

CAD IT: THE SHAREHOLDERS' MEETING APPROVES THE 2009 CONSOLIDATED FINANCIAL STATEMENTS AND THE DISTRIBUTION OF AN ORDINARY DIVIDEND OF EURO 0.25 PER SHARE

The CAD IT Group closes 2009 with a Value of Production of Euro 54.3 million compared to Euro 59.8 in the previous financial period.

EBITDA stood at Euro 7.3 million compared to Euro 12.7 million in the previous financial period;

EBIT was equal to Euro 3.5 million compared to Euro 9.2 million in 2008;

Net Profit was Euro 2 million compared to Euro 4.9 million in the previous year.

The Net Consolidated Financial Position was in credit by Euro 5.1 million compared to the Euro 7 million at 30th September 2009.

The payment of an ordinary dividend of €0.25 per share was approved, with coupon detachment and payment on 10th and 13th May 2010 respectively.

The Shareholders' Meeting of CAD IT S.p.A. (www.cadit.it), leader in the Italian financial software market and quoted in STAR, today approved the 2009 Financial Statements and the payment of an ordinary dividend.

The Consolidated Financial Statements at 31st December 2009 shows:

- **Value of Production** of Euro 54.3 million compared to Euro 59.8 million in 2008; internal work capitalised under fixed asset stood at Euro 4.2 million compared to Euro 2.6 million in 2008;
- **Gross Operational Result (EBITDA)** of Euro 7.3 million (13.4% of the Value of Production) compared to Euro 12.7 million in 2008 (equal to 21.2% of the Value of Production).
- **Operational Result (EBIT)** of Euro 3.5 million (6.5% of the Value of Production), compared to Euro 9.2 million in 2008 (equal to 15.4% of the Value of Production). The intangible fixed asset amortization went from Euro 2.6 million in 2008 to Euro 2.8 million in 2009;
- **Group pre-tax profit** stood at Euro 3.8 million (7% of the Value of Production) compared to Euro 9.4 million in the previous financial period (15.8% of the Value of Production);

- **Net profit** of Euro 2 million, equal to 3.7% of the Value of Production compared to Euro 4.9 million in the previous year (8.1% of the Value of Production).

The **Parent Company CAD IT S.p.A.** recorded a Value of Production of Euro 50.5 million compared to Euro 50.9 million in the previous financial period with a net profit of Euro 2.4 million compared to Euro 4.6 million at 31st December 2008.

CAD IT hereby reports that the **Consolidated Net Financial Position** at 31st December 2009 was **in credit** at Euro 5.1 million compared to Euro 7 million in the previous year after a payment of Euro 4.5 million for dividends during 2009.

The Shareholders' Meeting decided the **distribution of an ordinary dividend of €0.25 per share**, gross of withholding taxes. The dates for coupon detachment number 11 and dividend payments are the 10th and 13th of May 2010 respectively.

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

Consolidated Financial Statements of the CAD IT Group

Consolidated income statement

(in thousands of Euro)

	Period 2009		Period 2008		Variations	
						%
Income from sales and services to third parties	48,863	89.95%	56,699	94.87%	(7,835)	(13.82%)
Variations in stock of products being elaborated						
Changes in ongoing orders	(41)	(0.08%)	66	0.11%	(107)	(161.81%)
Asset increases due to internal work	4,232	7.79%	2,540	4.25%	1,692	66.62%
Other revenue and receipts	1,267	2.33%	461	0.77%	805	174.51%
Production value	54,321	100.00%	59,766	100.00%	(5,445)	(9.11%)
Costs for raw	(1,086)	(2.00%)	(1,141)	(1.91%)	55	(4.83%)
Service costs	(11,238)	(20.69%)	(10,395)	(17.39%)	(843)	8.11%
Other operational costs	(948)	(1.74%)	(795)	(1.33%)	(153)	19.23%
Added value	41,050	75.57%	47,436	79.37%	(6,385)	(13.46%)
Labour costs	(31,337)	(57.69%)	(32,244)	(53.95%)	907	(2.81%)
Other administrative expenses	(2,461)	(4.53%)	(2,529)	(4.23%)	68	(2.68%)
Gross operational result - EBITDA	7,252	13.35%	12,663	21.19%	(5,411)	(42.73%)
Allocation to Credit Depreciation Fund	(96)	(0.18%)	(103)	(0.17%)	6	(6.27%)
Amortizations:						
- Intangible fixed asset amortization	(2,761)	(5.08%)	(2,605)	(4.36%)	(157)	6.01%
- Tangible fixed asset amortization	(794)	(1.46%)	(780)	(1.31%)	(14)	1.84%
Other allocations	(70)	(0.13%)			(70)	
Operational result - EBIT	3,531	6.50%	9,176	15.35%	(5,645)	(61.52%)
Net financial receipts	197	0.36%	615	1.03%	(417)	(67.89%)
Net financial charges	(57)	(0.11%)	(100)	(0.17%)	43	(42.75%)
Ordinary result	3,671	6.76%	9,691	16.21%	(6,020)	(62.12%)
Revaluations and depreciations	153	0.28%	(248)	(0.41%)	401	(161.84%)
Pre-tax and pre-third party share result	3,824	7.04%	9,443	15.80%	(5,618)	(59.50%)
Income taxes	(1,967)	(3.62%)	(4,014)	(6.72%)	2,047	(50.99%)
Profit/(loss) for the period	1,857	3.42%	5,428	9.08%	(3,572)	(65.79%)
Profit/(loss) for the period attributable to:						
Non-controlling interests	(128)	(0.24%)	561	0.94%	(689)	(122.90%)
Owners of the parent	1,985	3.65%	4,867	8.14%	(2,882)	(59.21%)
Weighted average number of ordinary shares in circulation	8,980,000		8,980,000			
Basic earnings per share (in Euro)	0.221		0.542			

Statement of comprehensive income*(in thousands of Euro)*

	<i>Period 2009</i>	<i>Period 2008</i>
Profit/(loss) for the period	1,857	5,428
Gains/(Losses) on fair value of available-for-sale financial assets	135	(117)
Total Comprehensive income	1,992	5,311
Profit/(loss) for the period attributable to:		
Non-controlling interests	(128)	561
Owners of the parent	2,121	4,750

Consolidated Balance Sheet

(in thousands of Euro)

	31/12/2009	31/12/2008	Variations
ASSETS			
A) Non-Current Assets			
Assets, equipment and machinery	19,212	19,620	(409)
Intangible assets	17,747	15,789	1,957
Goodwill	8,309	8,309	0
Holdings	220	212	8
Other financial assets available for sale	781	655	126
Other non-current credits	72	64	7
Credits due to deferred taxes	244	231	13
TOTAL NON-CURRENT ASSETS	46,583	44,881	1,702
B) Current Assets			0
Stock	112	435	(323)
Ongoing orders	312	352	(41)
Commercial credits and other credits	28,905	24,623	4,281
Tax credits	1,791	4,871	(3,080)
Cash on hand and other equivalent assets	6,379	13,999	(7,620)
TOTAL CURRENT ASSETS	37,498	44,281	(6,783)
TOTAL ASSETS	84,081	89,163	(5,081)
LIABILITIES			
A) Equity			
Company capital	4,670	4,670	0
Reserves	35,481	35,346	135
Accumulated profits/losses	16,354	18,858	(2,505)
Total equity attributable to owners of the parent	56,505	58,874	(2,369)
Non-controlling interests	2,489	3,005	(516)
TOTAL EQUITY	58,993	61,879	(2,886)
B) Non-current liabilities			
Financing	179	206	(27)
Liabilities due to deferred taxes	3,452	3,497	(45)
TFR and quiescence reserves	6,317	6,276	41
Expense and risk reserves	135	25	110
TOTAL NON-CURRENT LIABILITIES	10,083	10,004	79
C) Current liabilities			
Commercial debts	4,393	4,130	263
Tax debts	2,644	5,626	(2,982)
Short-term financing	1,286	653	633
Other debts	6,682	6,870	(189)
TOTAL CURRENT LIABILITIES	15,005	17,279	(2,275)
TOTAL LIABILITIES AND EQUITY	84,081	89,163	(5,081)

Consolidated Cash Flow Statement

(in thousands of Euro)

	Period 2009	Period 2008
A) OPERATING ACTIVITIES		
Profit (loss) for the period	1,985	4,867
Amortisation, revaluation and depreciation:		
- Assets, equipment and machinery amortisation	794	780
- Intangible fixed asset amortization	2,761	2,605
- revaluation of holding and financial assets available for sale	(163)	(208)
- depreciation of holding and financial assets available for sale	10	456
Allocations (utilisation) of funds:	151	(63)
Financial performance:		
- Net financial receipts (charges)	(140)	(515)
- Profit / (losses) on exchanges	(1)	0
Working capital variations	(2,424)	8,519
Income taxes paid	(1,378)	(6,382)
Interest payment	(56)	(100)
(A) - Flusso monetario da (per) attività di esercizio	1,540	9,959
B) INVESTING ACTIVITIES		
Investing activities		
- Assets, equipment and machinery purchases	(394)	(257)
- Intangible assets purchases/development	(4,719)	(2,822)
- increase in other fixed assets	(11)	(14)
Disinvestment activities		
- Assets, equipment and machinery transfers	9	3
- Decrease in other fixed assets	4	6
Cashed Interest	185	609
Cashed dividends	167	188
(B) - Cash flows from (for) investing activities	(4,759)	(2,288)
C) FINANCING ACTIVITIES		
Medium/long term debts repairement	(27)	(78)
Effects on consolidation reserve	0	(5)
Third party net patrimony	(516)	(36)
Distribution of dividends	(4,490)	(6,286)
(C) - Cash flows from (for) financing activities	(5,034)	(6,405)
(A+B+C) - Total cash and other equivalent assets flows	(8,253)	1,266
Opening liquid funds and other equivalent assets	13,346	12,080
Closing liquid funds and other equivalent assets	5,093	13,346

CAD IT S.p.A. Financial Statements

Income Statement

(in thousands of Euro)

	Period 2009		Period 2008		Variations	
		%		%		%
Income from sales and services	45,146	89.40%	48,115	94.45%	(2,968)	(6.17%)
Asset increases due to internal work	4,330	8.57%	2,442	4.79%	1,888	77.32%
Other revenue and receipts	1,022	2.02%	387	0.76%	635	164.11%
Production value	50,499	100.00%	50,944	100.00%	(445)	(0.87%)
Costs for raw	(367)	(0.73%)	(254)	(0.50%)	(113)	44.53%
Service costs	(25,147)	(49.80%)	(22,245)	(43.67%)	(2,901)	13.04%
Other operational costs	(411)	(0.81%)	(346)	(0.68%)	(64)	18.59%
Added value	24,574	48.66%	28,098	55.15%	(3,524)	(12.54%)
Labour costs	(17,291)	(34.24%)	(17,630)	(34.61%)	339	(1.92%)
Other administrative expenses	(1,002)	(1.98%)	(1,011)	(1.98%)	9	(0.90%)
Gross operational result (EBITDA)	6,281	12.44%	9,457	18.56%	(3,176)	(33.58%)
Allocation and Credit Depreciation	(95)	(0.19%)	(99)	(0.19%)	4	(4.05%)
Amortizations:						
- Intangible fixed asset amortization	(2,526)	(5.00%)	(2,325)	(4.56%)	(201)	8.65%
- Tangible fixed asset amortization	(688)	(1.36%)	(645)	(1.27%)	(43)	6.64%
Operational result (EBIT)	2,972	5.89%	6,388	12.54%	(3,416)	(53.47%)
Financial receipts	741	1.47%	1,325	2.60%	(584)	(44.07%)
Financial charges	(3)	(0.00%)	(34)	(0.07%)	31	(92.55%)
Ordinary result	3,711	7.35%	7,680	15.08%	(3,969)	(51.68%)
Revaluations and depreciations	(10)	(0.02%)	(456)	(0.89%)	446	(97.85%)
Pre-tax result	3,701	7.33%	7,224	14.18%	(3,523)	(48.76%)
Income taxes	(1,322)	(2.62%)	(2,589)	(5.08%)	1,267	(48.95%)
Profit (loss) for the period	2,380	4.71%	4,635	9.10%	(2,255)	(48.66%)
Weighted average number of ordinary shares in circulation	8,980,000		8,980,000			
Basic earnings per share (in Euro)	0.265		0.516			

Statement of comprehensive income

(in thousands of Euro)

	Period 2009	Period 2008
Profit/(loss) for the period	2,380	4,635
Gains/(Losses) on fair value of available-for-sale financial assets	135	(117)
Total Comprehensive income	2,515	4,518

Balance Sheet

(in thousands of Euro)

	31/12/2009	31/12/2008	Variations
ASSETS			
A) Non-Current Assets			
Assets, equipment and machinery	18,646	19,052	(406)
Intangible assets	17,576	15,334	2,242
Holdings	14,684	14,684	0
Other financial assets available for sale	781	655	126
Other non-current credits	19	18	1
Credits due to deferred taxes	7	30	(23)
TOTAL NON-CURRENT ASSETS	51,712	49,773	1,939
B) Current Assets			
Stock	28	30	(2)
Commercial credits and other credits	29,501	23,218	6,283
Tax credits	1,576	4,520	(2,944)
Cash on hand and other equivalent assets	5,502	11,652	(6,150)
TOTAL CURRENT ASSETS	36,607	39,419	(2,813)
TOTAL ASSETS	88,319	89,192	(873)

LIABILITIES			
A) Equity			
Company capital	4,670	4,670	0
Reserves	35,481	35,346	135
Accumulated profits/losses	16,926	19,036	(2,110)
TOTAL EQUITY	57,077	59,052	(1,975)
B) Non-current liabilities			
Liabilities due to deferred taxes	3,265	3,298	(32)
TFR and quiescence reserves	3,178	3,117	61
Risk and expense reserves	65	-	65
TOTAL NON-CURRENT LIABILITIES	6,508	6,414	94
C) Current liabilities			
Commercial debts	18,918	14,901	4,017
Tax debts	1,994	5,014	(3,020)
Other debts	3,822	3,811	11
TOTAL CURRENT LIABILITIES	24,734	23,726	1,008
TOTAL LIABILITIES AND EQUITY	88,319	89,192	(873)

Cash Flow Statement

(in thousands of Euro)

	Period 2009	Period 2008
<u>A) OPERATING ACTIVITIES</u>		
Profit (loss) for the period	2,380	4,635
Amortisation, revaluation and depreciation:		
- Assets, equipment and machinery amortisation	688	645
- Intangible fixed asset amortization	2,526	2,325
- devaluation of holding and financial assets available for sale	10	456
Allocations (utilisation) of funds:	126	(84)
Financial performance:		
- Net financial receipts (charges)	(739)	(1,292)
- Profit / (losses) on exchanges	(1)	0
Working capital variations	(1,231)	8,892
Income taxes paid in the financial period	(1,107)	(4,526)
Interest payment	(1)	(34)
(A) - Cash flows from (for) operating activities	2,649	11,017
<u>B) INVESTING ACTIVITIES</u>		
Investing activities		
- Assets, equipment and machinery purchases	(287)	(200)
- Intangible assets purchases	(4,768)	(2,691)
- Increase in other fixed assets	(1)	(0)
Disinvestment activities		
- Assets, equipment and machinery transfers	5	4
Cashed Interest	162	480
Cashed dividends	579	845
(B) - Cash flows from (for) investing activities	(4,309)	(1,563)
<u>C) FINANCING ACTIVITIES</u>		
Distribution of dividends	(4,490)	(6,286)
(C) - Cash flows from (for) financing activities	(4,490)	(6,286)
(A+B+C) - Total cash and other equivalent assets flows	(6,150)	3,169
Opening liquid funds and other equivalent assets	11,652	8,483
Closing liquid funds and other equivalent assets	5,502	11,652

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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