

**THE CAD IT BOARD OF DIRECTORS APPROVES THE 2007 BALANCE SHEET AND THE PROPOSAL OF AN ORDINARY DIVIDEND OF €0.70 PER SHARE (+141.4%)**

*The CAD IT Group closes 2007 with a Value of Production of €60.7 million showing a 16.2% increase compared to the previous financial period (€52.2 million).*

*All profit margins are on the increase:*

- *EBITDA was €15.2 million compared to €9 million in the previous financial period (+67.6%);*
- *EBIT was €12.6 million compared to €7.4 million in the previous financial period (+71.4%);*
- *Net Profit was €8 million compared to €3 million in the previous financial period (+169.2%).*

*The Consolidated Net Financial Position was in credit by €12.1 million, showing an increase compared to the €8.4 million at 31<sup>st</sup> December 2006.*

*The payment of an ordinary dividend of €0.70 per share will be proposed at the Shareholders' Meeting, an increase of 141.4% compared to the dividend of €0.29 per share in 2006.*

The Board of Directors of CAD IT S.p.A. ([www.cadit.it](http://www.cadit.it)), leader in the Italian financial software market and quoted in the STAR segment of Borsa Italiana, today approved the 2007 balance sheet.

The Consolidated Balance at 31<sup>st</sup> December 2007 reported:

- **Value of Production** of €60.7 million, showing a **16.2% growth** compared to €52.2 million in 2006; the Group achieved this increase in Value of Production despite a reduction in internal work capitalised under fixed assets which went from €4.4 million throughout 2006 to €2.3 million;
- **Gross Operational Result (EBITDA)** of €15.2 million (25% of Value of Production), a **67.6% increase** compared to €9 million in 2006 (equal to 17.3% of Value of Production);
- **Operational Result (EBIT)** of €12.6 million (20.8% of Value of Production), a **71.4% growth** compared to €7.4 million in 2006 (equal to 14.1% of Value of Production);
- **Group pre-tax profit** stood at €13.9 million (22.8% of Value of Production), an **83.3% growth** compared to €7.6 million in the previous financial period (14.5% of Value of Production);
- **Net Profit** of €8 million, equal to 13.1% of Value of Production, a **169.2% growth** compared to €3 million in the previous financial period (5.7% of Value of Production).

The parent company **CAD IT S.p.A.** registered a Value of Production of €39.7 million compared to €30.5 million in the previous year (**+30.1%**), with a net profit of €6.6 million compared to the €2.7 million registered at 31<sup>st</sup> December 2006 (**+144.2%**).

CAD IT reports that the **Consolidated Net Financial Position** at 31<sup>st</sup> December 2007 was in credit and stood at €12.1 million, showing a **44% increase** compared to €8.4 million in the previous financial period, despite the payment of €2.6 million in dividends relating to 2006.

On the basis of the results of the 2007 financial period, the Board of Directors has decided to propose the **distribution of an ordinary dividend of €0.70 per share** at the Shareholders' Meeting. The CAD IT Board of Directors will propose the dates for coupon release and payment of the ordinary dividend at the Shareholders' Meeting as 12<sup>th</sup> May 2008 and 15<sup>th</sup> May 2008 respectively.

The Dividend yield compared to the stock reference close price at 25<sup>th</sup> March 2008 stood at 7.6%, with a 78.9% of pay out on the Group net profit and equal to €6.3 million.

\* \* \*

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.

\* \* \*

CAD IT communicates that has been adopted the organization, management and control model introduced by d.lgs 231/2001.

\* \* \*

Moreover CAD IT hereby communicates, in accordance with art. 89 bis of the Issuing Party Regulations, that the annual report on company governance will be published shortly on the company website and it will be available for consultation at the company head offices.

\* \* \*

Furthermore, the CAD IT S.p.A. Board of Directors would like to reaffirm that, at the Board meeting on 12<sup>th</sup> February 2008, it was decided to summon an Ordinary Shareholders' Meeting to approve the 2007 Draft Budget for **29<sup>th</sup> April 2008** as the first summoning and 6<sup>th</sup> May 2008 for the second, to be held at the company head offices in Verona.

## Consolidated financial statements of the Group

### Consolidated profit and Loss Account

	Period 2007 01/01 - 31/12		Period 2006 01/01 - 31/12		Variations	
Income from sales and services	58,256	96.0%	47,669	91.2%	10,587	22.2%
of which related parties	805	1.3%	179	0.3%	626	349.6%
Variations in stock of products being elaborated	(91)	(0.1%)			(91)	
Changes in ongoing orders	(106)	(0.2%)	56	0.1%	(162)	(287.1%)
Asset increases due to internal work	2,335	3.8%	4,406	8.4%	(2,071)	(47.0%)
of which related parties	832	1.4%	1,908	3.7%	(1,076)	(56.4%)
Other revenue and receipts	301	0.5%	111	0.2%	190	171.3%
<b>Production value</b>	<b>60,696</b>	<b>100.0%</b>	<b>52,243</b>	<b>100.0%</b>	<b>8,453</b>	<b>16.2%</b>
Costs for raw	(1,227)	(2.0%)	(1,223)	(2.3%)	(4)	0.4%
Service costs	(10,002)	(16.5%)	(8,923)	(17.1%)	(1,079)	12.1%
of which related parties	(173)	(0.3%)	(336)	(0.6%)	163	(48.6%)
Other operational costs	(814)	(1.3%)	(1,035)	(2.0%)	221	(21.4%)
<b>Added value</b>	<b>48,652</b>	<b>80.2%</b>	<b>41,062</b>	<b>78.6%</b>	<b>7,590</b>	<b>18.5%</b>
Labour costs	(30,999)	(51.1%)	(29,670)	(56.8%)	(1,329)	4.5%
of which related parties	(501)	(0.8%)	(368)	(0.7%)	(133)	36.1%
Other administrative expenses	(2,499)	(4.1%)	(2,350)	(4.5%)	(149)	6.3%
of which related parties	1,082	1.8%	1,050	2.0%	32	3.1%
<b>Gross operational result (EBITDA)</b>	<b>15,155</b>	<b>25.0%</b>	<b>9,042</b>	<b>17.3%</b>	<b>6,112</b>	<b>67.6%</b>
Allocation to Credit Depreciation Fund	(279)	(0.5%)	(3)	(0.0%)	(277)	9903.8%
Amortizations:						
- Intangible fixed asset amortization	(1,434)	(2.4%)	(835)	(1.6%)	(599)	71.8%
- Tangible fixed asset amortization	(793)	(1.3%)	(825)	(1.6%)	33	(3.9%)
Other allocations						
<b>Operational result (EBIT)</b>	<b>12,649</b>	<b>20.8%</b>	<b>7,380</b>	<b>14.1%</b>	<b>5,269</b>	<b>71.4%</b>
Financial receipts	393	0.6%	281	0.5%	112	39.9%
Financial charges	(173)	(0.3%)	(124)	(0.2%)	(49)	39.4%
<b>Ordinary result</b>	<b>12,868</b>	<b>21.2%</b>	<b>7,536</b>	<b>14.4%</b>	<b>5,332</b>	<b>70.8%</b>
Revaluations and depreciations	992	1.6%	27	0.1%	965	3571.9%
<b>Pre-tax and pre-third party share result</b>	<b>13,861</b>	<b>22.8%</b>	<b>7,563</b>	<b>14.5%</b>	<b>6,297</b>	<b>83.3%</b>
Income taxes	(5,316)	(8.8%)	(4,303)	(8.2%)	(1,013)	23.5%
Third party (profit)loss for the period	(576)	(0.9%)	(300)	(0.6%)	(277)	92.3%
<b>Profit (loss) for the period</b>	<b>7,968</b>	<b>13.1%</b>	<b>2,961</b>	<b>5.7%</b>	<b>5,008</b>	<b>169.2%</b>

## Consolidated balance sheet

	31/12/2007	31/12/2006	Variations	Var. %
<b>ASSETS</b>				
A) NON-CURRENT ASSETS				
Assets, equipment and machinery	20,147	20,592	(446)	(2.16%)
Intangible assets	15,572	14,452	1,120	7.75%
Goodwill	8,309	8,309	0	-
Holdings	186	152	34	22.68%
Other financial assets available for sale	1,193	2,787	(1,594)	(57.20%)
Other non-current credits	56	46	10	20.78%
Credits due to deferred taxes	254	322	(68)	(21.14%)
<b>TOTAL NON-CURRENT ASSETS</b>	<b>45,716</b>	<b>46,660</b>	<b>(944)</b>	<b>(2.02%)</b>
B) CURRENT ASSETS				
Stock	508	660	(151)	(22.94%)
Ongoing orders	286	392	(106)	(26.94%)
Commercial credits and other credits	29,695	26,276	3,419	13.01%
Tax credits	156	54	102	187.58%
Cash on hand and other equivalent assets	13,097	9,529	3,568	37.44%
<b>TOTAL CURRENT ASSETS</b>	<b>43,744</b>	<b>36,912</b>	<b>6,832</b>	<b>18.51%</b>
C) NON-CURRENT ASSETS FOR SALE				
	-	-		
<b>TOTAL ASSETS</b>	<b>89,460</b>	<b>83,572</b>	<b>5,888</b>	<b>7.04%</b>
<b>LIABILITIES</b>				
A) Equity				
Company capital	4,670	4,670	0	-
Reserves	35,428	34,997	431	1.23%
Accumulated profits/losses	20,282	14,918	5,364	35.96%
<b>TOTAL EQUITY OF THE GROUP</b>	<b>60,380</b>	<b>54,585</b>	<b>5,795</b>	<b>10.62%</b>
Third party Equity	3,041	2,708	333	12.31%
<b>TOTAL EQUITY</b>	<b>63,421</b>	<b>57,293</b>	<b>6,128</b>	<b>10.70%</b>
B) non-current liabilities				
Financing	284	308	(23)	(7.56%)
Liabilities due to deferred taxes	3,507	3,546	(39)	(1.10%)
TFR and quiescence reserves	6,339	6,915	(577)	(8.34%)
Expense and risk reserves	25	25	0	-
<b>TOTAL non-current liabilities</b>	<b>10,155</b>	<b>10,794</b>	<b>(639)</b>	<b>(5.92%)</b>
C) current liabilities				
Commercial debts	4,346	4,623	(277)	(5.99%)
Tax debts	3,563	3,227	337	10.44%
Short-term financing	1,017	1,138	(121)	(10.61%)
Other debts	6,957	6,497	459	7.07%
<b>TOTAL current liabilities</b>	<b>15,884</b>	<b>15,485</b>	<b>398</b>	<b>2.57%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>89,460</b>	<b>83,572</b>	<b>5,888</b>	<b>7.04%</b>

## Consolidated Cash Flow Statement

	31/12/2007	31/12/2006
<b><u>A) OPERATING ACTIVITIES</u></b>		
Profit (loss) for the period	7,968	2,961
Amortisation, revaluation and depreciation :		
- Assets, equipment and machinery amortisation	793	825
- Intangible fixed asset amortization	1,434	835
- revaluation of holding and financial assets available for sale	(992)	(85)
- devaluation of holding and financial assets available for sale	0	0
Allocations (utilisation) of funds:	(577)	479
Financial performance:		
- Net financial receipts (charges)	(220)	(157)
- Profit / (losses) on exchanges	(36)	(3)
Working capital variations	2,065	3,407
Income taxes paid in the financial period	(4,780)	(2,337)
Interest payment	(137)	(120)
<b>(A) - Cash flows from (for) operating activities</b>	<b>5,518</b>	<b>5,805</b>
<b><u>B) INVESTING ACTIVITIES</u></b>		
Investing activities:		
- Assets, equipment and machinery purchases	(408)	(489)
- Intangible assets purchases	(2,554)	(4,489)
- Other assets available for sale purchases	0	0
- increase in investments in associated companies	0	0
- increase in other fixed assets	(11)	(512)
Disinvestment activities:		
- Assets, equipment and machinery transfers	61	15
- Intangible assets transfers	0	50
- Other assets available for sale transfers	2,919	0
- decrease in investments in associated companies	0	0
- decrease in other fixed assets	2	526
Cashed Interest	376	263
Cashed dividends	80	102
<b>(B) - Cash flows from (for) investing activities</b>	<b>465</b>	<b>(4,535)</b>
<b><u>C) FINANCING ACTIVITIES</u></b>		
Medium/long term debts repairement	(23)	(66)
Opening of medium/long term debts	0	0
Effects on consolidation reserve	0	(2)
Third party net patrimony	333	138
Distribution of dividends	(2,604)	(1,616)
Capital injections	0	0
<b>(C) - Cash flows from (for) financing activities</b>	<b>(2,294)</b>	<b>(1,547)</b>
<b>( A+B+C) - Total cash and other equivalent assets flows</b>	<b>3,689</b>	<b>(277)</b>
<b>Opening liquid funds and other equivalent assets</b>	<b>8,391</b>	<b>8,668</b>
<b>Closing liquid funds and other equivalent assets</b>	<b>12,080</b>	<b>8,391</b>

## Financial statements of CAD IT S.p.A. at 31/12/2007

### Profit and Loss Account

(in migliaia di euro)

	Periodo 2007		Periodo 2006		Variazione	
	01/01 - 31/12		01/01 - 31/12		assoluta	%
Income from sales and services	38,268	96.5%	28,163	92.4%	10,105	35.9%
of which related parties	17,431	43.9%	11,890	39.0%	5,541	46.6%
Variations in stock of products being elaborated						
Changes in ongoing orders						
Asset increases due to internal work	1,307	3.3%	2,307	7.6%	(1,000)	(43.3%)
Other revenue and receipts	100	0.3%	25	0.1%	75	294.8%
<b>Production value</b>	<b>39,675</b>	<b>100.0%</b>	<b>30,495</b>	<b>100.0%</b>	<b>9,180</b>	<b>30.1%</b>
Costs for raw	(245)	(0.6%)	(266)	(0.9%)	22	(8.1%)
Service costs	(10,637)	(26.8%)	(7,428)	(24.4%)	(3,208)	43.2%
of which related parties	6,845	17.3%	(3,919)	(12.9%)	10,764	(274.7%)
Other operational costs	(319)	(0.8%)	(296)	(1.0%)	(23)	7.8%
<b>Added value</b>	<b>28,475</b>	<b>71.8%</b>	<b>22,505</b>	<b>73.8%</b>	<b>5,971</b>	<b>26.5%</b>
Labour costs	(16,783)	(42.3%)	(15,555)	(51.0%)	(1,228)	7.9%
of which related parties	385	1.0%	(254)	(0.8%)	639	(251.4%)
Other administrative expenses	(954)	(2.4%)	(921)	(3.0%)	(32)	3.5%
of which related parties	607	1.5%	(585)	(1.9%)	1,192	(203.8%)
<b>Gross operational result (EBITDA)</b>	<b>10,738</b>	<b>27.1%</b>	<b>6,028</b>	<b>19.8%</b>	<b>4,710</b>	<b>78.1%</b>
Allocation to Credit Depreciation Fund	(207)	(0.5%)			(207)	
Amortizations:						
- Intangible fixed asset amortization	(1,178)	(3.0%)	(606)	(2.0%)	(572)	94.4%
- Tangible fixed asset amortization	(641)	(1.6%)	(626)	(2.1%)	(15)	2.4%
Other allocations						
<b>Operational result (EBIT)</b>	<b>8,713</b>	<b>22.0%</b>	<b>4,797</b>	<b>15.7%</b>	<b>3,916</b>	<b>81.6%</b>
Financial receipts	592	1.5%	538	1.8%	54	10.1%
Financial charges	(62)	(0.2%)	(5)	(0.0%)	(57)	1094.2%
<b>Ordinary result</b>	<b>9,243</b>	<b>23.3%</b>	<b>5,329</b>	<b>17.5%</b>	<b>3,914</b>	<b>73.4%</b>
Revaluations and depreciations	787	2.0%	(58)	(0.2%)	845	(1465.2%)
<b>Pre-tax result</b>	<b>10,030</b>	<b>25.3%</b>	<b>5,271</b>	<b>17.3%</b>	<b>4,759</b>	<b>90.3%</b>
Income taxes	(3,463)	(8.7%)	(2,582)	(8.5%)	(881)	34.1%
<b>Profit (loss) for the period</b>	<b>6,567</b>	<b>16.6%</b>	<b>2,690</b>	<b>8.8%</b>	<b>3,877</b>	<b>144.2%</b>

## Balance sheet

	31/12/2007	31/12/2006	Variazione	Var, %
<b>ASSETS</b>				
A) NON-CURRENT ASSETS				
Assets, equipment and machinery	19,501	19,893	(392)	(1.97%)
Intangible assets	14,967	13,953	1,014	7.27%
Goodwill	-	-	-	-
Holdings	14,684	14,684	0	-
Other financial assets available for sale	1,193	2,787	(1,594)	(57.20%)
Other non-current credits	18	18	(0)	(2.18%)
Credits due to deferred taxes	23	48	(25)	(51.18%)
<b>TOTAL NON-CURRENT ASSETS</b>	<b>50,386</b>	<b>51,383</b>	<b>(997)</b>	<b>(1.94%)</b>
B) CURRENT ASSETS				
Stock	35	41	(6)	(13.97%)
Ongoing orders	-	-	-	-
Commercial credits and other credits	26,442	22,626	3,816	16.87%
Tax credits	43	0	43	
Cash on hand and other equivalent assets	8,507	7,153	1,355	18.94%
<b>TOTAL CURRENT ASSETS</b>	<b>35,028</b>	<b>29,819</b>	<b>5,209</b>	<b>17.47%</b>
C) NON-CURRENT ASSETS FOR SALE				
	-	-		
<b>TOTAL ASSETS</b>	<b>85,414</b>	<b>81,202</b>	<b>4,212</b>	<b>5.19%</b>
<b>LIABILITIES</b>				
A) Equity				
Company capital	4,670	4,670	0	-
Reserves	35,428	34,997	431	1.23%
Accumulated profits/losses	20,687	16,724	3,963	23.70%
<b>TOTAL EQUITY</b>	<b>60,785</b>	<b>56,391</b>	<b>4,393</b>	<b>7.79%</b>
B) non-current liabilities				
Financing	-	24	(24)	(100.00%)
Liabilities due to deferred taxes	3,298	3,433	(136)	(3.95%)
TFR and quiescence reserves	3,201	3,493	(292)	(8.37%)
<b>TOTAL non-current liabilities</b>	<b>6,499</b>	<b>6,950</b>	<b>(452)</b>	<b>(6.50%)</b>
C) current liabilities				
Commercial debts	11,560	12,480	(921)	(7.38%)
Tax debts	2,767	1,866	900	48.24%
Short-term financing	24	48	(24)	(49.83%)
Other debts	3,781	3,466	314	9.07%
<b>TOTAL current liabilities</b>	<b>18,131</b>	<b>17,861</b>	<b>270</b>	<b>1.51%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>85,414</b>	<b>81,202</b>	<b>4,212</b>	<b>5.19%</b>

## Consolidated Cash Flow Statement

Statement of changes in equity	31/12/2007	31/12/2006
<b>A) OPERATING ACTIVITIES</b>		
Profit (loss) for the period	6,567	2,690
Amortisation, revaluation and depreciation :		
- Assets, equipment and machinery amortisation	641	626
- Intangible fixed asset amortization	1,178	606
- revaluation of holding and financial assets available for sale	(894)	0
- devaluation of holding and financial assets available for sale	0	0
Allocations (utilisation) of funds:	(292)	394
Financial performance:		
- Net financial receipts (charges)	(530)	(533)
- Profit / (losses) on exchanges	(36)	(3)
Working capital variations	176	5,178
Income taxes paid in the financial period	(3,847)	(1,539)
Interest payment	(26)	(2)
<b>(A) - Cash flows from (for) operating activities</b>	<b>2,936</b>	<b>7,417</b>
<b>B) INVESTING ACTIVITIES</b>		
Investing activities:		
- Assets, equipment and machinery purchases	(287)	(408)
- Intangible assets purchases	(2,192)	(4,927)
- Other assets available for sale purchases	0	0
- increase in investments in associated companies	0	(242)
- increase in other fixed assets	0	(1)
Disinvestment activities:		
- Assets, equipment and machinery transfers	38	1
- Intangible assets transfers	0	50
- Other assets available for sale transfers	2,919	0
- decrease in investments in associated companies	0	0
- decrease in other fixed assets	0	0
Cashed Interest	255	203
Cashed dividends	337	334
<b>(B) - Cash flows from (for) investing activities</b>	<b>1,071</b>	<b>(4,990)</b>
<b>C) FINANCING ACTIVITIES</b>		
Medium/long term debts repayment	(24)	0
Opening of medium/long term debts	0	24
Effects on consolidation reserve	0	0
Third party net patrimony	0	0
Distribution of dividends	(2,604)	(1,616)
Capital injections	0	0
<b>(C) - Cash flows from (for) financing activities</b>	<b>(2,628)</b>	<b>(1,593)</b>
<b>( A+B+C) - Total cash and other equivalent assets flows</b>	<b>1,379</b>	<b>835</b>
<b>Opening liquid funds and other equivalent assets</b>	<b>7,105</b>	<b>6,270</b>
<b>Closing liquid funds and other equivalent assets</b>	<b>8,483</b>	<b>7,105</b>



## **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, Florence, 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.*

**Contacts:** **CAD IT S.p.A.**  
Investor Relations Office  
Paolo Dal Cortivo  
Michele Zanella  
Tel. +39 045 8211 236  
[investor@cadit.it](mailto:investor@cadit.it)  
[www.cadit.it](http://www.cadit.it)