

PRESS RELEASE**Verona, 21st March 2005****CAD IT: THE BOARD OF DIRECTORS HAS APPROVED THE 2004 BALANCE AND THE DISTRIBUTION OF A €0.33 ORDINARY DIVIDEND PER SHARE (+10% COMPARED TO THE DIVIDEND OF 2003)**

The Group closed 2004 with a Production Revenues of €54.7 million, Ebitda equal to €11.06 million, and a Net Consolidated Profit of €2.4 million (+30% compared to 2003).

The Net Consolidated Financial Position stands at €11.4 million, thanks to a €5.1 million cash flow from operating activities.

The payment of a €0.33 ordinary dividend per share will be proposed at the Shareholder's Meeting, a 10% increase compared to the dividend of 2003 (€0.30).

The Board of Directors of CAD IT S.p.A. (www.cadit.it), leader in the Italian financial software market, has today approved the Consolidated Balance and the Balance Project for 2004.

On the basis of the results of 2004, which confirm the Veronese Group's ability to generate positive income margins, the Board of Directors has decided to propose the **distribution of a €0.33 ordinary dividend per share (+10% compared to the previous distribution) and the allocation of €0.977 million into reserves** at the Shareholder's Meeting. As a result of this allocation, the **available reserve** in terms of distributable profits will exceed €10 million.

The consolidated balance at 31st December 2004 shows:

- **Production Revenues** of €54.7 million, in line with the €54.6 million of 2003; an increase in internal work capitalised under fixed assets of €4.96 million was recorded and included in the production revenues;
- a **Gross Operating Result (EBITDA)** of €11.02 million, equal to 20.16% of production revenues, an increase of 11.5% compared to the 9.89 of 2003 (equal to 18.09% of production revenues);
- a **Net Consolidated Profit** of €2.4 million, equal to 4.4% of production revenues and showing an increase of 30% compared to the previous financial period (€1.84 million), after taxes of €4.31 million.

Moreover, CAD IT reports that the **Net Consolidated Financial Position** at 31st December 2004 was €11.4 million showing an increase compared to the €10.6 million of the previous quarter. At the end of 2003 the Net Financial Position stood at €14.13 million.

During the year the Net Financial Position was mainly influenced by the increase in receivables included in working capital (about €5 million), the increase in investments in intangible fixed assets (about €5.5 million) and the payment of dividends in May 2004 for €2.7 million.

Net Profits made by the parent company CAD IT S.p.A. amounted to €3.4 million, a 25% increase compared to the €3.15 million of 2003.

Giuseppe Dal Cortivo, Chairman and Managing Director of CAD IT said: "2004 was a satisfactory year for the CAD IT Group which, following an initial six months of weak demand, then recorded a considerable increase in turnover and revenues during the last quarter. Therefore Production Revenues for the whole of 2004 are in line with the previous year. Greater operational efficiency has thus allowed us to achieve a net profit that is growing strongly compared to 2003 and will enable us to distribute a dividend that is 10% higher than the previous one."

The CAD IT S.p.A. Board of Directors will summon an Ordinary Shareholder's Meeting for balance approval to be held at the Company's head office in Verona on 29th April 2005 for the first summoning and on 30th April 2005 for the second.

The dates that the CAD IT Board of Directors will give at the Shareholder's Meeting for the ex-dividend and payment of the ordinary dividend are the 9th and 12th of May 2005 respectively.

The CAD IT Group

The CAD IT Group has developed and distributed information systems for the banking sector and small and medium sized companies for over 20 years. CAD IT's offers include standard and personalised applicative packages, software maintenance, updating, consultancy and training.

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 negotiation, settlement and administration of security transactions, debentures, derivatives (in any currency) and adopted by 50% 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.

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