

**CAD IT: THE SHAREHOLDERS' MEETING APPROVES THE 2008 CONSOLIDATED FINANCIAL STATEMENTS AND THE DISTRIBUTION OF AN ORDINARY DIVIDEND OF EURO 0.50 PER SHARE**

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

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

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

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

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

*The payment of an ordinary dividend of €0.50 per share was approved, with coupon detachment and payment on 11<sup>th</sup> and 14<sup>th</sup> May 2009 respectively.*

*The Shareholder's meeting, in accordance with deadlines, has nominated the Board of Directors and Auditors.*

*The Internal Control Committee and the Nomination and Remuneration Committee have been nominated.*

*The Internal Auditor and the manager responsible for preparing the company's financial reports have been nominated.*

The Shareholders' Meeting of CAD IT S.p.A. ([www.cadit.it](http://www.cadit.it)), leader in the Italian financial software market and quoted in STAR, today approved the 2008 Financial Statements and the Consolidated Financial Statements as at 31<sup>st</sup> December 2008.

The Consolidated Financial Statements at 31<sup>st</sup> December 2008 shows:

- **Value of Production** of Euro 59.8 million compared to Euro 60.7 million in 2007; internal work capitalised under fixed asset went from Euro 2.3 million for the entire duration of 2007 to Euro 2.5 million in 2008;

- **Gross Operational Result (EBITDA)** of Euro 12.7 million (21.2% of the Value of Production) compared to Euro 15.2 million in 2007 (equal to 25.0% of the Value of Production). The increase in labour cost, which went from Euro 31.0 million in 2007 to Euro 32.2 million in 2008 and which was mainly due to the renewal of the Collective Labour Agreement, significantly influenced this profit margin;
- **Operational Result (EBIT)** of Euro 9.2 million (15.4% of the Value of Production), compared to Euro 12.6 million in 2007 (equal to 20.8% of the Value of Production). This margin was mainly influenced by the increase in intangible fixed asset amortization that went from Euro 1.4 million in 2007 to Euro 2.6 million in 2008;
- **Group pre-tax profit** stood at Euro 9.4 million (15.8% of the Value of Production) compared to Euro 13.9 million in the previous financial period (22.8% of the Value of Production);
- **Net profit** of Euro 4.9 million, equal to 8.1% of the Value of Production compared to Euro 8 million in the previous year (13.1% of the Value of Production).

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

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

The Shareholders' Meeting decided the **distribution of an ordinary dividend of €0.50 per share**. The dates for coupon detachment and dividend payments are the 11th and 14th of May 2009 respectively.

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The Shareholder's meeting, in accordance with deadlines, has nominated the **Board of Directors** and the **Board of Auditors**.

The new CAD IT Board of Directors, that has met after the general meeting for conferment of the positions, is composed of the following members:

Giuseppe Dal Cortivo (Chairman and Managing director; majority list),  
Paolo Dal Cortivo (Managing director; majority list),  
Lamberto Lambertini (Independent Manager; majority list),  
Giampietro Magnani (Vicepresident and Managing director; majority list),  
Maurizio Rizzoli (Manager non executive; minority list),  
Francesco Rossi (Independent Manager; minority list),  
Luigi Zanella (Vicepresident and Managing director; majority list).

Matthias Sohler, Executive Director Financial for European Financial Market of Xchanging, has also been nominated as non executive Manager to the Board of Directors (majority list) with the aim of strengthening the strategic collaboration with Xchanging, partner and shareholder of the CAD IT Group and global provider of Business Process Outsourcing services.

The CAD IT **Board of Auditors** consists of the following members:

Riccardo Ferrari (Chairman; minority list),  
Renato Tengattini (majority list),  
Gian Paolo Ranocchi (majority list),

and the following **standing auditors**:

Giannicola Cusumano (minority list),  
Luca Signorini (majority list).

The CVs of every member of the Board of Directors and of the Board of Auditors are available in the CAD IT headquarter, Borsa Italiana S.p.A. and on the Company's web-site ([www.cadit.it](http://www.cadit.it)) in the Investor Relations Area.

The remuneration of the Board of Directors and of the Board of Auditors have been approved as well.

The CAD IT Board of Directors has nominated the **Internal Control Committee and the Nomination and Remuneration Committee**.

The Internal Control Committee is set up by the three following members:

Francesco Rossi (Independent Manager),  
Lamberto Lambertini (Independent Manager),  
Maurizio Rizzoli (Manager non executive).

The **Vigilance Organism** functions have been attributed to the Internal Control Committee in accordance with the legislative degree 231/2001.

The Nomination and Remuneration Committee is set up by the three following members:

Francesco Rossi (Independent Manager),  
Lamberto Lambertini (Independent Manager),  
Maurizio Rizzoli (Manager non executive).

Moreover the **Internal Auditor** (Michele Miazzi) and the **manager responsible for preparing the company's financial reports** (Maria Rosa Mazzi) have been nominated.

\* \* \*

The manager responsible for preparing the company's financial reports, Maria Rosa Mazzi, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

## Consolidated Financial Statements of the CAD IT Group

### Consolidated income statement

(in thousands of Euro)

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

## Consolidated Balance Sheet

(in thousands of Euro)

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

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

## Consolidated Cash Flow Statement

(in thousands of Euro)

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

## CAD IT S.p.A. Financial Statements

### Income Statement

(in thousands of Euro)

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



## Balance Sheet

(in thousands of Euro)

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

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

## Cash Flow Statement

(in thousands of Euro)

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

## THE CAD IT GROUP

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

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

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

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

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

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

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