



# CAD IT Company Overview

Presentation for “Star Conference Milan”

Milan, 22<sup>nd</sup> March 2017

- **Overview of the Group**

- Financials results

- Strategies

- Attachment

# Overview of the Group

## 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

- **649** staff (as at 31<sup>st</sup> December 2016)
- Continuous training
- Partnerships



# Shareholders and Corporate Governance

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

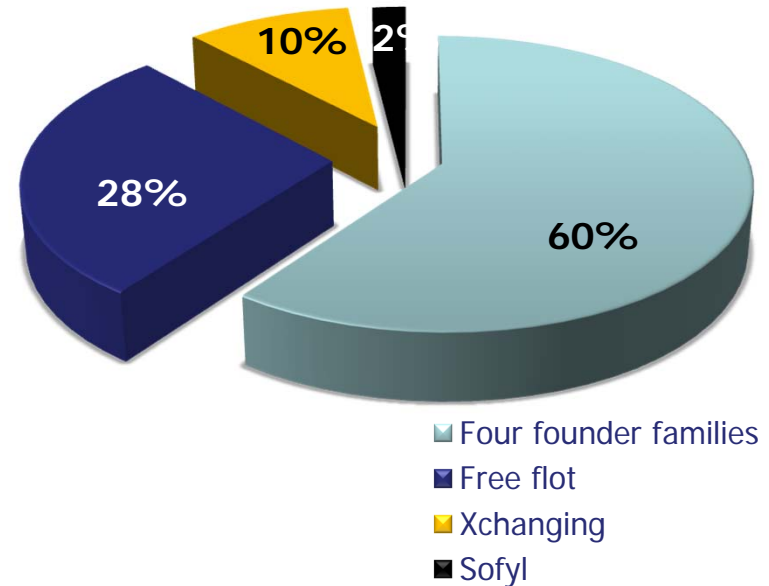
There isn't a syndicate agreement between the families shareholders.

- The **free float** is **28%**.

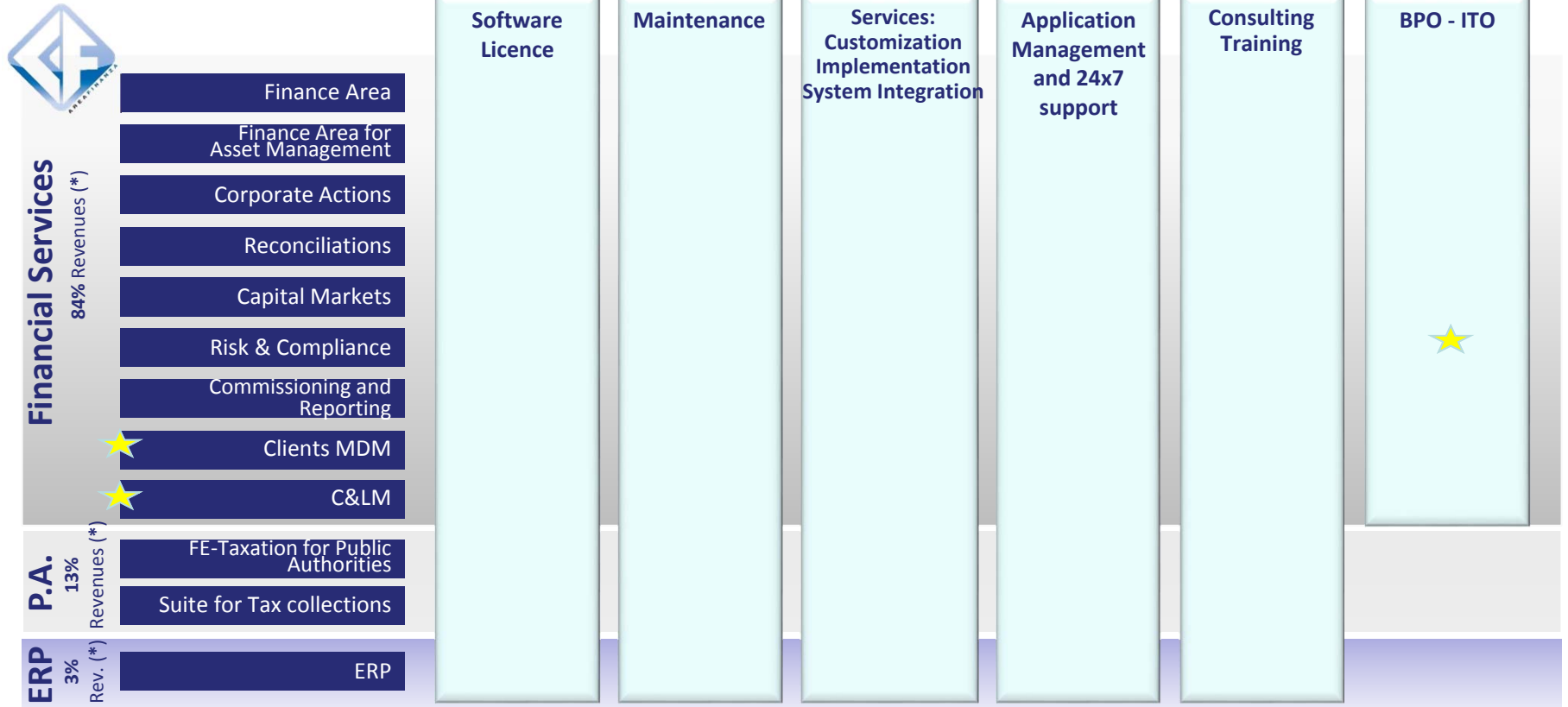
- **CSC - Computer Sciences Corporation** (former **Xchanging UK Ltd**) that controls **10%** of the capital.

- **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



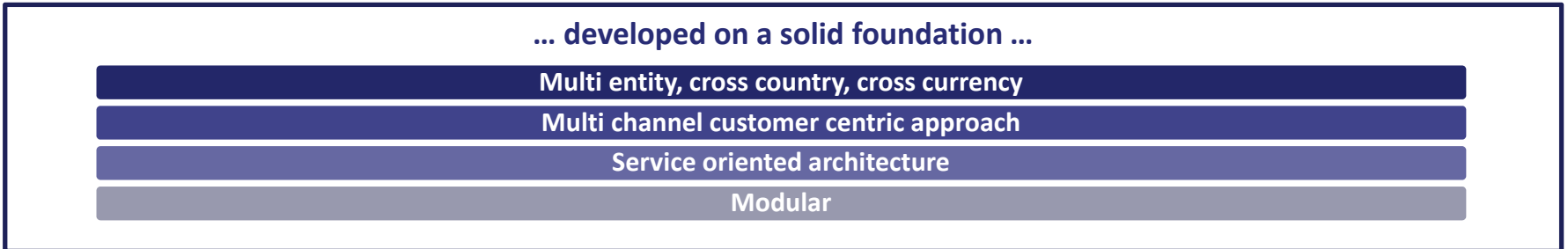
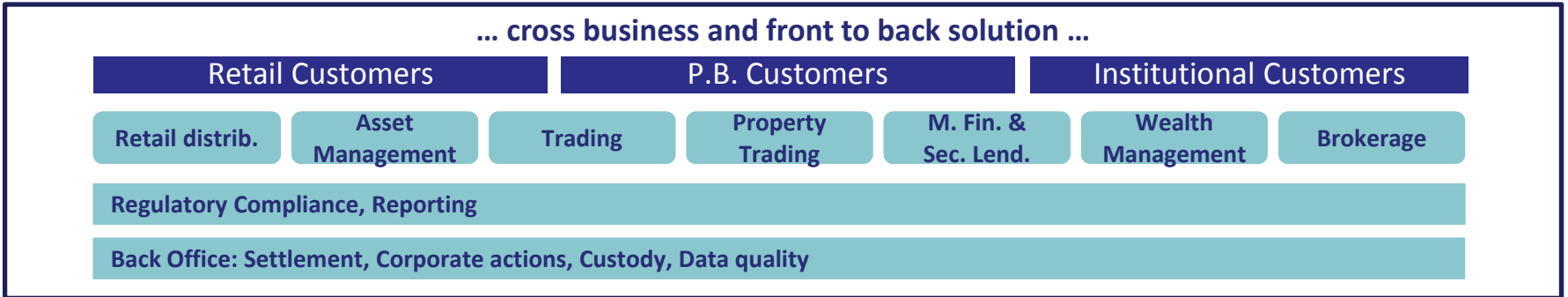
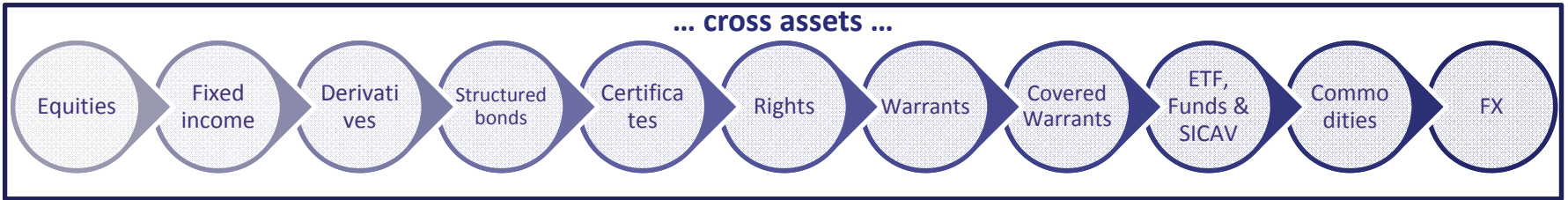
# CAD IT presence in the business environment



■ Sw packages ★ New

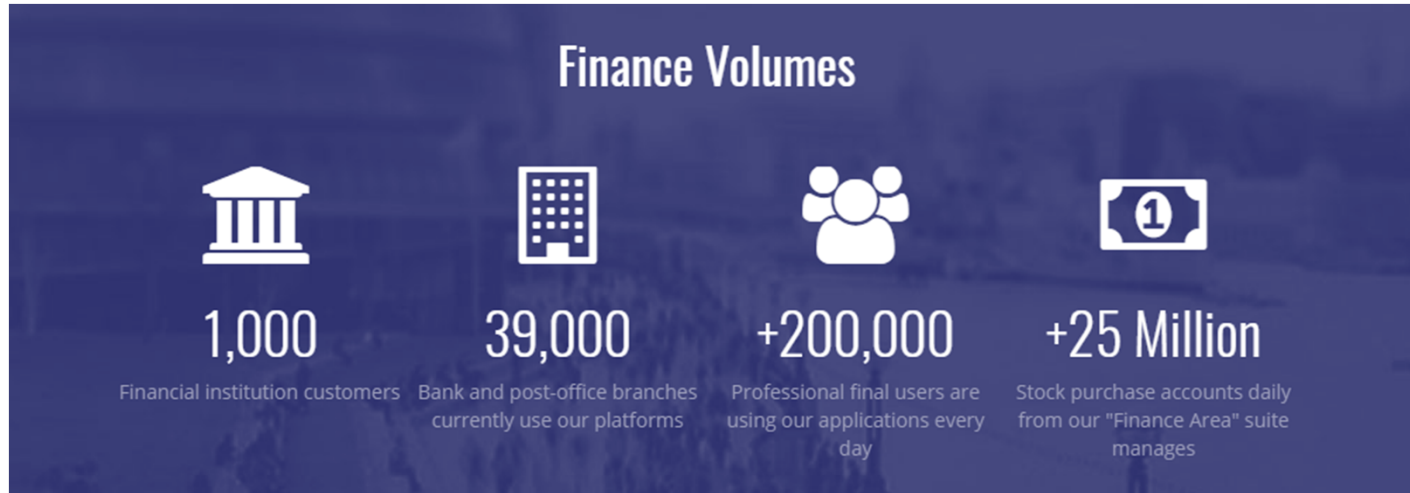
(\*) Indicative % on revenues at 31<sup>st</sup> December 2016

# What makes Finance Area Suite unique?



# Finance Area Suite market segments





**Top tier and large institutions as clients ...**

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





# CAD IT - Operating through a connected network

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

Strategic Partner	Business Partner
      	       
      	   
Technology Partners	Product & Process Partners

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# Annual Results - FY2016/FY2015

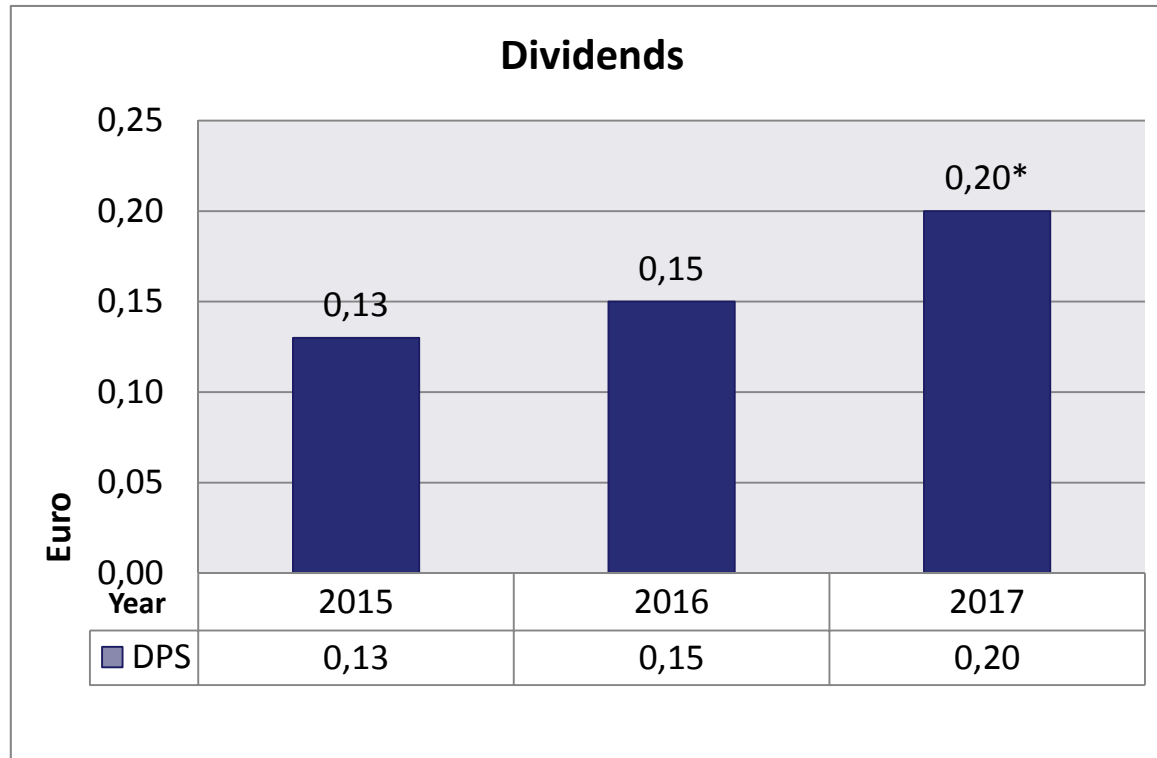
Consolidated Income Statement	Year 2016		Year 2015		Variations	
	€/000	% on PV	€/000	% on PV	€/000	%
Income from sales and services	52,060	91.1%	55,728	93.2%	(3,668)	(6.6%)
Asset increases due to internal work	4,755	8.3%	3,856	6.4%	899	23.3%
Other revenues and receipts	360	0.6%	235	0.4%	125	53.2%
<b>Production value</b>	<b>57,175</b>	<b>100.0%</b>	<b>59,819</b>	<b>100.0%</b>	<b>(2,644)</b>	<b>(4.4%)</b>
Costs for raw materials, subsidiaries etc.	(325)	(0.6%)	(389)	(0.7%)	64	16.5%
Service costs	(9,426)	(16.5%)	(12,437)	(20.8%)	3,011	24.2%
Other operational costs	(1,001)	(1.7%)	(1,015)	(1.7%)	14	1.4%
<b>Added value</b>	<b>46,424</b>	<b>81.2%</b>	<b>45,978</b>	<b>76.9%</b>	<b>446</b>	<b>1.0%</b>
Labour costs	(36,314)	(63.5%)	(36,206)	(60.5%)	(108)	(0.3%)
Other administrative expenses	(2,324)	(4.1%)	(2,314)	(3.9%)	(10)	(0.4%)
<b>Gross operational result - EBITDA</b>	<b>7,787</b>	<b>13.6%</b>	<b>7,458</b>	<b>12.5%</b>	<b>328</b>	<b>4.4%</b>
Amortizations and Depreciations	(6,105)	(10.7%)	(5,643)	(9.4%)	(462)	(8.2%)
<b>Operational result - EBIT</b>	<b>1,681</b>	<b>2.9%</b>	<b>1,815</b>	<b>3.0%</b>	<b>(134)</b>	<b>(7.4%)</b>
Financial income	59	0.1%	130	0.2%	(71)	(54.4%)
Financial expenses	(52)	(0.1%)	(33)	(0.1%)	(19)	(57.0%)
<b>Ordinary result</b>	<b>1,689</b>	<b>3.0%</b>	<b>1,912</b>	<b>3.2%</b>	<b>(223)</b>	<b>(11.7%)</b>
Revaluations and depreciations	360	0.6%	179	0.3%	181	101.1%
<b>Pre-tax result</b>	<b>2,049</b>	<b>3.6%</b>	<b>2,091</b>	<b>3.5%</b>	<b>(42)</b>	<b>(2.0%)</b>
Income taxes	(792)	(1.4%)	(640)	(1.1%)	(152)	(23.8%)
<b>Profit (loss) for the period</b>	<b>1,257</b>	<b>2.2%</b>	<b>1,451</b>	<b>2.4%</b>	<b>(194)</b>	<b>(13.4%)</b>
<b>Profit (loss) for the period attributable to:</b>						
Non-controlling interests	110	0.2%	329	0.5%	(219)	(66.5%)
Owners of the parent	1,147	2.0%	1,123	1.9%	24	2.2%

(in thousands of Euro)

Source: CAD IT

Tax rate

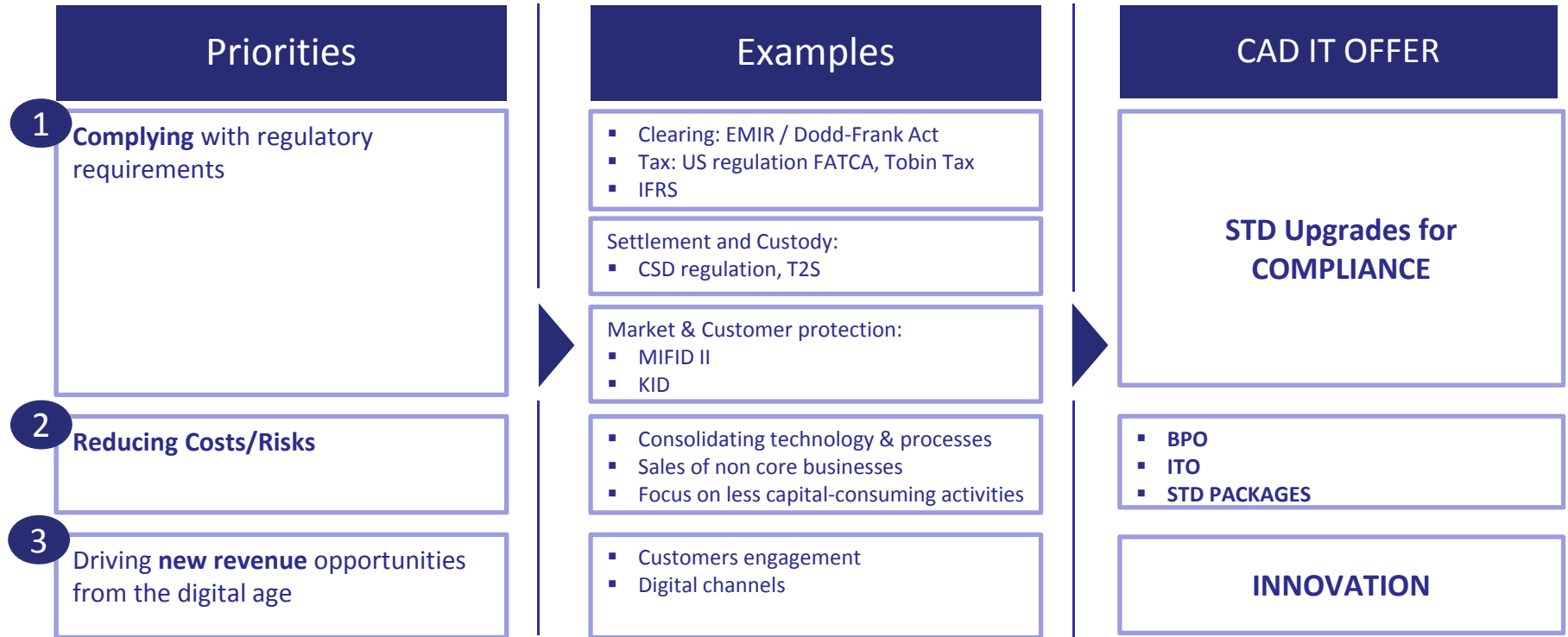
Consolidated Net Financial Position in credit



\*An ordinary dividend payment of Euro 0.20 per share will be proposed by the B.o.D. at the Shareholders' Meeting called for 27<sup>th</sup> April 2017

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# Top Banking priorities in securities processing in Europe



Over 90% of Italian banks rely on CAD IT platform for securities

# Growth Drivers

## One off (2017 - 2019)

### New regulations:

- IFRS9
- MiFID II - MiFIR
- KIDs for PRIIPs
- Repo MTS
- PIR, FTT

## Structural

- New Customers
- New products (Cash & Liquidity Management, Master Data, ...)
- New niches: Insurances and Funds
- New proposition: Cloud and new technologies (I.T.O., B.P.O.)
- Internationalization
- Acquisitions (SFB)

## R&D Network Centric

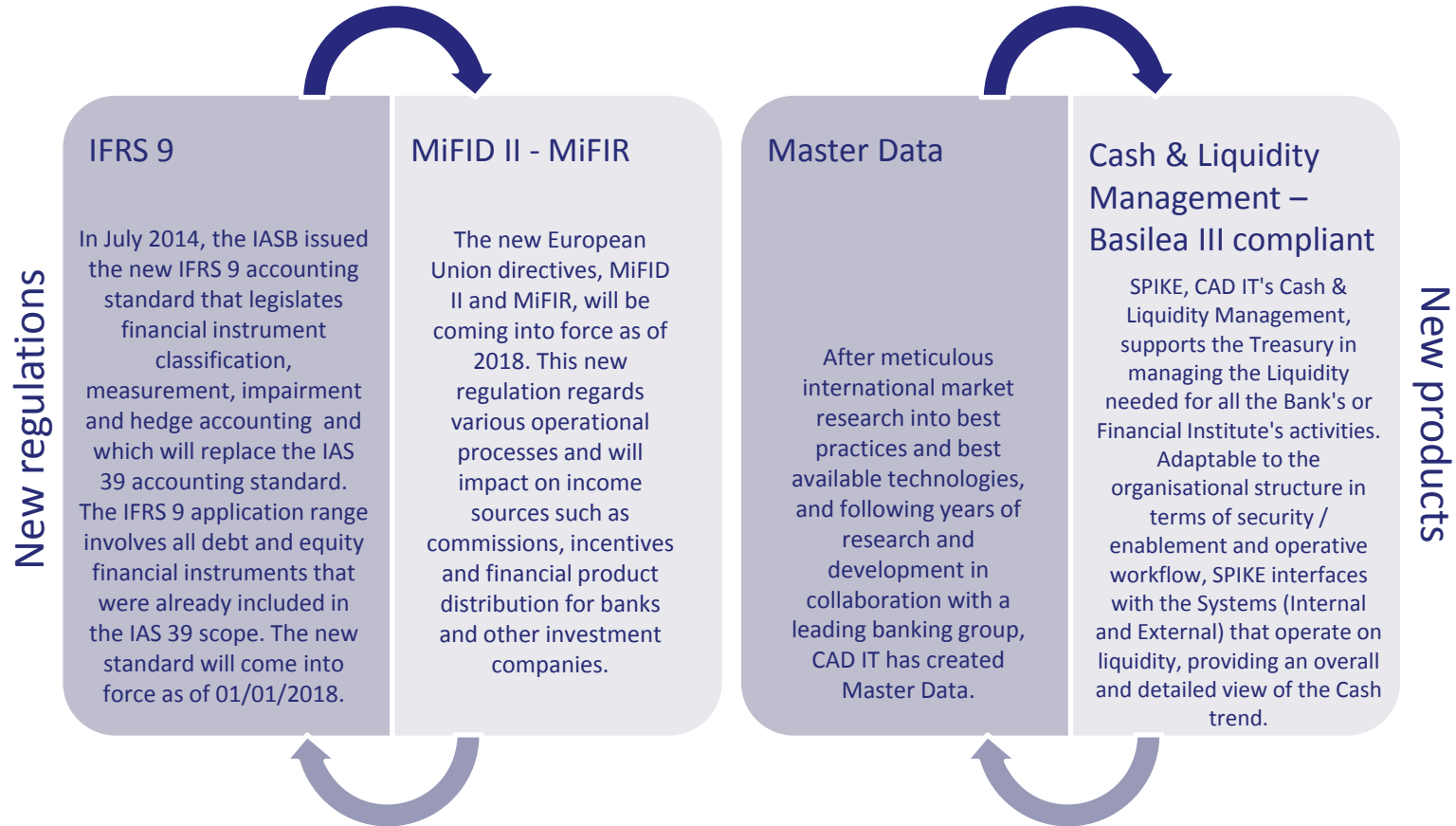
- Customers
- Partners/Fintech
- Universities
- Suppliers



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# Some CAD IT Hot topics



Next

Company Events	Date
Board of Directors approval of draft of Financial Statements and Consolidated Financial Statements at 31 <sup>st</sup> December 2016	<b>Tuesday 14<sup>th</sup> March 2017</b>
Shareholders' Meeting approval of the Financial Statements at 31 <sup>st</sup> December 2016	<b>Thursday 27<sup>th</sup> April 2017</b> (single call)
Board of Directors approval of Interim Management Report at 31 <sup>st</sup> March 2017	<b>Thursday 11<sup>th</sup> May 2017</b>
Board of Directors approval of the Half-Yearly Report at 30 <sup>th</sup> June 2017	<b>Thursday 21<sup>st</sup> September 2017</b>
Board of Directors approval of Interim Management Report at 30 <sup>th</sup> September 2017	<b>Monday 13<sup>th</sup> November 2017</b>



## Q&A



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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.

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UNI CEI ISO/IEC 27001:2014



SISTEMA DI GESTIONE  
PER LA SICUREZZA DELLE  
INFORMAZIONI CERTIFICATO

UNI EN ISO 9001:2015



SISTEMA DI GESTIONE  
QUALITÀ CERTIFICATO



CERTIQUALITY  
È MEMBRO DELLA  
FEDERAZIONE CISQ

CAD IT S.p.A.

COMPANY WITH:

- A QUALITY MANAGEMENT SYSTEM WHICH COMPLIES WITH THE FOLLOWING STANDARD UNI EN ISO 9001:2015 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 IMPLEMENTED IN ACCORDANCE WITH UNI/INAIL GUIDELINES (PUBLISHED SEPTEMBER 2001).