CAD IT S.p.A.

HALF-YEARLY FINANCIAL REPORT AT 30th JUNE 2009

This document has been translated into English for the convenience of readers outside of Italy.
The original Italian version remains the definitive and authoritative document.

CAD IT S.p.A.

Registered office in Verona, Via Torricelli No. 44/a
Share capital € 4,669,600 fully paid in.
Tax code and Verona Company Register No. 01992770238
Chamber of Commerce REA No. 210441

..*.*.*.*.*.*.*

HALF-YEARLY FINANCIAL REPORT at 30/06/2009

Drawn up in accordance with CONSOB resolution no. 11971 of 14 May 1999 and subsequent changes and integrations

BOARD OF DIRECTOR AND AUDITORS

BOARD OF DIRECTORS [1]

GIUSEPPE DAL CORTIVO
Chairman and Managing Director

LUIGI ZANELLA
Vice Chairman and Managing Director

GIAMPIETRO MAGNANI
Vice Chairman and Managing Director

PAOLO DAL CORTIVO
Managing Director

MAURIZIO RIZZOLI[2]
Director

MATTHIAS SOHLER
Director

FRANCESCO ROSSI[2]
Independent Director

LAMBERTO LAMBERTINI[2]
Independent Director

STATUTORY AUDITORS [1]

RICCARDO FERRARI
Chairman

GIAN PAOLO RANOCCHI
Statutory Auditor

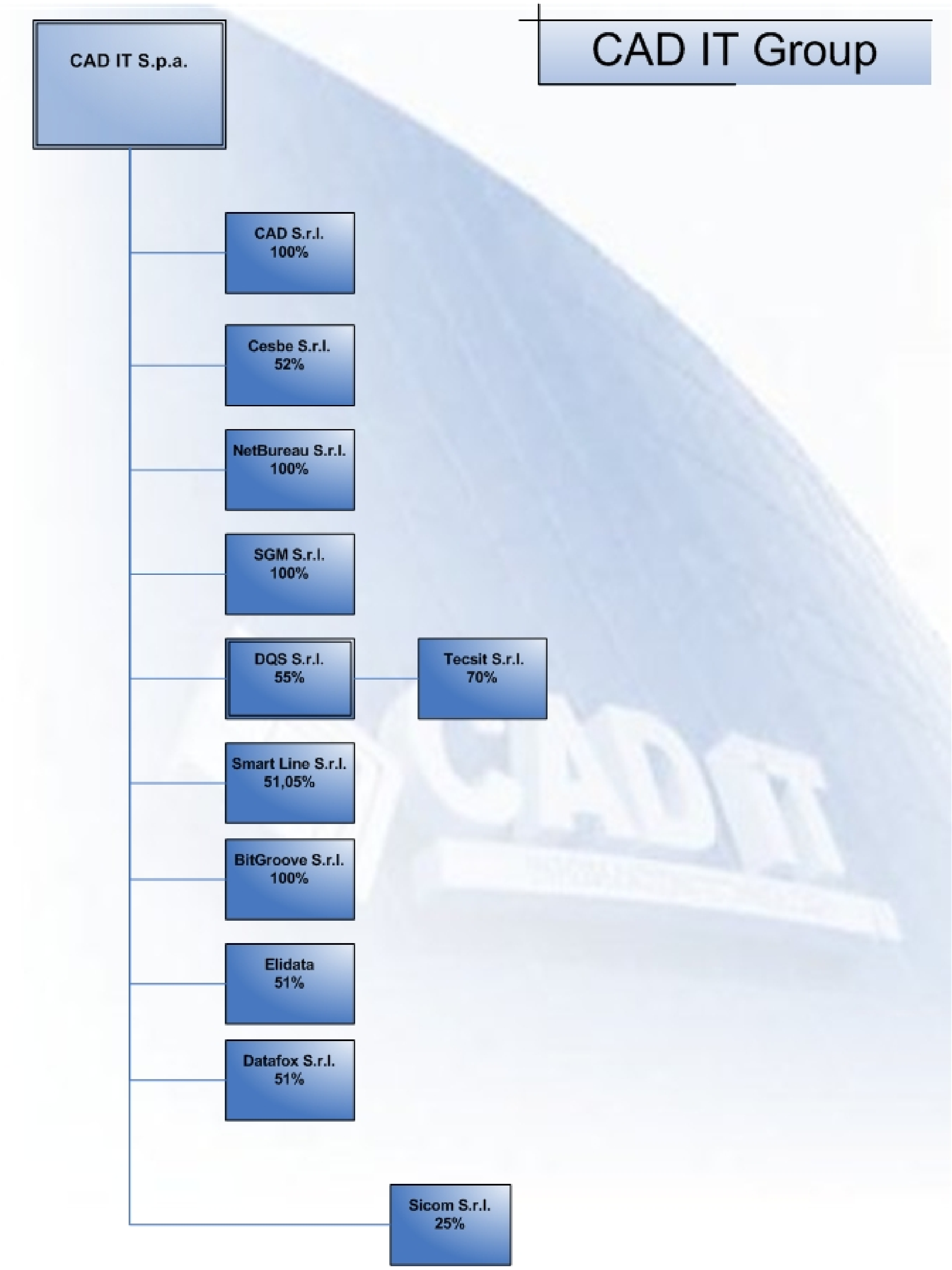
RENATO TENGATTINI
Statutory Auditor

AUDITORS

BDO SALA SCELSI FARINA
Società di Revisione per Azioni

(1) *Appointed on 29 April 2009; office expires with the shareholders' meeting for the approval of the 2011 financial statements.*
(2) *Member of the Internal Control Committee; member of the Nominating and Compensation Committee*

The Chairman and Managing Director of the parent company CAD IT S.p.A., Giuseppe Dal Cortivo, is authorised to perform all ordinary and extraordinary administrative duties, excluding only those which can not be delegated by law and those assigned to the Board of Directors by article 19 of the company by-laws.
The main powers reserved in the statute to the Board of Directors are the examination and approval of the strategic, industrial and financial plans of the company; the purchase, sale, exchange or transfer of fixed assets and real estate rights; the granting of collateral on fixed assets; the set up of new subsidiaries and the take-over, acquisition or sale of corporate investments; the acquisition, sale, exchange or transfer of the whole company or of business lines; the underwriting of obligations, commitments and responsibilities which, either singularly or jointly with other connected negotiations, come to more than €4,000,000; the nomination of managing directors; the release of warranties and real or personal guarantees of any kind to the sum of more than €2,000,000 for each individual transaction and, if in the interest of subjects other than the Company and its subsidiaries, to any sum whatsoever; the examination and preventive approval of significant transactions including those with company related parties and company subsidiaries; verification of the appropriateness of the administrative and organisational structure and the general accounting, the internal control system and any conflicts of interest.
The managing directors, Giampietro Magnani and Luigi Zanella, will have full ordinary administrative power including the faculty to prepare reports and to order banking transactions, within the limits of account availability and credit worthiness, with the power to act alone with their single signature to the maximum amount of Euro 2,000,000 (two million) for each individual transaction and up to a maximum of Euro 4,000,000 (four million) for each individual transaction with the joint signature of another managing director;
furthermore, the aforementioned directors will have the power and faculty, with their single signature, to purchase and/or sell registered assets, with the exception of boats and airplanes of any kind.
The Managing Director Paolo Dal Cortivo will have full ordinary administrative power including the faculty to prepare reports and to order banking transactions, within the limits of account availability and credit worthiness, with the power to act alone with their single signature to the maximum amount of Euro 2,000,000 (two million) for each individual transaction and up to a maximum of Euro 4,000,000 (four million) for each individual transaction with the joint signature of another managing director.
The said Managing Director represents the Company in terms of relations with institutional investors and shareholders as well as with Borsa Italiana S.p.A. and Consob, by sending them communications and information, including anything required by the laws in force and/or the international best practice rules in respect of the laws and rules themselves and any internal regulations.



CAD IT Group at 30/06/2009

PRELIMINARY REMARKS

This six-monthly financial report has been drafted in accordance with Leg. Dec. 58/1998 and subsequent modifications and laid out to conform to the provisions issued in art. Of Leg. Dec. no. 38/2005, as well as observing Consob regulation no. 11971 of 14th May 1999 and subsequent modifications and integrations.

The six-monthly financial report laid out to conform with the applicable International accounting standards recognised by the European Community as in accordance with the EC regulation no. 1606/2002 of the European Parliament and Council on 19th July 2002 and in particular with IAS 34 – Interim Financial Reporting. The report was drafted by applying the same accounting standards used for drafting the Consolidated Balance at 31st December 2008, with the exception of the items described in the explanatory notes – Accounting Standards paragraph, amendments and interpretations applied since 1st January 2009.

The six-monthly financial report includes the summarised six-monthly balance, an intermediary report on the management, the declarations provided for in article 154-bis, paragraph 5 and the auditing company's report on the aforementioned summarised balance.

Unless otherwise indicated, the monetary quantities in the accounting tables and those quoted in the notes, are expressed in thousands of euro. Due to this rounding off, the sum of the details in some charts containing specific figures may differ from the amount of the rounding off details.

.

INTERIM MANAGEMENT REPORT

This intermediary report on management accompanies CAD IT Group's summarised six-monthly balance at 30th June 2009 and contains references to important events that have occurred during the first six months of the financial period and their incidence on the summarised six-monthly balance, together with a description of the main risks and uncertainties that may occur in the remaining six months to come. The intermediary report on management also contains information on any significant operations and with correlated third parties.

Activities of the Group

CAD IT is the leader of a group that is one of the most dynamic organisations in the Italian information technology sector.
For almost 30 years, the Group has been dealing with the banking and insurance market and the world of business and public administration by offering software solutions, maintenance, personalisation, integration and other correlated services from application management to outsourcing, consultancy to training.
The CAD IT Group operates in Italy with its own branches and Group companies. Its Head Office is in Verona but there are other units in Milan, Rome, Prato, Bologna, Mantua, Prato 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 negotiation, settlement and administration of security transactions, debentures, derivates (in any currency) and adopted by 60% of Italian banking outlets.
In addition, the Group boasts 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 make up the newest sector but they capitalize the Group's traditional abilities like its 20-year experience in developing computer systems for public body.

Summary of the Group results

	Period 2009 01/01 - 30/06		Period 2008 01/01 - 30/06		Variations	
						%
Production value	27,276	100.00%	29,373	100.00%	(2,097)	(7.14%)
Added value	20,981	76.92%	23,166	78.87%	(2,185)	(9.43%)
Gross operational result (EBITDA)	4,113	15.08%	5,984	20.37%	(1,871)	(31.27%)
Operational result (EBIT)	2,376	8.71%	4,246	14.46%	(1,870)	(44.04%)
Ordinary result	2,483	9.10%	4,530	15.42%	(2,048)	(45.20%)
Pre-tax and pre-third party share result	2,706	9.92%	4,748	16.17%	(2,042)	(43.00%)
Income taxes	(1,210)	(4.44%)	(2,138)	(7.28%)	928	(43.40%)
Profit (loss) for the period	***1,496***	***5.48%***	***2,610***	***8.89%***	***(1,114)***	***(42.68%)***
Profit/(loss) for the period attributable to Owners of the parent	1,416	5.19%	2,311	7.87%	(894)	(38.70%)
Profit (loss) for the period	***1,616***		***2,271***		***(655)***	***(28.84%)***
Total Comprehensive income	1,537		1,972		(435)	(22.07%)

	30/06/2009	31/12/2008	30/06/2008
Total Assets	89,977	89,163	91,952
Total Equity	58,814	61,879	58,804
Equity attributable to Owners of the parent	55,921	58,874	56,061
Net short-term financial position/(indebtedness)	9,064	13,346	14,238
Net financial position / (indebtedness)	8,871	13,140	14,001
Employees at the end of the period (number)	602	610	620

Analysis of the consolidated income results

At the closure of the first six months of the 2009 financial period, the CAD IT Group's return results and margins were still in credit despite the unfavourable economic trend and the current widespread financial crisis.
The results achieved confirm the Group's ability to obtain positive results and also acquire new users and market segments by producing and offering new products and services.
Profits for the period stood at Euro 1,496 thousand compared to Euro 2,610 thousand in the same period during 2008.
The value of production, showing a drop of 7.14%, was mainly due to revenue from sales and services that came to Euro 25,316 thousand (-10.18% compared to Euro 28,184 thousand in the first six months of 2008).
Increases in internal intangible assets came to Euro 1,540 thousand, showing a 31.34% increase compared to the first six months of 2008 due to a greater use of resources for development and investment activities for new procedures and the Group's own software range.
Among the other revenues and receipts registered to the amount of Euro 503 thousand, in accordance with Article 1, paragraphs 280 to 283, of law no. 296 of 27th December 2006, a tax credit of Euro 415 thousand, relating to research and development costs sustained in 2008 for projects that were ongoing since the beginning of 2008 and which are still being developed, has been registered during the financial period.
The added value of Euro 20,981 thousand dropped by 9.43% compared to Euro 23,166 thousand in the previous period, maintaining a 76.92% marginality on the value of production (78.87% in the first half of 2008).
Service costs of Euro 5,244 thousand were substantially in line with those of the first six months of 2008 (Euro 5,194 thousand) and were mainly due to external collaboration for services and qualified consultancy.
The Gross Operational Result (EBITDA) stood at Euro 4,113 thousand (corresponding to 15.08% of the Value of production) compared to Euro 5,984 thousand in the first half of 2008.
Labour costs in the first six months of 2009 came to Euro 15,638 thousand, showing a drop of Euro 270 thousand (-1.70%) compared to the same period of 2008. Labour costs include the effect deriving from actuarial calculations, in accordance with IAS 19, of the debt towards employees for Severance Pay: during the six months, the actuarial gain was Euro 235 thousand compared to Euro 159 thousand in the same six months of 2008. The decrease in labour costs can also be correlated to the average number of employees during the period which fell from 619 in 2008 to 603 in 2009.
The Operational Result (EBIT) of the first six months in 2009 was in credit by Euro 2,376 thousand, corresponding to 8.71% of the Value of production, compared to Euro 4,246 thousand in the same period of the previous year.
Amortization and funding amounts during the first half of 2009 came to Euro 1,283 thousand for intangible assets and Euro 385 thousand for tangible assets and were substantially in line with the first half of 2008.
The financial management dropped showing financial earnings and expenses of Euro 135 thousand and Euro 29 thousand respectively compared to Euro 320 thousand and Euro 36 thousand in the first six months of 2008. This was mainly due to the effect of a fall in interest rates on liquid assets and equivalent means.
As a consequence, the ordinary result was in credit by Euro 2,483 thousand (compared to Euro 4,530

thousand in the previous corresponding period), equalling 9.10% of the Value of production.
The trend of the entry registered as revaluations and devaluations was also positive during the six months in question generating a revaluation of Euro 223 thousand due to the positive result of the associated company Sicom S.r.l. (Euro 218 thousand in the first six months of 2008).
The pre-tax and pre-third party share result came to Euro 2,706 thousand compared to Euro 4,748 thousand of the same period in 2008.
Income taxes came to Euro 1,210 thousand compared to Euro 2,138 thousand in the first half of 2008.
The profit attributable to CAD IT shareholders in the first six months of 2009 stood at Euro 1,416 thousand compared to Euro 2,311 thousand in the corresponding period in 2008.
The overall result for the first six months of 2009 was Euro 1,616 thousand (of which Euro 1,537 thousand is attributable to CAD IT shareholders) compared to Euro 2,271 thousand (of which Euro 1,972 thousand is attributable to controlling company shareholders).
The Group's Net Financial Position at 30th June 2009 was in credit by Euro 8,871 thousand compared to Euro 13,140 thousand at 31st December 2008.

The short-term outlook

The first half of 2009 saw the continuation of a period undergoing the throes of the Italian and international economic recession and the considerable drop in demand that characterised the last few months of 2008.
According to the analyses made by the Banca D'Italia, as reported in Economic Bulletin no. 57 of July 2009, the world recession is weakening and opinion polls are less pessimistic. While these signs are encouraging, the time period and power of recovery still remain uncertain. Above all, there is a risk that the recession's effect on the labour market could still significantly affect final demand.
During the first quarter of 2009 the GDP in the Euro area fell by 2.5% compared to the previous period, signalling the fourth consecutive downturn, the largest since the 1970s. More recent information prefigures a weakening in the recessionary trend during the second quarter. In May, industrial production experienced its first upswing for a year.
In Italy the industrial recession, which began in spring 2008, took a turn for the worse in the last quarter of last year and the first quarter of 2009 registering an overall drop in activity of 25.3% from April 2008 to March 2009, the biggest since the 1970s. This fall in activity seems to have halted during the second quarter: the increase in April (1.2% compared to March) was unchanged in May and, according to Banca D'Italia estimates, this should continue in June.
Figures referring to the labour force and the number of temporary laying off hours show a worrying deterioration in the labour market. National accounting information for the first quarter indicates that Italian families are being persistently cautious about spending thus demonstrating their continuing uncertainty about employment prospects.
As for the Italian banking sector, the reduction in earnings witnessed last year carried over to the initial months of 2009. According to consolidated reports, during the first quarter of 2009 the profits of five major groups were 40% less compared to the same period in 2008; capital and reserve revenues (ROE) for recurrent activities were halved and stood at 4.5%.
Monetary and financial market tension has let up slightly due to a partial recovery in trust and the central banks' extremely large offer of liquid assets. After a period of improvement, since the beginning of May, the ratings of some institutes have dropped.
In light of these developments, the Banca D'Italia estimates that the GDP, reduced by 1.0% in 2008, will reach 5.2% during 2009 and then remain stationary in 2010. Thanks to the gradual recovery in world trade, the considerable incentives of the monetary policy – also through "unconventional" measures – and the anticyclic procedures launched by the Government, the recession should weaken considerably in the second half of 2009 and production activities should begin to grow positively again in 2010.

Significant events of the period

On 29th April 2009, the Ordinary Shareholders' Meeting approved the balance at 31/12/2008 and agreed to distribute a dividend of Euro 0.50 per share. The dates for coupon release and dividend payment were 11th and 14th May 2009 respectively. Dividend payment resulted in a cash outlay of Euro 4,490 thousand.
The Shareholders' Meeting, following the expiry of terms, also nominated the Board of Directors and Board of Auditors for the 2009, 2010 and 2011 periods.
The following persons were re-nominated to the Board of Directors: Giuseppe Dal Cortivo (Chairman and Managing Director), Giampietro Magnani (Vice-Chairman and Managing Director), Luigi Zanella (Vice-Chairman and Managing Director), Paolo Dal Cortivo (Managing Director), Lamberto Lambertini (Independent Director), Maurizio Rizzoli (Non-executive Director), Francesco Rossi (Independent Director). Matthias Sohler, Executive Director Financial for European Financial Market from Xchanging, the CAD IT Group's partner company and international leader in supplying Business Process Outsourcing services, was also nominated to the Board as a Non-executive Director, in order to further consolidate the strategic collaboration between the two Groups.
The Board of Auditors comprises: Riccardo Ferrari (Chairman), Renato Tengattini, Gian Paolo Ranocchi.

Research and development

In relation to activities aimed at consolidating traditional business, the production of new modules to increase the functional and technological development of the considerable range of software installed remains constant within the Group. Development relating to the New Finance Outlet project, which started in 2007, is continuing and aims to equip the successful Finance Area procedure with Web interfacing.
The creation and use of new computer systems aimed at diversifying the Group's offer towards those sectors bordering on the ones in which it is already present, is still underway.
As regards new projects, development are continuing on the SIBAC GS platform, which is a fundamental element for the Group's strategic growth.
Activity in the production of specialised modules for the business intelligence (Managerial Information System) area is also continuing.
CAD IT and Smart Line S.r.l. are now investing to enrich theirs own offer range of solutions and services for Public Administration and authorities for the management of local taxes.
The CAD IT Group, in its intent to develop its own products, is also creating solutions linked to the new norms and further procedures aimed at diversification for new business sectors like Insurance (Finance Area for Insurances) and new software modules for international market (EM).
On 6th May 2009, in accordance with Article 1, paragraphs 280 to 283, of law no. 296 of 27th December 2006, and subsequent modifications, and in reference to costs sustained for the research and development of projects that began on 28th November 2008 and that were expected to continue in 2009, CAD IT applied to the Inland Revenue Office for tax credits to the amount of Euro 415 thousand for each year and a further credit of Euro 337 thousand for projects begun after 28th November 2008 for costs forecast in 2009.
The use of tax credits depends on Inland Revenue Office confirmation and the limits of the State budget allocated to covering said credits.

Investments

Summary of investments	*1st half 2009*	*1st half 2008*	*Variations*	*Period 2008*
Intangible fixed assets	407	129	277	162
Assets under development and payments on account	1,540	1,292	247	2,660
Plant, machinery, equipment and other tangible fixed assets	239	126	113	257
Total investments in tangible and intangible fixed assets	**2,185**	**1,548**	**637**	**3,079**
Financial investments				0
Total investments	***2,185***	***1,548***	***637***	***3,079***

Investments in tangible and intangible fixed assets made by the consolidated companies in the first half 2009 amount to Euro 2,185 thousand (Euro 1,548 thousand in the same previous half year period).
Ongoing intangible asset costs mainly refer to the use of the Group's internal resources for the development of its own software which will either be licensed out to clients or used for the Group's activities. During the period these investments underwent an increase compared to previous periods and financial years due to the strategic decisions of the directors and managers who, in this period of such weak market demand, decided to invest in the development of products that the clients are expected to need in the future.

Related parties transactions

As regards transactions made with third parties, including infra-group transactions, it is hereby declared that said transactions are neither atypical or unusual and are a normal procedure within the activities of the Group's companies. These transactions are governed by market conditions bearing in mind the characteristics of the goods and services concerned.
Information on relations with third parties, including that required by the Consob Communication of 28th July 2006, is shown in the Consolidated Financial Statement and Financial Statement Sheet Notes.

Relationships with Group companies

During the financial period concerned, the Group's companies carried out operations with the controlled companies and businesses subject to CAD IT control. The patrimonial and economic effects of the operations carried out between companies consolidated with the integral method have been omitted in the consolidated balance with the exception of:

- services concerning the development of software procedures to be sold or instruments for the traditional activities of the Group's companies that are registered among intangible fixed assets;
- other operations, of insignificant amount, regarding the assignment of instrumental assets for the purchaser.

Relationships between the Group's companies are governed on the basis of contractual relations drawn up by the respective administration organs bearing in mind the quality of the assets and services involved and the competitive conditions of the market and adapting the interests of the Group.
The table below gives a summary of the income and service performances, as well as the credit and debit position of all the Group's consolidated companies, as of 30/06/2009.

Company	Costs	Capitalized costs			Turnover	Receivables	Payables
		Increases in internal work	Software licences and rights	Other assets			
Cad It S.p.a.	8,917			267	733	3,356	15,200
Cad S.r.l.	531				4,793	8,496	2,997
Cesbe S.r.l.	259				1,249	3,159	260
NetBureau S.r.l.	18				389	611	284
DQS S.r.l.	4				1,803	1,323	1
SGM S.r.l	9				256	1,082	89
SmartLine Line S.r.l.	6				432	791	258
BitGroove S.r.l.	116			2	371	794	658
Elidata S.r.l.	33				80	125	18
Datafox S.r.l.	5				110	105	26
Tecsit S.r.l.	49						52
Total	***9,947***			***269***	***10,216***	***19,842***	***19,842***

There have been no abnormal or unusual transactions between the CAD IT Group's companies in this financial period. CAD IT S.p.A.'s relations with its subsidiaries are shown at in the separate CAD IT S.p.A. Financial Statements.

Shares held by managerial and controlling organs and by the managers with strategic responsibilities

Information on shares held by the components of the administrative and control organs, and by the managers with strategic responsibilities within the issuing company and in the companies controlled by it, is given in the following table[1]:

Name and surname	Company	Number of shares held at 31.12.2008		Number of shares bought	Number of shares sold	Number of shares held at 30.06.2009	
Dal Cortivo Giuseppe	CAD IT S.p.A.	1,334,534	(1)			1,334,534	(1)
Magnani Giampietro	CAD IT S.p.A.	1,331,021	(1)			1,331,021	(1)
Rizzoli Maurizio	CAD IT S.p.A.	1,439,686	(2)			1,439,686	(2)
Zanella Luigi	CAD IT S.p.A.	1,333,480	(3)			1,333,480	(3)
Dal Cortivo Paolo	CAD IT S.p.A.	5,481				5,481	
Sohler Matthias	CAD IT S.p.A.						
Lambertini Lamberto	CAD IT S.p.A.						
Rossi Francesco	CAD IT S.p.A.						
Cusumano Giannicola	CAD IT S.p.A.	1,000				1,000	
Ranocchi Gian Paolo	CAD IT S.p.A.			7,020		7,020	(4)
Tengattini Renato	CAD IT S.p.A.	60				60	
Managers with strategic responsibilites	CAD IT S.p.A.	1,300				1,300	
(1) of which in spouse's name n.:	370,885						
(2) of which in spouse's name n.:	535,014						
(3) of which in spouse's name n.:	380,985						
(4) of which in spouse's name n.:	2,730						

Information relative to payments for any security of the main company or its direct or indirect subsidiaries to Board members or auditors and to managers with strategic responsibilities are shown in the balance notes (note 38).

[1] (in accordance with sheet 3, attachment 3c, of Consob Regulation no. 11971)

Reconciliation report with the Head Company balance

The following table shows the reconciliation figures of the net patrimony and the consolidated financial result with those of CAD IT S.p.A.[2]

	Net patrimony	Result of period
Net patrimony and result of the controlling company for the period concerned	56,106	1,424
- difference between the entry value of the consolidated holdings and the pro quota value of the net patrimony	(8,705)	
- effects on reserves	(353)	
- pro quota results of the subsidiary/associate holdings	233	233
- consolidation difference	8,309	
- consolidation reserves		
- subsidiary/associate dividend elimination		(363)
- infra-group margin elimination	54	54
Assessment of associate holdings		
with net patrimony method	278	68
- other economic effects		
Total net patrimony and consolidated result of period	***55,921***	***1,416***

Corporate Governance

On 13th March 2009, the Board of Directors approved the Corporate Governance 2008 annual report in accordance with art. 123-bis and art. 124-ter of Leg. Decree 58/1998 and art. 89-bis of the Issuer Regulations, in order to provide the CAD IT S.p.A. shareholders with adequate information about its own company management system and about how much the company adheres to the new auto-disciplinary code for quoted companies laid down by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. The report is available to the public in the Investor Relations sector of the company website: **www.cadit.it**.

Risks connected to the sector in which the Group operates

Risks connected to the sector in which the Group operates

The principle market outlet with which the Group deals is banking and financial institutions, a sector which is not normally subject to significant critical risk. As of the last quarter of 2008, the banking-financial sector has been going through a considerable crisis. If this considerably weak and uncertain period should continue, or should the present banking institution crisis become even worse, the market conditions risk significant and widespread deterioration with the consequent negative impact on the Group's economic, patrimonial and financial situation.

Credit risks concerning commercial relations with its clients

the Group mainly operates with banks and their associated companies, financial and collection services institutions, clients of approved soundness and solvency. This is why, in previous financial periods, credit losses have been relatively insignificant; as previously shown, a further deterioration in the current bank and financial institution crisis could be a major credit risk for the Group. If objective conditions on the partial or total irrecoverableness of a credit of an individual client should arise, the relative credit will be subject to

[2] In accordance with Consob communication no. 6064293 of 28 July 2006.

depreciation on the basis of an estimation of recoverable flows and of collection times. For credits that are not subject to individual depreciation, credit depreciation funds are allocated on a collective basis in correlation with the past incidence of occurred losses.

Interest rate risk

CAD IT and the Group's companies use available liquidity in bank accounts and capitalisation insurance policies and other financial resources, principally in the form of advances on commercial credits and the use of current account overdrafts. Changes in market interest rates can influence investment performance and the cost of financing affect revenues and financial outlay.

Exchange rate risk

The Group currently operates practically totally in Euro countries and is therefore not subject to exchange rate risks.

Liquidity risk

Present liquid assets and the ability to generate positive cash flows mean that there is very little risk of not being able to have adequate financial resources to cover the Group's operational needs.

No operations were carried out using derivate instruments during the period since it is not the company's policy to carry out these kind of operations, whether for cover purposes or for negotiation.

Other Information

Neither CAD IT S.p.A. nor its controlled companies own, and/or have purchased and/or sold during the financial period CAD IT or their own shares, not even through trust companies or third parties.
CAD IT S.p.A. is not subject to the management and coordination of controlling companies.
During this financial period, and the previous one, no atypical or unusual operations have been carried out as defined in the Consob communication no. DEM/6064293.
In the Financial Statement report, no alternative performance indicators have been adopted with the exception of the net financial position, shown in the Financial Statement notes, for which no reclassifications have been made in terms of Financial Statement figures and in accordance with the CESR Recommendations.

Foreseeable development

In reply to the previously described current short-term outlook, the Board of Directors has placed maximum attention on market needs in order to direct the Group's management and development strategies and to keep efficiency levels high. In this way positive economic results will continue to be achieved throughout the 2009 financial period. The crisis could also be an opportunity for the Group to supply, for example, Application Management in the restructuring or redesigning of financial institution activities and Risk Management applications for monitoring and assessing risks.
The success of the Group's activities will therefore depend on its ability to maintain and increase the shares it has in the markets in which it currently operates and/or to further expand into other markets and segments (like insurance, public administration, foreign financial institutions) through new and high standard, quality products that would guarantee adequate income levels.
Moreover, the CAD IT S.p.A. Board of Directors is continually on the look-out for any possible development opportunities, whether direct or external, through the further employment or purchase of shares with the aim of creating activities to compliment or unite with the existing ones.
In the ongoing financial period, the development and sale of new products to existing clients and new types of client are continuing. Moreover, the intense planning activity with Xchanging, through which the CAD IT Group aims to increase its income in Italy and to geographically diversify its own business, continues.

At the date of approval of this report, no significant risks and/or uncertainties regarding the remaining six months of the ongoing financial year are expected. The managerial trend for the rest of the financial year could, however, be affected by many factors, for example, changes in the macro-economic conditions and in the economic growth and other business condition variations, modifications in the law and the institutional context, and other factors not within the Group’s control.

On behalf of the Board of Directors
The Chairman
/s/ Giuseppe Dal Cortivo

HALF-YEAR CONDENSED FINANCIAL STATEMENTS OF THE CAD IT GROUP

Consolidated income statement

	NOTES	Period 2009 01/01 - 30/06		Period 2008 01/01 - 30/06	
Income from sales and services	3	25,316	92.81%	28,184	95.95%
of which related parties	*37*	*140*	*0.51%*	*190*	*0.65%*
Variations in stock of products being elaborated					
Changes in ongoing orders		(83)	(0.30%)	(18)	(0.06%)
Asset increases due to internal work		1,540	5.64%	1,172	3.99%
Other revenue and receipts		503	1.84%	34	0.12%
Production value	**3**	**27,276**	**100.00%**	**29,373**	**100.00%**
Costs for raw	5	(638)	(2.34%)	(620)	(2.11%)
Service costs	6	(5,244)	(19.23%)	(5,194)	(17.68%)
of which related parties	*37*	*(297)*	*(1.09%)*	*(542)*	*(1.85%)*
Other operational costs	7	(413)	(1.51%)	(392)	(1.33%)
Added value		**20,981**	**76.92%**	**23,166**	**78.87%**
Labour costs	8	(15,638)	(57.33%)	(15,909)	(54.16%)
of which related parties	*37*	*(258)*	*(0.94%)*	*(259)*	*(0.88%)*
Other administrative expenses	9	(1,230)	(4.51%)	(1,273)	(4.33%)
of which related parties	*37*	*(571)*	*(2.09%)*	*(554)*	*(1.89%)*
Gross operational result (EBITDA)		**4,113**	**15.08%**	**5,984**	**20.37%**
Allocation to Credit Depreciation Fund		(69)	(0.25%)	(63)	(0.21%)
Amortizations:					
- Intangible fixed asset amortization	15	(1,283)	(4.70%)	(1,288)	(4.39%)
- Tangible fixed asset amortization	14	(385)	(1.41%)	(387)	(1.32%)
Operational result (EBIT)		**2,376**	**8.71%**	**4,246**	**14.46%**
Financial receipts	10	135	0.50%	320	1.09%
Financial charges	10	(29)	(0.10%)	(36)	(0.12%)
Ordinary result		**2,483**	**9.10%**	**4,530**	**15.42%**
Revaluations and depreciations	11	223	0.82%	218	0.74%
Pre-tax and pre-third party share result		**2,706**	**9.92%**	**4,748**	**16.17%**
Income taxes	12	(1,210)	(4.44%)	(2,138)	(7.28%)
Profit (loss) for the period		***1,496***	***5.48%***	***2,610***	***8.89%***

Profit/(loss) for the period attributable to:					
Non-controlling interests		80	0.29%	299	1.02%
Owners of the parent		1,416	5.19%	2,311	7.87%

Statement of comprehensive income

	Period 2009	Period 2008
	01/01 - 30/06	01/01 - 30/06
Profit/(loss) for the period	1,496	2,610
Gains/(Losses) on fair value of available-for-sale financial assets	121	(338)
Total Comprehensive income	1,616	2,271

Profit/(loss) for the period attributable to:		
Non-controlling interests	80	299
Owners of the parent	1,537	1,972

Consolidated statement of financial position

	Note	30/06/2009	31/12/2008
ASSETS			
A) Non-Current Assets			
Assets, equipment and machinery	14	19,468	19,620
Intangible assets	15	16,453	15,789
Goodwill	16	8,309	8,309
Holdings	17	280	212
Other financial assets available for sale	18	776	655
Other non-current credits		72	64
Credits due to deferred taxes	19	182	231
TOTAL NON-CURRENT ASSETS		**45,539**	**44,881**
B) Current Assets			
Stock	20	209	435
Ongoing orders	21	270	352
Commercial credits and other credits	22	31,928	24,623
of which related parties	37	*8*	*13*
Tax credits	23	2,108	4,871
Cash on hand and other equivalent assets	24	9,923	13,999
TOTAL CURRENT ASSETS		**44,438**	**44,281**
TOTAL ASSETS		***89,977***	***89,163***
LIABILITIES			
A) Equity	25-26-27		
Issued capital and reserves attributable to owners of the parent		55,921	58,874
Non-controlling interests	25	2,893	3,005
TOTAL EQUITY		**58,814**	**61,879**
B) Non-current liabilities			
Financing	29	193	206
Liabilities due to deferred taxes	30	3,547	3,497
TFR and quiescence reserves	31	6,021	6,276
of which related parties	37	*124*	*88*
Expense and risk reserves		25	25
Other liabilities		-	-
TOTAL NON-CURRENT LIABILITIES		**9,785**	**10,004**
C) Current liabilities			
Commercial debts	32	9,072	4,130
of which related parties	37	*154*	*180*
Tax debts	33	3,578	5,626
Short-term financing	34	859	653
Other debts	35	7,870	6,870
of which related parties	37	*147*	*121*
TOTAL CURRENT LIABILITIES		**21,378**	**17,279**
TOTAL LIABILITIES AND EQUITY		***89,977***	***89,163***

Statement of changes in equity

Statement of changes in equity	*NOTES*	*Attribution to the shareholders of the Main Company*					*Minority Interests*	*Total*
		Company capital	*Reserves*	*Accumulated profit (loss) net of period result*	*Period result*	*Group's net patrimony*		
At 1-Jen-2009		*4,670*	*35,346*	*13,991*	*4,867*	*58,874*	*3,005*	*61,879*
Allocation of the period result to reserves				*4,867*	*(4,867)*			
Dividend distribution				*(4,490)*		*(4,490)*	*(192)*	*(4,682)*
Increase in capital								
Total comprehensive Profit/(loss)			*121*		*1,416*	*1,537*	*80*	*1,616*
At 30th June 2009		***4,670***	***35,467***	***14,368***	***1,416***	***55,921***	***2,893***	***58,814***

Statement of changes in equity	*NOTES*	*Attribution to the shareholders of the Main Company*					*Minority Interests*	*Total*
		Company capital	*Reserves*	*Accumulated profit (loss) net of period result*	*Period result*	*Group's net patrimony*		
At 1-Jen-2008		*4,670*	*35,428*	*12,314*	*7,968*	*60,380*	*3,041*	*63,421*
Allocation of the period result to reserves				7,968	(7,968)			-
Dividend distribution				(6,286)		(6,286)	(593)	(6,879)
Effects on consolidation reserves				(5)		(5)		(5)
Total comprehensive Profit/(loss)			(338)		2,311	1,973	294	2,267
At 30th June 2008		***4,670***	***35,090***	***13,991***	***2,311***	***56,061***	***2,743***	***58,804***

Consolidated Cash Flow Statement

	NOTES	30/06/2009	30/06/2008
A) OPERATING ACTIVITIES			
Profit (loss) for the period		1,416	2,311
Amortisation, revaluation and depreciation:			
- Assets, equipment and machinery amortisation	14	385	387
- Intangible fixed asset amortization	15	1,283	1,288
- revaluation of holding and financial assets available for sale	18	(223)	(218)
Allocations (utilisation) of funds:		(255)	(234)
Financial performance:			
- Net financial receipts (charges)	10	(107)	(284)
- Profit / (losses) on exchanges	10	(1)	1
Working capital variations		(240)	6,733
of which related parties		*5*	*253*
Interest payment	10	(28)	(36)
(A) - Cash flows from (for) operating activities		**2,230**	**9,948**
B) INVESTING ACTIVITIES			
Investing activities			
- Assets, equipment and machinery purchases	14	(239)	(126)
- Intangible assets purchases	15	(1,947)	(1,422)
- increase in other fixed assets		(11)	(14)
Disinvestment activities			
- Assets, equipment and machinery transfers	14	6	1
- decrease in other fixed assets		4	4
Cashed Interest	10	123	313
Cashed dividends	10	167	90
(B) - Cash flows from (for) investing activities		**(1,896)**	**(1,153)**
C) FINANCING ACTIVITIES			
Medium/long term debts repairement		(13)	(47)
Effects on consolidation reserve		0	(5)
Third party net patrimony		(112)	(298)
Distribution of dividends	28	(4,490)	(6,286)
(C) - Cash flows from (for) financing activities		**(4,616)**	**(6,637)**
(A+B+C) - Total cash and other equivalent assets flows		(4,282)	2,158
Opening liquid funds and other equivalent assets		**13,346**	**12,080**
Closing liquid funds and other equivalent assets		***9,064***	***14,238***

For the liquid asset and equivalent means reconciliation, refer to note 36.

Notes

CAD IT S.p.A. is a joint stock company and is governed on the basis of Italian law and exercises its management and coordinated activities on its own controlled companies. CAD IT S.p.A. is not subject to other company control in accordance with art. 2359 of the civil code.
The company is listed in the STAR market of the Italian stock exchange.
The registered office and the administrative and operating offices are in Via Torricelli no. 44/a, Verona, Italy.
The company is registered in the Verona Company Register under no. 01992770238.

1. Accounting policies and evaluation criteria more important

This half-year condensed financial statement has been drafted in accordance with the applicable IRFS International accounting standards issued by the International Accounting Standard Board (IASB) and recognized by the European Community in conformity with EC regulation no. 1606/2002. IFRS refers to the International Accounting Standards (IAS) presently in force as well as the interpretative documents issued by the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).
The half-year condensed financial statement has been drafted in the consolidated form since CAD IT is obliged to draft a consolidated balance.
The half-year condensed financial statement has been drafted in accordance with IAS 34 – Interim Financial Reports, bearing in mind the contest of art. 154-ter of legislative decree no. 58 of 24th February 1998.
In the drawing up of this summarised six-monthly Balance, the same accounting standards have been applied as those adopted in the drafting of the consolidated Balance at 31st December 2008, with the exception of the items described in the paragraph below – Accounting Standards paragraph, amendments and interpretations applied since 1st January 2009.
The accounting standards adopted have been applied in the same manner throughout the periods shown and for all the Group's companies, amending the respective Financial Statement drafted in accordance with Italian accounting standards to consolidate.
The consolidated balance has been drafted using the evaluation criterion of past cost, except for financial instruments available for sale, which are assessed at fair value, and the holdings in subsidiaries, which are assessed in accordance with the equity method. Moreover, where some land and buildings have been included in First Time Adoption, the fair value has been used instead of the cost.

Use of estimates

In accordance with the IFRS, when drafting the balance the company management formulates evaluations, estimates and hypotheses to apply the accounting standards which affect the amounts of credit and debit and the costs and revenues found in the balance. Estimates and their relative hypotheses are based on past experience and factors considered reasonable for the case concerned. Since they are estimates, the results obtained are not necessarily the same as the results portrayed.
The estimates and hypotheses are reviewed on a regular basis. Any variations deriving from an accounting estimate review are shown in the period in which the review was made if such review only affects that period. If the review affects the current and future periods, the variation is recorded in the period in which the review is made and in the relative subsequent periods.

Accounting standards, amendments and interpretations applied since 1st January 2009

IAS 1 Reviewed – Balance presentation

The new version of IAS 1 – Balance presentation, approved by the European Union with EC Regulation no. 1274/2008, came into force as of 1st January 2009.
The reviewed version of IAS 1 – Balance presentation, requires that all variations generated by transactions

with non-shareholders are to be registered in one single statement that shows the period's trend (statement of comprehensive income) or in two separate statements (income statement and statement of comprehensive income). These variations must be highlighted separately in the Net Patrimony variation statement as well in terms of variations generated by transactions with shareholders.
The Group has applied the reviewed version of the standard as of 1st January 2009 retrospectively, having chosen to highlight all variations generated by transactions with non-shareholders in two statements for measuring period trend respectively entitled "Consolidated income statement" and "Statement of comprehensive income". The Group has consequently modified the presentation of the Net Patrimony variation Statement. Adopting this principle has no effect on the evaluation of balance entries.

Other accounting principles, amendments and interpretations applied since 1st January 2009

At the time of drafting this summarised version of the half-year balance, there are no other matters or records, or anything of any significant importance within the Group, that may be governed by other amendments and interpretations applicable since 1st January 2009, and approved by the IASB and IFRIC and published in the European Community's Official Gazette.

Balance sheet layout

The balance layouts have been drafted according to IAS 1 specifications and opportunely integrated with the information required by the Consob deliberation no. 15519 of 2006.
The Group has decided to present revenue and cost entries referring to the period in question in two statements. One statement shows the profit (loss) components for the period (Consolidated Income statement) and the other, which begins with the profit (loss) of the period and shows the statement entries of the other components of the overall profit and loss account (Statement of comprehensive income).
The Group presents its economic account by nature, the format that is considered the most representative in terms of function presentation. In fact, the chosen format conforms to the internal reporting modalities and the business management and is in line with the way the economic account was represented in the past.
The profit and loss account is drafted in scalar format highlighting the following intermediate results:

- Production revenues: this is the value of services and goods produced and sold by the Group, including internal assets and other income and earnings from the traditional offer.
- Added value: obtained by subtracting the operative costs for service and asset purchases from production revenues, this measures how much of the internal production and distribution of goods and services is due to company productive factors.
- Gross Operational Result (EBITDA): this figure is obtained by subtracting from the added value all of the costs that can be put down to staff and other administrative expenses. It highlights the result based on the traditional offer including depreciations, financial management, revaluations or devaluations and taxes.
- Operational Result (EBIT): this figure is obtained by subtracting the depreciation and funding amounts from the gross operational result.
- Ordinary Result: this includes the financial management result.
- Pre-tax result: obtained by including revaluations and devaluations in the ordinary Result

As for the patrimonial situation, a distinction has been made between current and non-current assets and liabilities.
The financial statement has been presented according to the indirect method so that the profit (or loss) for the period has been adjusted of any non-monetary operations and by deferments and the setting aside of future incomes or payments.
Each column in the statement of net patrimony variations reconciles the opening and closing balances for each net patrimony voice.
Each significant entry shown in the above-mentioned statements, is marked with references to notes which provide the relative information and details of the composition.

Subsidiary companies

The consolidation area includes the Parent company and the companies it controls, that is, where it has the

power to determine financial and managerial policies of a business in order to reap benefits from said company's activities.
Subsidiary companies are consolidated from the date in which control was effectively transferred to the Group and are no longer consolidated as from the date that control becomes external to the Group.
These companies are consolidated using the integral consolidation method. In order to prepare the consolidated data, the patrimonial, economic and financial situations of the subsidiary and associate companies have been used as prepared by the Group's individual companies at the reference dates, opportunely reclassified and amended to reflect the application of the homogeneous accounting standards.
In drafting the consolidated balance all the balances and significant transactions between the Group's companies have been eliminated, as are all unrealised infra-group profit and loss transactions.

Associated companies

The share in associated companies, that is those companies in which the Group has significant influence, is evaluated using the net patrimony method, as defined in IAS 28 – Investments in Associates. The profits or losses relevant to the Group are included in the consolidated balance from the date in which this considerable influence began up to the moment it ceases.

Property, plant and equipment

Tangible fixed assets are shown at purchase cost, including any costs that may be directly ascribable and necessary for activating the asset and putting it to the use for which it was purchased. In reference to land and buildings listed in First Time Adoption, the fair value was used instead of the cost.
Tangible fixed assets are shown at net value of the relative accumulated depreciations and losses due to the reduction in value determined in accordance with the modalities described below.
Tangible fixed assets are amortised in constant rates during the course of their expected useful life cycle, i.e. the estimated period of time in which the asset will be put to company use. Whenever significant parts of tangible fixed assets have different estimated useful life cycles, said components are amortised separately.
The value to be depreciated is given by the registered value of the asset net of any loss in value and reduced by its assumed value at the end of its useful life cycle, if significant and reasonably calculable. The useful life cycle and the cash value are reassessed annually and any changes, where necessary, are brought in with a perspective application.
The main economic-technical tax rates used are the following:
industrial buildings: 3%
electrical equipment: from 5 to 10%
air conditioning equipment: from 6 to 15%
telephone systems: 20%
alarm systems: from 10 to 30%
furniture and fittings: 12%
electrical machinery: 15%
electronic machines and computers: 20%
vehicles: 25%
Land, both without buildings or next to civil and industrial constructions, is accounted for separately and not amortised as it is considered an element with an indefinite useful life cycle.
In order to calculate any losses due to depreciation, the accounting value of intangible fixed assets is subject to verification.
At the time of elimination or when no future economic benefit can be expected from the use of an asset, it is eliminated from the balance and the eventual loss or profit (calculated as the difference between the assignment value and the taxation value) is shown in the economic account of the year in which the asset is eliminated.

Financial leasing

Assets owned through financial leasing contracts, through which all the risks and benefits tied to the property are transferred to the Group, are registered among the Group assets at their fair value or, if this value is lower, at the present value of the minimum payments due for the leasing and depreciated by applying coherent criteria to the other assets. The corresponding liability towards the lessor is registered in the balance among the financial debts.

Intangible fixed assets

Intangible fixed assets are shown as such when it is likely that they will bring in future economic benefits for the company and when the asset cost can be feasibly determined.
Intangible fixed assets, having a defined useful life cycle, are subsequently registered net of the relative accumulated amortizations and any losses due to a reduction in value.
The useful life cycle is reassessed annually and any changes, where necessary, are brought in with a perspective application.
Profits or losses deriving from the transfer of an intangible fixed asset are determined as the difference between the elimination value and taxation value of said asset and are reported on the economic account at the time of elimination.
Project development costs for the production of instrumental software, or those to be terminated, are registered on the credit side when they satisfy the following conditions: the costs can be feasibly determined, the product is technically feasible, the expected use and/or sale of the product indicate that the sustained costs will generate future economic benefits. In respect of the standard that correlates costs and returns, these costs are amortized as from the moment in which the activity becomes available for use, in permanent amortisation amounts for the entire duration of the product's lifecycle, estimated at five years.
The costs of internally generated intangible assets include any expenses that can be directly attributable to the development of the product and any reasonable part of general production costs attributable to the preparation stages before putting the product to use. All other development costs that cannot be capitalised, when sustained, are reported on the income statement.

Goodwill

Goodwill resulting from the purchase of controlled and incorporate companies is initially registered at cost and is the overbalance of the purchase cost in respect of the purchaser's share of the fair value of the assets and liabilities and the potential liabilities at the date of purchase.
After the initial registration, goodwill is no longer amortised and is decremented of any losses in accumulated value, calculated according to the IAS 36 Asset value reduction.
Goodwill is subject to an annual analysis of retrievableness or at shorter intervals if something happens or changes in circumstances arise, which could cause losses in value.
Goodwill deriving from purchases made prior to 1st January 2004 is registered at the recorded value ascribed to it in the last balance drafted on the basis of the previous accounting standards (31st December 2003). In fact, during the preparation of the opening balance in accordance with the international accounting standards, none of the purchase transactions made prior to 1st January 2004 have been re-considered.
The start-up relating to holdings in associated companies is included in the value of these companies.

Impairment loss

The Group annually verifies the accountable value of intangible and tangible assets or more often whenever there is an indication that assets may have suffered a value loss.
If the charged value exceeds the recoverable value, the assets are devalued to reflect their recoverable value, represented by the greatest figure between the net price and use value. In defining the use value, expected future financial flows are discounted back using a pre-tax discount rate that reflects the current market estimations in reference to the cost of money at the time and the specific risks of the asset in question. For an asset that does not generate widely independent financial flows, the return value is determined in relation to the unit generating the financial flows of which the asset is a part. The value losses are accounted for in the economic account among depreciation and devaluation costs. When subsequently an asset value loss, different from the beginning, is less or decreases, the accounting value is increased to a

new estimate of the recoverable value within the limit of the previous value loss. The recovery of a value loss is registered to the economic account.

Assets available for sale

Share in non-consolidated companies are classified as assets financially available for sale and are valued at fair value. For any shares quoted the fair value is the market value as of the reference date. The profits and losses found due to the effect of evaluation at fair value at every balance date for these activities were determined at net patrimony except for the value losses registered to the economic account, until the financial activity has been eliminated, which is the moment when the total profit or loss found in the net patrimony is registered to the profit and loss account.

Other non-current credits

These are registered at their nominal value, representative of their fair value.

Stock

Leftover stock is valued as the lesser value between purchase cost and the net value of the assumed income. The cost is determined in accordance with the average calculated cost method.

On-going orders

On-going construction contracts are valued with reasonable certainty on the basis of the matured contractual fees according to the criterion of percentage completion (so-called cost to cost), so as to attribute the profits and the economic result of the order to each single financial period concerned in proportion to the progress of the work.

Commercial credits and other credits

Commercial credits, whose expiry limits are within normal commercial terms, are not updated and are registered at their nominal value net of any loss of value. Moreover, they are adjusted to their assumed cash value by means of the registration of an appropriate amendment fund.

Liquid asset availability and equivalent means

The availability of liquid assets and equivalent means is registered at nominal value and has the requirements to be immediately available or available at very short notice, without obstacles and with no significant expense for collection. Financial investments are classified as liquid assets only when they have a short expiry.

Non current assets held for sale

The voice includes non-cash assets, the value of which will mostly be recovered by their sale rather than through their continuous use. These assets are valued as the lesser value between the net accounting value and the cash value net of sales costs.

Employee leaving entitlement

The present value of debts related to employees for benefits allocated in connection with or following the termination of working relationships through defined benefit programmes is calculated on the basis of the method of projecting the credit in accordance with the indications in IAS 19. The liabilities calculation is carried out by independent actuaries.

Profits and losses deriving from carrying out actuarial calculations are registered to the Profit and Loss account.

Due to modifications to the laws concerning the termination of working relations (TFR) enforced by Law no. 296 of 27th December 2006 (Financial Act 2007) and subsequent Decrees and Regulations issued in the early months of 2007, the TFR amounts matured since 1st January 2007 in the Group's companies with more than 50 employees have been accounted for as a Definite Contribution Plan, both in terms of the option of complementary welfare and in terms of allocation to the Treasury Fund at INPS (social security office). The TFR Fund matured at 31st December 2006, however, remains as a Definite Benefit Plan: the actuarial calculations have therefore excluded the component relating to future increases in salary. The difference resulting from the new calculation compared to the previous value registered at 31st December 2006, has been accounted for as a reduction of a definite benefit plan, in accordance with paragraph 109 of IAS 19, the difference thus appearing in the Profit and Loss account.

Risk and obligation funds

In accordance with the IAS 37, the allocations are shown when there is an ongoing obligation (legal or implicit) that stems from a past event, whenever an outlay may be necessary to satisfy the obligation and a feasible estimation may be made on the obligation amount.
If the effect of updating the assumed cash value is significant, the allocations are calculated by updating the expected future financial flows at a pre-tax discount rate that reflects the current market evaluation of the cash value in relation to time. When updating has been done, the increase in the allocation caused by the passing of time is shown as a financial obligation.

Commercial debts and other current liabilities

The commercial debts, whose deadlines are within normal commercial terms, are not updated and are registered at cost (identified by their nominal value).
Financial liabilities are initially shown at cost, which corresponds to the fair value of the liability, net of transition costs, which are directly attributable to the issue of the liability itself.
After the initial determination, the financial liabilities are assessed with the criterion of amortized cost using the original effective tax rate method.

Revenues and costs

The revenues and costs are determined in accordance with the qualifying economic principle to the amount to which the fair value can be feasibly determined.
Depending on the type of operation, the revenues are determined on the basis of the specific criteria reported below:

- the revenues for services are determined with reference to the point at which they stand on the basis of the same criteria used for determining the position of ongoing orders. If it is not possible to feasibly determine the revenue values, they are then calculated until they concur with the amount of expenses sustained and which are deemed recoverable.
- the profits from the sale of goods are shown when significant risks and benefits of the ownership of the goods are transferred to the purchaser, the sale price is agreed or can be determined and payment is collected.

As for sales concerning assistance and/or maintenance services carried out with the annual subscription formula, the accrual is calculated in proportion with time.
The costs are ascribed in the balance according to the same criteria as those for revenue acknowledgment.

Income taxes

Current income taxes for the financial period are calculated on the basis of estimates of taxable income in accordance with the laws in vigour: Moreover, the effects deriving from the activation within the Group of the national tax consolidation are also taken into account. The debt for current taxes is accounted for in the patrimonial status, net of any taxes paid in advance.
Deferred and pre-paid income taxes are calculated on the temporary differences between the patrimonial values registered in accordance with the IFRS international accounting standards and the corresponding values realised for tax purposes. Deferred income tax are calculated applying the tax rate which will be in force at the year after the account reference dates.
In particular, assets due to pre-paid taxes are registered when their recovery is probable, that is, when it is

expected that sufficient tax profits will be available in the future so that these assets may be used. The degree of recovery of pre-paid tax assets is re-examined at the end of every period. Deferred taxes are always calculated in compliance with the IAS 12.

2. Subsidiary companies and Consolidation area

In 2008 and in the first six months of 2009, the consolidation area has not changed.
In order to prepare the consolidated balance, the companies included in the CAD IT Group consolidation using the integral method are as follows:

Company name	Registered office	Share/ Quota capital Euro	Percentage of investment	Percentage of investment of the Group
consolidated using the integral method				
CAD IT S.p.A.	Verona	4,669,600	Parent company	
CAD S.r.l.	Verona	130,000	100.00%	100.00%
Cesbe S.r.l.	Verona	10,400	52.00%	52.00%
Netbureau S.r.l.	Milan	50,000	100.00%	100.00%
S.G.M. S.r.l.	Padova	100,000	100.00%	100.00%
D.Q.S. S.r.l.	Roma	11,000	55.00%	55.00%
Bit Groove S.r.l.	Verona	15,500	100.00%	100.00%
Elidata S.r.l.	Castiglione D'Adda (LO)	20,000	51.00%	51.00%
Smart Line S.r.l.	Verona	102,700	51.05%	51.05%
Datafox	Verona	99,999	51.00%	51.00%
Tecsit S.r.l. (1)	Roma	75,000	70.00%	38.50%
(1) Held through DQS S.r.l.				

3. Revenues

The revenues gained in the period by the Group are subdivided as follows:

	Period 2009		Period 2008		Variations	
	01/01 - 30/06		01/01 - 30/06		absolute	%
Income from sales and services	25,316	92.81%	28,184	95.95%	(2,868)	(10.18%)
of which related parties	*140*	*0.51%*	*190*	*0.65%*	*(50)*	*(26.19%)*
Variations in stock of products being elaborated						
Changes in ongoing orders	(83)	(0.30%)	(18)	(0.06%)	(65)	368.07%
Asset increases due to internal work	1,540	5.64%	1,172	3.99%	367	31.34%
Other revenue and receipts	503	1.84%	34	0.12%	469	1,379.27%
Production value	***27,276***	***100.00%***	***29,373***	***100.00%***	***(2,097)***	***(7.14%)***

Service and sales include any income from the sale of licensed out software. maintenance services for software updating. the use of personalised applicative packages. the sale of hardware. consultancy services and information technology system design.
During 2009 first half financial period, income from sales and services decreased by 10.2% compared to 2008 first half financial period and reached Euro 25,316 thousand. The decrease in revenues was determined By the crisis of the reference market.
Increases in intangible assets due to internal grow to Euro 1,540 thousand, compared to Euro 1,172 thousand in the first half of 2008 financial period, and include the activities carried out by the staff of CAD IT and the Group's companies concerning the development of new procedures aimed at the sale of licensed products or instrumental goods for the company's traditional business.

The Group's activities are not. on the whole, affected by significant cyclical or seasonal variations in total sales during the financial period.

4. Segment reporting by sectors and geographical areas

The internal organisational and managerial structure and the internal reporting for the Board of Directors is presently grouped into two operative divisions: Finance and Manufacturing. These divisions are the basis on which the Group reports sector information according to the primary layout.

The main activities of each sector are as follows:

- Finance: includes the computer applications aimed specifically at banks, insurances and other financial institutions. The main applications provide:
  - management of intermediary activities on securities, funds and derivate instruments;
  - management of the typical services in the credit sector, such as the collection, treasury and monitoring of credit procedures;
  - service allocation for trading on line;
  - management of integrated banking computer systems;
  - consultancy and training.
- Manufacturing: includes the development and marketing of instruments and software applications and offers a series of services aimed at allowing the companies to effectively manage numerous company processes, including Outsourcing.

The data not allocated to the sectors mainly refer to income and costs for logistics and administration services given to the group's companies by the controlling party.

Disclosures for business segments	*30/06/2009*				
	Finance	*Manufacturing*	*Not allocated/General*	*Elisions*	*Consolidated*
External revenues	25,565	1,711			27,276
Intersegment revenues	1,535	315		(1,850)	
Total revenues	27,100	2,026		(1,850)	27,276
Costs	(24,116)	(2,013)	(621)	1,850	(24,900)
Gross Operating Result (EBITDA)	4,612	122	(621)		4,113
Operating Result (EBIT)	2,984	13	(621)		2,376
Net financial income (expenses)			107		107
Revaluations and devaluations	223				223
Result	3,207	13	(514)		2,706
Income taxes			(1,210)		(1,210)
Third party share (profit)/loss	(197)	(9)	126		(80)
Financial period profit (loss)	3,010	4	(1,598)		1,416
Assets	85,750	1,938	2,290		89,977
Liabilities	22,732	1,307	7,125		31,164

Disclosures for business segments	*30/06/2008*				
	Finance	*Manufacturing*	*Not allocated/General*	*Elisions*	*Consolidated*
External revenues	27,258	2,114			29,373
Intersegment revenues	1,156	360		(1,516)	
Total revenues	28,414	2,474		(1,516)	29,373
Costs	(23,670)	(2,373)	(599)	1,516	(25,126)
Gross Operating Result (EBITDA)	6,368	216	(599)		5,984
Operating Result (EBIT)	4,744	101	(599)		4,246
Net financial income (expenses)			284		284
Revaluations and devaluations	218				218
Result	4,962	101	(315)		4,748

Income taxes			(2,138)		(2,138)
Third party share (profit)/loss					(299)
Financial period profit (loss)					2,311
Assets	86,707	2,789	2,457		91,952
Liabilities	21,546	1,863	9,739		33,148

Information on the sector according to the secondary layout by geographical area is not provided as the Group presently produces and carries out its activities almost totally nationally and homogeneously.

5. Purchase Costs

	30/06/2009	*30/06/2008*	*Variations*	*%*
Hardware-Software purchases for sale	298	397	(99)	(25.0%)
Maintenance and consumable hardware purchases	6	61	(55)	(90.3%)
Other purchases	108	113	(5)	(4.5%)
Variations in raw material stock	226	36	190	52.6%
Total	***638***	***608***	***30***	***5.0%***

Costs for purchasing hardware and software for sale refer to purchases made for orders that clients had already confirmed and decreased by 25.0% compared with 2008 first half.
Leftover stock has decreased during the period by Euro 226 thousand and mainly refers to software products.

6. Service costs

	30/06/2009	*30/06/2008*	*Variations*	*%*
External collaboration	3,096	3,122	(26)	(0.8%)
Travelling expenses and fee reimbursement	740	812	(72)	(8.8%)
Other service costs	1,408	1,260	149	11.8%
Total	***5,244***	***5,194***	***50***	**1.0%**

Service costs during the first half of 2009 came to Euro 5.244 thousand, an increase compared to the same period of previous year (Euro 5,194 thousand). In more precise terms, external collaboration costs decreased, expenses reimbursement (-8.8%) and other service expenses increased by Euro 148 thousand (+11.8%). Transfer cost reimbursement is correlated to the productive activity trend in terms of the need to carry out work at client premises.
Other service costs mainly include assistance fees and hardware and software maintenance. energy costs. administrative. legal and fiscal consultancy. maintenance costs for office management and installed systems.

7. Other operational costs

The following chart shows and compares the other operational costs remaining stable in the two six-month periods in question.

	30/06/2009	*30/06/2008*	*Variations*	*%*
Third party benefit expenses	343	328	15	4.5%
Various management charges	70	64	6	9.5%
Total	***413***	***392***	***21***	***5.3%***

Third party benefit expenses in 2009 first half year came to Euro 343 thousand, compared to Euro 328 thousand in the first six months of 2008 and mainly refer to equipment and software rental and to operational office lease.

8. Labour costs and Employees

	30/06/2009	30/06/2008	Variations	%
Salaries and wages	11,470	11,610	(140)	(1.2%)
Payroll taxes	3,422	3,452	(30)	(0.9%)
Severance pay	696	804	(107)	(13.4%)
Retirement pay and similar	0	0	0	-
Other costs	49	43	6	13.1%
Total	***15,638***	***15,909***	***(271)***	***(1.7%)***

Labour costs in the first six months of 2009 decreased by Euro 271 thousand (-1.7%) compared to the same six months in 2008, mainly due to the decrease of the average number of employees.
The figures relating to the precise number of employees currently working in the CAD IT Group are shown below:

Category of employees	labour force at 30/06/2009	labour force at 31/12/2008	Variations
Management	17	18	(1)
White-collars and cadres	582	598	(16)
Blue-collars	1	1	0
Apprentices	2	3	(1)
Total	***602***	***620***	***(18)***

The number of CAD IT Group staff, at 30th June 2009 was 602 employees.
The average number of employees during half year in question was 603 persons while this figure was 619 in the previous first half year.
The following table shows data regarding the CAD IT Group employees:

Category of employees	Average number 30/06/2009	Average number 30/06/2008	Variations
Management	17	18	(1)
White-collars and cadres	583	597	(14)
Blue-collars	1	1	0
Apprentices	2	3	(1)
Total	***603***	***619***	***(16)***

The Group continues to dedicate particular attention to professional staff training at certain periods by means of internal training programmes and updating courses.

9. Other administrative costs

The table below shows the other administrative costs in detail:

	30/06/2009	30/06/2008	Variations	%
Director and legal representative fees	780	770	11	1.4%
Director retirement	13	14	(1)	(3.7%)
Director and legal representative fee contributions	100	96	3	3.6%
Telephones	211	265	(54)	(20.4%)
Commissions	16	38	(21)	(56.6%)
Advertising fees	110	91	19	20.5%
Total	***1,230***	***1,273***	***(43)***	***(3.4%)***

Other administrative costs include remunerations paid to correlated parties (as shown in note 37).

10. Financial performance

The financial management result is in credit by Euro 107 thousand, in decrease compared to 2008 first half financial period (Euro 284 thousand), as the following detailed statement shows.

	30/06/2009	30/06/2008	Variations	%
Financial income from assets available for sale	12	6	7	120.1%
Interest on bank deposits and equivalent	123	313	(190)	(60.8%)
Profits on exchanges	0	1	(1)	(100.0%)
Total financial income	**135**	**320**	***(185)***	**(57.7%)**
Interest on bank overdrafts and loans	(22)	(29)	7	(25.4%)
Interest on debts for financial leasing	(6)	(7)	1	(11.7%)
Losses on exchanges	(1)	(0)	(1)	-
Total financial charges	***(29)***	***(36)***	***7***	**(20.1%)**
Net financial income and (charges)	***107***	***284***	***(177)***	***(62.5%)***

The drop in interest on bank deposits and equivalent is due to lower returns following a reduction in interest rates, a decrease in liquid assets in current accounts and capitalisation insurance policies classified as liquid assets. Financial expenses mainly refer to overdrafts on bank accounts.

11. Revaluations and depreciations

	30/06/2009	30/06/2008	Variations	%
Holding revaluation relating to associate companies	223	218	6	2.6%
Alienated assets available for sale revaluation			0	-
Holding devaluation relating to associate companies	0	0	0	-
Alienated assets available for sale devaluation			0	-
Total revaluations and depreciations	***223***	***218***	***6***	***2.6%***

The revaluation of holdings valued with the net patrimony method only concern the associate company Sicom S.r.l. in the first six months of 2009 and 2008.

12. Income taxes

	30/06/2009	30/06/2008	Variations	%
Tax pre-payments	50	26	24	91.7%
Deferred taxes	50	29	21	72.4%
Current taxes	1,111	2,083	(972)	(46.7%)
Total income taxes	***1,210***	***2,138***	***(928)***	***(43.4%)***

The taxes ascribable to first half of 2009 were estimated taking the results of the period and the norms in force into account and they represent the best possible estimate of the tax expenses ascribable to the period in question.
The controlling company, CAD IT S.p.A., and some of the Group's companies, have exercised, for the three years 2007-2009, the option of Group taxation as stated in art. 117 of TUIR 917/1986, which concerns the determination of a global income that corresponds to the algebraic sum of all net incomes of the companies in the group. The liquidation of this one tax allows the Group the contextual use of any tax losses in the period and also allows for intergroup dividends to be excluded by 95%.
Tax incidence on the gross result was 44.07%, while at 30/06/2008 was 45.0%.

13. Earnings per share

The basic earnings per share is calculated by dividing the year's net profit ascribable to the ordinary shareholders of the Head Company by the weighed average number of ordinary shares in circulation during the year. The number of ordinary shares in circulation does not change during the year of the period and no other types of share are admitted.
There are no options, contracts or convertible financial instruments or equivalent that give their owners the right to acquire ordinary shares. Therefore, the basic profit per share and the dissolved profit per share agree.

	30/06/2009	30/06/2008
Weighed average number of ordinary shares in circulation	8,980,000	8,980,000
Basic earnings per share (in Euro)	0.17	0.29

14. Property, plant and equipment

The caption "property, plant and equipment" is composed as follows:

	30/06/2009	31/12/2008	Variations	%
Land	1,527	1,527	0	-
buildings	15,018	15,079	(61)	(0.4%)
Plant and equipment	1,981	2,085	(104)	(5.0%)
Other assets	942	930	12	1.3%
Total property, plant and equipment	***19,468***	***19,620***	***(153)***	***(0.8%)***

During the first half of 2009, the item "property, plant and equipment" varied as follows:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other tangible fixed assets	Fixed assets under development	Total
Purchase or production cost	9,140	4,083	29	5,658		18,910
First Time Adoption revaluation	8,439					8,439
Previous years depreciation and write-downs	(972)	(1,999)	(17)	(4,738)		(7,727)
Adjustments to previous years write-downs				(2)		(2)
Opening value	***16,606***	***2,085***	***11***	***918***		***19,620***
Variations in consolidation area						
Purchases		22	0	217		239
Transfers						
Reduction in accumulated depreciation due to disposals		13		66		79
Disposals		(13)		(72)		(85)
Revaluations for the period						
Depreciation and write-downs for the period	(61)	(125)	(2)	(197)		(385)
Adjustments to write-downs for the period						
Total tangible fixed assets	***16,545***	***1,981***	***10***	***932***		***19,468***

Land and buildings include property and land. accounted for separately, belonging to the Group or conducted in leasing. The accounting value of the buildings calculated on the basis of leasing contracts is equal to Euro 326 thousand.

There are no restrictions on the legal ownership and possession of assets, systems and machinery to guarantee liabilities with the exception of property held in leasing. There are no contractual restrictions for buying assets, systems or machinery.

Some land and buildings have been revaluated at FTA at fair value as a substitute of cost and is calculated by an external expert. For further information regarding this point. please refer to the attached document on transition to the international accounting standards to the financial statement at 31st December 2005.

The purchasing of new tangible assets during the year came to a total of Euro 239 thousand of which Euro 217 thousand were for “other tangible assets” that mainly included the purchasing of electronic machinery, managerial instruments characteristic of the Group’s activities. During the first half of 2009 property, installations and machinery were not subject to any value reductions that required registration in the balance.

15. Intangible fixed assets

The caption "intangible fixed assets" is composed as follows:

	30/06/2009	31/12/2008	Variations	%
Industrial patents and similar rights	6,358	7,574	(1,215)	(16.0%)
Licences. trademarks and similar rights	547	208	339	163.4%
Assets under development	9,548	8,008	1,540	19.2%
Total Intangible fixed assets	***16,453***	***15,789***	***664***	***4.2%***

In the half period, "Intangible fixed assets" varied as follows:

	Industrial patents and similar rights	Licences. trademarks and similar rights	Assets under development and payments on account	Other	Total
Purchase or production cost	12,377	3,377	8,008	35	23,798
Previous years revaluations					
Previous years depreciation and write-downs	(4,803)	(3,169)		(35)	(8,008)
Adjustments to previous years write-downs		(1)			(1)
Opening value	***7,574***	***208***	***8,008***	***0***	***15,789***
Variations in consolidation area					
Purchases		407	1,540		1,947
Transfers					
Reduction in accumulated depreciation due to disposals		466			466
Disposals		(466)			(466)
Revaluations for the period					
Depreciation and write-downs for the period	(1,215)	(68)			(1,283)
Adjustments to write-downs for the period					
Total intangible fixed assets	***6,358***	***547***	***9,548***	***0***	***16,453***

The voice "industrial patent rights and works of ingenuity" is almost entirely made up of software procedures developed by the CAD IT Group. The values are registered in credit to the directly sustained cost. mainly due to the use of internal resources as well as any possible additional accessory fees that may occur. In respect of the principle that correlates costs and revenues, such costs are amortized as of the moment in which they are available for use and in terms of the product's lifecycle, estimated at five years. The amortizations of this voice in the first half of 2009 financial period came to Euro 1,215 thousand.
The caption "Licences, trademarks and similar rights" principally includes the licensed out software bought by third parties used by the Group for programming activities.
The voice assets under development relates to investments in development of software procedures under construction both for sale and for in-company use. Most of these investments are aimed at new. advanced products, the use of which will be needed very shortly, even by law, in credit and financial institutions as well as in the field of public and industrial administration. These assets are listed as receivable on the basis of the directly sustained cost, mainly regarding the use of internal resources.
During 2009 first half period, ongoing intangible assets increased due to costs capitalised by CAD IT (Euro 1,474 thousand), by Smart Line S.r.l (Euro 66 thousand), to a total of Euro 1,540 thousand.
These assets have undergone no reduction in value during the 2009 first half financial year that need to be registered in the balance.

16. Goodwill

The Group verifies the recovery of goodwill at least once a year or more often if there are indications of a value loss. During the first six months of 2009, goodwill has not been subject to any reduction in value.

17. Investments in associates

The holding in Sicom S.r.l. was evaluated with the equity method. The reference values used for evaluating this holding with the equity method and the relative reference data on the patrimonial situation are shown in the following table:

Company name	Date of reference	Quotaholders' equity including profit for the period	Profit for the period	Percentage of investment	Investment value of the Group
Sicom S.r.l.	31/12/2008	847	831	25.00%	212
Sicom S.r.l.	30/06/2009	1,121	894	25.00%	280

18. Other financial assets available for sale

This point involves Class Editori S.p.A. and CIA S.p.A. shares respectively quoted in the Standards and Expands segment, managed by Borsa Italiana S.pA. The two holdings are registered in the balance at market value at the balance date.
The profits and losses registered after a fair value evaluation at each balance date for this asset are registered to net patrimony with the exception of those value losses that must be registered in the profit and loss account. The table below illustrates the value variations of these holdings during the 2009 first half year:

	Fair value at 30/06/2009	Purchases	Transfers	Fair value at 31/12/2008
Holdings in active markets	776			665
Total financial assets available for sale	***776***			***665***

The negative change in fair value of assets, 121 thousand Euros, was entered into equity reserve.

19. Credits due to prepaid taxes

Credits due to prepaid taxes amount to Euro 182 thousand and are made up of assets in this period or previous periods and will probably create a taxable income. for which they could be used. Credits for pre-paid IRES and IRAP taxes are mainly in reference to time differences (deductible over the next few financial periods) and past losses that the Group's companies made.

20. Inventories

Leftover stock includes entirely products finished products and goods for 209 thousands of Euro. The entire point for the period in question is made up as follows:

	30/06/2009	31/12/2008	Variations	%
Raw materials, consumables and supplies goods	0		0	-
Products being elaborated or semi-elaborated	0		0	-
Finished goods	209	435	(226)	(52.0%)
Total Inventories	***209***	***435***	***(226)***	***(52.0%)***

21. Ongoing work to order

Ongoing work to order was registered at a total Euro 270 thousand and includes jobs that were in their final stages. evaluated on the basis of the principle of the completion percentage (cost-to-cost).

	30/06/2009	31/12/2008	Variations	%
Ongoing work to order	270	352	(83)	(23.4%)
Total Ongoing work to order	***270***	***352***	***(83)***	***(23.4%)***

22. Trade receivables and other credits

Commercial credits and other credits are made up as follows:

	30/06/2009	31/12/2008	Variations	%
Credits to clients	30,469	24,183	6,286	26.0%
Credit depreciation fund	(276)	(253)	(23)	9.1%
Credit to associated companies	0	0	0	-
Accrued income and deferred expenses	1,564	517	1,047	202.6%
Other credits	171	176	(5)	(3.0%)
Total trade receivables and other credits	***31,928***	***24,623***	***7,305***	***29.7%***

% coverage Credit depreciation fund	0.90%	1.05%

Credits to clients are entirely due within 12 months; the accounting value of commercial credits and other credits is approximate to their fair value and are mainly in favour of the Group's Banking Institute clients.
The high sum of credits towards clients is conditioned by the size of the value of the contracts. which is often considerable, as well as the contractual terms of payment which usually state that the balance of the amounts due are to be paid after the procedures supplied have been approved.
The Group evaluated the credits to the probable break-up value. This evaluation is made analytically for on expiry and expired credits of a greater length of time than the average receipt time and on a lump-sum basis for the other credits, depending on the past incidence of losses that the Group finds for sales during the invoicing year.
Regarding credits that are considered uncollectable, an allocation fund has been set up to the amount of Euro 276 thousand (Euro 253 thousand at 31st December 2008) which ensures a cover of 0.90% of the total amount of credits towards clients. This fund was determined on the basis of past data regarding losses on credits and is considered proportionate. The reduction in client credits. compared to the previous year. is mainly due to the client payment receipt trend.

The point Accrued accruals and payables refers to accrued income made up as follows:

Nature	*30/06/2009*	*31/12/2008*
Software assistance	786	129
Advertising expenses	35	29
Third party benefit expenses	133	20
Telephone charges	67	16
Administrative services	2	6
Various insurances	57	24
Various	443	289
Hardware assistance	42	5
Total Accrued costs	***1,564***	***517***

The total sum of the point on other credits showed the following results:

Credits towards other	*30/06/2009*	*31/12/2008*	*Variations*	*%*
Receivables from social security institutions	7	1	6	972.2%
Receivables for advances on travel expenses	8	7	1	11.0%
Payments on account to suppliers	104	116	(11)	(9.8%)
Other	49	50	(1)	(1.5%)
Insurances	0	1	(1)	(100.0%)
Guarantee deposits	3	3	0	7.8%
Total credits towards other	***171***	***176***	***(5)***	***(3.0%)***

23. Tax credits

The entry of Euro 2,108 thousand mainly comprises down payments for direct taxes (IRES and IRAP) during the previous financial year.

24. Cash and other equivalent assets

	30/06/2009	*31/12/2008*	*Variations*	*%*
Bank and postal accounts	7,439	11,548	(4,109)	(35.6%)
Cheques and Cash on hand	19	17	2	11.4%
Insurance policies capitalised	2,464	2,434	30	1.3%
Total Cash and other equivalent assets	***9,923***	***13,999***	***(4,076)***	***(29.1%)***

The bank and postal account deposits are made up of cash-on-hand in current bank accounts.
It is possible to redeem the capitalisation insurance policy at any time and reimbursement is made within 20 days with no particular significant expense. The returns are variable in relation to the annually calculated revaluation rate. The guaranteed minimum annual rate is 2.50%.

25. Company capital

The company capital, entirely registered, deposited and unchanged over the period, amounted to Euro 4.669.600. It was subdivided into 8.980.000 ordinary shares with a nominal value of Euro 0.52 each and all with equal rights.
The ordinary shares are registered and indivisible and each one gives the right to a vote at the ordinary and extraordinary shareholders' meetings, as well as to the faculty of carrying out other company and patrimonial rights in accordance with the law and the statute.
Neither CAD IT S.p.A. nor its controlled companies own CAD IT or their own shares, not even through trustee companies or third parties.

Group net patrimony

The Group net patrimony came to Euro 55,921 thousand compared to Euro 58,874 thousand at 31/12/2008.

Third party net patrimony

This point refers to the patrimony quota of the controlled companies that. on the basis of the 'Equity ratios'. belongs to third parties. It was made up of:

	30/06/2009	31/12/2008
Minority quotaholders of Cesbe S.r.l.	1,788	1,853
Minority quotaholders of Datafox S.r.l.	99	127
Minority quotaholders of Tecsit S.r.l.	32	33
Minority quotaholders of DQS S.r.l.	61	71
Minority quotaholders of Elidata S.r.l.	530	539
Minority quotaholders of Smart Line S.r.l.	382	381
Total	***2,893***	***3,005***

26. Reserves

The variation of the evaluation reserve for assets available for sale comes from the variation in fair value at 30th June 2009 of the holding in the quoted company Class Editori Spa and CIA S.p.A., directly registered in the net patrimony reserve.

	30/06/2009	31/12/2008	Variations	%
Share surcharge reserve	35,246	35,246	0	-
Re-evaluation reserve for fin. assets available for sale	220	100	121	121.0%
Total Reserves	***35,467***	***35,346***	***121***	**0.3%**

27. Accumulated profit/losses

	30/06/2009	31/12/2008	Variations	%
Previous profits/losses	232	123	109	88.6%
Legal reserve	934	934	0	-
First Time Adoption transition reserve	2,119	2,119	0	-
Consolidation reserve	176	52	123	236.1%
Available joint profit reserve	10,908	10,763	145	1.3%
Period profits/losses	1,416	4,867	(3,451)	(70.9%)
Total accumulated profits/losses	***15,785***	***18,858***	***(3,074)***	**(16.3%)**

The FTA transition fund covers any differences that may have occurred when the international accounting standards were first adopted.
The available reserve of undivided profits increased due to the effect of undistributed profits in the previous period.

28. Dividends paid

On the basis of the results of the 2008 period, which confirm the Veronese Group's ability to generate positive income margins, the distribution of an ordinary dividend of Euro 0.50 per share, for total amount to Euro 4,490 thousand, with coupon detachment on 11th May 2009 and payment carried out on 14th May 2009, was approved at the Shareholders' Meeting on 29th April 2009.

29. Financing

The total amount to Euro 193 thousand refers to the registration of the amount of debt funding determined by property leasing in accordance with the financial method.

	30/06/2009	31/12/2008	Variations	%
Due to banks after 12 months	0	0	0	-
Sums due to other financing institutions after 12 months	193	206	(13)	(6.5%)
Total	***193***	***206***	***(13)***	**(6.5%)**

30. Liabilities due to deferred taxes

Deferred taxes amounted to Euro 3,547 thousand (31st December 2008, Euro 3,497 thousand) and took into account the taxable time differences resulting from time differences of the accounting value of an asset or liability compared to its recognised value for tax purposes. In particular they mainly referred to the fiscal effect of adjustments made at the FTA, the taxation of which was deferred to future periods.

31. Employees' leaving entitlement and quiescence reserves

	30/06/2009	31/12/2008	Variations	%
Employees' leaving entitlement (TFR)	6,016	6,206	(190)	(3.1%)
Fund due to director end of term of office treatment	5	70	(66)	(93.5%)
Total	***6,021***	***6,276***	***(255)***	**(4.1%)**

The point concerning the TFR Fund shows the movements resulting from annual allocations made on the basis of the evaluations of external actuaries and the uses carried out concerning end of working contract resolutions or advance payments.

Employees' leaving entitlement	*30/06/2009*	*30/06/2008*	*31/12/2008*
Balance at 1 January	6,206	6,293	6,293
Actuarial (gain)/loss	(235)	(159)	114
Allocation of period	176	206	351
Utilisation	(131)	(295)	(552)
Closing balance	***6,016***	***6,045***	***6,206***

In order to carry out the mathematical evaluation. the database of each employee (salary, matured TFR net of any advance payments, age, sex, qualification, etc.) was given to the external actuaries by the companies' qualified offices. The hypothetical specifications on the employees in service regarding both their demographic evolution and their future economic characteristics, were calculated on the basis of some past company series, on similar experience and on market figures as well as on the basis of some indications supplied by the companies themselves in terms of their experience and sensitivity to company events.
In particular, in determining the present value of future services that are expected to be necessary in order to settle obligations deriving from working activities carried out in the current period and previous periods, the following were calculated:

- the present value regarding future forecasted services relating to working activities carried out in previous periods;
- the welfare cost regarding present work services, i.e. the increase in the present value of obligations resulting from work being carried out in the current period;
- the interest allowed given by the increase that the present value of the obligations is subject to during a period because of the fact that the date of payment of a benefit becomes one period closer.

The results of the mathematical evaluations on the basis of the IAS for TFR at 30th June 2009 are shown below:

TFR on the basis of IAS at 30/06/2009	Previous years' cost	Current year's cost	Current year's interests allowed	Actuarial gain (loss)
6,016	5,795	59	116	235

32. Commercial debts

The entire point amount to Euro 9,072 thousand and shows the following trend:

	30/06/2009	31/12/2008	Variations	%
Debts towards associated companies	120	107	13	11.9%
Debts towards suppliers	3,258	3,592	(335)	(9.3%)
Payments on account received	177	190	(13)	(6.8%)
Accrued expenses and deferred income	5,517	240	5,277	2195.6%
Total Commercial debts	***9,072***	***4,130***	***4,942***	***119.7%***

Debts towards suppliers are referred to as current debts for supplies of goods and services received. including those regarding investments in intangible assets.

Accrued expenses and deferred earnings	30/06/2009	31/12/2008	Variations
Accrued liabilities	3	6	(2)
Deferred earnings	5,514	235	5,279
Total	***5,517***	***240***	***5,277***

The deferred income refers almost entirely to income that was already invoiced regarding annual ordinary maintenance and assistance contracts on user licences and mainly pertaining to 2009 second half period.

33. Tax debts

The taxation debt point amounts to Euro 3,578 thousand and regards debts that the various companies of the Group included in the consolidation area have incurred with the inland revenue. This registration is made up of income tax debts. value added tax and to activities of tax substitution made by the various companies regarding their respective employees and collaborators.
At the time of drafting this balance there were no legal cases pending with the Financial Authorities.

34. Short-term financing

This point at 30th June 2009 is made up of Euro 849 thousand from short-term funding to banking institutions outstanding at account and of Euro 10 thousand from debts within 12 months for financial leasing.

35. Other debts

Details of other debts are as shown:

	30/06/2009	31/12/2008	Variations	%
Social security charges payable	2,512	2,545	(33)	(1.3%)
Towards directors	63	103	(40)	(39.3%)
Dividends to be distributed to shareholders (third parties)	54	54	0	-
Towards staff for deferred salaries and pay	5,227	4,150	1,077	26.0%
Other	14	19	(5)	(25.3%)
Total	***7,870***	***6,870***	***999***	***14.5%***

Debts towards welfare institutions included matured contributory debts on current monthly salaries as well as the quota for deferred salaries.
Staff debts refer to the current salaries for June 2009 and to accruals for deferred salaries that matured at the same date.

Debt towards staff for wages and deferred pay	30/06/2009	31/12/2008	Variations	%
For wages and expense accounts	1,855	1,039	815	78.5%
For production incentives	76	147	(71)	(48.5%)
For holidays	2,521	2,214	307	13.9%
For year-end bonus	775	0	775	-
For summer bonus	0	749	(749)	(100.0%)
Total	***5,227***	***4,150***	***1,077***	***26.0%***

36. Consolidated net financial position

The consolidated net financial availability was still positive at 30th June 2009 despite having paid a total of Euro 4,490 thousand in ordinary dividends to shareholders.
The cash-on-hand amounts to Euro 9,064 thousand, compared to Euro 13,346 thousand at 31st December 2008, decreasing of Euro 4,282 thousand and a net financial availability to Euro 8,871 thousand, compared to Euro 13,140 thousand at 31st December 2008.
In particular, cash-on-hand and in bank accounts came to Euro 7,458 thousand. Capitalisation insurance policies of Euro 2,464 thousand were contractually available on 20-day prior request without any significant tax expenses.
Short-term debts towards banks regard overdrawn accounts and advances subject to final payment.

Variation in net financial position/(indebtedness)	30/06/2009	31/12/2008	Variation	%
Cash-on-hand and at bank	7,458	11,565	(4,107)	(35.5%)
Capitalisation insurance policies	2,464	2,434	30	1.3%
Payables due to banks current portion	(859)	(653)	(206)	31.5%
Net short-term financial position/(indebtedness)	**9,064**	**13,346**	**(4,282)**	**(32.1%)**
Long-term loans	(193)	(206)	13	(6.5%)
Net long-term financial position/(indebtedness)	**(193)**	**(206)**	***13***	***(6.5%)***
Net financial position/(indebtedness)	***8,871***	***13,140***	***(4,269)***	***(32.5%)***

As a link between the data of the net financial position statement and the balance statement. it is hereby reported that: cash, in bank accounts and capitalisation insurance policies are registered in the patrimonial status as “Cash and other equivalent assets”; short-term financial debts are registered as “Payables due to banks current portion”; long-term financing is registered in the patrimonial status as “Long-term loans”.
The decrease in financial assets is mainly due to the payment of associate company shareholder dividends. Cash flows from traditional activities were positive (Euro +2,230 thousand) and guarantee total coverage of

flows used for investment (Euro -1,896 thousand). Please refer to CAD IT Group's financial report for cash flow details.

Net short-term financial availability	*30/06/2009*	*31/12/2008*	*Variations*	*%*
Bank and postal accounts	7,439	11,548	(4,109)	(35.6%)
Cheques and Cash on hand	19	17	2	11.4%
Insurance policies capitalised	2,464	2,434	30	1.3%
Debts towards banks (overdrawn accounts, advances subject to collection etc.)	(859)	(653)	(206)	31.5%
Net short-term financial availability	***9,064***	***13,346***	***(4,282)***	***(32.1%)***

37. Transactions with related party

Relations between the Group's companies are administered on the basis of contractual relations drawn up by the respective administrative organs bearing in mind the quality of the assets and services involved and the competitive conditions of the market adapting the interests of the Group.
The summary of income and costs. despite the credit and debit position at 30th June 2009 between the Group's subsidiaries. is shown in the specific note on management intermediary report.
The following table shows the incidence of transactions with correlated parties on the respective balance entry:

Transaction incidence with correlated parties at 30/06/2009	*Total*	*Correlated Parties*	
		Absolute value	*% on Tot.*
A) Transaction or position incidence with correlated parties on entries in the Profit and Loss account			
Income from sales and services	25,316	140	0.55%
Increases in intangible assets due to internal work	0	0	-
Service costs	(5,244)	(297)	5.66%
Labour costs	(15,638)	(258)	1.65%
Other administrative expenses	(1,230)	(571)	46.45%
B) Transaction or position incidence with correlated parties on entries in the Patrimonial situation			
Commercial credits and other credits	31,928	8	0.03%
TFR and pension funds	6,021	124	2.05%
Commercial debts	9,072	154	1.70%
Other debts	7,870	147	1.87%
C) Transaction or position incidence with correlated parties on financial flows			
(Increase)/Decrease in circulating credits	(6,258)	5	(0.07%)
Increase/(Decrease) in debts towards suppliers	(348)	(26)	7.47%
Increase/(Decrease) in other non-financial debts	1,012	26	2.58%

Transaction incidence with correlated parties at 30/06/2008	Total	Correlated Parties	
		Absolute value	% on Tot.
A) Transaction or position incidence with correlated parties on entries in the Profit and Loss account			
Income from sales and services	28,184	190	0.67%
Increases in intangible assets due to internal work	1,172	-	-
Service costs	(5,194)	(542)	10.44%
Labour costs	(15,909)	(259)	1.63%
Other administrative expenses	(1,273)	(554)	43.54%
B) Transaction or position incidence with correlated parties on entries in the Patrimonial situation			
Commercial credits and other credits	28,267	362	1.28%
TFR and pension funds	6,105	88	1.44%
Commercial debts	7,840	388	4.95%
Other debts	8,091	89	1.09%
C) Transaction or position incidence with correlated parties on financial flows			
(Increase)/Decrease in circulating credits	1,845	(79)	(4.28%)
Increase/(Decrease) in debts towards suppliers	(668)	344	(51.51%)
Increase/(Decrease) in other non-financial debts	1,468	(12)	(0.85%)

Except for the above-described relations, no further significant relations of an economical-patrimonial nature are kept with other correlated parties.
Third party revenues regard services carried out on behalf of Xchanging which holds a 10% share in CAD IT (Euro 137 thousand).
Third party service costs mainly include expenses for collaboration work with the associate company Sicom S.r.l. to the value of Euro 217 thousand and CAD IT Auditing Board member fees paid by CAD IT and the Group's companies.
Labour costs to correlated parties regard remunerations to employees of the Group's companies who have a family relationship or affinity with the CAD IT directors and those of managers with strategic responsibilities.
The other administrative expenses relating to correlated parties concern remunerations for the position of director given to CAD IT directors (Euro 490 thousand) as well as to directors of the other Group companies having a family relationship or affinity with them (Euro 81 thousand).
Credits and debits with correlated parties refer to the patrimonial part of financial relations with said parties.

38. Relations with boards of management and auditing board

In accordance with art. no. 78 of Consob regulation, the salaries for any main company or direct or in direct subsidiary company title given to the members of the Board of Directors and auditing board and to the managers with strategic responsibilities are shown in the following table[3].

[3] in accordance with sheet 1, attachment 3c, of Consob Regulation no. 11971)

Name and Surname	Role		Term of office	End of Office term	Remunerations for role	Bonuses and other incentives	Indemnity at termination of office	Other remunerations
Dal Cortivo Giuseppe	Chairman and Managing Director	CAD IT Spa	01/01-30/06	31/12/11	74	-	-	-
	Legal representative	CAD Srl	01/01-30/06	indefinite	43	-	-	-
	Director	CESBE Srl	01/01-30/06	indefinite	5	-	-	-
	Director	BITGROOVE Srl	01/01-30/06	31/12/11	5	-	-	-
	Director	DQS Srl	01/01-30/06	31/12/11	4	-	1	-
	Director	SICOM Srl	01/01-30/06	indefinite	3	-	-	-
Magnani Giampietro	Managing Director	CAD IT Spa	01/01-30/06	31/12/11	74	-	-	-
	Chairman and Managing Director	CAD Srl	01/01-30/06	31/12/09	43	-	-	-
	Director	BITGROOVE Srl	01/01-30/06	indefinite	8	-	-	-
	Director	NETBUREAU Srl	01/01-30/06	31/12/11	3	-	-	-
	Director	SMART LINE SRL	01/01-30/06	31/12/10	6	-	-	-
Rizzoli Maurizio	Director	CAD IT Spa	01/01-30/06	31/12/11	8	-	-	-
Zanella Luigi	Managing Director	CAD IT Spa	01/01-30/06	31/12/11	73	-	-	-
	Legal representative	CAD Srl	01/01-30/06	indefinite	43	-	-	-
	Director	CESBE Srl	01/01-30/06	indefinite	5	-	-	-
	Director	BITGROOVE Srl	01/01-30/06	31/12/11	5	-	-	-
	Managing Director	DQS Srl	01/01-30/06	31/12/11	4	-	2	-
	Director	SICOM Srl	01/01-30/06	indefinite	3	-	-	-
Dal Cortivo Paolo	Managing Director	CAD IT Spa	01/01-30/06	31/12/11	10	-	-	47
Margetts Michael	Director	CAD IT Spa	01/01-30/04	31/12/08	3	-	-	-
Lambertini Lamberto	Director	CAD IT Spa	01/01-30/06	31/12/11	8	-	-	-
Rossi Francesco	Director	CAD IT Spa	01/01-30/06	31/12/11	8	-	-	-
Sohler Matthias Wolfgang	Director	CAD IT Spa	01/05-30/06	31/12/11	3	-	-	-
Cusumano Giannicola	Chairman Statutory Auditor	CAD IT Spa	01/01-30/04	31/12/08	8	-	-	-
	Statutory Auditors	CAD Srl	01/01-30/06	31/12/09	2	-	-	-
Ranocchi Gianpaolo	Statutory Auditors	CAD IT Spa	01/01-30/06	31/12/11	8	-	-	-
	Chairman Statutory Auditor	CAD Srl	01/01-30/06	31/12/09	4	-	-	-
Tengattini Renato	Statutory Auditors	CAD IT Spa	01/01-30/06	31/12/11	8	-	-	-
Ferrari Riccardo	Chairman Statutory Auditor	CAD IT Spa	01/05-30/06	31/12/11	4	-	-	-
Managers with strategic responsibilities		CAD IT Spa	01/01-30/06	30/06/12	36	-	-	-
TOTAL					***470***	***-***	***3***	***47***

The remunerations for this position include specific emoluments decided by the meeting even if they have not been paid, tokens for participating at company meetings and any lump-sum expense reimbursements.
Bonuses and other incentives include the variable part of emoluments in relation to reaching the objectives set by the remuneration committee, as established during the meeting.
Other remunerations include emoluments for positions in subsidiary companies. employee salaries (gross of welfare and tax costs to be paid by the employee, excluding those obligatory collective welfare costs to be paid by the company and put aside in the TFR fund) and all other remunerations deriving from other services supplied.
Severance pay includes redundancy pay.
Non-monetary benefits include fringe benefits (according to a tax criterion) including any insurance policies.
At the moment there are no ongoing stock option plans.
Shares held by administrative and managerial organs are shown in the specific point regarding management

relations.

39. Significant events since 30th June 2009

No significant events have occurred since 30/06/2009 and up to approval date of this half-year condensed financial statements.

40. Warranties

The credit lines granted by banks but currently not utilised are guaranteed by mortgages of Euro 12.395 thousand on buildings.

41. Other information

There have been no transactions or any non recurrent significant events. as defined in the Consob DEM/6064293 communication. in the present financial period or the previous one.
CAD IT and the Group's companies have not drawn up any contracts containing clauses that depend on continual financial funding (covenant) nor any agreements where a subject – to whom a loan has been granted – must behave accordingly (negative pledge).
The present annual report was approved by the CAD IT S.p.A. Board of Directors on 07/08/2009.

ATTESTATION IN RESPECT OF THE HALF YEAR CONDENSED FINANCIAL STATEMENTS UNDER ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14TH MAY 1999 AND SUBSEQUENT MODIFICATIONS AND INTEGRATIONS

1. The undersigned, Giuseppe Dal Cortivo, Chairman of the CAD IT S.p.A. Board of Directors, and Maria Rosa Mazzi, the executive officer responsible for drafting the CAD IT S.p.A. company accounting documents, hereby declare, bearing in mind the content of art. 154-bis, paragraphs 3 and 4 of legislative decree no. 58 of 24th February 1998 in terms of:
   - the adequacy in relation to the characteristics of the company and
   - the effective application,

   of the administrative and accounting procedures for drafting the half year condensed statements during the first six months of 2009.

2. Furthermore, it is hereby declared that the CAD IT S.p.A half year condensed statements:
   a) has been drafted in accordance with the International accounting standards (IFRS) – adopted by the European Union - in conformity with EC regulation no. 1606/2002 of the European Parliament and Council of 19th July 2002, and in particular with IAS 34 – *Intermediary Period Balances;*
   b) corresponds to the results in the company books and accounting documents;
   c) gives a true and correct representation of the patrimonial, economic and financial situation of the company and the group of companies included in the consolidation.

3. The interim management report includes reliable analysis of the reference to the important events affecting the Company during the first six month of the current fiscal year, including the impact of such events on the Company's condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the year. The interim management report also contains a reliable analysis of information on any significant operations with correlated parties.

Verona, 07 August 2009

/s/ Giuseppe Dal Cortivo
Chairman
of the Board of Directors

/s/ Maria Rosa Mazzi
Executive officer responsible
for drafting the company's
financial statements

FINANCIAL STATEMENTS OF CAD IT S.P.A.

Income Statement

	Period 2009		Period 2008		Period Variations	
	01/01 - 30/06		01/01 - 30/06		absolute	%
Income from sales and services	23,035	92.4%	23,379	95.4%	(344)	(1.5%)
of which related parties	*871*	*3.5%*	*914*	*3.7%*	*(43)*	*(4.7%)*
Asset increases due to internal work	1,474	5.9%	1,120	4.6%	354	31.6%
Other revenue and receipts	422	1.7%	4	0.0%	418	11407.9%
Production value	**24,931**	**100.0%**	**24,503**	**100.0%**	**428**	**1.7%**
Costs for raw	(108)	(0.4%)	(122)	(0.5%)	14	(11.2%)
Service costs	(12,272)	(49.2%)	(11,254)	(45.9%)	(1,018)	9.0%
of which related parties	*(9,471)*	*(38.0%)*	*(8,856)*	*(36.1%)*	*(615)*	*6.9%*
Other operational costs	(197)	(0.8%)	(167)	(0.7%)	(31)	18.5%
Added value	**12,353**	**49.5%**	**12,960**	**52.9%**	**(607)**	**(4.7%)**
Labour costs	(8,606)	(34.5%)	(8,602)	(35.1%)	(4)	0.0%
of which related parties	*(223)*	*(0.9%)*	*(204)*	*(0.8%)*	*(19)*	*9.1%*
Other administrative expenses	(494)	(2.0%)	(490)	(2.0%)	(4)	0.8%
of which related parties	*(292)*	*(1.2%)*	*(294)*	*(1.2%)*	*2*	*(0.5%)*
Gross operational result – EBITDA	**3,253**	**13.0%**	**3,868**	**15.8%**	**(615)**	**(15.9%)**
Allocation to Credit Depreciation Fund	(68)	(0.3%)	(54)	(0.2%)	(14)	25.8%
Amortizations:						-
- Intangible fixed asset amortization	(1,169)	(4.7%)	(1,160)	(4.7%)	(9)	0.8%
- Tangible fixed asset amortization	(338)	(1.4%)	(320)	(1.3%)	(18)	5.6%
Operational result – EBIT	**1,678**	**6.7%**	**2,334**	**9.5%**	**(656)**	**(28.1%)**
Financial receipts	480	1.9%	974	4.0%	(494)	(50.7%)
Financial charges	(1)	(0.0%)	(0)	(0.0%)	(1)	3273.7%
Ordinary result	**2,157**	**8.7%**	**3,308**	**13.5%**	**(1,151)**	**(34.8%)**
Revaluations and depreciations						-
Pre-tax and pre-third party share result	**2,157**	**8.7%**	**3,308**	**13.5%**	**(1,151)**	**(34.8%)**
Income taxes	(734)	(2.9%)	(1,150)	(4.7%)	416	(36.2%)
Profit (loss) for the period	***1,424***	***5.7%***	***2,159***	***8.8%***	***(735)***	***(34.0%)***

Weighed average number of ordinary shares in circulation	8,980,000		8,980,000			
Basic earnings per share (in Euro)	0.16		0.24			

Statement of comprehensive income

	Period 2009	Period 2008
	01/01 - 30/06	01/01 - 30/06
Profit/(loss) for the period	1,424	2,159
Gains/(Losses) on fair value of available-for-sale financial assets	121	(338)
Total Comprehensive income	1,544	1,820

Statement of financial position

	30/06/2009	*31/12/2008*	*Variations*
ASSETS			
A) Non-Current Assets			
Assets, equipment and machinery	18,906	19,052	(145)
Intangible assets	16,005	15,334	672
Holdings	14,684	14,684	0
Other financial assets available for sale	776	655	121
Other non-current credits	19	18	1
Credits due to deferred taxes	7	30	(23)
TOTAL NON-CURRENT ASSETS	**50,397**	**49,773**	**378**
B) Current Assets			0
Stock	30	30	0
Commercial credits and other credits	31,803	23,218	8,585
of which related parties	*3362*	*3010*	*352*
Tax credits	1,793	4,520	(2,727)
Cash on hand and other equivalent assets	7,651	11,652	(4,001)
TOTAL CURRENT ASSETS	**41,277**	**39,419**	**(2,045)**
Non-Current Assets held for sale	-	-	
TOTAL ASSETS	***91,675***	***89,192***	***(1,667)***
LIABILITIES			
A) Equity			
Company capital	4,670	4,670	0
Reserves	35,467	35,346	121
Accumulated profits/losses	15,970	19,036	(3,066)
B) Non-current liabilities			
Financing	-	-	0
Liabilities due to deferred taxes	3,318	3,298	21
TFR and quiescence reserves	3,054	3,117	(63)
of which related parties	*113*	*78*	*35*
TOTAL NON-CURRENT LIABILITIES	**6,372**	**6,414**	**25**
C) Current liabilities			
Commercial debts	22,136	14,901	7,234
of which related parties	*15347*	*12804*	*2543*
Tax debts	2,619	5,014	(2,395)
Short-term financing	-	-	0
Other debts	4,442	3,811	631
of which related parties	*116*	*93*	*23*
TOTAL CURRENT LIABILITIES	**29,196**	**23,726**	**(1,479)**
TOTAL LIABILITIES AND EQUITY	***91,675***	***89,192***	***(1,667)***

Statement of changes in equity

Statement of changes in equity	Company capital	Reserves	Accumulated profit (loss) net of period result	Period result	Group net patrimony
At 01 January 2009	4,670	35,346	14,401	4,635	59,052
Allocation of the period result to reserves			4,635	(4,635)	
Dividend distribution			(4,490)		(4,490)
Total Comprehensive income		121		1,424	1,544
Total 30th June 2009	***4,670***	***35,467***	***14,546***	***1,424***	***56,106***

Statement of changes in equity	Company capital	Reserves	Accumulated profit (loss) net of period result	Period result	Group net patrimony
At 01 January 2008	4,670	35,428	14,120	6,567	60,785
Allocation of the period result to reserves			6,567	(6,567)	
Dividend distribution			(6,286)		(6,286)
Total Comprehensive income		(338)		2,159	1,821
Total 30th June 2008	***4,670***	***35,467***	***14,546***	***1,424***	***56,106***

Cash Flow Statement

	Period 2009 01/01 – 30/06	*Period 2008 01/01 – 30/06*
A) OPERATING ACTIVITIES		
Profit (loss) for the period	1,424	2,159
Amortisation, revaluation and depreciation:		
- Assets, equipment and machinery amortisation	338	320
- Intangible fixed asset amortization	1,169	1,160
Allocations (utilisation) of funds:	(63)	(151)
Financial performance:		
- Net financial receipts (charges)	(479)	(974)
- Profit / (losses) on exchanges	(1)	1
Working capital variations	(345)	8,167
of which related parties	*2,214*	*12,076*
Interest payment	(0)	(0)
(A) - Cash flows from (for) operating activities	**2,043**	**10,681**
B) INVESTING ACTIVITIES		
Investing activities		
- Assets, equipment and machinery purchases	(195)	(108)
- Intangible assets purchases	(1,841)	(1,353)
- increase in other fixed assets	(1)	()
Disinvestment activities		
- Assets, equipment and machinery transfers	3	1
Cashed Interest	105	226
Cashed dividends	375	748
(B) - Cash flows from (for) investing activities	**(1,554)**	**(488)**
C) FINANCING ACTIVITIES		
Distribution of dividends	(4,490)	(6,286)
Increase in capital	0	0
(C) - Cash flows from (for) financing activities	**(4,490)**	**(6,286)**
(A+B+C) - Total cash and other equivalent assets flows	(4,001)	(3,907)
Opening liquid funds and other equivalent assets	**11,652**	**8,483**
Closing liquid funds and other equivalent assets	***7,651***	***12,391***

Relationships with subsidiaries

Being the parent company, CAD IT carries out commercial and financial transactions with subsidiaries by normal conditions of market.
The table below gives a summary of the transactions with subsidiaries carried out in the period:

Company	*Turnover*	*Costs*	*Payables*	*Receivables*
Cad S.r.l.	425	4,767	8,423	2,386
Cesbe S.r.l.	209	1,233	2,523	173
NetBureau S.r.l.	18	386	561	284
DQS S.r.l.	4	1,755	1,275	1
SGM S.r.l	5	100	685	31
SmartLine Line S.r.l.	6	409	782	258
BitGroove S.r.l.	26	367	741	175
Elidata S.r.l.	33	80	125	18
Datafox S.r.l.	5	87	84	26
Tecsit S.r.l.	1	-	-	4
Total	**731**	**9,184**	**15,200**	**3,356**

Accounting information in Financial Statements of CAD IT S.p.A. are not subject to auditing of accounts.

Maria Rosa Mazzi, manager in charge of drafting CAD IT S.p.A. accounting documents, hereby declares, in accordance with article 154-bis, second paragraph, of the Consolidated Law on Finance (Leg. Dec. 58/1998), that the accounting information in "Financial Statements of CAD IT SpA" at 30th June 2009 corresponds to the documentary results, books and accounting registers.

.

BDO

BDO SALA SCELSI FARINA
Società di Revisione per Azioni

Via Pacinotti 4/B 37135 Verona
Telefono: 045-9690472 Fax: 045-9690474
E-mail: verona@bdo.it
Internet: www.bdo.it

Auditors' review report on the half-year condensed consolidated financial statements for the six month period ended June 30, 2009

(This report has been translated into the English language solely for the convenience of international readers)

To the Stockholders of
CAD IT S.p.A.

1. We have reviewed the half-year condensed consolidated financial statements, consisting of the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows and related explanatory notes as of June 30, 2009 of CAD IT S.p.A. and its subsidiaries (the "CAD IT Group"). These half-year condensed consolidated financial statements, prepared in conformity with the International Financial Reporting Standard applicable for interim financial statements (IAS 34) as adopted by the European Union, are the responsibility of CAD IT S.p.A.'s Directors. Our responsibility is to issue a report on these half-year consolidated financial statements based on our review.

2. We conducted our review in accordance with the standards recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-year interim financial statements under Resolution n° 10867 of July 31, 1997. Our review consisted principally of applying analytical procedures to the half-year condensed consolidated financial statements, assessing whether accounting policies have been consistently applied and making enquiries of management responsible for financial and accounting matters. The review excluded audit procedures such as tests of controls and substantive verification procedures of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with established auditing standards. Accordingly, unlike our report on the year-end consolidated financial statements, we do not express an audit opinion on the half-year condensed consolidated financial statements.

   With regard to the comparative figures related to the year ended December 31, 2008 and to the six-month period ended June 30, 2008, presented in the half-year condensed consolidated financial statements - reclassified to consider the changes to the financial statements required by the amendment of IAS 1 (2007) - reference should be made to our auditors' report dated April 10, 2009 and our auditors' review report dated August 27, 2008.

3. Based on our review, nothing has come to our attention that causes us to believe that the half-year condensed consolidated financial statements of the CAD IT Group as of June 30, 2009 are not presented fairly, in all material respects, in accordance with the International Financial Reporting Standard applicable for interim financial statements (IAS 34) as adopted by the European Union.

Verona, August 26, 2009

BDO Sala Scelsi Farina
Società di Revisione per Azioni

Signed by: Alessandro Gigliarano

Via Torricelli , 44/a
37136 Verona - Italy
Tel. +39 045 8211111
Fax. +39 045 8211110
www.cadit.it
cadit@cadit.it

CAD IT
INFORMATION TECHNOLOGY