0%)	(954)	(2.4%)	(57)	6.0%
<i>of which related parties</i>	<i>(610)</i>	<i>(1.2%)</i>	<i>(607)</i>	<i>(1.5%)</i>	<i>(3)</i>	<i>0.4%</i>
Gross operational result (EBITDA)	9,457	18.6%	10,738	27.1%	(1,281)	(11.9%)
Allocation and Credit Depreciation	(99)	(0.2%)	(207)	(0.5%)	108	(52.1%)
Amortizations:						
- Intangible fixed asset amortization	(2,325)	(4.6%)	(1,178)	(3.0%)	(1,147)	97.3%
- Tangible fixed asset amortization	(645)	(1.3%)	(641)	(1.6%)	(5)	0.7%
Other allocations						
Operational result (EBIT)	6,388	12.5%	8,713	22.0%	(2,325)	(26.7%)
Financial receipts	1,325	2.6%	592	1.5%	733	123.8%
Financial charges	(34)	(0.1%)	(62)	(0.2%)	28	(45.8%)
Ordinary result	7,680	15.1%	9,243	23.3%	(1,563)	(16.9%)
Revaluations and depreciations	(456)	(0.9%)	787	2.0%	(1,243)	(157.9%)
Pre-tax result	7,224	14.2%	10,030	25.3%	(2,806)	(28.0%)
Income taxes	(2,589)	(5.1%)	(3,463)	(8.7%)	874	(25.2%)
Profit (loss) for the period	4,635	9.1%	6,567	16.6%	(1,932)	(29.4%)

Balance Sheet

(in thousands of Euro)

	31/12/2008	31/12/2007	Variations
ASSETS			
A) Non-Current Assets			
Assets, equipment and machinery	19,052	19,501	(449)
Intangible assets	15,334	14,967	367
Holdings	14,684	14,684	-
Other financial assets available for sale	655	1,193	(538)
Other non-current credits	18	18	0
Credits due to deferred taxes	30	23	7
TOTAL NON-CURRENT ASSETS	49,773	50,386	(613)
B) Current Assets			0
Stock	30	35	(5)
Ongoing orders	-	-	-
Commercial credits and other credits	23,218	26,442	(3,224)
<i>of which related parties</i>	<i>3,010</i>	<i>12,871</i>	<i>(9,861)</i>
Tax credits	4,520	43	4,476
Finanacial assets for negotiation	-	-	-
Cash on hand and other equivalent assets	11,652	8,507	3,145
TOTAL CURRENT ASSETS	39,419	35,028	4,391
C) Non-current assets for sale	-	-	-
TOTAL ASSETS	89,192	85,414	3,778

LIABILITIES			
A) Equity			
Company capital	4,670	4,670	-
Reserves	35,346	35,428	(82)
Accumulated profits/losses	19,036	20,687	(1,651)
TOTAL EQUITY	59,052	60,785	(1,733)
B) Non-current liabilities			
Liabilities due to deferred taxes	3,298	3,298	(0)
TFR and quiescence reserves	3,117	3,201	(84)
<i>of which related parties</i>	<i>78</i>	<i>67</i>	<i>11</i>
TOTAL NON-CURRENT LIABILITIES	6,414	6,499	(84)
C) Current liabilities			
Commercial debts	14,901	11,560	3,342
<i>of which related parties</i>	<i>12,804</i>	<i>9,936</i>	<i>2,868</i>
Tax debts	5,014	2,767	2,247
Short-term financing	-	24	(24)
Other debts	3,811	3,781	30
<i>of which related parties</i>	<i>93</i>	<i>62</i>	<i>30</i>
TOTAL CURRENT LIABILITIES	23,726	18,131	5,595
TOTAL LIABILITIES AND EQUITY	89,192	85,414	3,778

Cash Flow Statement

(in thousands of Euro)

	2008	2007
A) OPERATING ACTIVITIES		
Profit (loss) for the period	4,635	6,567
Amortisation, revaluation and depreciation:		
- Assets, equipment and machinery amortisation	645	641
- Intangible fixed asset amortization	2,325	1,178
- revaluation of holding and financial assets available for sale	0	(894)
- devaluation of holding and financial assets available for sale	456	0
Allocations (utilisation) of funds:	(84)	(292)
Financial performance:		
- Net financial receipts (charges)	(1,292)	(530)
- Profit / (losses) on exchanges	0	(36)
Working capital variations	8,892	176
Income taxes paid in the financial period	(4,526)	(3,847)
Interest payment	(34)	(26)
(A) - Cash flows from (for) operating activities	11,017	2,936
B) INVESTING ACTIVITIES		
Investing activities		
- Assets, equipment and machinery purchases	(200)	(287)
- Intangible assets purchases	(2,691)	(2,192)
- Increase in investments in associated companies		0
- Increase in other fixed assets		0
Disinvestment activities		
- Assets, equipment and machinery transfers	4	38
- Intangible assets transfers	0	0
- Other assets available for sale transfers		2,919
Cashed Interest	480	255
Cashed dividends	845	337
(B) - Cash flows from (for) investing activities	(1,563)	1,071
C) FINANCING ACTIVITIES		
Medium/long term debts repairement		(24)
Opening of medium/long term debts		0
Distribution of dividends	(6,286)	(2,604)
Capital injections	0	0
(C) - Cash flows from (for) financing activities	(6,286)	(2,628)
(A+B+C) - Total cash and other equivalent assets flows	3,169	1,379
Opening liquid funds and other equivalent assets	8,483	7,105
Closing liquid funds and other equivalent assets	11,652	8,483

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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