

## **CAD IT: THE BOARD OF DIRECTORS APPROVES THE SIX-MONTHLY RESULTS AT 30<sup>TH</sup> JUNE 2012**

**Production Value stands at Euro 26.4 million compared to Euro 26.2 million in the first six months of 2011.**

**EBITDA is Euro 2.9 million compared to Euro 2.4 million in the first six months of 2011.**

**EBIT is Euro 1.2 million compared to Euro 0.6 million in the first six months of 2011.**

**The Consolidated Net short-term Financial Position is in credit by Euro 9.8 million compared to Euro 5.4 million at 31<sup>st</sup> December 2011, after dividend payments of Euro 2.2 million.**

The Board of Directors of CAD IT S.p.A., leader in the Italian financial software market, met today to approve the Half-Yearly Financial Report at 30<sup>th</sup> June 2012.

The main Consolidated Profit and Loss Account results relating to the first half of 2012 are as follows:

- **Production Value** of Euro 26.4 million (Euro 26.2 million in the first six months of 2011). During the six months in question the internal work capitalized for the development of new products (internal work capitalized under fixed assets) came to Euro 1.8 million compared to Euro 1.9 million in the same period last year.
- **Gross Operational Result (EBITDA)** of Euro 2.9 million (10.9% of Production Value), compared to Euro 2.4 million in the first six months of 2011, corresponding to 9.1% of Production Value.

- **Operational Result (EBIT)** of Euro 1.2 million (4.6% of Production Value) compared to Euro 0.6 million in the first six months of 2011, corresponding to 2.4% of Production Value.
- **Result of the period net of third party share** of Euro 0.5 million (1.9% of Production Value) after the calculation of taxes for Euro 0.9 million, compared to Euro 42.449 (0.2% of Production Value) in the same period last year.

**The Consolidated Net short-term Financial Position** at 30<sup>th</sup> June 2012 is in credit by Euro 9.8 million compared to Euro 5.4 million registered at 31<sup>st</sup> December 2011 and to Euro 4.5 million registered at 30<sup>th</sup> June 2011, after dividend payments in 2012 of Euro 2.2 million.

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The Half-Yearly Financial Report as of June 30<sup>th</sup> 2012, with the certification in compliance with art. 154 bis, paragraph 5, of Legislative Decree 58/98 (Consolidated Finance Act) and the report by the auditing firm will be made available to the public at the Company's registered office and at Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)) and will be published on the [www.cadit.it](http://www.cadit.it) website by August 29<sup>th</sup> 2012. Written notification of such publication will be given.

\* \* \*

The Manager charged with 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 Income Statement

(in thousands of Euro)

	30/06/2012		30/06/2011		Variations	
	€/000	% PV	€/000	% PV	absolute	%
Income from sales and services	24,582	93.0%	24,198	92.4%	385	1.6%
Changes in ongoing orders	0	0.0%	14	0.1%	(14)	(100.0%)
Asset increases due to internal work	1,809	6.8%	1,937	7.4%	(128)	(6.6%)
Other revenue and receipts	33	0.1%	45	0.2%	(12)	(27.4%)
<b>Production value</b>	<b>26,424</b>	<b>100.0%</b>	<b>26,193</b>	<b>100.0%</b>	<b>231</b>	<b>0.9%</b>
Costs for raw	(249)	(0.9%)	(433)	(1.7%)	185	(42.6%)
Service costs	(4,738)	(17.9%)	(5,115)	(19.5%)	377	(7.4%)
Other operational costs	(396)	(1.5%)	(349)	(1.3%)	(47)	13.5%
<b>Added value</b>	<b>21,042</b>	<b>79.6%</b>	<b>20,297</b>	<b>77.5%</b>	<b>745</b>	<b>3.7%</b>
Labour costs	(17,122)	(64.8%)	(16,800)	(64.1%)	(322)	1.9%
Other administrative expenses	(1,052)	(4.0%)	(1,101)	(4.2%)	49	(4.4%)
<b>Gross operational result - EBITDA</b>	<b>2,867</b>	<b>10.9%</b>	<b>2,395</b>	<b>9.1%</b>	<b>472</b>	<b>19.7%</b>
Allocation to fund and credit depreciation	(3)	(0.0%)	(44)	(0.2%)	42	(94.1%)
Amortizations :						
- Intangible fixed asset amortization	(1,351)	(5.1%)	(1,390)	(5.3%)	39	(2.8%)
- Tangible fixed asset amortization	(298)	(1.1%)	(322)	(1.2%)	24	(7.5%)
<b>Operational result - EBIT</b>	<b>1,216</b>	<b>4.6%</b>	<b>639</b>	<b>2.4%</b>	<b>577</b>	<b>90.2%</b>
Financial income	82	0.3%	41	0.2%	41	98.4%
Financial expenses	(33)	(0.1%)	(43)	(0.2%)	10	(23.8%)
<b>Ordinary result</b>	<b>1,265</b>	<b>4.8%</b>	<b>638</b>	<b>2.4%</b>	<b>628</b>	<b>98.4%</b>
Revaluations and depreciations	238	0.9%	228	0.9%	10	4.5%
<b>Pre-tax result</b>	<b>1,503</b>	<b>5.7%</b>	<b>865</b>	<b>3.3%</b>	<b>638</b>	<b>73.7%</b>
Income taxes	(856)	(3.2%)	(813)	(3.1%)	(43)	5.4%
<b>Profit (loss) for the period</b>	<b>647</b>	<b>2.4%</b>	<b>53</b>	<b>0.2%</b>	<b>594</b>	<b>1,131.9%</b>
<b>Profit (loss) for the period attributable to:</b>						
Non- controlling interests	141	0.5%	10	0.0%	131	1,305.7%
<b>Owners of the parent</b>	<b>505</b>	<b>1.9%</b>	<b>42</b>	<b>0.2%</b>	<b>463</b>	<b>1,090.7%</b>
Weighted average number of ordinary shares outstanding	8,980,000		8,980,000			
Basic earnings per share (in €)	0.056		0.005			

## **Consolidated Statement of Comprehensive Income**

(in thousands of Euro)

	30/06/2012	30/06/2011
Profit/(loss) for the period	647	53
Gains/(Losses) on fair value of available-for-sale financial assets	(16)	(86)
<b>Total Comprehensive income</b>	<b>631</b>	<b>(34)</b>
Comprehensive income attributable to:		
Non- controlling interests	141	10
Owners of the parent	490	(44)

## Consolidated Statement of Financial Position

(in thousands of Euro)

	30/06/2012	31/12/2011
<b>ASSETS</b>		
A) Non-Current Assets		
Property, plant and equipment	18,008	18,171
Intangible assets	20,588	19,981
Goodwill	8,309	8,309
Investments	385	330
Other financial assets available for sale	286	460
Other non-current credits	154	132
Credits due to deferred taxes	671	595
<b>TOTAL NON-CURRENT ASSETS</b>	<b>48,400</b>	<b>47,976</b>
B) Current Assets		
Inventories	95	70
Ongoing orders	17	17
Trade receivables and other credits	28,716	30,600
Tax credits	1,419	257
Cash on hand and other equivalent assets	10,591	7,107
<b>TOTAL CURRENT ASSETS</b>	<b>40,838</b>	<b>38,052</b>
<b>TOTAL ASSETS</b>	<b>89,238</b>	<b>86,028</b>
<b>EQUITY AND LIABILITIES</b>		
A) Equity		
Company capital	4,670	4,670
Reserves	35,379	35,395
Accumulated profits/losses	13,641	15,291
<b>Issued capital and reserves attributable to owners of the parent</b>	<b>53,690</b>	<b>55,356</b>
Capital and reserves of third parties	2,407	2,272
Profit (loss) of third parties	141	217
<b>Non- controlling interests</b>	<b>2,548</b>	<b>2,489</b>
<b>TOTAL EQUITY</b>	<b>56,239</b>	<b>57,845</b>
B) Non-current liabilities		
Financing	0	119
Deferred tax liabilities	3,401	3,375
Employee benefits and quiescence provisions	6,577	6,724
Expense and risk provisions	36	40
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>10,014</b>	<b>10,258</b>
C) Current liabilities		
Trade payables	7,831	4,007
Current tax payables	6,153	4,696
Short-term financing	772	1,705
Other liabilities	8,229	7,516
<b>TOTAL CURRENT LIABILITIES</b>	<b>22,985</b>	<b>17,925</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>89,238</b>	<b>86,028</b>

## Consolidated Cash Flow Statement

(in thousands of Euro)

	30/06/2012	30/06/2011
<b>A) OPERATING ACTIVITIES</b>		
Profit (loss) for the period	647	53
Amortisation, revaluation and depreciation:		
- Property, plant and equipment amortisation	298	322
- Intangible fixed asset amortisation	1,351	1,390
- revaluation of investments and financial assets available for sale	(238)	(228)
Allocations (utilization) of provisions	(151)	(60)
Financial performance:		
- Net financial receipts (charges)	(49)	2
- Profit / (losses) on exchanges	(0)	(0)
Working capital variations	7,170	732
Income taxes paid	(529)	0
Interest paid	(32)	(43)
<b>(A) - Cash flows from (used in) operating activities</b>	<b>8,466</b>	<b>2,166</b>
<b>B) INVESTMENT ACTIVITIES</b>		
Investments in activities		
- Property, plant and equipment purchases	(136)	(72)
- Intangible assets purchases	(1,957)	(1,943)
- increase in other fixed assets	(36)	(31)
Disinvestment activities		
- Property, plant and equipment transfers	0	2
- Assets available for sale transfers	182	0
- Decrease in other fixed assets	14	0
Cashed Interest	82	41
Cashed dividends	159	162
<b>(B) - Cash flows from (used in) investment activities</b>	<b>(1,692)</b>	<b>(1,841)</b>
<b>C) FINANCING ACTIVITIES</b>		
Medium/long term financing repayment	(119)	(15)
Allocation of profits to directors of subsidiary companies	0	(12)
Dividends paid	(2,237)	0
<b>(C) - Cash flows from (used in) financing activities</b>	<b>(2,356)</b>	<b>(27)</b>
<b>(A+B+C) - Total cash and other equivalent assets flows</b>	<b>4,418</b>	<b>298</b>
<b>Opening cash balances and equivalents</b>	<b>5,401</b>	<b>4,250</b>
<b>Closing cash balances and equivalents</b>	<b>9,819</b>	<b>4,548</b>

## Consolidated net financial position

(in thousands of Euro)

<i>Net consolidated financial position</i>	<i>30/06/2012</i>	<i>31/12/2011</i>	<i>Variations</i>	<i>%</i>
Cash-on-hand and at bank	8,132	4,678	3,454	73.8%
Capitalization insurance policies	2,460	2,429	30	1.2%
Payables due to banks current portion	(772)	(1,705)	933	(54.7%)
<b>Net short-term financial position/(indebtedness)</b>	<b>9,819</b>	<b>5,401</b>	<b>4,418</b>	<b>81.8%</b>
Long-term loans	(0)	(119)	119	(100.0%)
<b>Net long-term financial position/(indebtedness)</b>	<b>(0)</b>	<b>(119)</b>	<b>119</b>	<b>(100.0%)</b>
<b>Net financial position/(indebtedness)</b>	<b>9,819</b>	<b>5,282</b>	<b>4,537</b>	<b>85.9%</b>

### THE CAD IT GROUP

*CAD IT is at the head of a group that represents one of the most dynamic organizations 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, Padua and Mantua.*

*CAD IT is leader in the Italian software market for the banking sector with its main product, Financial Area, a software 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 capitalizes the Group's traditional skills, such as its twenty-year experience in the development of systems for the computerization of public bodies.*

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