

PRESS RELEASE

Verona, 5<sup>th</sup> August 2010

## **CAD IT AND XCHANGING SIGN CONTRACT TO ENHANCE EUROPEAN FINANCIAL MARKETS PROCESSING PLATFORM**

### **CAD IT to provide software and related services to Xchanging.**

CAD IT S.p.A. ([www.cadit.it](http://www.cadit.it)), leader in the Italian financial software market and quoted in the STAR segment of Borsa Italiana, has signed a contract with Xchanging (LSE: XCH), one of the largest and fastest growing global business processors. As part of this contract, CAD IT will provide software and related services to support Xchanging's securities and fund administration processing platforms for the European financial markets.

The contract follows the agreement signed between Xchanging and SIA-SSB, the European leader in financial and payment systems services, to form an Enterprise Partnership (EP). As part of this EP, Xchanging has acquired 51% of Kedrios S.p.A. (Kedrios), the Italian subsidiary of SIA-SSB that specialises in securities processing and fund administration services for the Italian market. With this EP, Xchanging enters the Italian market, which is the one of the largest outsourcing markets in Europe. Adding to Xchanging's securities processing and investment account administration platforms in Germany, this Italian market entry positions Xchanging as a pan-European operator for blue-chip financial services organisations.

Xchanging has assumed operational control of Kedrios and its 152 employees. The Company now employs over 1,300 staff and processes over 40 million transactions per year for more than 100 customers on its Continental European financial markets platforms.

In November 2005, Xchanging had acquired a 10% stake in CAD IT. This was followed by the two companies entering into a strategic alliance in 2006. This alliance was formed with the aim to create an integrated technology platform for pan-European securities processing. This contract leverages the alliance between Xchanging and CAD IT and delivers several strategic benefits to both companies.

The benefits this contract delivers to CAD IT are:

- an increase in business volumes;
- expansion of CAD IT's software and services into the fund administration, broker and asset manager segment;
- a share in Xchanging's expansion in this market segment on a European level;
- an increase in product and service cross-selling opportunities;
- the potential to expand into new geographies.

The economic impact of this negotiation for CAD IT will be as follows:

- a recurrent 2.5% annual incidence on revenues for the next 5 years at least;
- a share in the economic success of Xchanging's initiative to expand in Europe by means of this platform.

This contract provides a great opportunity for Xchanging to further develop its strategic 10% investment in CAD IT and provides:

- a state-of-the-art application platform that Xchanging can offer to its European financial markets customers as an integrated solution;
- strengthens Xchanging's position as the only independent transaction banking service provider in the Italian market with an innovative and technologically advanced business processing platform.

**David Andrews**, CEO of Xchanging, said, "Xchanging's entry in the Italian market confirms our intent to be the European processor of choice in our chosen sectors. As a preferred software provider for banks in Italy, CAD IT is a valuable partner for Xchanging".

**Matthias Sohler**, Managing Director Xchanging Continental Europe added, "This contract will enable us to set up the technology base for our new platform in securities processing. We are very excited about the closing of this deal with our partner CAD IT S.p.A. who will provide software, maintenance and technical support".

**Giuseppe Dal Cortivo**, Chairman and CEO of CAD IT, said, "This contract is a fundamental step for CAD IT's expansion into Europe and allows us to take advantage of the skills and international presence of such an important partner as Xchanging".

For further information, contact:

**Xchanging – Group PR**

Meeta Thareja  
[meeta.thareja@xchanging.com](mailto:meeta.thareja@xchanging.com)

Tel: +44 (0)20 7780 5374

UK - Cardew Group  
[xchanging@cardewgroup.com](mailto:xchanging@cardewgroup.com)

Tel: +44 (0)20 7930 0777

**Xchanging – Continental Europe**

Christiane Kampling, Continental Europe  
[christiane.kampling@xchanging.com](mailto:christiane.kampling@xchanging.com)

Tel: +49 (0) 69 12 0 12 60243

Lob Media Relations  
Giangiuseppe Bianchi,  
[gbianchi@lobcom.it](mailto:gbianchi@lobcom.it)

Tel. +39 02 92870 280

Alessandro Gelmi  
[agelmi@lobcom.it](mailto:agelmi@lobcom.it)

Heller & Partner  
Andreas Schneider  
[as@heller-partner.de](mailto:as@heller-partner.de)

Tel: +49 (0)89 45710 330

**CAD IT S.p.A.**

Investor Relations Office  
Michele Zanella  
[investor@cadit.it](mailto:investor@cadit.it)

Tel: +39 045 8211 236

## XCHANGING

*Xchanging is one of the largest and fastest growing business processors. With a wide range of multinational customers in 42 countries and employing over 8,000 people, we are a truly global company. Our aim is simply to provide business processing services better, cheaper and faster.*

*Xchanging provides procurement, accounting, human resources and technology services across industries. These include banking, insurance, manufacturing, retail and real estate among others. We combine functional expertise with deep industry domain knowledge to provide industry-specific outcomes for our customers.*

*Listed on the London Stock Exchange in 2007, the company is in the FTSE250, the index of mid-capitalised companies traded on the London Stock Exchange. Xchanging is also a member of the FTSE4Good index which measures the performance of companies that meet globally recognised corporate responsibility standards.*

[www.xchanging.com](http://www.xchanging.com)

## The CAD IT GROUP

*CAD IT is at the head of a group that represents one of the most dynamic organisations in the Italian Information Technology sector.*

*The group aims its operations at the banking-insurance sector, the business world and public administration, and has been offering software solutions, maintenance, customizing, integration and other correlated services, from application management to outsourcing and consulting to training for over 30 years.*

*The CAD IT Group, with head offices in Verona, operates in Italy through its own branches and associated companies in Milan, Rome, Florence, Bologna, Padua, Mantua and Trento.*

*CAD IT is leader in the Italian software market for the banking sector with its main product, Financial Area, a programme which completely manages all functions connected to the negotiation, settlement and administration of security transactions, debentures, derivatives (in any currency) and adopted by the majority of Italian banking outlets.*

*In addition, the Group boasts a long-standing activity in the industrial sector and the capacity to offer solutions for e-business, credit and industrial companies in constant evolution.*

*Solutions for Public Administration is the most recent sector but one which capitalises the Group's traditional skills, such as its twenty-year experience in the development of systems for the computerisation of public bodies.*

[www.cadit.it](http://www.cadit.it)