

CAD IT: THE BOARD OF DIRECTORS APPROVES THE INTERIM MANAGEMENT REPORT AT 31ST MARCH 2012

In the first quarter of 2012, the CAD IT Group registered a Production Value of Euro 13.6 million, compared to the Euro 13.4 million in the first quarter of 2011.

*EBITDA stands at Euro 1.8 million (Euro 1.6 million in the first quarter of 2011);
EBIT stands at Euro 0.9 million (Euro 0.8 million in the first quarter of 2011);
Result of the period net of third party share stands at Euro 1.0 million and in line with the first quarter 2011.*

The Consolidated Net short-term Financial Position at 31st March 2012 is in credit by Euro 7.4 million compared to the Euro 5.4 million registered at 31st December 2011.

Moreover, the appointment of the Manager charged with preparing the company's financial reports has been renewed.

The Board of Directors of CAD IT S.p.A. (www.cadit.it), leader in the Italian financial software market and quoted in the STAR segment of Borsa Italiana, today approved the Interim Management Report at 31st March 2012.

The main results in regard to the Consolidated Profit and Loss account at 31st March 2012 are as follows:

- **Production Value** of Euro 13.6 million showing a growth compared to Euro 13.4 million in the first quarter of 2011. The internal work capitalized under fixed assets went from Euro 1 million in the first quarter of 2011 to Euro 0.9 million in the first quarter of the current year;
- **Gross Operational Result (EBITDA)** of Euro 1.8 million, corresponding to 12.9% of the Production Value, showing an increase compared to Euro 1.6 million in the first quarter of 2011 (11.7% of the Production Value);
- **Operational Result (EBIT)** of Euro 0.9 million corresponding to 6.8% of the Production Value, showing an increase compared to Euro 0.8 million in the first quarter of 2011 (6.0% of the Production Value);
- **Result of the period net of third party share** of Euro 1.0 million (7.6% of the Production Value) and in line compared to Euro 1.0 million registered in the first quarter of 2011 (7.3% of the Production Value).

The **Consolidated net short-Term Financial Position** at 31st March 2012 is **in credit** by Euro 7.4 million compared to Euro 5.4 million registered at 31st December 2011 and to Euro 4 million registered at 31st March 2011.

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Moreover the Board of Directors, prior favorable opinion of the Board of Auditors and proposal of the Nominating and Remuneration Committee, has renewed the appointment of Maria Rosa Mazzi as **Manager charged with preparing the company's financial reports**.

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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.

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The CAD IT S.p.A. Board of Directors has positively assessed the subsistence of the necessary requirements for its independent directors as set down by the Corporate Governance Code of the Borsa Italiana S.p.A..

Consolidated income statement

(in thousands of Euro)

	31/03/2012		31/03/2011		Period variations	
	€/000	% PV	€/000	% PV	absolute	%
Income from sales and services	12,744	93.6%	12,412	92.4%	332	2.7%
Asset increases due to internal work	875	6.4%	1,013	7.5%	(138)	(13.7%)
Other revenue and receipts	2	0.0%	3	0.0%	(0)	(15.8%)
Production value – PV	13,620	100.0%	13,427	100.0%	193	1.4%
Costs for raw	(127)	(0.9%)	(185)	(1.4%)	58	(31.4%)
Service costs	(2,328)	(17.1%)	(2,544)	(18.9%)	216	(8.5%)
Other operational costs	(205)	(1.5%)	(154)	(1.1%)	(51)	33.2%
Added value	10,960	80.5%	10,544	78.5%	416	3.9%
Labour costs	(8,683)	(63.7%)	(8,425)	(62.7%)	(258)	3.1%
Other administrative expenses	(525)	(3.9%)	(550)	(4.1%)	26	(4.7%)
Gross operational result - EBITDA	1,753	12.9%	1,568	11.7%	184	11.8%
Allocation to fund and credit depreciation	(3)	(0.0%)	(2)	(0.0%)	(0)	18.6%
Intangible fixed asset amortization	(676)	(5.0%)	(595)	(4.4%)	(81)	13.5%
Tangible fixed asset amortization	(150)	(1.1%)	(162)	(1.2%)	12	(7.2%)
Operational result - EBIT	924	6.8%	809	6.0%	115	14.2%
Financial income	37	0.3%	22	0.2%	15	69.4%
Financial expenses	(21)	(0.2%)	(21)	(0.2%)	0	(0.5%)
Ordinary result	940	6.9%	810	6.0%	130	16.1%
Revaluations and depreciations	203	1.5%	201	1.5%	2	0.8%
Pre-tax result	1,143	8.4%	1,011	7.5%	132	13.0%
Pre-tax result attributable to:						
Non-controlling interests	111	0.8%	32	0.2%	79	249.1%
Owners of the parent	1,032	7.6%	979	7.3%	53	5.4%

Consolidated statement of comprehensive income

(in thousands of Euro)

	I Quarter 2012	I Quarter 2011
Pre-tax result for the period	1,143	1,011
Gains/(Losses) on fair value of available-for-sale financial assets	-	27
Total Comprehensive income	1,143	1,038
Comprehensive income attributable to:		
- Non- controlling interests	111	32
- Owners of the parent	1,032	1,006

Consolidated Statement of financial position

(in thousands of Euro)

ASSETS	31/03/2012	31/12/2011
A) Non-Current Assets		
Property, plant and equipment	18,064	18,171
Intangible assets	20,205	19,981
Goodwill	8,309	8,309
Investments	355	330
Other financial assets available for sale	297	460
Other non-current credits	153	132
Credits due to deferred taxes	595	595
TOTAL NON-CURRENT ASSETS	47,976	47,976
B) Current Assets		
Inventories	88	70
Ongoing orders	17	17
Trade receivables and other credits	33,007	30,600
Tax credits	262	257
Cash on hand and other equivalent assets	8,307	7,107
TOTAL CURRENT ASSETS	41,681	38,052
TOTAL ASSETS	89,658	86,028

EQUITY AND LIABILITIES	31/03/2012	31/12/2011
A) Equity		
Company capital	4,670	4,670
Reserves	35,384	35,395
Accumulated profits/losses	16,323	15,291
Company capital and reserves attributable to owners of the parent	56,377	55,356
Non-controlling interests	2,600	2,489
TOTAL EQUITY	58,977	57,845
B) Non-current liabilities		
Financing	111	119
Deferred tax liabilities	3,375	3,375
Employee benefits and quiescence provisions	6,745	6,724
Expense and risk provisions	36	40
TOTAL NON-CURRENT LIABILITIES	10,267	10,258
C) Current liabilities		
Trade payables	7,767	4,007
Current tax payables	3,802	4,696
Short-term financing	893	1,705
Other liabilities	7,953	7,516
TOTAL CURRENT LIABILITIES	20,414	17,925
TOTAL LIABILITIES AND EQUITY	89,658	86,028

Consolidated Cash Flow Statement

(in thousands of Euro)

	I Quarter 2012	I Quarter 2011
Opening cash balances and equivalents	5,401	4,250
OPERATING ACTIVITIES		
Profit (loss) for the period	1,143	1,011
Amortisation, revaluation and depreciation:		
- Property, plant and equipment amortisation	150	162
- Intangible fixed asset amortisation	676	595
- revaluation of investments and financial assets available for sale	(203)	(201)
- depreciation of investments and financial assets available for sale	0	0
Allocations (utilization) of provisions	17	99
Financial performance:		
- Net financial receipts (charges)	(16)	(1)
- Profit / (losses) on exchanges	(0)	(0)
Working capital variations	872	(1,009)
Income taxes paid	0	0
Interest paid	(21)	(21)
(A) Cash flows from (used in) operating activities	2,618	635
INVESTMENT ACTIVITIES		
Investments in activities		
- Property, plant and equipment purchases	(43)	(52)
- Intangible assets purchases/development	(899)	(1,016)
- increase in other fixed assets	(32)	(27)
Disinvestment activities		
- Property, plant and equipment transfers	0	-
- Assets available for sale transfers	171	-
- Decrease in other fixed assets	10	-
Cashed Interest	37	22
Cashed dividends	159	162
(B) Cash flows from (used in) investment activities	(597)	(911)
FINANCING ACTIVITIES		
Medium/long term financing repayment	(8)	(8)
Dividends paid	0	0
(C) Cash flows from (used in) financing activities	(8)	(8)
(A+B+C) Cash balances and equivalents net changes	2,013	(283)
Closing cash balances and equivalents	7,414	3,967

Consolidated net financial position

(in thousands of Euro)

<i>Net consolidated financial position</i>	<i>31/03/2012</i>	<i>31/12/2011</i>	<i>31/03/2011</i>
Cash-on-hand and at bank	5,863	4,678	3,103
Capitalisation insurance policies	2,444	2,429	2,385
Payables due to banks current portion	(893)	(1,705)	(1,521)
Net short-term financial position/(indebtedness)	7,414	5,401	3,967
Long-term loans	(111)	(119)	(142)
Net long-term financial position/(indebtedness)	(111)	(119)	(142)
Net financial position/(indebtedness)	7,303	5,282	3,824

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, Padua and Mantua.

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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