



# CAD IT Company Overview

STAR Conference Milan, 25<sup>th</sup> March 2014





## Overview of the Group



Financial results



Strategies



Attachment

# Overview of the Group

## When

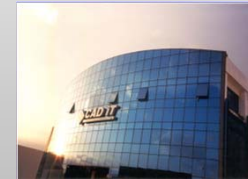
Founded in **1977** by four banking and financial experts who still run the company

Public trading company listed on the **Milan Stock Exchange (STAR)** since **2000**.



## Where

Headquarters in **Verona**, subsidiaries and associated companies throughout Italy (Milan, Mantua, Padua, Prato, Rome).



## What

Supplier of home produced **software** packages (IP, patents owned by CAD IT) and **consulting services** to banks, P.A., insurances and manufacturing companies.

Leader in the Italian software Market (**share > 80%**) for the financial sector.



## How

- **613** staff (as at 31/12/2013)
- Continuous training
- Partnerships



# Shareholders and Corporate Governance

- The **four founder families** control **60%** of the capital through equal stakes.

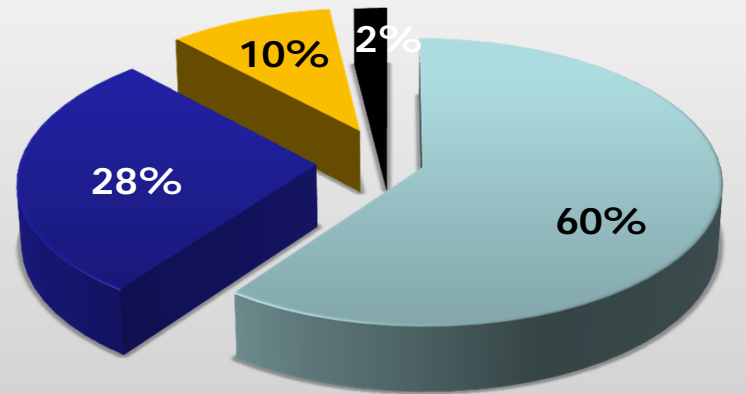
There isn't a syndicate agreement between the families shareholders.

- The **free float** is **28%**.

- **Xchanging** (that controls **10%** of the capital) is leader in the offering of Global Business Process Outsourcing services.

- **Sofyl** (**2%** of the capital) is a company controlled by the management of CAD IT.

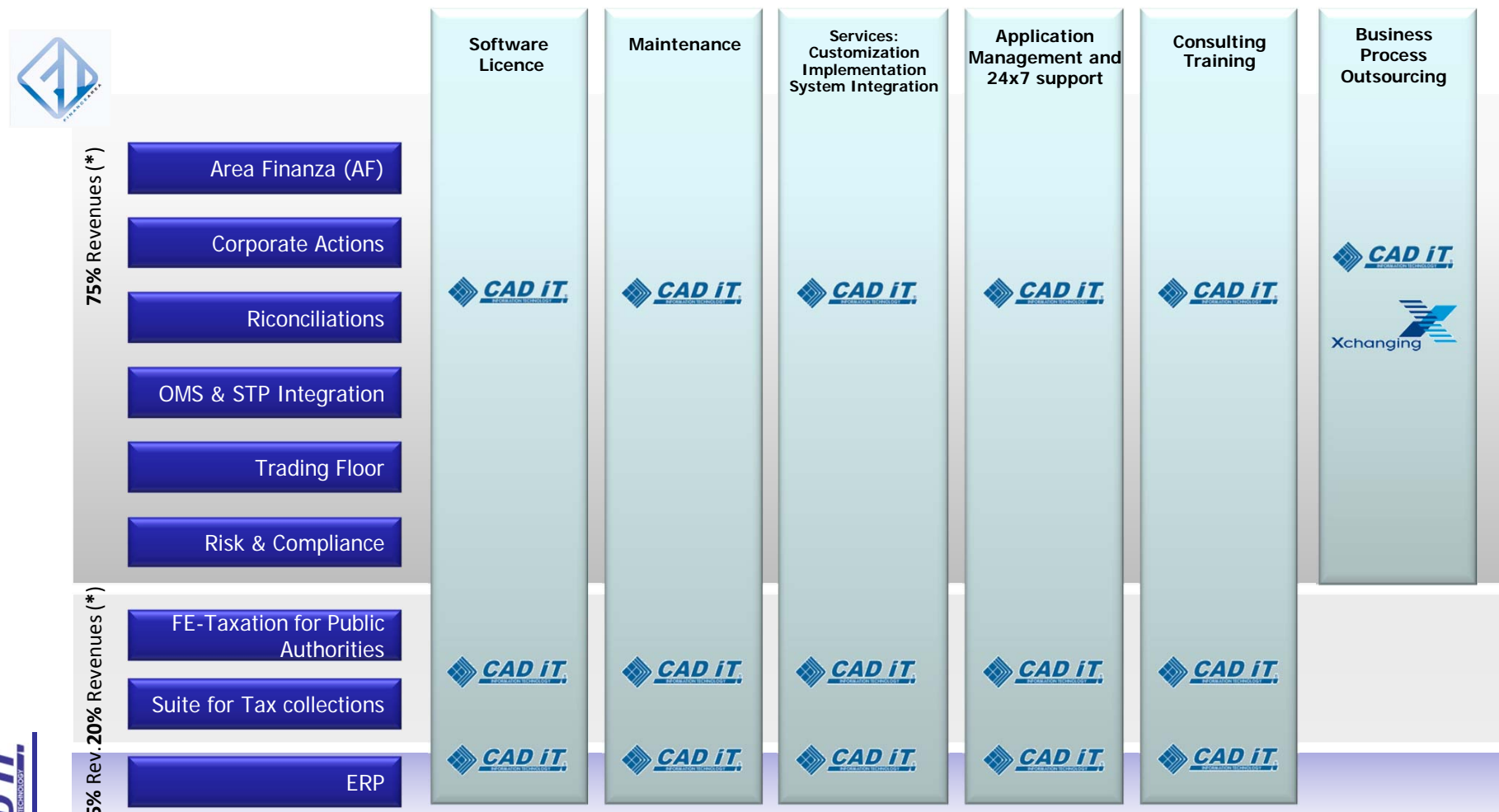
**Corporate governance:**  
CAD IT adheres to the Code of Conduct established for companies quoted on the Stock Exchange



- Four founder families
- Free float
- Xchanging
- Sofyl



# CAD IT presence in the business environment



(\*) Revenues at 31<sup>st</sup> December 2013

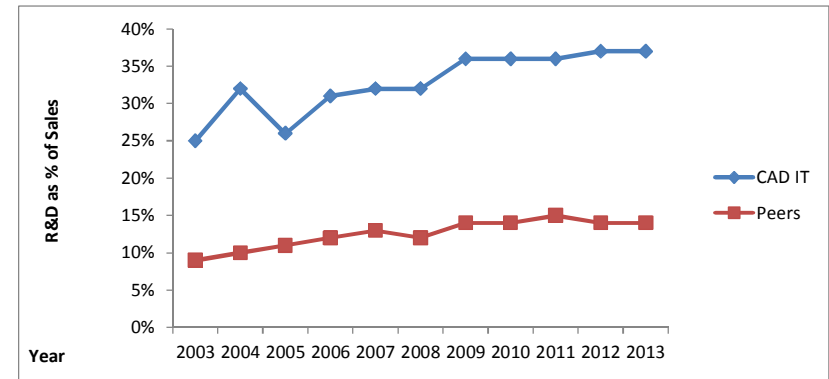
CAD IT FINANCE AREA is used by:

- over 400 financial institutions
- over 25,000 banking branches
- over 14,000 post branches
- over 25,000,000 financial instruments accounts
- over 200,000 users community

**Top tier and large institutions as clients ...**

**... thanks to high and continuous R&D investments**

## R&D % on Sales



Source: CESBE 2014

# CAD IT - Operating through a connected network

CAD IT's market presence is supported by a number of alliances.



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# Financial results FY2013/FY2012

Consolidated Income Statement	Year 2013		Year 2012		Variations	
	€/000	% on PV	€/000	% on PV	€/000	%
Income from sales and services	48,286	92.5%	51,663	91.5%	(3,377)	(6.5%)
Changes in ongoing orders	0	0.0%	(17)	(0.0%)	17	0.0%
Asset increases due to internal work	3,715	7.1%	3,550	6.3%	164	4.6%
Other revenues and receipts	202	0.4%	1,278	2.3%	(1,076)	(84.2%)
<b>Production value</b>	<b>52,203</b>	<b>100.0%</b>	<b>56,475</b>	<b>100.0%</b>	<b>(4,272)</b>	<b>(7.6%)</b>
Costs for raw materials, subsidiaries etc.	(592)	(1.1%)	(470)	(0.8%)	(121)	25.8%
Service costs	(9,559)	(18.3%)	(9,526)	(16.9%)	(34)	0.4%
Other operational costs	(659)	(1.3%)	(943)	(1.7%)	284	(30.1%)
<b>Added value</b>	<b>41,394</b>	<b>79.3%</b>	<b>45,536</b>	<b>80.6%</b>	<b>(4,143)</b>	<b>(9.1%)</b>
Labour costs	(34,502)	(66.1%)	(33,991)	(60.2%)	(511)	1.5%
Other administrative expenses	(2,022)	(3.9%)	(2,262)	(4.0%)	241	(10.6%)
<b>Gross operational result - EBITDA</b>	<b>4,870</b>	<b>9.3%</b>	<b>9,283</b>	<b>16.4%</b>	<b>(4,413)</b>	<b>(47.5%)</b>
Amortizations and Depreciations	(4,439)	(8.5%)	(3,737)	(6.6%)	(702)	18.8%
<b>Operational result - EBIT</b>	<b>431</b>	<b>0.8%</b>	<b>5,546</b>	<b>9.8%</b>	<b>(5,115)</b>	<b>(92.2%)</b>
Net Financial income	74	0.1%	171	0.3%	(97)	(56.5%)
Net Financial expenses	(64)	(0.1%)	(81)	(0.1%)	17	(20.7%)
<b>Ordinary result</b>	<b>441</b>	<b>0.8%</b>	<b>5,636</b>	<b>10.0%</b>	<b>(5,195)</b>	<b>(92.2%)</b>
Revaluations and depreciations	272	0.5%	206	0.4%	66	32.1%
<b>Pre-tax result</b>	<b>714</b>	<b>1.4%</b>	<b>5,842</b>	<b>10.3%</b>	<b>(5,128)</b>	<b>(87.8%)</b>
Income taxes	(915)	(1.8%)	(2,274)	(4.0%)	1,358	59.7%
<b>Profit (loss) for the period</b>	<b>(202)</b>	<b>(0.4%)</b>	<b>3,568</b>	<b>6.3%</b>	<b>(3,770)</b>	<b>(105.7%)</b>
Profit (loss) for the period attributable to:						
<b>Non-controlling interests</b>	<b>98</b>	<b>(0.2%)</b>	<b>322</b>	<b>(0.6%)</b>	<b>(223)</b>	<b>(69.4%)</b>
<b>Owners of the parent</b>	<b>(300)</b>	<b>(0.6%)</b>	<b>3,247</b>	<b>5.7%</b>	<b>(3,547)</b>	<b>(109.2%)</b>

(in thousands of Euro)

Source: CAD IT

Tax rate	128%
NFP	(2,575)

	39%
	3,885

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## One off (2014 - 2016)

- FATCA
- Target 2 Securities
- Privacy
- EMIR

## Structural

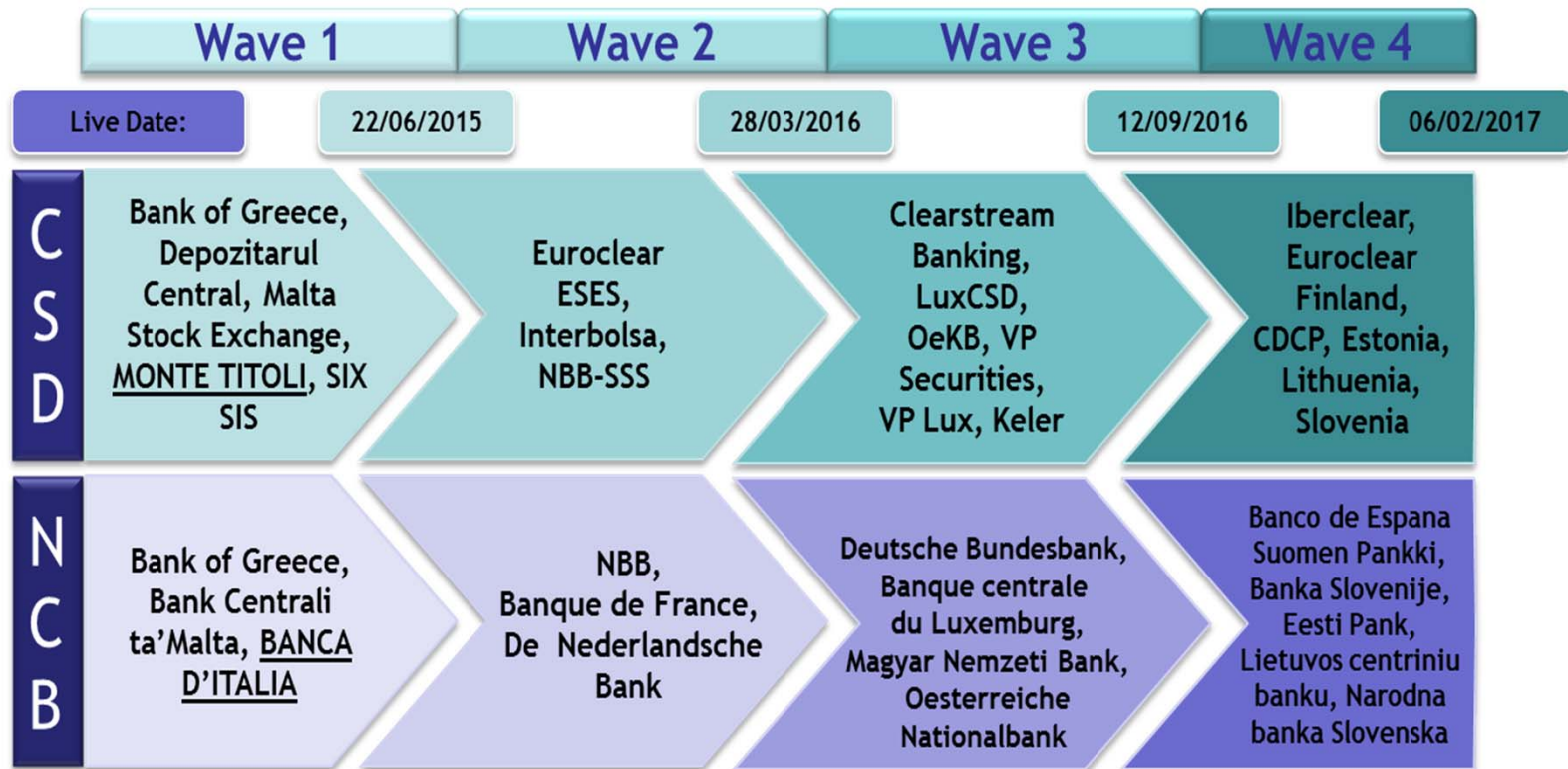
- New Modules & New Architectures
- Modernization & Downsizing
- Local taxation software package
- Insurances
- New Financial Institutions as Customers in Italy and Europe
- Acquisitions

## R&D Network Centric

- Customers
- Partners
- Universities
- Suppliers



# T2S - The waves



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## Company Events

## Date

Board of Directors approval of draft of Financial Statements and Consolidated Financial Statements at 31<sup>st</sup> December 2013

**Thursday 13<sup>th</sup> March 2014**

Shareholders' Meeting approval of the Financial Statements at 31<sup>st</sup> December 2013

**Tuesday 29<sup>th</sup> April 2014**  
(single call)

Board of Directors approval of Interim Management Report at 31<sup>st</sup> March 2014

**Wednesday 14<sup>th</sup> May 2014**

Board of Directors approval of the Half-Yearly Report at 30<sup>th</sup> June 2014

**Wednesday 27<sup>th</sup> August 2014**

Board of Directors approval of Interim Management Report at 30<sup>th</sup> September 2014

**Wednesday 12<sup>th</sup> November 2014**



## Q&A



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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, from consulting to training.

The CAD IT group works in Italy by means of its own branches and related companies. The Group's head offices are in Verona, related companies are in Milan, Rome, Prato, Padua and Mantua.

CAD IT has put into practice and maintains a quality management system in accordance with the UNI EN ISO 9001:2008 norm for activities concerning the design, production and sale of "component-based" software and for their after-sales services and maintenance.

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CAD IT S.p.A.

COMPANY WITH:

- A QUALITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI EN ISO 9001:2008 CERTIFIED BY CERTIQUALITY
- AN INFORMATION SECURITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD ISO/IEC 27001:2005 FOR THE ACTIVITIES OF MANAGEMENT OF INFORMATION CERTIFIED BY CERTIQUALITY



- A HEALTH AND INDUSTRIAL SAFETY MANAGEMENT SYSTEM WHICH COMPLIES WITH UNI/INAIL GUIDELINES (PUBLISHED SEPTEMBER 2001) IMPLEMENTED IN ACCORDANCE WITH THE "LAVOROSICURO" GUIDELINES (CONFININDUSTRIA VENETO/INAIL), VALIDATED IN NOVEMBER 2009 AND RECONFIRMED IN FEBRUARY 2012.