

CAD IT Presentation for:



28th September 2006



- Overview of the group
- Group's activities
- Financial results
- Strategies
- Press Release and News

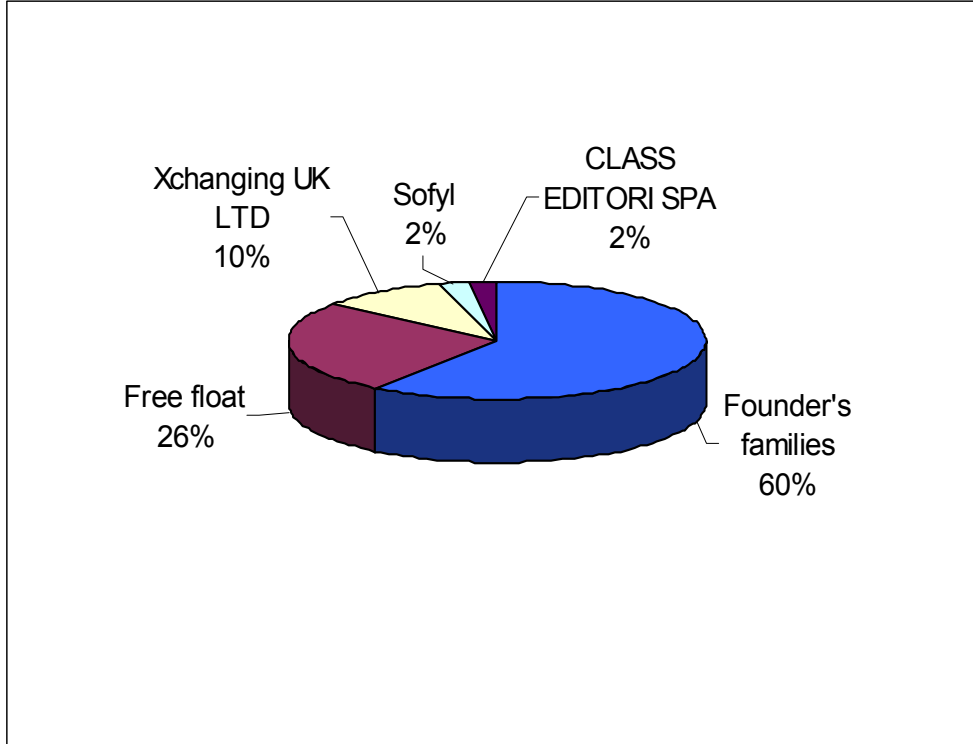
Overview of the group



- Founded in 1977 by four banking and financial experts who still run the company;
- Headquarters in Verona, subsidiaries and associated companies throughout Italy (Milan, Trento, Mantua, Padua, Bologna, Florence, Rome);
- Supplier of home produced software packages (IP, patents owned by CAD IT) and consulting services to banks, P.A., insurance and industrial companies;
- >60% share of the Italian market for software and services for securities back office;
- 625 staff (as at 31th December 2005);
- Public trading company listed on the Milan Stock Exchange (TechSTAR) since 2000.



CAD IT SHAREHOLDERS



- The four founder families control 60% of the capital through equal stakes.
- The free float is 26%.
- Xchanging (that controls 10% of the capital) is a worldwide leader in the offering of Global Business Process Outsourcing services.
- *Corporate governance:* CAD IT adheres to the Code of Conduct established for companies quoted on the Stock Exchange



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EXPERTISE ENGINEERED FOR HIGH-GROWTH CUSTOMERS

FINANCE AND P.A. DIVISION

- Core Banking
- Software for banking services
- Consulting & training
- New technologies

MANUFACTURING DIVISION

- ERP (SIGMAWEB)
- E-business

CROSS BUSINESS ACTIVITIES

Business Intelligence

Business Process Outsourcing

Application Management

CAD IT develops multiplatform solutions

% Revenues 2005 for Business line



Core Banking	Software for banking services	Manufacturing Division	New technologies	Consulting and Training
<p>75% of revenues</p> <ul style="list-style-type: none"> • >60% market share with Financial Area (market leader) 	<ul style="list-style-type: none"> • 11% of revenues • >40% - 45% market share with tax collection • 25% market share with public body treasury 	<p>9% of revenues</p> <ul style="list-style-type: none"> • ERP • System Integration Services • Market Abuse for companies (new 2006 by Netbureau) • ... 	<ul style="list-style-type: none"> • 3% of revenues • 10% market share with MF-TOL • Trading On Line • Virtual Banking • ... 	<ul style="list-style-type: none"> • 2% of revenues • Executive Training and Org. Support • Business Process Re-engineering • E-learning

- 20% revenues from license sales
- 20% revenues from **maintenance** on the license sales
- 60% revenues from services (Application Management, Implementations, customizations, ecc...)



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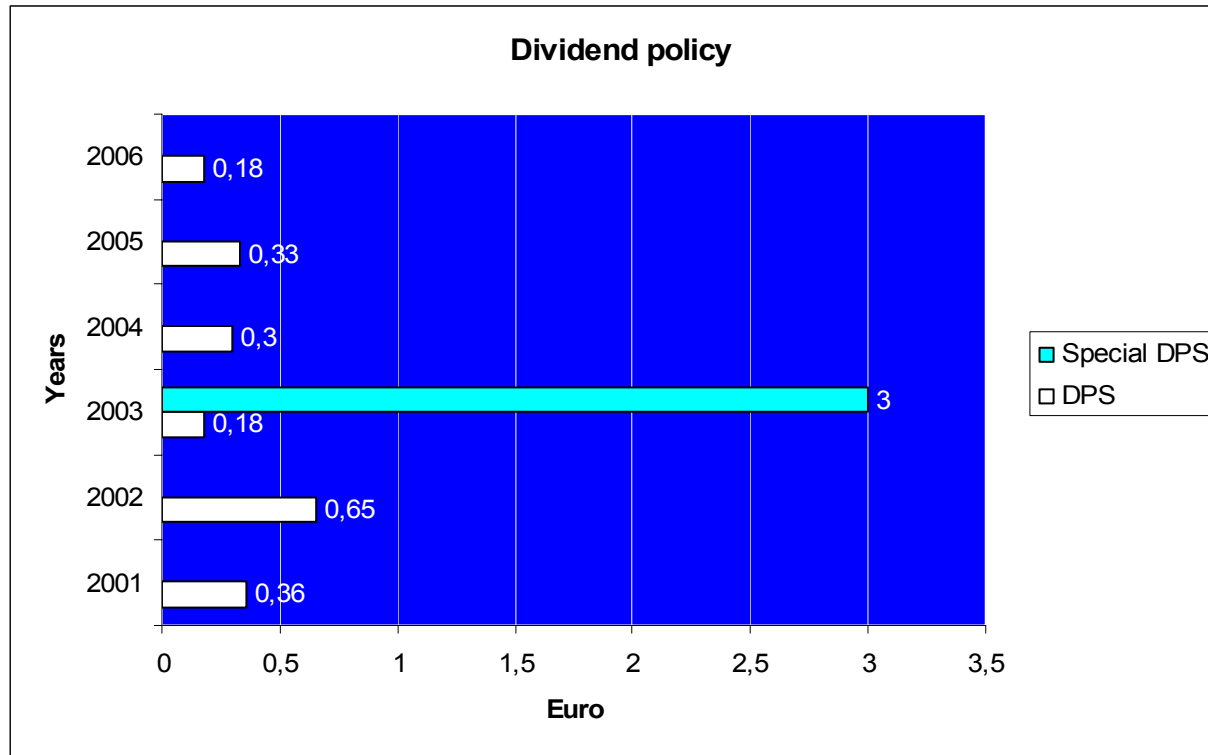
Financial results 1H06/1H05



Consolidated profit and loss account	1H06	%	1H05	%	Δ	Var.
Production value	25,955,161	100%	26,052,706	100%	(0.4%)	(97,545)
Costs for raw materials, subsidiaries, ...	(573,360)	(2.2%)	(401,835)	(1.5%)	42.7%	(171,525)
Service costs	(4,481,682)	(17.3%)	(4,087,419)	(15.7%)	9.6%	(394,263)
Other operational costs	(355,896)	(1.4%)	(443,938)	(1.7%)	(19.8%)	88,042
Added value	20,544,223	79.2%	21,119,514	81.1%	(2.7%)	(575,291)
Labour costs	(14,804,626)	(57.0%)	(15,293,111)	(58.7%)	(3.2%)	488,485
Other administrative expenses	(1,149,319)	(4.4%)	(1,160,040)	(4.5%)	(0.9%)	10,721
Gross operational result (EBITDA)	4,590,278	17.7%	4,666,363	17.9%	(1.6%)	(76,085)
- Intangible fixed asset amortization	(381,124)	(1.5%)	(281,339)	(1.1%)	35.5%	(99,785)
- Tangible fixed asset amortization	(403,376)	(1.6%)	(393,077)	(1.5%)	2.6%	(10,299)
Operational result (EBIT)	3,805,778	14.7%	3,988,525	15.3%	(4.6%)	(182,747)
Net financial receipts (charges)	88,187	0.3%	157,783	0.6%	(44.1%)	(69,596)
Ordinary result	3,893,965	15.0%	4,146,308	15.9%	(6.1%)	(252,343)
Revaluations and depreciations	(456,756)	(1.8%)	(227,568)	(0.9%)	100.7%	(229,188)
Pre-tax and pre-third party share result	3,437,209	13.2%	3,918,740	15.0%	(12.3%)	(481,531)
Income taxes	(2,202,684)	(8.5%)	(2,341,333)	(9.0%)	(5.9%)	138,649
Third party (profit)loss for the period	(120,014)	(0.5%)	(81,131)	(0.3%)	47.9%	(38,883)
Profit (loss) for the period	1,114,511	4.3%	1,496,276	5.7%	(25.5%)	(520,414)

Net Consolidated Financial Position	at 30.06.2006	at 31.12.2005	Δ
	9,126,443	8,347,388	9.3%

Dividend Policy






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Cost Containment



- The number of employees will remain stable over the next two years (2007 – 2008)
- The cost of services which have already decreased from €12 million (2003) to €8,8 million (2005) will be further reduced.



	2002	2003	2004	2005
Services Costs	13.212.000	12.073.570	9.127.850	8.807.173
Δ		-9%	-24%	-33%

- Operating costs will be reduced by concentrating some of the controlled companies' external activities at the CAD IT headquarters (Verona).



Investments in R&D

CONTINUOUS R&D PLANS, INVESTMENTS IN CO-OPERATION WITH STRATEGIC PARTNERS AND CLIENTS AND BY INTENSIVE TRAINING OF PERSONNEL ON NEW TECHNOLOGIES



UNIVERSITA' degli STUDI di VERONA



Some investments in 2006:

- Integrated modules of SIBAC core banking
- PA and tax collection
- New banking outlet (FRONT END)
- ...

New subsystems for insurances:

- Back Office
- Front Office
- Pricing
- ALM
- Antimoney Laundering
- ERM (577)
- SOX

Target: increase products portfolio

All new software programs will be :

- INTERNET BASED AND HARDWARE INDEPENDENT
- MULTILANGUAGE
- MULTICURRENCY
- MODULAR



Increase Market Share

- WIDE CLIENT BASE: CROSS SELLING PLANS TO INCREASE RECURRING REVENUES AND VISIBILITY

NEW PRODUCTS

NEW SERVICES (Application Management, B.P.O.)

- NEW BANKING CUSTOMERS working ON REFERENCES AND REPUTATION
- NEW TYPES OF BUSINESS (e.g. Brokers, Asset Management Companies, Insurances, ...).

Acquisitions

All acquired companies are managed by their founders according to the CAD IT policy.

May 2001



June 2001



April 2002



June 2002



February 2004



The Partners



Technology Partners



Business Partners



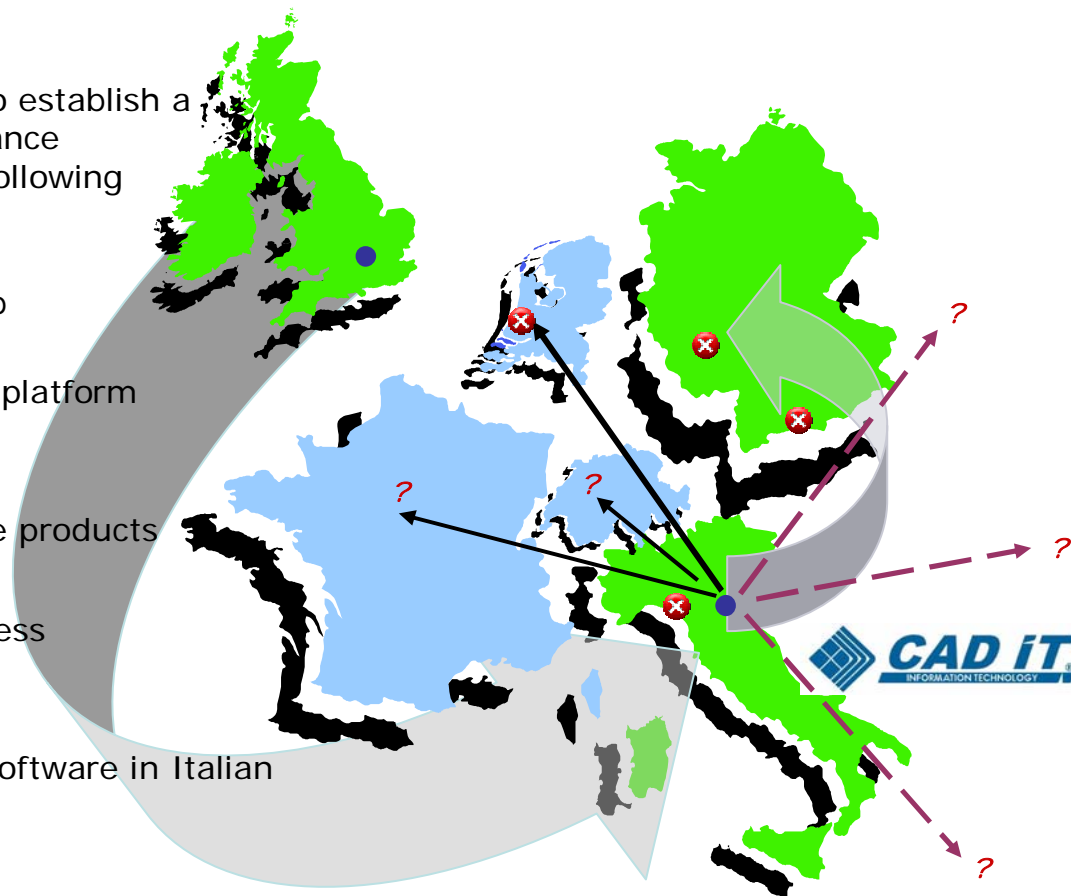
Strategic Partners



Opportunity assessment underway as detailed in the Letter of Intent

A joint team has been convened to establish a definitive basis for a Strategic Alliance incorporating one or more of the following areas:

1. Introduction of CAD IT into Xetb
2. Establishment of multi-national platform for European securities processing
3. Cross-selling of CAD IT software products
4. Cross-selling of Xchanging process services in Italy
5. Market potential of Xchanging software in Italian Insurance industry
6. Extension of market offer into an allied financial services area

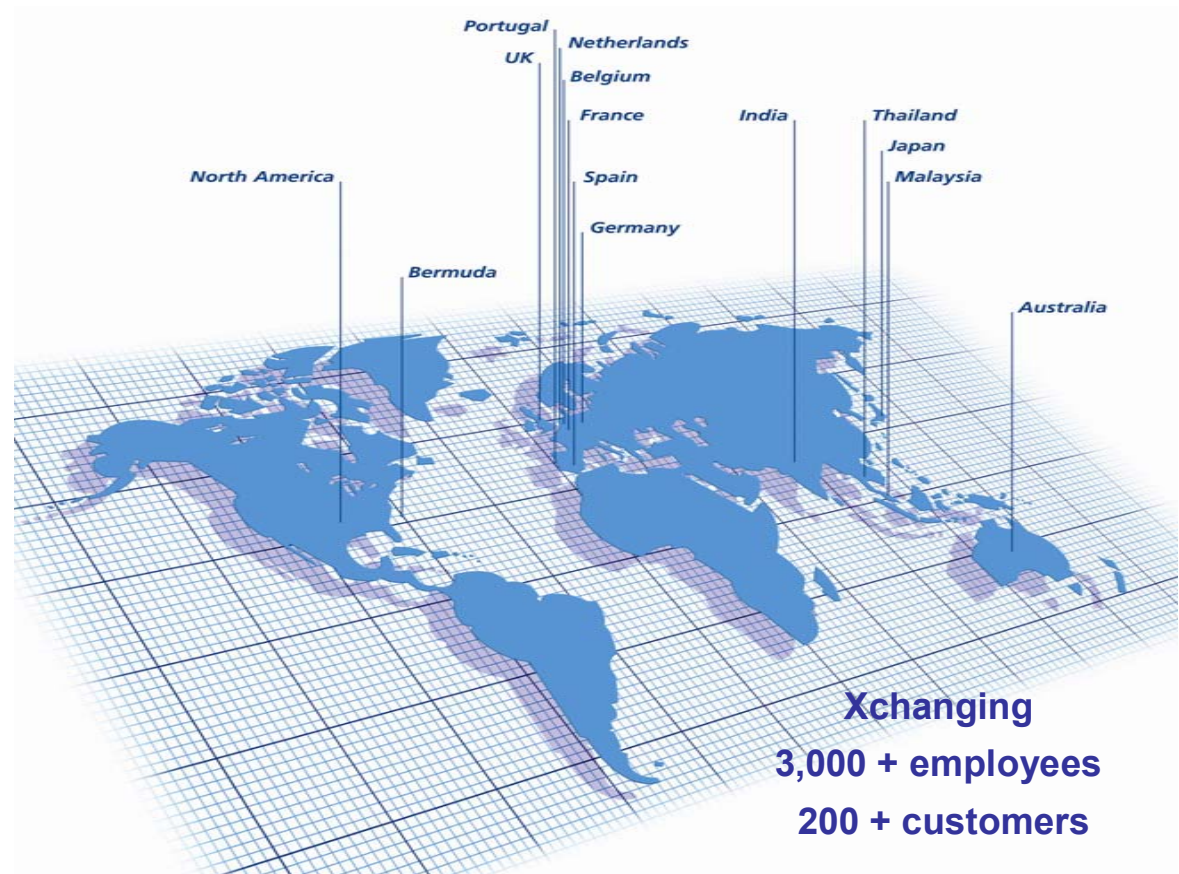


About Xchanging

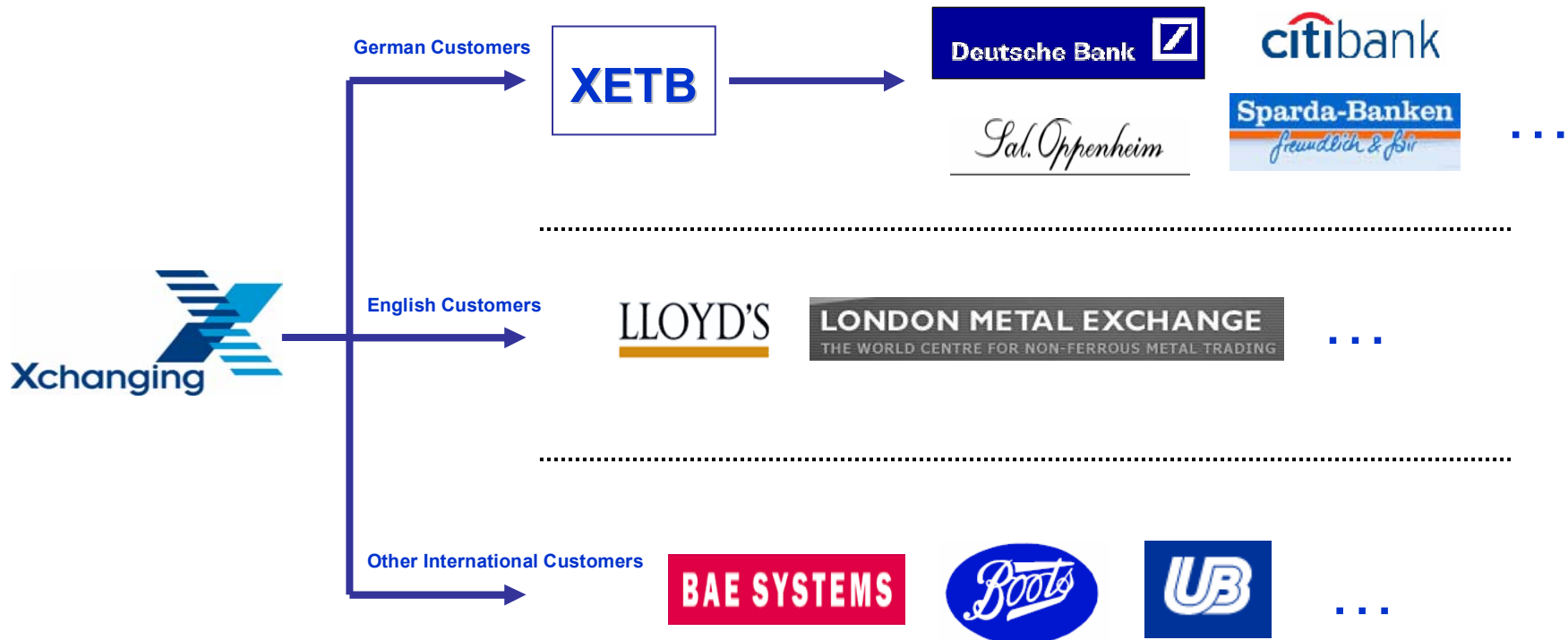


Xchanging in the September 2005 has acquired from each of CAD IT founders' families a global **10%** shareholding at the price of **10,7 €** per share

Xchanging, based in London, is the world's leading business processing services company serving financial markets, insurance markets, manufacturing and retail alongside new international markets. Xchanging delivers better service at lower cost from its customers' back-office functions such as: customer administration, HR, procurement, finance and accounting. From nothing to more than 3,000 people located in 13 countries in 5 years, Xchanging handles back-office business processing on behalf of its customers. Business processing is about seizing the opportunity to drive fundamental change within an organization by moving from managing resources to managing services.



Selected Xchanging partner and customers





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21st June 2006

CAD IT SPEAKS GERMAN

CAD IT announces that it has signed an agreement for the sale of the “E.M.M. (Easysset Matching Module)” software to its partner Xchanging.

The CAD IT product will be used by Xchanging to manage transactions in the German securities processing market.

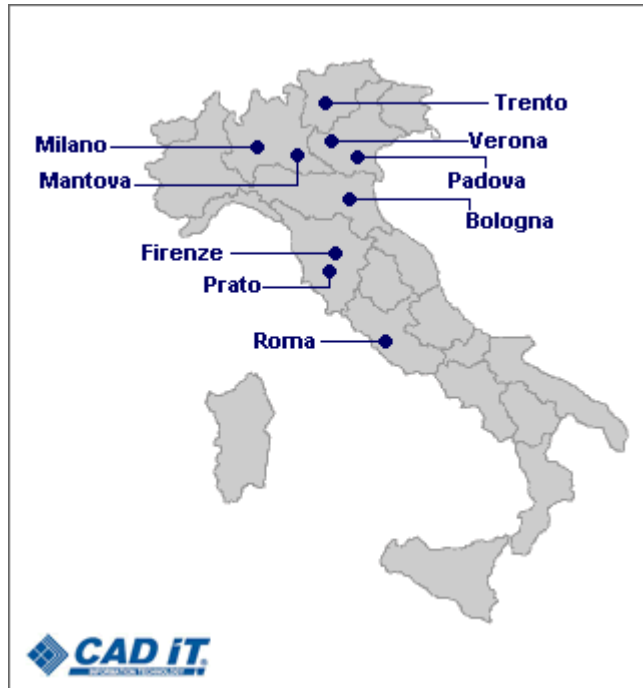
CAD IT and Xchanging have extended the letter of intent signed last November to form an alliance to focus on the European financial services sector.

E.M.M. is a software product that supports operational control functions of financial instruments. For some years CAD IT has been investing in developing multi-lingual and multi-platform versions of its products with potential foreign clients in mind. The software will be used simultaneously in English and German. The EMM product is suitable for Italian or foreign banks or financial institutions, as it may be used stand-alone or integrated with other CAD IT products.

Xchanging is a supplier in Germany of back-office processing services to the financial services industry. Xchanging’s Financial Services Sector will use “E.M.M.” to supply services to its clients including: Deutsche Bank, Citigroup, Sal. Oppenheim and Sparda Banken. Thanks to this important connection, the CAD IT Group will be selling its own product in Germany.



Where



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