



# CAD IT Company Overview

One day Investor Meeting



Milan, 28<sup>th</sup> October 2015

## ■ Overview of the Group

■ Financial results

■ Strategies

■ Press Releases and News

■ Attachment

## 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, 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 about 90%**) for the financial sector.



## How

- **627** staff (as at 30/06/2015)
- Continuous training
- Partnerships



# Shareholders and Corporate Governance

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

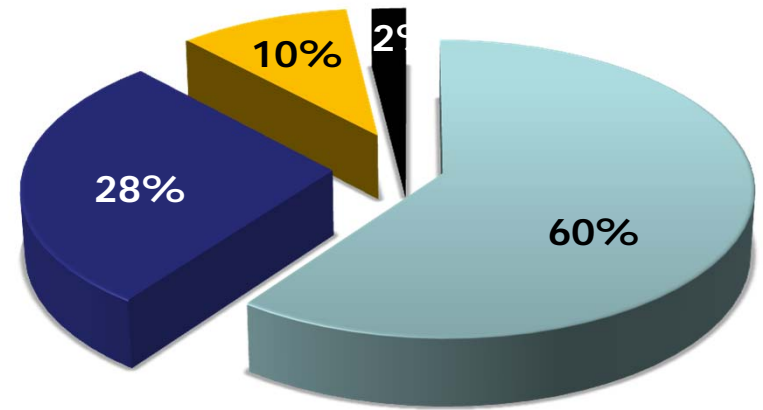
There isn't a syndicate agreement between the families shareholders.

■ 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



75% Revenues (\*)

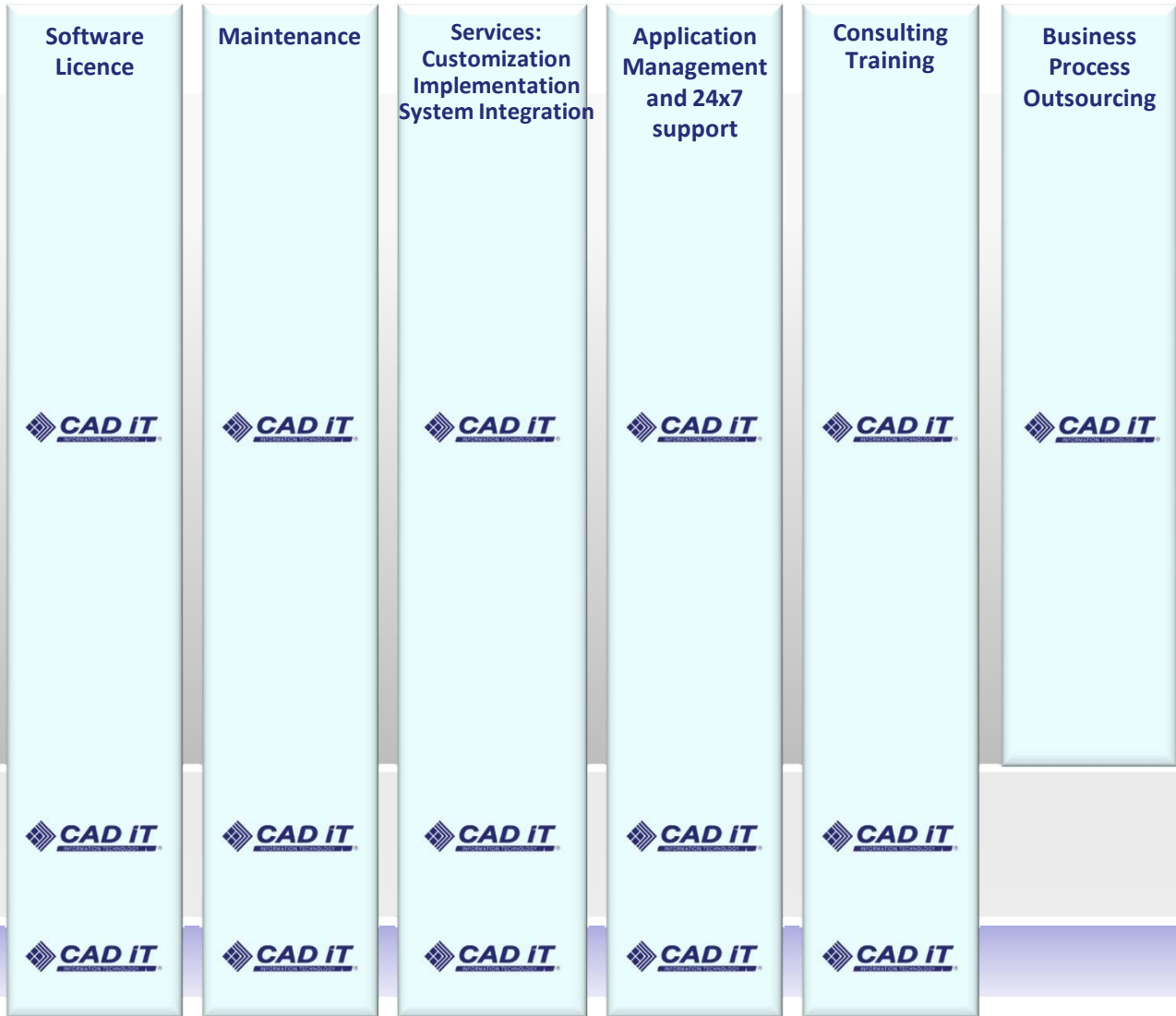
23% Revenues (\*)

2% Rev. (\*)

- Area Finanza
- Area Finanza for Asset Management
- Corporate Actions
- Riconciliations
- OMS & STP Integration
- Trading Floor
- Risk & Compliance
- Commissioning and Reporting
- Target 2 Securities (T2S) and Settlement

- FE-Taxation for Public Authorities
- Suite for Tax collections

- ERP



Services
  Software
  Financial Division
  P.A. Division
  Manufacturing Division

(\*) Indicative data of revenues at 30<sup>th</sup> June 2015

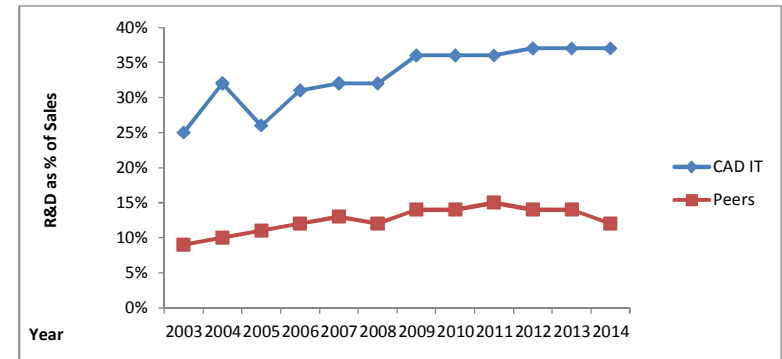
## ...numbers

- 1,000 financial institution customers
- 14,000 post-office branches
- 25,000 bank branches
- 200,000 professional end users
- 25,000,000 securities accounts

Top tier and large institutions as clients ...

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

## R&D % on Sales



Source: CAD IT 2015

# CAD IT - Operating through a connected network

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



■ Overview of the Group

■ **Financial results**

■ Strategies

■ Press Releases and News

■ Attachment



# Annual results - FY2014/FY2013

Consolidated Income Statement	Year 2014		Year 2013		Variations	
	€/000	% on PV	€/000	% on PV	€/000	%
Income from sales and services	52,973	93.4%	48,286	92.5%	4,688	9.7%
Asset increases due to internal work	3,493	6.2%	3,715	7.1%	(222)	(6.0%)
Other revenues and receipts	268	0.5%	202	0.4%	66	32.6%
<b>Production value</b>	<b>56,735</b>	<b>100.0%</b>	<b>52,203</b>	<b>100.0%</b>	<b>4,532</b>	<b>8.7%</b>
Costs for raw materials, subsidiaries etc.	(538)	(0.9%)	(592)	(1.1%)	53	9.0%
Service costs	(10,819)	(19.1%)	(9,559)	(18.3%)	(1,260)	(13.2%)
Other operational costs	(983)	(1.7%)	(659)	(1.3%)	(324)	(49.2%)
<b>Added value</b>	<b>44,395</b>	<b>78.3%</b>	<b>41,394</b>	<b>79.3%</b>	<b>3,001</b>	<b>7.3%</b>
Labour costs	(35,004)	(61.7%)	(34,502)	(66.1%)	(502)	(1.5%)
Other administrative expenses	(1,957)	(3.5%)	(2,022)	(3.9%)	64	3.2%
<b>Gross operational result - EBITDA</b>	<b>7,433</b>	<b>13.1%</b>	<b>4,870</b>	<b>9.3%</b>	<b>2,563</b>	<b>52.6%</b>
Amortizations and Depreciations	(5,054)	(8.9%)	(4,439)	(8.5%)	(615)	(13.9%)
<b>Operational result - EBIT</b>	<b>2,379</b>	<b>4.2%</b>	<b>431</b>	<b>0.8%</b>	<b>1,948</b>	<b>451.9%</b>
Financial income	67	0.1%	74	0.1%	(8)	(10.1%)
Financial expenses	(66)	(0.1%)	(64)	(0.1%)	(2)	(3.2%)
<b>Ordinary result</b>	<b>2,380</b>	<b>4.2%</b>	<b>441</b>	<b>0.8%</b>	<b>1,939</b>	<b>439.3%</b>
Revaluations and depreciations	180	0.3%	272	0.5%	(92)	(33.9%)
<b>Pre-tax result</b>	<b>2,560</b>	<b>4.5%</b>	<b>714</b>	<b>1.4%</b>	<b>1,847</b>	<b>258.7%</b>
Income taxes	(1,676)	(3.0%)	(915)	(1.8%)	(761)	(83.1%)
<b>Profit (loss) for the period</b>	<b>884</b>	<b>1.6%</b>	<b>(202)</b>	<b>(0.4%)</b>	<b>1,086</b>	<b>538.2%</b>

(in thousands of Euro)

Profit (loss) for the period attributable to:						
Non-controlling interests	243	0.4%	98	0.2%	145	147.0%
Owners of the parent	641	1.1%	(300)	(0.6%)	941	313.7%

Tax rate	65%
NFP	3,577

	128%
	(2,575)

Source: CAD IT

# Half-yearly results - HY2015/HY2014

Consolidated Income Statement	30/06/2015		30/06/2014		Variations	
	€/000	% on PV	€/000	% on PV	absolute	%
Income from sales and services	27,531	93.0%	25,778	93.0%	1,753	6.8%
Asset increases due to internal work	1,966	6.6%	1,794	6.5%	172	9.6%
Other revenues and receipts	100	0.3%	134	0.5%	(34)	(25.2%)
<b>Production value</b>	<b>29,597</b>	<b>100.0%</b>	<b>27,706</b>	<b>100.0%</b>	<b>1,891</b>	<b>6.8%</b>
Costs for raw materials, subsidiaries etc.	(183)	(0.6%)	(357)	(1.3%)	174	48.8%
Service costs	(6,292)	(21.3%)	(5,059)	(18.3%)	(1,233)	(24.4%)
Other operational costs	(418)	(1.4%)	(613)	(2.2%)	195	31.8%
<b>Added value</b>	<b>22,704</b>	<b>76.7%</b>	<b>21,677</b>	<b>78.2%</b>	<b>1,027</b>	<b>4.7%</b>
Labour costs	(18,625)	(62.9%)	(17,751)	(64.1%)	(874)	(4.9%)
Other administrative expenses	(1,015)	(3.4%)	(994)	(3.6%)	(21)	(2.1%)
<b>Gross operational result - EBITDA</b>	<b>3,065</b>	<b>10.4%</b>	<b>2,933</b>	<b>10.6%</b>	<b>131</b>	<b>4.5%</b>
Amortizations and Depreciations	(2,648)	(8.9%)	(2,429)	(8.8%)	(219)	(9.0%)
<b>Operational result - EBIT</b>	<b>416</b>	<b>1.4%</b>	<b>504</b>	<b>1.8%</b>	<b>(88)</b>	<b>(17.4%)</b>
Financial income	78	0.3%	34	0.1%	44	131.5%
Financial expenses	(16)	(0.1%)	(44)	(0.2%)	28	62.9%
<b>Ordinary result</b>	<b>478</b>	<b>1.6%</b>	<b>494</b>	<b>1.8%</b>	<b>(16)</b>	<b>(3.2%)</b>
Revaluations and depreciations	243	0.8%	163	0.6%	80	48.9%
<b>Pre-tax result</b>	<b>721</b>	<b>2.4%</b>	<b>657</b>	<b>2.4%</b>	<b>64</b>	<b>9.7%</b>
Income taxes	(295)	(1.0%)	(647)	(2.3%)	352	54.4%
<b>Profit (loss) for the period</b>	<b>426</b>	<b>1.4%</b>	<b>10</b>	<b>0.0%</b>	<b>416</b>	<b>4,287.3%</b>
Profit (loss) for the period attributable to:						
<b>Non-controlling interests</b>	<b>160</b>	<b>0.5%</b>	<b>79</b>	<b>0.3%</b>	<b>82</b>	<b>104.1%</b>
<b>Owners of the parent</b>	<b>265</b>	<b>0.9%</b>	<b>(69)</b>	<b>(0.2%)</b>	<b>334</b>	<b>484.4%</b>

(in thousands of Euro)

Source: CAD IT

Tax rate	41.0%	98.5%
Consolidated Net Financial Position	7,155	2,006

■ Overview of the Group

■ Financial results

■ **Strategies**

■ Press Releases and News

■ Attachment

# Growth Drivers

## One off (2015 - 2018)

- FATCA
- Target 2 Securities e T2
- Basilea III
- New regulations (IFRS 9, MiFID 2)

## 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



- Overview of the Group
- Financial results
- Strategies
- Press Releases and News**
- Attachment

## **CAD IT DEVELOPS FOR BANCA MEDIOLANUM THE NEW "COMMISSION" APPLICATION FOR CALCULATING SALES NETWORK REMUNERATIONS**

10<sup>th</sup> April 2015

CAD IT S.p.A., leader in the Italian financial software market and listed in the STAR segment of Borsa Italiana, announces the signing of a contract with Banca Mediolanum for the development of the new "Commission" application.

Developed on a highly innovative, cutting-edge technological platform, the "Commission" product will calculate the remuneration of the Bank's Sales Network promoters. The project follows CAD IT's activities in creating the "Raccolta Netta Unificata" (Unified Net Collection) application.

The contract, which includes design services for application development and the relative Application Management services, implies a total value of over 2 million Euros. The expected duration is until the end of 2017.

CAD IT thus consolidates its position as a leading player in a rapidly expanding market segment such as "Commissioning" for promoter networks and adds Banca Mediolanum to its list of other important references, like Banca Fideuram.



All the press releases by CAD IT are available on the web site of the Company: [www.caditgroup.com](http://www.caditgroup.com)

## CAD IT ACQUIRES ITS FIRST IMPORTANT CUSTOMER IN SWITZERLAND

4<sup>th</sup> June 2015

CAD IT, leader in the Italian financial software market and listed in the STAR segment of Borsa Italiana, announces having signed an important contract for the sale of its "Finance Area web 2.0" software platform to the Cornèr Banca Group.

**Cornèr Banca SA** is a Swiss private bank, headquartered in Lugano, and represents CAD IT's first reference on this market.

Cornèr Banca has decided to purchase **the entire "Finance Area web 2.0" front-to-back suite**. In fact, the new release offers total automation, cross asset and cross business, of every process relating to the management of financial instruments, from front office (cash-desk functions, trading desk, order management, know your customer) to back office (position keeping, settlement, custody, corporate actions, repo and collateral).

Thanks to heavy investment in Research and Development and its own network of highly specialised customers, CAD IT is able to guarantee, through its own application suite "Finance Area web 2.0" **constant functional, technological and regulatory evolution** thus ensuring its customers the chance to focus their efforts and investments on increasing revenues rather than on the development of regulatory adjustments.

"Finance Area web 2.0" will provide Cornèr Banca with the total management of large volumes of data in real time, supporting **multi-channel, multi-browser, multi-language, multi-currency and multi-bank** configuration. This high level of complexity is typical of a banking group like Cornèr Banca, which includes extremely variable and articulate needs.

Being based on Java technology, "Finance Area web 2.0" has a model that guarantees **total independence from the technological platform**, from the Operating System, the Application Server and database, ensuring, at the same time, high availability and scalability. In the case of Cornèr Banca, a configuration onto Linux systems with Oracle database has been chosen.

The project, which will terminate on 31st December 2016, foresees the user-licence supply of the afore-mentioned platform and the relative specialised services required for its integration and start-up, as well as the relative maintenance service.

The importance of this contract goes beyond the impact on revenues (about 3% in 2015) as it represents CAD IT's entry in a new market. Following Italy, Germany, England, Czech Republic and Luxembourg, "Finance Area" will be also used in Switzerland, opening up further growth opportunities for CAD IT Group.

**Giuseppe Dal Cortivo, Chairman and Managing Director of the CAD IT Group**, said: "The fact that Cornèr Banca SA has chosen us is further confirmation of the **uniqueness** of our solutions on the market and represents an important step towards fulfilling our **international growth objectives** which we continue to strive for. Our aim is to create value, together with our customers, thus minimising the impact deriving from the cost of **constantly adjusting to the regulations** and enabling them to focus on generating further revenues by taking advantage of innovative technologies like, for example, multi-channelling for the **digital banking**."

All the press releases by CAD IT are available on the web site of the Company: [www.caditgroup.com](http://www.caditgroup.com)



## CAD IT LAUNCHES ITS SOLUTION FOR "EASYSET" SETTLEMENT IN ITS NEW RELEASE FOR TARGET 2 SECURITIES ONTO THE EUROPEAN MARKET ...

2<sup>nd</sup> September 2015

CAD IT, leader in the Italian financial software market and listed in the STAR segment of Borsa Italiana, announces the launch onto the European market of its new EasySET platform for the total management of the settlement process following the onset of Target 2 Securities (T2S).

Target 2 Securities (T2S) is the new centralised platform for settling securities within the Euro-system which is causing a profound change within the financial market institutions such as Banks, Custodians and CSDs (Central Securities Depositories).

T2S will eliminate the differences between domestic and cross-border settlement and will lead to the progressive removal of national specifications, thus reducing settlement activities to a mere utility, forcing a clear separation from custody activities.

This extraordinary development in the Old Continent's financial system means that the various domestic financial markets will need to adapt their information technology systems.

CAD IT, with the new release of "EasySET", its own settlement platform, supports Financial Institutions in adjusting to the changes deriving from T2S, both as a DCP (directly connected participant) and an ICP (indirectly connected participant), as well as through Global Custodians.

The onset of T2S is the greatest event to occur in the European financial community in recent years and will be introduced gradually: on 31 August, Italy was one of the first European nations to operate on this platform. The remaining European countries will follow over the next two years. CAD IT's Italian banking institution customers were therefore among the first leading banks to confront the process of migration towards T2S with the support of EasySET. These customers include Iccrea Banca, which opted to become a "Full DCP"- Direct Connectivity Participant to T2S, and the Bank's Project Manager and spokesman, Pierduilio Cocuccioni, commented, "T2S is an important piece in the process of European financial market integration. The Iccrea Bank Group has decided to play a major part in tackling it by adopting, with the support of CAD IT's application solutions, the DCP solution, which, besides placing Iccrea on equal terms with the main European institutions in the post-trading field, also allows the group to take advantage of all the opportunities offered by the new context to the benefit of the Cooperative Credit system, which represents its clientele of reference".

Taking advantage of this important experience, CAD IT intends to offer EasySET and its systems to every European Bank that will be affected by T2S.



All the press releases by CAD IT are available on the web site of the Company: [www.caditgroup.com](http://www.caditgroup.com)



## ... CAD IT LAUNCHES ITS SOLUTION FOR "EASYSET" SETTLEMENT IN ITS NEW RELEASE FOR TARGET 2 SECURITIES ONTO THE EUROPEAN MARKET

2<sup>nd</sup> September 2015

Moreover, Monte Titoli has recently awarded EasySET conformity certification to the MT-A2A protocol for access to the Monte Titoli X-TRM service in the Target 2 Securities (T2S) version.

In its new release for "T2S", EasySET originates from CAD IT's decades-long experience in settlement management for the Banks' back office and is a modern platform for managing the administration of the entire settlement process that is able to support the management of all the market, counterparty, custodian, ICSD (International Central Securities Depository) and CSD (Central Securities Depository) regulations.

EasySET guarantees:

- total automation of post-trade, pre-settlement and settlement activities;
- standard market messaging flow management (SWIFT ISO 7775 and SWIFT ISO 15022, ISO 20022, RNI) as well as proprietary flow management;
- matching and settlement status activities for Securities operability;
- Back Office Settlement activity setting and automation, defining the attribution of Custodians and settlement accounts for every type of transaction/activity;
- total management of securities and cash forecasts to support treasury activities.

EasySET is a software module belonging to CAD IT's "Finance Area" suite (integrated but independent at the same time). With over 200,000 users at high-standing banking institutions, CAD IT's Finance Area is the most widely-used financial instruments trading and post-trading process management system in Europe.

Finance Area offers total cross asset and cross business automation of every process regarding the management of financial instruments in the following macro areas: Position Keeping, Securities Custody and Administration, Corporate Actions, Order Management, Trading Room, Master Data, Settlement, Asset Management, Reconciliations, REPOs (Buy/Sell Back, Repo, Triparty Repo, Stock and Bond Lending, Collateral Management), Know Your Customer, Consultancy and Reporting.

Finance Area manages high volumes in real time, supporting multi-lingual, multi-currency, multi-channel and multi-bank configurations for banking groups, custodians, outsourcers, insurance companies and brokers.

All the press releases by CAD IT are available on the web site of the Company: [www.caditgroup.com](http://www.caditgroup.com)



- Overview of the Group
- Financial results
- Strategies
- Press Releases and News

■ **Attachment**

## Company Events

## Date

Board of Directors approval of draft of Financial Statements and Consolidated Financial Statements at 31 <sup>st</sup> December 2014	<b>Thursday 12<sup>th</sup> March 2015</b>
Shareholders' Meeting approval of the Financial Statements at 31 <sup>st</sup> December 2014 and corporate bodies renewal	<b>Wednesday 29<sup>th</sup> April 2015</b> (single call)
Board of Directors approval of Interim Management Report at 31 <sup>st</sup> March 2015	<b>Thursday 14<sup>th</sup> May 2015</b>
Board of Directors approval of the Half-Yearly Report at 30 <sup>th</sup> June 2015	<b>Thursday 27<sup>th</sup> August 2015</b>
Board of Directors approval of Interim Management Report at 30 <sup>th</sup> September 2015	<b>Thursday 12<sup>th</sup> November 2015</b>



Next

## Q&A



### CAD IT Group

Via Torricelli, 44/a

37136 Verona - Italy

Tel. +39 045 82 11 236

Fax +39 045 82 11 411

marketing@caditgroup.com

www.caditgroup.com

### Disclaimer

CAD IT retains all the intellectual property rights on this document. It is therefore forbidden to reproduce this document with any mean, even if partially, without CAD IT's previous explicit consent.

All texts and images contained in this document are confidential.

CAD IT does not grant any implicit or explicit consent to disclose this document to third parties or to use it commercially or to employ it, in any manner, for purposes not intended when they were delivered.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Neither the company, its advisors or representatives shall have any liability whatsoever for any loss in any way arising from any use of this document or its contents or otherwise arising in connection with this document.

This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

The information herein may not be reproduced or published in whole or in part, for any purpose, or distributed to any other party. Acceptance of the present document automatically implies recognition of the aforesaid constraints.

CAD IT supplies software and services to high-standing companies in Europe. CAD IT's customers include banks, insurance companies, investment fund organisations, brokers, IT outsourcers, public administration and manufacturing companies.

Due to the exceptional know-how of over 600, highly specialised experts and with a dominion of innovative technologies, CAD IT's software solutions daily provide support to over 1,000 European organisations.

With over 200,000 users at high-standing financial institutions, CAD IT's Finance Area software suite is the most commonly-used system in Europe for managing financial instrument trading and post-trading processes.

"Finance Area" is a complete front-to-back, cross-business, cross-asset, multi-channel, multi-browser, multi-language, multi-currency and multi-entity solution.

Moreover, CAD IT is not only the leader in the Italian financial software market but also for Public Administration tax collection and represents a reference point for Made in Italy companies as a supplier of software tools and services that guarantee high added value.

CAD IT S.p.A.

Via Torricelli, 44/a

37136 Verona - ITALY

Tel. (+39) 045.8211111

Fax (+39) 045.8211110

E-mail: caditgroup@caditgroup.com

www.caditgroup.com



CAD IT S.p.A.

COMPANY WITH:

- A QUALITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI EN ISO 9001:2008 FOR THE ACTIVITIES OF SOFTWARE "COMPONENT BASED" DESIGN, PRODUCTION AND SALE, AND FOR THE PROVISION OF ASSISTANCE AND MAINTENANCE AFTER-SALES SERVICE, CERTIFIED BY CERTIQUALITY
- AN INFORMATION SECURITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI CEI ISO/IEC 27001:2014 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 (CONFINDUSTRIA VENETO/INAIL), VALIDATED IN NOVEMBER 2009 AND RECONFIRMED IN APRIL 2014.