



**CONSOLIDATED INTERIM FINANCIAL
REPORT OF THE DADA GROUP
AT 31 MARCH 2011**

Registered office: Piazza Annigoni, 9B – Florence, Italy
Share capital: EUR 2,755,711.73 fully paid-in
Florence Company Register no. Flo17 - 68727; Chamber of
Commerce (REA) no. 467460; Tax ID/VAT no. 04628270482

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CORPORATE OFFICERS

The current officers of the Dada Group were elected by the general meeting held on 23 April 2009, for the three-year period 2009-2011.

BOARD OF DIRECTORS

Alberto Bianchi ¹	Chairman
Barbara Poggiali ²	CEO
Alberto Bigliardi	Director
Giorgio Cogliati	Director
Alessandro Foti ⁶	Director
Claudio Cappon ⁴	Director
Lorenzo Lepri ⁵	Director
Vincenzo Russi ³	Director
Salvatore Amato	Director
Monica Alessandra Possa ⁷	Director
Matteo Novello	Director
Riccardo Stilli	Director
Danilo Vivarelli ⁶	Director
Stanilsao Cimenti ⁸	Director

¹ On 11 February 2011 Alberto Bianchi, Esq. was co-opted by the Board as a new director following the resignation of Arch. Paolo Barberis and, at the same time, was appointed Chairman of the Company.

² Director Barbara Poggiali was named Chief Executive Officer and General Manager by resolution of the Board of Directors on 8 May 2009.

³ Member of the Internal Control Committee.

⁴ Confirmed by the general meeting held on 19 April 2010

⁵ Director Lorenzo Lepri was named Chief Corporate Officer and Vice General Manager by resolution of the Board of Directors on 8 May 2009.

⁶ Member of the Compensation Committee and Internal Control Committee.

⁷ Member of the Compensation Committee.

⁸ The Director Stanislao Chimenti was co-opted by the Board on 8 November 2010 after Giorgio Valerio tendered his resignation.

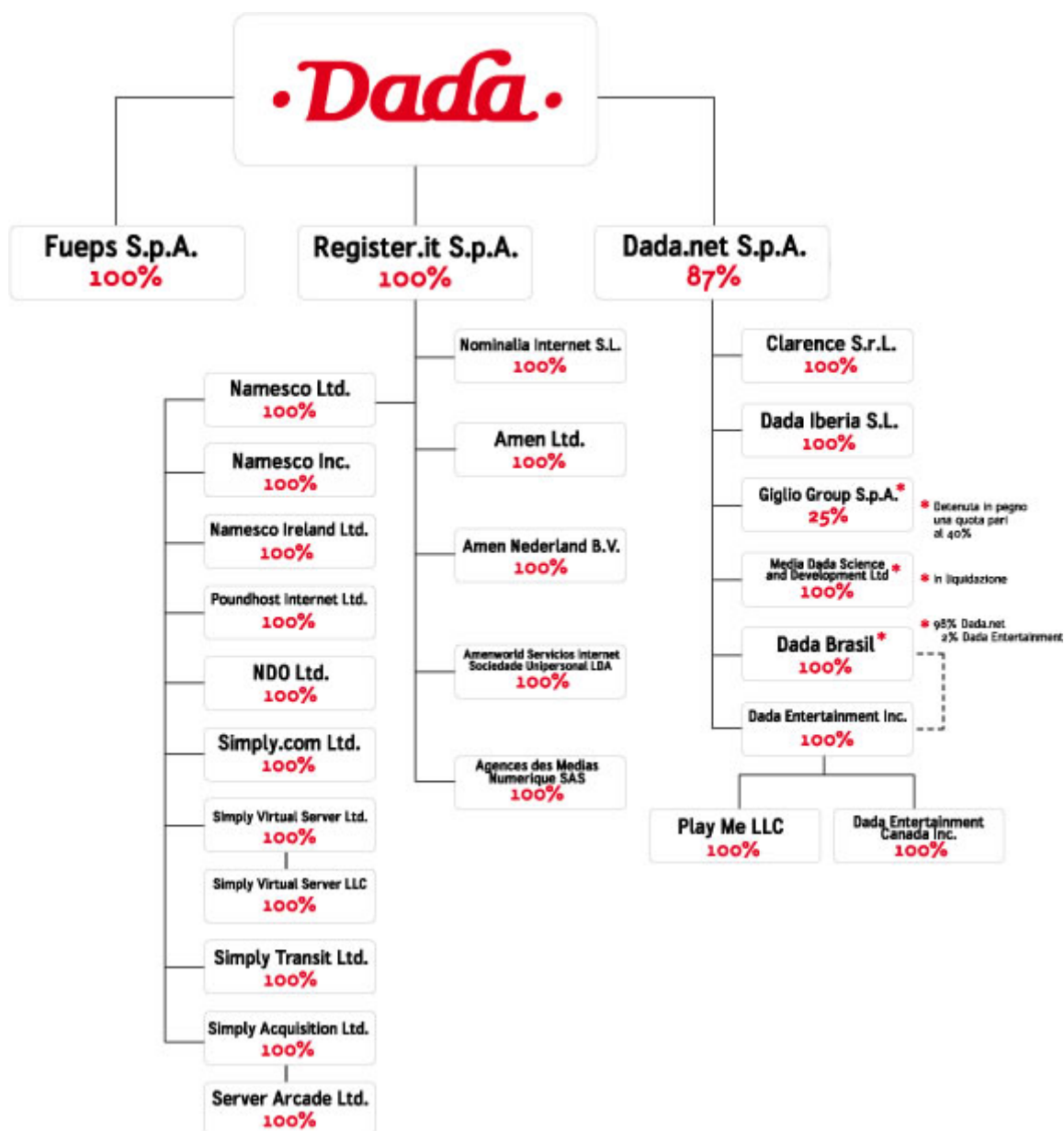
BOARD OF STATUTORY AUDITORS

Silvio Bianchi Martini	Chairman
Claudio Pastori	Standing auditor
Cesare Piovene Porto Godi	Standing auditor
Michele Galeotti	Alternate auditor
Maria Stefania Sala	Alternate auditor

EXTERNAL AUDITORS

Ernst & Young

GROUP STRUCTURE



Dada.net S.p.A. and its direct holdings Dada Iberia SL, Dada Brasil Servicios de Tecnologia Ltda, Dada Entertainment Inc., Dada Media Science and Technology Development Beijing Co. Ltd., Dada Entertainment Canada Inc., Play Me LLC, and Giglio Group S.p.A. are consolidated and classified pursuant to IFRS 5 as assets held for sale, reflecting a preliminary contract for Dada.net's sale to Buongiorno signed on 19 April 2011.

DADA GROUP FINANCIAL HIGHLIGHTS

Consolidated statement of income (3 months)

(EUR/million)	1st quarter 2011 *	1st quarter 2010 *
Revenue	21.0	18.0
EBITDA**	2.0	0.2
Depreciation and amortization	-1.9	-1.8
Non-recurring charges and impairment	-1.4	
EBIT	-1.4	-1.6
Net gains/losses from assets held for sale	-0.5	1.3
Group net profit/(loss)	-2.9	-1.3

Consolidated Statement of Financial Position at 31 March 2011

(Eur/million)	31/03/2011 *	31/12/2010
Net working capital	-21.9	-10.6
Net capital employed	67.9	104.0
Shareholders' equity	53.1	56.7
Net short-term financial position	-19.7	-22.1
Total net financial position	-44.9	-50.6
Assets/(Liabilities) held for sale	30.2	
Number of employees	402	569

* Figures after the application of IFRS 5 relating to non-current assets held for sale. Please refer to the introduction at the beginning of this report for further information.

** gross of impairment losses and other non-recurring items

DIRECTORS' REPORT

INTRODUCTION

The Interim Financial Report at 31 March 2011 has been prepared in accordance with IAS 34 on interim financial reporting and, as regards to recognition and measurement criteria, with the IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as required by Art. 154-ter of the Consolidated Finance Act. It satisfies the provisions of Consob Regulation no. 11971 of 14 May 1999, as amended.

On 19 April 2011 Dada S.p.A. announced to the market that it had signed a preliminary contract with Buongiorno S.p.A. for the sale of its 100% interest in Dada.net S.p.A., further to a preliminary agreement for the buy-back of the 13% of Dada.net held by Sony Music Entertainment.

Buongiorno has agreed to buy 100% of Dada.net S.p.A. (which includes the VAS, music and digital TV businesses), and will therefore acquire its directly held companies Dada Iberia SL, Dada Brasil Servicios de Tecnologia Ltda, Dada Entertainment Inc., Dada Media Science and Technology Development Beijing Co. Ltd, Dada Entertainment Canada Inc., Play Me LLC, Giglio Group S.p.A., and Youlike S.r.l. Buongiorno will pay €28.5 million in cash in addition to Dada.net S.p.A.'s consolidated net financial position at the date of the closing, excluding the debt of Giglio Group S.p.A. (approximately €3.8 million at 31 March 2011), for a total financial benefit of about €32.3 million for Dada.

As a result of this agreement, the Dada.net division is now subject to IFRS 5, "Non-current assets held for sale and discontinued operations." The main effect of applying IFRS 5 is that all of the assets and liabilities pertaining to the companies held for sale are grouped on a single line of the statement of financial position. Likewise, all of the relevant income statement items for the period have been grouped on the line "gain/loss from assets held for sale."

For the sake of comparison, all statement of financial position and income statement items from the previous year have been remeasured and reclassified, as discussed later in this report. Regarding the income statement for 2010, it was also necessary to apply IFRS 5 to the income and costs of E-Box S.r.l., which was sold in February 2011 and not consolidated in the first quarter of this year.

Assets and liabilities for the previous year are still shown on a continuing operations basis.

The interim financial report reflects the accounting standards in effect at the time it was prepared. New versions or interpretations of IFRS may have been issued prior to the publication of this report and the reconciliations presented in accordance with IFRS 1.

DADA GROUP PROFILE

Dada S.p.A., listed in the STAR segment of the Milan Stock Exchange (DA.MI), is an international leader in domain and hosting services, and advanced online advertising solutions.

As a result of the events described in the introduction above, the Dada Group now consists of one operating division, **Dada.pro** (professional services for online presence and advertising) along with a corporate services division and a residual division which includes the businesses pertaining to Clarence S.r.l. and Fupes S.p.A..

Pursuant to the agreement signed for the sale of the division, the business pertaining to the Dada.net division has been reclassified pursuant to and accordance with IFRS 5 as "Non-current assets held for sale and discontinued operations."

Dada.pro

With over 466 thousand business clients and more than 1.6 million domains under management (over 70% of them abroad), Dada.pro is one of the leading names in the registration of Internet domains and the management of online presence for individuals and businesses in Europe. This division includes Register.it, a historical leader in Italy; Nominalia and Namesco, key players in Spain and the U.K., respectively; and the Amen Group, a major presence in France, Spain and Portugal with its own operations in the United Kingdom and Holland.

The online advertising business includes the company Simply and Scalable Advertising. Simply (www.simply.com) is a pay-for-performance online advertising platform developed entirely in-house, available around the globe, which allows users to plan effective advertising campaigns through marketing tools that select the target and analyze results, and gives website owners the possibility to generate more revenue from the sale of advertising space. Scalable Advertising consists in traffic refining through the trading of key words and research queries on the advertising networks, thanks to the constant fine-tuning of proprietary algorithms and the close relationship with the world's main ad networks.

The gradual exit from the advertising concession business continued, in line with the steps taken in fourth quarter 2010.

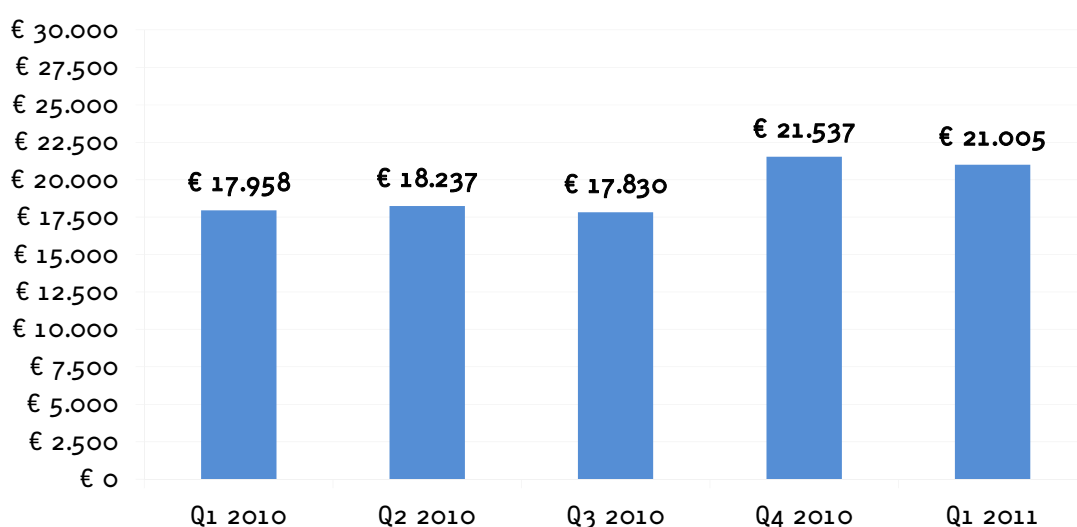
Lastly, the operations of Fupes relating to the creation, management and development of online gaming services, particularly casual gaming, are included in the division "other".

PERFORMANCE REVIEW

The **Dada Group**, newly organized as described in the introduction above, closed the first three months of 2011 with **consolidated revenue of €21 million**, compared with €18 million in the first three quarters of 2010, an increase like-for-like of 13%.

The trend in consolidated revenue is also attributable to the Scalable Advertising business. The following graph presents consolidated revenue for the last five quarters:

Quarterly Consolidated Revenue



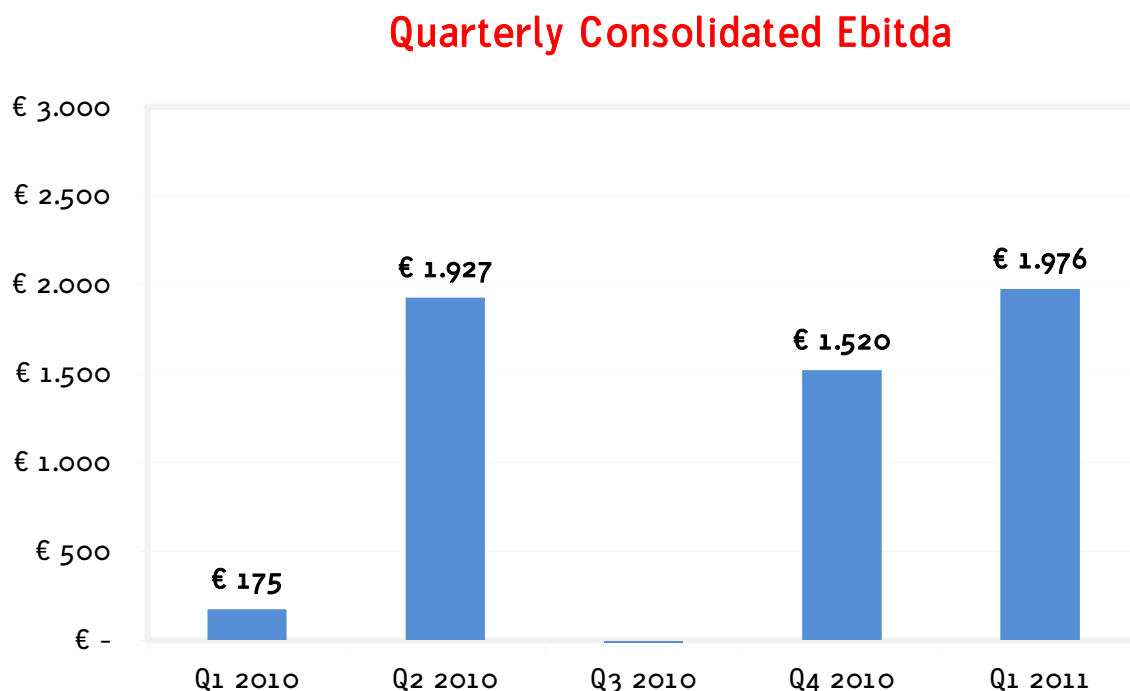
Dada.net would have contributed €18.1 million to consolidated revenue in first quarter 2011 versus €20 million in first quarter 2010.

The **Dada Group's consolidated EBITDA in the first three months of 2011** (gross of impairment losses and other non-recurring items) **came to €2 million** (9% of consolidated revenue), versus break-even in the same period of 2010 which was penalized by the performance of Fueps' online gaming activities, suspended during the year. This aggregate was significantly impacted by the extraordinary transaction described above which redefined the Dada Group's scope of consolidation. The contribution to EBITDA would have reached +€0.9 million versus +€2.5 million in first quarter 2010.

For more information about the trend in EBITDA please refer to the section on the results for the quarter.

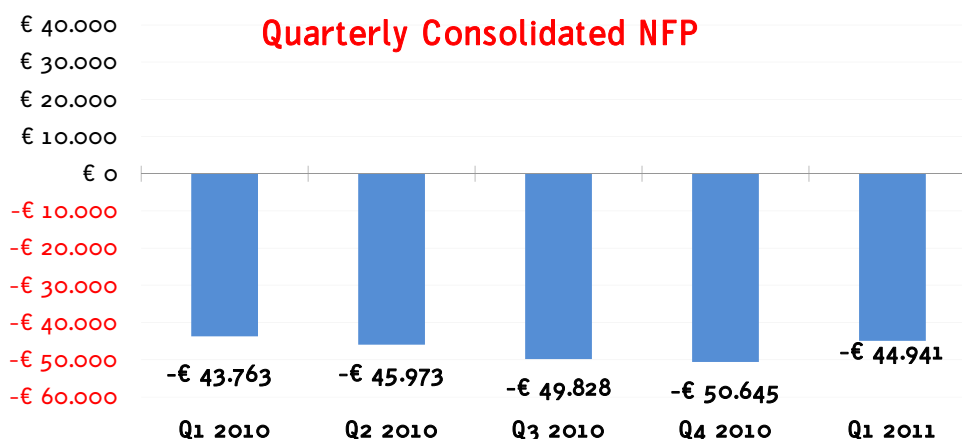
Conversely, the sale of the holding in Ebox Srl had a limited impact on this income statement aggregate.

The following graph shows the trend in consolidated EBITDA over the last five quarters:



The Dada Group's **total net financial position** at 31 March 2011, which includes funding to be repaid beyond one year is a negative €44.9 million. This compares with a net financial position of €50.6 million at 31 December 2010. The NFP was significantly impacted by the extraordinary transaction described above, as well by the financial benefit deriving from the sale of the holding in Ebox and extraordinary transactions in the period.

The net financial position at 31 March 2011 and the end of previous quarters is shown below:



Results

The following tables show the **Dada Group's** key results in first quarter 2011, compared with the same period in the previous year:

(EUR/000)	1st quarter 2011 *		1st quarter 2010 *		DIFF.	
	Amount	% of total	Amount	% of total	Abso lute	%
Net revenue	21.005	100%	17.958	100%	3.047	17%
Chg. in inventories & inc. in own wk. capitalized	855	4%	1.196	7%	-341	-29%
Service costs and other operating expenses	-15.086	-72%	-13.862	-77%	-	9%
Payroll costs	-4.798	-23%	-5.117	-28%	1.224 319	-6%
EBITDA **	1.976	9%	175	1%	1.801	1029%
Depreciation and amortization	-1.940	-9%	-1.824	-10%	-116	6%
	-1.436	-7%	0	0%	-	
Non-recurring income/(charges)					1.436	
Impairment of fixed assets	0	0%	0	0%	0	
Impairment and provisions	0	0%	0	0%	0	
EBIT	-1.400	-7%	-1.649	-9%	249	-15%

The Dada Group's **consolidated revenue** in first quarter 2011 reached €21.0 million, an increase of 17% with respect to the €18.1 million reported in first quarter 2010.

This item was clearly impacted by the deconsolidation of the Dada.net operations which would have generated revenue of €18.1 million, versus €20 million in the same period of the prior year.

Business units

The Group's operations are performed by the **Dada.pro Division** and the **Corporate Division**. The latter is essentially organized around the parent company Dada S.p.A. and provides services to the subsidiaries (see also the segment reporting section required by IFRS 8).

Please note that the operations of Clarence S.p.A. and Fueps S.p.A., the results for which had a marginal impact on first quarter 2011 due to the gradual exit from these businesses, were recognized under the item "Other".

The Dada.pro Division contributed €20.9 million (gross of interdivisional revenue) to the Group's consolidated revenue for first quarter 2011 compared with €18.8 million in first quarter, an increase, therefore, of 11.4%.

This result was negatively impacted by the disinvestment in the advertising concession business which generated revenue of €1.4 million in first quarter 2010.

The Corporate Division contributed €1.2 million (gross of interdivisional revenue) to the Group's consolidated revenue for first quarter 2011 compared with €1.3 million in first quarter 2010, a drop, therefore, of 8.9%.

With regard to the **geographical breakdown** of the Dada Group's consolidated revenue for first quarter 2011, 66% was generated abroad versus 50% in first quarter 2010.

Further information on performance by division is provided later in this report.

The Group's consolidated EBITDA in first quarter 2011 (gross of impairment losses and other non-recurring items) **amounted to €2.0 million** (9.4% of consolidated revenue), an increase when compared to the €0.2 million (1.0% of consolidated revenue) reported in the same period of the prior year.

Service costs and other operating expenses amounted to €15.1 million in first quarter 2011, an increase in absolute terms with respect to the €13.9 million recorded in first quarter 2010 and a decrease as a percentage of revenue which fell from 77% to 72%. More in detail, there was a decrease in payroll expenses which fell from the €5.1 million recorded in first quarter 2010 to €4.8 million in first quarter 2011, with the percentage of revenue falling from 28% to 23%.

The item "Change in inventories and increase in own work capitalized," amounting to €0.9 million in first quarter 2011 versus €1.2 million in first quarter 2010 (a drop of 29%), consists of expenses incurred for the development of proprietary platforms needed to launch and operate the services provided by the Dada Group. Of note are the expenses incurred by Dada.pro for the development of the platform used to provide Domain & Hosting services and of the digital advertising platform Simply.

Consolidated EBIT for first quarter 2011 amounted to **negative €1.4 million** versus a negative €1.6 million in the same period of the prior year, an increase of €0.2 million (+15%).

The figure reflects amortization of €1.0 million (versus €1 million at 31 March 2010) and depreciation of €0.8 million (versus €0.8 million in the same period of the prior year).

The growth of this item (+6%) is primarily attributable to the investments made by the Group in the period in development of intangible assets and the acquisition of servers.

Amortization and depreciation are largely in line with first quarter 2010. There was no impairment of intangible or fixed assets.

Non-recurring charges in first quarter 2011 amounted to €1.4 million, while no such charges were incurred in first quarter 2010, and are entirely attributable to severance charges. For a more detailed description please refer to the section "Significant events".

The **Dada Group** closed **first quarter 2011** with a **net loss** of **€2.9 million**, compared to a net loss of €1.3 million in the same period in 2010.

Net financial charges reached €0.9 million in the first quarter of the year, versus €0.7 million in the same period of the prior year.

This figure reflects financial charges of €1.1 million (€0.8 million in the same period of 2010) due to: interest owed on the loans obtained for the acquisitions made of €0.3 million (€0.1 million in the same period of the prior year); other bank charges amounting to €0.5 million (unchanged with respect to the same period in the prior year). Exchange losses in the first three months of 2011 amounted to €0.1 million unchanged with respect to the same period in the prior year).

Tax in the first quarter of the year totalled €0.2 million, largely in line with the €0.3 million recorded in first quarter 2010.

More in detail, current tax amounted to €0.3 million, while deferred tax assets of €0.1 million were recognized (recovery of temporary differences relating to foreign subsidiaries). Current tax refers primarily to IRAP or regional business tax relative to a few Italian companies and tax for the foreign companies which posted positive pre-tax income.

The Dada Group has accrued tax losses of €27 million, €14.6 million of which may be carried forward indefinitely. Deferred tax assets have been recognized on only a portion of those losses (€10.7 million), namely those the Group expects to recover in the near-term future.

No portion of the net profit or loss is attributable to non-controlling interests due to the transactions described in the introduction above. Conversely, any profit or loss pertaining to the companies sold was recognized in "gain/loss from assets held for sale."

This result reached a negative €0.5 million in first quarter 2011 (the "gain/loss from assets held for sale" of €0.3 million net of the non-recurring charges for the extraordinary transaction of -€1 million), versus a positive €1.3 million in first quarter 2010 (there were no non-recurring charges). This figure also included the capital gain of €1.3 million generated by the sale of Ebox S.r.l..

For further information on the breakdown of the "gain/loss for assets held for sale" please refer to the table found in note 6 of this interim financial report.

Financial position

The net financial position at 31 March 2011 is shown in detail below, with comparative figures at 31 December 2010:

NET FINANCIAL POSITION				
in EUR/000	31/03/2011	31/12/2010	DIFFERENCE	
			Absolute	Percentage
Cash on hand	8	33	-25	-76%
Bank and post office deposits	5.303	6.521	-1.218	-19%
Cash and cash equivalents (A+B)	5.311	6.554	-1.243	-19%
Time deposits	399		399	100%
Derivatives	47	111	-64	-58%
Other financial receivables	446	111	335	100%
Total financial assets (C+F)	5.757	6.665	-908	-14%
Current credit lines and bank payables	-14.254	-14.942	688	-5%
Current bank borrowings	-10.012	-12.607	2.595	-21%
Other current financial payables	-538	-380	-158	42%
Current portion of derivatives	-149		-149	100%
Current debt (H+I+L+M)	-24.953	-27.929	2.976	-11%
Non-current bank borrowings	-25.290	-28.542	3.252	-11%
Other non-current financial payables	0			
Non-current portion of derivatives	-455	-839	384	100%
Non-current debt (O+P+Q)	-25.745	-29.381	3.636	-12%
Total financial liabilities	-50.698	-57.310	6.612	-12%
Net financial position (G+S)	-44.941	-50.645	5.704	-11%

The Dada Group's consolidated net financial position at 31 March 2011 was a negative €44.9 million, versus a negative €50.6 million at 31 December 2010: valuation of the net financial position of the assets held for sale in accordance with IFRS 5 had a positive impact of some €4.1 million.

The current net financial position at 31 March 2011 was a negative €24.9 million, versus a negative €27.9 million at 31 December 2010. The assets held for sale had a positive impact on the current net financial position of €7.8 million.

This trend was influenced significantly by both the sale of the holding in Ebox Srl (contribution of €4.2 million) and the non-recurring charges connected to extraordinary transactions of €1.3 million incurred in first quarter 2011. The transactions are described in greater detail in the section describing division events.

In first quarter 2011, the Dada Group also made the following investments in:

- intangible assets, primarily (approximately €855 thousand) in the development of proprietary processes and platforms, needed to provide Dada.pro division's services and in the purchase of software and licenses relative to the Dada.pro and Corporate divisions (€73 thousand);

- property, plant and equipment which amounted to €591 thousand and which consist primarily in the purchase of the servers and other electronic equipment needed to provide the Dada-pro services.

All the purchases made by Dada.net Group companies were classified as assets held for sale.

The cash flow from financing activities in the year was a negative €0.7 million and is explained by the combined effect of the repayment of loans in first quarter 2011 and the new loans granted in the same period.

Movements in cash flow with respect to cash and cash equivalents are summarized below:

In EUR/ooo	31/03/2011 (3 months)	31/12/2010 (12 months)
Cash flow from operating activities	540	7,050
Cash flow from investing activities	1,004	-20,737
Cash flow from financing activities	-2,496	-2,473
Net cash flow for the period (cash and cash equivalents)	-952	-16,160

For further information, see the cash flow statement found on page 28 of this interim financial report.

The breakdown of the net working capital and the net capital employed at 31 March 2011 and at 31 December 2010 is shown below:

In €/000	31-mar-11	31-dec-10	DIFFERENCE	
			Absolute	%
Fixed assets (A) (*)	92.392	128.078	-35.686	-28%
Current operating assets (B)	25.867	45.430	-19.563	-43%
Current operating liabilities (C)	-47.723	-56.027	8.304	-15%
Net working capital (D)=(B)-(C)	-21.856	-10.597	-11.259	106%
Provision for termination indemnities (E)	-825	-1.315	490	-37%
Provision for risks and charges (F)	-1.838	-4.141	2.303	-56%
Other payables due beyond one year (G)	0	-8.000	8.000	
Net capital employed (A+D+E+F+G)	67.873	104.025	-36.152	-35%

* Figures after the application of IFRS 5 relating to non-current assets held for sale. Please refer to the introduction at the beginning of this report for further information.

The Dada Group's **net working capital** at 31 March 2011 amounted to -€21.9 million versus -€10.6 million at 31 December 2010 and -€13.3 million at 31 March 2010. The performance of the main components of working capital were significantly impacted by the recognition of the assets (amounting to a total of €63.9 million, €27.7 million of which current) and liabilities (amounting to a total of €35.3 million, €24.5 million of which current) held for sale as part of single item in both assets and liabilities. Net this extraordinary item (above all with regard to trade payables and receivables) the performance would have been in line with the period that just ended.

With regard to trade receivables, the inclusion of Dada.net's receivables (primarily due from telephone operators) among assets held for sale had a negative impact of €21.6 million on this item. Similarly, trade payables fell by €18.4 million for the same reason.

Current liabilities include Sony's put option on 13% of Dada.net S.p.A. This has been valued at €8 million. On 2 May 2011 Dada S.p.A., in accordance with the agreements reached on 18 April 2011, acquired the holding subject to the put option from Sony for €7.2 million. This debt was classified as part of "payables due beyond a year" through 31 December 2010 while, as shown in the previous table, it is now classified as part of the net working capital which explains a large part of the difference in the net working capital with respect to the prior year. This amount also corresponds to the fair value at 31 March 2011.

Current liabilities also include €12.6 million in deferred income (income received but not pertaining to the period) on the web hosting services of Dada.pro; these will not entail future outlays but rather the recognition of revenue in the income statement. Deferred income amounted to €10 million at 31 December 2010 and €11.9 million at 31 March 2010.

For investing activities, see the section above on the net financial position, as well as the more detailed information in the notes.

With regard to the breakdown of assets and liabilities held for sale at 31 March 2011 please refer to the table in note 6.

The number of employees at 31 March 2011 was 402 units (net of the 139 units employed by the companies in the process of being sold), versus 569 at 31 December 2010 and 597 at 31 March 2011 (both figures including the assets held for sale).

Alternative performance indicators

This report provides the following economic and financial indicators in addition to those required by IAS 1:

EBIDTA: operating profit gross of depreciation, amortization, writedowns, and non-recurring items;

Net working capital: the difference between current assets and liabilities, i.e. those due within one year of the balance sheet date. Within this item, deferred tax assets are split into current and non-current portions according to the amount expected to be recovered with the following year's profit;

Net capital employed: fixed assets plus net working capital, less non-financial liabilities (provision for employee termination indemnities and provision for risks and charges);

Net short-term financial position: cash and cash equivalents, current financial assets and current financial liabilities;

Total net financial position: net short-term financial position and all financial receivables and payables due beyond one year.

PERFORMANCE BY BUSINESS SEGMENT

As of this quarter the Group's organizational structure has been changed and the business unit **Dada.net Division** is now classified entirely under assets held for sale in accordance with IFRS 5 (please see the introduction above for more information) and, therefore, the Dada Group has one business unit, the **Dada.pro Division**. There is a residual business units which includes the services offered by Clarence S.r.l. and Fueps S.p.A., which are still part of the Dada Group's perimeter.

Also, since IFRS 8 requires segment information to be organized according to the same criteria used for management reporting purposes, the Group has also recognized a Corporate Division which consists mainly of the services provided by the parent, Dada S.p.A., to the subsidiaries in the two business units.

Key results by business segment

The following table shows key results by division in first quarter 2011, with comparative figures for the previous year, reclassified in accordance with IFRS 5:

	FY 2011					FY 2010				
	1st quarter					1st quarter				
	Revenue	Ebitda	% of revenue	Ebit	% of revenue	Revenue	Ebitda	% of revenue	Ebit	% of revenue
Dada.Pro	20.872	2.563	12%	720	3%	18.360	2.561	14%	959	5%
Corporate	1.220	-473	-39%	-1.997	-164%	1.296	-750	-58%	-913	-70%
Other	55	-114	-207%	-123	-223%	273	-1.635	-599%	-1.696	-621%
Interdivisional	-1.141	0	n.a.	0	n.a.	-1.971		n.a.		n.a.
Total	21.005	1.976	9%	-1.400	-7%	17.958	176	0	-1.650	-9%

Geographical breakdown of consolidated revenue

Description	Q1 2011		Q1 2010	
	Amount	% of total	Amount	% of total
Revenue Italy	7,131	34%	8,976	50%
Revenue abroad	13,874	66%	8,982	50%
Consolidated revenue	21,005		17,958	

Dada.pro services

Dada.pro is the Dada Group division dedicated to self-provisioning professional services:

- domain registration, hosting & mail, dedicated and virtual servers, ADSL;
- advanced online advertising solutions via web and mobile.

Dada.pro services' operations

In first quarter 2011, Dada.pro strengthened its leadership in Europe – more than 466 thousand business clients and 1.6 million domains under management in Italy, the United Kingdom, France, Spain, Portugal, the Netherlands and Ireland—in the field of self-provisioned domain registration and hosting services, by focusing its efforts on:

- the integration of Poundhost's dedicated and virtual hosting services and marketing tools into the Namesco platform in the U.K.;
- the launch of the new "Website" application, a simple, flexible and comprehensive tool for the creation of professional sites, which enhances Dada.pro's range of digital services for registration, presence building and online visibility;
- the roll-out of the new "e-commerce" product, a complete package containing everything a business needs to create its own online store: from domain registration to customized graphics, online sales using the main web platforms, order management and logistics.

With regard to the Domain & Hosting business in first quarter 2011 Dada, through Register.it, increased the range of products offered thanks to its strategic European partnership with SEDO, the world's leading domain marketplace where each user can buy and sell domains while managing the negotiations with other users directly.

The partnership with Sedo will make it possible for the users of Register.it – along with its European brands Nominalia, Amen.fr, Amen.pt and Alenworld.nl – to have access to the SedoMLS network. Sedo's domain market continues to show constant growth and is comprised of more than 1.8 million fixed price domains.

Furthermore, the Dada.pro division continued to further strengthen the advertising on-line market during the period, confirming both its creativity and development capabilities. More in detail, the Scalable Advertising, which is based on the trading of key words and research queries, showed further growth thanks to the constant fine-tuning of proprietary algorithms and close collaboration with the world's main ad networks.

Dada.pro also continued with the development of Simply (www.simply.com) a performance based advertising on-line platform developed entirely in-house, available via web worldwide and locally in Italy, the UK, France and Spain, which allows:

- advertisers to effectively plan their on-line advertising campaigns, defining the timing, targets, and objectives with the possibility of analyzing results;
- website owners to increase advertising revenue.

Simply is an optimal promotional tool also for small and medium sized businesses and for website owners who can monetize the visits their sites receive naturally by publishing

advertisements and obtaining the maximum results from the clicks generated. The platform, in fact, ensures the maximum possible value thanks to a new yield optimization technology.

Lastly, with respect to first quarter 2010, of note is the gradual exit from the advertising concession business, as announced in the FY2010 financial statements.

Dada.pro services' performance

Revenue for the Dada.pro Division in first quarter 2011 amounted to €20.9 million, an increase of 11.4% with respect to the €18.7 million recorded in first quarter 2010.

Revenue from third parties, net interdivisional revenue, pertaining primarily to customer acquisition for the Group companies, rose 15.3% from the €18.1 million posted in first quarter 2010 to €20.8 million in first quarter 2011.

EBITDA in 2010 was a positive €2.6 million (12% of revenue), in line with first quarter 2010. This aggregate reflects two contrasting factors:

- the increase in the Advertising business's margin (Scalable and Simply);
- the drop in Domain & Hosting's margin.

The main cost items in first quarter 2011 show an increase with respect to first quarter in the cost of services but with revenue up (+15.3%) and a drop in payroll costs which fell from 23% to 20% of the division's revenue.

EBIT for first quarter 2011 was a positive €0.7 million (3.4% of revenue) after amortization and depreciation of €1.7 million (€1.6 million in first quarter 2010), compared with €1.0 million (5.1% of revenue) in first quarter 2010. The decrease of 25% is due to the rise in amortization and depreciation as a result of investments in fixed assets and intangibles of €0.1 million and "impairment, provisions and non-recurring items" of more than €0.1 million.

The Corporate services division

Dada S.p.A is the division that provides corporate services to the other companies in the Group, and thus to the two business units.

Revenue is earned by charging Group companies for services such as administration, finance, taxation, planning & control, purchasing, legal & corporate, communications, human resources, facility management, and general services.

The Corporate services division's performance

The Corporate Division earned €1.2 million in revenue in first quarter 2010, compared with €1.3 million in first quarter 2010. The Division recorded a net loss of €0.5 million, an improvement with respect to the net loss of €0.9 million recorded in first quarter 2010.

The "Other" services division

This division includes the operations of Clarence S.r.l. and Fueps S.p.A. which had a marginal impact on the revenue and margin recorded in first quarter, in line with the steps undertaken in 2010 to disinvest in these businesses.

The division's net revenue reached €0.1 million in first quarter 2011, versus €0.3 million in the prior year, while EBITDA was negative for €0.1 million versus -€1.7 million in first quarter 2010.

In first quarter 2010 the company Fueps S.p.A. had made significant investments in launching its Poker on-line business. A business the company gradually began to exit in subsequent quarters.

SIGNIFICANT EVENTS IN FIRST QUARTER 2011

On 11 February 2011 Dada announced that the Board of Directors and Paolo Barberis had reached a mutual agreement to end the collaboration between Paolo Barberis and Dada, a company founded by Paolo Barberis in 1995, due to diverging strategic visions of the Company.

Paolo Barberis, therefore, tendered his resignation, effective immediately, as a Director (and consequently, as Chairman) of the Company. The agreement reached between the parties was first submitted to the Committee for Related Party Transactions which issued a favourable opinion and it was on the basis of this opinion that the Company's Board of Directors approved the transaction which is considered a less material transaction under the law. On the same date an agreement of consensual termination relative to the directorship held was signed based on which Paolo Barberis received a gross payment of €616,666 and corporate assets which he had been using for some time, as were non-compete and non-solicitation agreements relative to the Dada Group companies against a gross payment of €720,000. Both payments were made to Paolo Barberis upon the signing of the relative agreements.

Paolo Barberis advised the Company that, on the same date, he had sold a total of 630,000 Dada shares and, consequently, he holds less than 2% of the Company's share capital.

The Board of Directors, as per the resolution approved by the Board of Statutory Auditors, acknowledged Paolo Barberis's resignation, and then co-opted Alberto Bianchi, Esq. (as there were no remaining candidates on the list to which Mr. Barberis belonged) Chairman of the Board of Directors in accordance with Art. 2386 of the Italian Civil Code and Art. 19 of the Company's by-laws.

Mr. Bianchi declared that he qualifies as an independent director under Art. 148, para. 3 of Legislative Decree 58/1998, as well as the Corporate Governance Code for Listed Companies. The Board assessed Mr. Bianchi's independent status in accordance with the law, as it was deemed inappropriate to base the assessment on the Corporate Governance Code given the special assignment granted.

On 11 February 2011, in light of the fact that director Salvatore Amato had been a director for more than 9 of the last 12 years, the Company's Board of Directors, held that said director no longer qualified as an independent director under the Corporate Governance Code for Listed Companies. In light of the above, the Board of Directors resolved to call upon the following independent directors to replace director Amato:

- as a member of the Compensation Committee, director Foti;
- as a member of the Internal Control Committee, director Russi;

both independent directors as defined in the Corporate Governance Code for Listed Companies. The Board of Directors, also appointed director Foti Chairman of the Internal Control Committee.

On 11 February 2011 the Board of Directors also, including on the basis of the results of a strategic analysis conducted with a primary consulting firm, decided to proceed with the valorisation of the Dada.net division which would allow the Company to rationalize its asset portfolio and concentrate its financial and managerial resources more effectively. The Board examined, with the support of its financial advisor, a few of the non binding letters of interest regarding Dada.net received from different industrial players. The assessment of the letters of interest was based on economic-financial considerations, as well as on analysis of the industrial project proposed and the potential impact on local employment.

The Board, therefore, granted the Chief Executive Officer a mandate to sign an exclusive agreement with Buongiorno S.p.A. for 45 days aimed at performing a due diligence process and, subject to the outcome of the same, proceed with the negotiation of an agreement between the parties for the sale of the equity interest in Dada.net S.p.A. and its subsidiaries to Buongiorno.

In the name of maximum disclosure on 11 February 2011, the Board of Directors of the parent company RCS MediaGroup S.p.A. – having acknowledged the activities carried out on the basis of the exploratory mandate granted a primary financial advisor (Mediobanca) regarding, among other things, the valorisation of Dada and the negotiations underway regarding the valorisation of Dada.net as disclosed on 11 February 2011 by Dada – announced that it is confident that the activities undertaken by Dada will make it possible to reach the goals set for optimization and valorisation and excludes, therefore, the possibility of disposing of its entire holding in Dada.

On 16 February 2011 Dada S.p.A. finalized, along with the minority shareholders, the sale of its holding in E-Box S.r.l., owner of Blogio, to Populis Ltd.. Based on the sales agreement, negotiated in December and announced on 17 January 2011, a purchase price of €6 million was paid, €4.2 million of which to the Dada Group who owns 70% of the company. Part of this amount, €0.2 million, was deposited in an escrow account for 12 months from the date of sale. This transaction generated a capital gain of €2 million.

On 28 March 2011 – Dada S.p.A. resolved to extend the exclusive agreement with Buongiorno S.p.A. signed on 11 February 2011 through 18 April 2011 in order to complete the due diligence process.

SUBSEQUENT EVENTS

On 19 April 2011, Dada S.p.A. announced that it had signed a preliminary contract for the sale of 100% of Dada.net S.p.A. to Buongiorno S.p.A., including subsequent to the signing of an agreement for the repurchase of the 13% of Dada.net held by Sony Music Entertainment.

The transaction with Buongiorno basically calls for:

- Buongiorno's purchase of 100% of Dada.net S.p.A.'s capital. The sale perimeter includes, in addition to Dada.net S.p.A., its affiliates: Dada Iberia SL, Dada Brasil Servicios de Tecnologia Ltda, Dada Entertainment Inc., Dada Media Science and Technology Development Beijing CO. Ltd, Dada Entertainment Canada Inc. and Play Me LLC, Giglio Group S.p.A. and Youlike S.r.l.. In 2010 this perimeter (which includes the VAS, music and digital television businesses) recorded revenue of approximately €76 million and an EBITDA of approximately €10 million, a drop of approximately 15% and 30%, respectively, when compared to the results recorded in the prior year;
- cash consideration of €28.5 million in addition to Dada.net S.p.A.'s consolidated net financial position at the closing, excluding the Giglio Group's net financial position (negative for approximately €3.8 million at 31 December 2010), with an overall financial benefit for Dada of approximately €32.3 million;
- payment of the purchase price by the buyer in two tranches: the first, of €27.5 million (a portion of which will be held in escrow for 12 months to service the usual representations and guarantees) will be paid at the closing, in addition to the net financial position at the closing, which Dada will make every effort to maintain at €5.5 million, while the remaining €1 million will be paid upon occurrence of certain specified events and, at any rate, within 24 months of the closing;
- an earn-out of up to a maximum of €2.5 million for Dada in the event the interest in Giglio Group is sold to third parties for a capital gain within three years of the closing. There are also certain conditions precedent included in the agreement (such as the failure for certain events to take place which could have a significant negative impact on the Company's P&L) which the buyer may waive between the signing and the closing.

Buongiorno will maintain Dada.net's headquarters in Florence, along with the current level of employment, for a period of not less than 18 months from the closing and is committed to optimizing the professional expertise and experience of Dada.net's employees.

On 21 April 2011 - the Shareholders' Annual General Meeting of Dada S.p.A. was held in ordinary and extraordinary session and:

- approved the separate financial statements of Dada S.p.A. for the year ended 31 December 2010, as proposed by the Board of Directors during the meeting held on 14 March. The AGM resolved to carry forward the loss for the year of €13,149,116.71;
- pursuant to Art. 19 of the corporate by-laws and as there were no remaining candidates on the list from which Giorgio Valerio and Paolo Barberis were elected, confirmed the appointment as director of Stanislao Chimenti, Esq. (who qualifies as an Independent Director pursuant to the law and the Corporate Governance Code for Listed Companies as adopted by the Company) through the expiration of the term of the current Board of Directors, precisely through the Annual General Meeting called to approve the financial statements at 31 December 2011. The Board of Directors had already by co-opted Mr. Chimenti on 8 November 2010 to substitute Giorgio Valerio. The Director declared (as he had already done when co-opted) to qualify as independent for the purposes of Art. 148, para. 3 of Legislative Decree n. 58/1998 (*Testo Unico della Finanza*)

or TUF) and the guidelines found in Corporate Governance Code for Listed Companies. The AGM also confirmed the appointment as Chairman through the expiration of the current Board of Directors of Alberto Bianchi, Esq., co-opted by the Board of Directors on 11 February 2011 following the resignation of Paolo Barberis as Chairman and Executive Director who declared to qualify as independent for the purposes of Art. 148, para. 3 of Legislative Decree n. 58/1998 (*Testo Unico della Finanza* or TUF) and the guidelines found in Corporate Governance Code for Listed Companies;

- renewed the Board's authorization, after revoking the previous one granted on 19 April 2010, to purchase treasury shares for up to a maximum of shares with a par value not exceeding one tenth of the share capital (even in light of changes made to applicable norms and regulations) and to sell shares as of the date of this authorization for a period of up to 18 months.

The purpose of this authorization is to give the Company a means of strategic and operational flexibility. It will be allowed, among other things, to dispose of treasury shares previously acquired and to carry out transactions such as purchases, barter and assignments.

Based on the Board's proposal, treasury shares may be purchased at a price which is not less than 20% or more than 10% of the official stock price registered on the trading day prior to each purchase. The shares are to be purchased according to the laws for markets organized and operated by *Borsa Italiana S.p.A.*, as per the procedures established by the latter which prohibit the direct matching of bid prices with predetermined ask prices.

The sale of treasury shares, rather, may be done at a price or valuation which is not less than 95% of the average stock price registered for a period of ninety trading days prior to the disposal or any previous binding offers made in this regard, in accordance with the law and the applicable accounting standards. At the moment neither the Company nor its subsidiaries hold any treasury shares;

- resolved in extraordinary session to approve amendments to Articles 11, 13, 14, 17 and 18 of the corporate by-laws in order to comply with Legislative Decree n. 27/2010 (passed in Italy in implementation of EC Directive 2007/36/EC pertaining to listed companies and the exercise of shareholders' rights).

On 2 May 2011 - Dada S.p.A. announced that it had finalized the repurchase of the 13% held by Sony Music Entertainment in Dada.net S.p.A..

Based on the agreement with Sony Music, the preliminary agreement for which was signed and disclosed to the market on 19 April 2011, Dada S.p.A., which currently owns 87% of Dada.net S.p.A, will repurchase the residual 13% of the share capital held by Sony Music for €7.2 million in cash which will be paid using available bank credit lines. Sony Music possessed a put option for the sale of its interest to Dada exercisable subsequent to a change of control in Dada.net at a floor price of €8 million.

Following the closing, Dada S.p.A. may benefit from Dada.net's entire consolidated net financial position which amounted to a positive €17.4 million at 31 December 2010.

OUTLOOK FOR THE REST OF THE YEAR

The agreement signed with Buongiorno is in line with Dada's declared strategy to rationalize its asset portfolio which will make it possible to reduce consolidated financial indebtedness considerably and to further improve efficiencies with a positive impact on the Group's general overheads and structural costs.

Following this transaction Dada's focus will be on the core business of internet domain registration and hosting services, as well as on a few innovative advertising on-line activities. The strategic priorities will be the development of the current business, consolidation in strategic markets and further improvement of the operating efficiency. Internal development will be focused primarily on expanding the offer, enhancing the quality of the service, the sales channels and the marketing initiatives supporting the growth of the international customer base.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2011

CONDOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 31 MARCH 2011			
	Notes	1Q 2011	1Q 2010
Net revenue		21,005	17,958
Cost of raw materials and consumables		-16	-10
Chg. in inventories & inc. in own wk. capitalized		855	1,196
Service costs and other operating expenses		-14,782	-13,669
Payroll costs		-4,798	-5,117
Other operating revenue and income		31	1
Other operating costs		-1,754	-184
Provisions and impairment losses		0	0
Depreciation and amortization		-1,940	-1,824
EBIT		-1,399	-1,649
Investment income		179	119
Financial charges		-1,062	-840
Comprehensive income		-2,282	-2,370
Income taxes		-181	-252
Profit/(loss) from continuing operations		-2,463	-2,622
Non-controlling interests		0	0
Profit/(loss) from assets held for sale		-475	1305
Group net profit/(loss)		-2,938	-1,317
Basic earnings/loss per share		-0.181	-0.081
Diluted earnings/loss per share		-0.181	-0.081

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2011
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ASSETS	31 March 2011	31 December 2010
<i>Non-current assets</i>		
Goodwill	76,547	102,010
Intangible assets	8,122	13,806
Other property, plant and equipment	7,623	12,161
Equity investments in non-consolidated subsidiaries, associates and other companies	-	-
Financial assets	147	210
Deferred tax assets	5,018	6,555
Total non-current assets	97,457	134,742
<i>Current assets</i>		
Inventories	-	93
Trade receivables	11,431	28,661
Tax receivables and others	9,418	10,121
Financial assets held for trading	-	-
Cash and cash equivalents	5,710	6,554
Total current assets	26,559	45,429
Assets held for sale	63,891	
TOTAL ASSETS	187,907	180,171

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2011			
EQUITY AND LIABILITIES	Notes	31 March 2011	31 December 2010
EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Share capital		2,756	2,756
Share premium reserve		32,071	32,071
Treasury shares		0	0
Legal reserve		950	950
Other reserves		2,854	3,342
Retained earnings		17,526	35,025
Net profit/(loss)		-2,938	-17,499
Total Group shareholders' equity		53,219	56,645
Minority interests		-75	65
Total shareholders' equity		53,144	56,710
<i>Non-current liabilities</i>			
Bank loans (due beyond one year)		28,459	28,541
Provisions for risks and charges		1,838	4,141
Provision for employee termination indemnities		824	1,315
Deferred tax liabilities		0	0
Other payables due beyond one year		604	8,839
Total non-current liabilities		31,725	42,836
<i>Current liabilities</i>			
Trade payables		20,664	35,811
Other payables		23,851	17,911
Taxes payable		3,746	2,684
Bank overdrafts and loans (due within one year)		21,098	27,549
Total current liabilities		69,359	83,955
Liabilities relating to assets held for sale		33,679	
TOTAL EQUITY AND LIABILITIES		187,907	183,501

THE DADA GROUP'S CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH		
in EUR/ooo	31 March 2011	31 December 2010
Operating activities		
Net profit/(loss) from operating activities for the period	-2.463	-11.101
Net profit/(loss) from assets held for sale in the period	-475	-6.398
Net profit/(loss) for the period	-2.938	-17.499
<i>Adjustments for:</i>		
Income from trading	-179	-1.372
Financial charges	1.061	4.175
Income taxes	181	-2.108
Depreciation	958	3.522
Amortization	982	5.747
Increases/(decreases) in provisions	-138	-265
Assets held for sale	2.636	15.719
Cash flow from operating activities before changes in working capital	2.563	13.541
Increase in inventories	0	
(Increase)/decrease in receivables	-4.134	-731
Increase/(decrease) in payables	8.504	-3.377
Change in working capital due to assets held for sale	-4.817	2.881
Cash flow from operating activities	2.116	12.321
Income taxes paid	-196	-1.047
Interest paid	-1.061	-3.388
Taxes and interest paid on assets held for sale	-319	-836
Net cash flow from operating activities	540	7.050
Investing activities		
Interest received	157	972
Disposal of subsidiaries and associates	2.002	0
Purchase of property, plant and equipment	-590	-3.766
Disposal of fixed assets	200	0
Other changes in fixed assets	-435	0
Purchase of intangible assets	-2.018	-747
Product development costs	-855	-3.966
Investing activities from assets held for sale	2.543	-4.708
Net cash flow used in investing activities	1.004	-20.737

THE DADA GROUP'S CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH		
in EUR/000	31 March 2011	31 December 2010
Financing activities		
Increase/(decrease) in bank overdrafts	-2.340	-2.040
Profit/(loss) from financial assets held for sale	-156	-433
Net cash flow from/(used in) financing activities	-2.496	-2.473
Net increase/(decrease) in cash and cash equivalents	-952	-16.160
Cash and cash equivalents at beginning of period	-20.995	-4.835
Cash and cash equivalents at the end of the period	-18.556	-18.456
Cash and cash equivalents from assets held for sale at the end of the period	-3.391	-2.539
Total cash and cash equivalents at the end of the period	-21.947	-20.995

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 MARCH 2011												
Attributed to the shareholders of the parent company												
Description	Share capital	Share prem. reserve	Legal res.	Other res.	Equity trans-action res.	Cash flow hedge res.	Transla-tion reserve	Retained earnings	Net profit /(loss)	Total	Minority interests	Total NE
Balance at 1 January 2011	2.756	32.070	950	9.724	1.428	-469	-7.342	35.024	-17.499	56.642	65	56.707
Allocation of 2010 profit								-17.499	17.499	0		0
Profit/(loss) for the period									-2.938	-2.938	-75	-3.013
Other comprehensive income (losses)				0	0	323	-2.425			-2.102	0	-2.102
Total comprehensive income (losses)				0	0	323	-2.425	0	-2.938	-5.041	-75	-5.116
Share-based payments				0						0		0
Decons./Acquis./Chg. % held				49	911		657				-79	-79
Other changes										0	14	14
Balance at 31 March 2011	2.756	32.070	950	9.773	2.339	-146	-9.110	17.525	-2.938	53.219	-75	53.144

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 MARCH 2010												
Attributed to the shareholders of the parent company												
Description	Share capital	Share prem. reserve	Legal res.	Other res.	Equity trans-action res.	Cash flow hedge res.	Transla-tion reserve	Retained earnings	Net profit /(loss)	Total	Minority interests	Total NE
Balance at 1 January	2.756	32.070	950	9.724	2.339	-738	-10.490	28.118	6.906	71.637	1.207	72.844
Allocation of 2009 profit								6.906	-6.906	0		0
Profit/(loss) for the period									-1.317	-1.317	-120	-1.437
Other comprehensive income (losses)					-932	87	345			-500		-500
Total comprehensive income (losses)				0	-932	87	345	0	-1.317	-1.817	-120	-1.937
Capital increase										0		0
Share-based payments				77						77		77
Decons./Acquis./Chg. % held										0	-218	-218
Other changes										0		0
Balance at 31 March	2.756	32.070	950	9.801	1.407	-651	-10.145	35.025	-1.317	69.895	869	70.764

NOTES TO THE FINANCIAL STATEMENTS

1. Company information

Dada S.p.A. is an Italian corporation listed in the Florence Companies Register. Its registered office and main operating locations are specified in the introduction to the annual report.

Dada S.p.A. (dada.dada.net) is an international leader in community and entertainment services via web and mobile, as well as in domain, hosting and advanced online advertising solutions.

See the directors' report for further information.

2. Preparation criteria

The condensed interim financial statements were prepared in accordance with the historical cost convention, with the exception of financial assets held for sale, which were measured at fair value.

The financial statements are expressed in Euro (€) as this is the currency in which most of the Group's operations are conducted.

They are comprised of the statement of financial position, income statement, statement of changes in equity, statement of cash flows, and these notes.

The publication of this report was authorized by the Board of Directors on 11 May 2011.

Statement of compliance with IFRS

The condensed quarterly report for the period ended 31 March 2011 was prepared in accordance with the IFRS issued by the International Accounting Standards Board and approved by the European Union. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), including those previously issued by the Standing Interpretations Committee (SIC).

The condensed interim financial statements were prepared in summary form in accordance with IAS 34 and Art. 154 *ter* of the Consolidated Finance Act (Legislative Decree 58/1998). Therefore, they do not include all of the information required of annual reports and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2010.

Main accounting standards

The accounting standards adopted for the preparation of the interim financial statements are the same as those used in the Group's annual financial statements for the year ended 31 December 2010, with the exception of the following new standards and interpretations applicable from 1 January 2011:

- IFRS 2 – Share-based payments

The IASB issued an amendment to IFRS 2 which clarifies the accounting of share-based payments at Group level. This amendment supersedes IFRIC 8 and IFRIC 11. Its adoption has had no impact on the Group's financial position or performance.

- IAS 39 - Financial instruments: recognition and measurement - eligible hedged items
The amendment concerns the designation of a one-sided risk in a hedged instrument and the designation of inflation as a hedged risk or a portion of hedged risk in certain situations. Its adoption has had no impact on the Group's financial position or performance.
- IFRIC 17 - Distributions of non-cash assets to owners
This interpretation provides guidance for the accounting of transactions in which the company distributes non-cash assets to shareholders as dividends or from reserves. It has had no effect on the Group's financial position or performance.

Changes in the following standards have had no impact on the Group's accounting policies, financial position or results:

- *IFRS 2 - Share-based payments*
- *IFRS 5 - Non-current assets held for sale and discontinued operations*
- *IAS 1 - Presentation of financial statements*
- *IAS 17 - Leases*
- *IAS 38 - Intangible assets*
- *IAS 39 - Financial instruments: recognition and measurement*
- *IFRIC 9 - Reassessment of embedded derivatives*
- *IFRIC 16 - Hedges of a net investment in a foreign operation*

Consolidation procedures

The condensed interim report includes the results of the parent company, Dada S.p.A., and of its subsidiaries at and for the period ended 31 March 2011.

The results of subsidiaries acquired or sold during the period are included in the consolidated income statement as from the effective date of acquisition or until the effective date of disposal.

All significant transactions and the resulting balances between Group companies have been eliminated in the consolidation. Business combinations are recorded using the acquisition method.

Exchange differences between opening net equity translated at current exchange rates and historical exchange rates, as well as the difference between the net profit or loss expressed at average and current exchange rates, are allocated to "Other reserves" under equity.

The exchange rates used to translate the financial statements of consolidated companies into Euro are shown in the table below.

CURRENCY	Avg. exchange 31.03.2011	Avg. exchange 31.03.2010	Avg. exchange 31.12.2010
US Dollar	1,368	1,383	1,326
Canadian Dollar	1,348	1,438	1,365
Brazilian Real	2,280	2,492	2,331
UK Pound	0,854	0,888	0,858

CURRENCY	Avg. exchange 31.03.2011	Avg. exchange 31.03.2010	Avg. exchange 31.12.2010
US Dollar	1,421	1,348	1,336
Canadian Dollar	1,379	1,369	1,332
Brazilian Real	2,306	2,404	2,218
UK Pound	0,884	0,890	0,861

Scope of consolidation

The Dada Group's scope of consolidation changed during the first three months of 2011, with respect to 31 December 2010 and 31 March 2010, due to the deconsolidation of E-Box S.r.l. with effect from 1 January 2011 as a result of its sale. For further information see page 20 of this report.

Risks

Financial

The Dada Group's international expansion, including through the acquisition of important operating companies, has increased its financial risks. Of growing significance are exchange risk, due to the increase in foreign-currency revenue; interest rate risk, with the loans taken out to finance the acquisition of Namesco Ltd., the Amen Group, Poundhost and other companies; and liquidity risk, reflecting the potential changes in borrowing requirements.

Given its numerous acquisitions in recent years, particularly abroad, the Dada Group is intent on arranging solid reporting and monitoring procedures for exchange risk and interest rate/liquidity risk, and on reinforcing the corporate division in charge of financial risk management.

As a result of the extraordinary transaction described in the introduction to this report, there have been significant changes in the structure and composition of the risks to which the Group is exposed. To hedge interest rate risk, a 3.81% IRS was taken out with a major bank regarding the loan of €15,000 thousand outstanding at 31 March 2011 with the subsidiary Register.it. The fair value of this derivative instrument is recorded in an equity reserve in accordance with IAS 39. Two interest rate caps were also arranged with major banks: one with a strike rate of 3.5% on principal of €5,600 thousand, and one with a strike rate of 3% on principal of €4,500 thousand. The fair value adjustment relative to both caps (€11 thousand) was posted in full to the income statement for the first quarter of 2011. Exchange

risk has been hedged through forward contracts for the purchase or sale of U.S. dollars, the effect of which has been fully recognized in the income statement.

Liquidity risk

Liquidity risk is managed by the Dada Group on a centralized basis. To optimize use of the Group's liquidity, the parent company Dada S.p.A. has a cash pooling agreement with its subsidiaries Register.it S.p.A. and Fueps S.p.A. Register.it S.p.A. also has a cash pooling agreement with its French subsidiary Amen SA.

At 31 March 2011 the Group had credit lines of €58.6 million (including unsecured credit), of which €51.1 million (including unsecured credit) drawn down.

Exchange risk

The Group's international expansion and scope of operations now expose it to fluctuations in exchange rates, especially EUR/GBP and EUR/USD. This exposure to exchange risk is the result of sales or purchases made in currencies other than the euro, and of company assets denominated in foreign currencies. *Approximately 30% of the Group's sales are denominated in a currency other than the euro, while about 24% of its costs are expressed in foreign currency (USD).*

In the first quarter of 2011, the Group engaged in currency forwards in order to hedge its exchange rate risk.

Credit risk

The Group's exposure to credit risk is related to trade and financial receivables. The Dada.pro Division assumes the market risk associated with part of its advertising business, while no risk is associated with the domain & hosting business as the fees for the service are generally paid in advance.

With regard to financial receivables, investments are only made with banks of the highest standing.

Price risk

The Group is not exposed to significant price volatility risk.

Other risks

The Dada Group's market is highly competitive, due to constant innovation and technological advancements and to the entry of new competitors. Such an environment requires a non-stop commitment to offering new and improved services in order to maintain one's position in the market.

In Italy as in other countries, the industry is also strictly regulated with regard to personal privacy, consumer protection, and rules for commercial communications, value added services, and the telecommunications business in general. Such regulations are already affecting the business and their impact is likely to grow, with possible consequences for profitability throughout the market. In this respect, some Group companies are or could soon be involved in disputes or affected by supervisory or regulatory decisions regarding the provision of services.

In addition, possible circumstances relating to the risks described above and concerning the perimeter of the Dada.net Division could affect the closure of the division's sale to Buongiorno S.p.A.

Seasonal trends

The Dada Group's main operations are not affected by seasonal trends that could influence results for the period.

4. Segment reporting pursuant to IFRS 8

For operational purposes the Dada Group is organized into business units. Until 31 December 2010 these consisted of the Dada.net Division and the Dada.pro Division, plus the Corporate Division for support services.

Due to Dada S.p.A.'s preliminary agreement for the sale of 100% of Dada.net S.p.A. and all of that company's main direct subsidiaries (further to a 13% buy-back of Dada.net) to Buongiorno S.p.A., as announced to the market on 19 April 2011, the Group's structure has been revised significantly and can now be summarized as follows:

- a) Dada.pro: automatically provided services such as domain registration, fee-based e-mail and hosting, as well as digital advertising via mobile and web;
- b) Corporate: corporate services for the two business units.

Revenue is earned by charging Group companies for services such as administration, finance, taxation, planning & control, purchasing, legal & corporate, communications, human resources, facility management, general services and ICT.

- c) Other: covers the remaining income from the businesses previously operated by Clarence S.r.l. and Fueps S.p.A., which fell under the Dada.net division but are not being sold to Buongiorno.

The Dada.pro Division is headed by Register.it S.p.A., which owns Nominalia SL, Namesco Ltd., Namesco Ireland Ltd., Namesco Inc., and the companies in the Amen and Poundhost groups.

The following income statements by division present costs and revenue specific to each area.

Financial activities and income taxes are not included in the divisional results.

Costs and revenue are considered before interdivisional transactions, which are eliminated in the consolidation process (see the "adjustments" column).

Management separately monitors the operating results of its business units in order to decide how to allocate resources and measure performance. A segment's performance is evaluated on the basis of business volumes and operating margin. Net financial income/charges and taxes are addressed at Group level and are not allocated to each division.

Comparative figures for the first quarter of 2010 have been restated to reflect this new structure.

See the directors' report for comments on the main items in the tables below.

Income statement by business segment for the quarter ended 31 March 2011

1st quarter 2011							
Segment information	Dada.pro	Corp.	Other	Adjustments	Total operating activities	Discontinued operations	Consolidated
Revenue - Italy	6.968	108	55	0	7.131		7.131
Revenue - International	13.874	0	0	0	13.874		13.874
Revenue - Interdivisional	30	1.111	0	-1.141	0		0
Net revenue	20.872	1.220	55	-1.141	21.005	0	21.005
Increase in own work capitalized	855	0	0	0	855		855
Cost of services	-15.048	-1.035	-143	1.141	-15.085		-15.085
Payroll costs	-4.116	-657	-26	0	-4.799		-4.799
Segment EBITDA	2.563	-473	-114	0	1.976	0	1.976
Depr., amort. & writedowns	-1.734	-198	-9	0	-1.941		-1.941
Imp., prov. & non-recurring items	-109	-1.326	0	0	-1.435		-1.435
Ebit	720	-1.997	-123	0	-1.400	0	-1.400
					Financial assets		-619
					Profit/(loss) before taxes	0	-2.018
					Income taxes		-181
					Net loss for the Group and minorities	0	-2.199
					Minority interests		0
					Profit/(loss) from assets held for sale	-739	-739
					Group net loss	-739	-2.938

Income statement by business segment for the quarter ended 31 March 2010

1st quarter 2010							
Segment information	Dada.pro	Corp.	Other	Adjustments	Total operating activities	Discontinued operations	Consolidated
Revenue - Italy	8.703	0	273	0	8.976		8.976
Revenue - International	8.982	0	0	0	8.982		8.982
Revenue - Interdivisional	675	1.296	0	-1.971	0		0
Net revenue	18.360	1.296	273	-1.971	17.958		17.958
Increase in own work capitalized	1.194	0	0	0	1.194		1.194
Cost of services	-12.669	-1.397	-1.766	1.971	-13.861		-13.861
Payroll costs	-4.325	-649	-143	0	-5.117		-5.117
Segment EBITDA	2.561	-750	-1.636	0	175		175
Depr., amort. & writedowns	-1.602	-162	-60	0	-1.824		-1.824
Imp., prov. & non-recurring items	0	0	0	0	0		0
Ebit	959	-912	-1.696	0	-1.649		-1.649
					Financial assets		-721
					Profit/(loss) before taxes		-2.370
					Income taxes		-252
					Net loss for the Group and minorities		-2.622
					Minority interests		0
					Profit/(loss) from assets held for sale	1.305	1.305
					Group net loss		-1.317

Geographical breakdown of Dada Group revenue

Description	Q1 2011		Q1 2010	
	Amount	% of total	Amount	% of total
Revenue Italy	7,131	34%	8,976	50%
Revenue abroad	13,874	66%	8,982	50%
Consolidated revenue	21,005		17,958	

5. Related party transactions

Transactions with related parties are within the normal scope of operations and are carried out at arm's length. They are similar to those described in the notes to the consolidated financial statements for the year ended 31 December 2010. Related party transactions are governed by a specific procedure approved by Dada S.p.A.'s Board of Directors. For further information see the section on significant events during the quarter.

6. Assets/liabilities held for sale and profit (loss) from assets held for sale

The following table details assets and liabilities held for sale at 31 March 2011:

Description	Balance at 31.03.2011
Fixed assets held for sale	32.392
Current and financial assets held for sale	31.499
Total assets held for sale	63.891
Net equity held for sale	1.394
Current and financial liabilities held for sale	-32.533
Consolidated liabilities held for sale	-2.540
Total liabilities held for sale	-33.679

The table below shows the profit (loss) from assets held for sale in the first quarter of this and the previous year. All transaction costs for the sale of Dada.net to Buongiorno S.p.A. (amounting to €1 million) have been listed under that item in the income statement, along with the other costs and income falling within the perimeter of the division being sold.

Description	Saldo al 31.03.2011
Revenue from assets held for sale	18.134
Change in inventory and increase in own work capitalized	180
Costs for assets held for sale	-17.798
Net profit/(loss) fr. assets held for sale	516
Non-recurring charges for assets held for sale	-991
Total net profit/(loss) fr. assets held for sale	-475

This item also includes the capital gain of €1.3 million for the sale of Ebox S.r.l.

7. Non-recurring income and charges

Non-recurring charges for the period ended 31 March 2011 came to €1.4 million. None were recognized in the first quarter of 2010. Of the total, €1.3 million concerns the departure of Paolo Barberis on 11 February 2011, as described in detail on page 21 of this report.

8. Property, plant and equipment

Plant and machinery increased by €0.6 million in the first three months of 2011, mostly for the purchase of servers and the installation of servers, networking systems and storage systems to enhance the server farm in relation to Register.it and the Poundhost Group.

There was no appreciable increase in furniture and fittings or other property, plant and equipment.

The change in the scope of consolidation had no material impact on this item.

9. Intangible assets

Intangible assets increased during the first quarter by €0.93 million, including €0.85 million for product and process development and €0.73 million for brands, licenses, software and other rights.

More specifically, increases for "product/service development costs" refer to the capitalization of internal expenses incurred to develop new products and services, mostly concerning the portals and services of the Dada.pro Division.

In the first three months of 2011 these activities were concentrated in the Dada.pro Division, which continued to develop the product "Simply," completed the integration with the Amen Group store, and worked on aftermarket domain search and the new shared hosting product.

These assets are capitalized on the basis of their future profitability and in accordance with the criteria established by international accounting standards.

Their recognition is supported by a careful evaluation of the future economic benefits of these services.

They are amortized on a straight-line basis over five years, which represents the estimated useful life of the projects.

10. Equity investments, financial assets and deferred tax assets

	Balance at 31/12/10	Increase for the period	Utilizations for the period	Exchange gains/(losses)	Other movements	Assets held for sale	Balance at 31/03/11
Deferred tax assets	6,555	147	-6	-95	-124	-1,459	5,017
Total	6,555	147	-6	-95	-124	-1,459	5,017

The €100 thousand shown for financial receivables refers to security deposits on rented premises.

Deferred tax assets, at €9,702 thousand, stem from prior fiscal losses and temporary differences. Fiscal losses that can be carried forward to subsequent years amount to €54 million, of which €40 million can be carried forward indefinitely. Losses on which deferred tax assets have not been recognized come to €20 million.

Timing differences concern writedowns of receivables, provisions for risks and charges, and other adjustments made for tax purposes and will be reversed in the next few years. Deferred tax assets have also been recognized on the estimated recovery of fiscal losses.

Utilizations of deferred tax assets during the year relate to the IRES (corporate income tax) charge for 2010, while the increase was determined in accordance with the applicable accounting standard. For the sake of prudence, deferred tax assets have been recognized in the amount for which they will likely be recovered.

11. Trade receivables

Consolidated trade receivables at 31 March 2011 came to €11.4 million, compared with €28.7 million at 31 December 2010, when they still included the trade receivables of the Dada.net businesses (mostly from telephone companies) which is now in the process of disposal.

On a like-for-like basis, trade receivables at 31 December 2010 would amount to €11.2 million and would therefore be in line with the present balance.

The rest of this item consists primarily of receivables from the now discontinued advertising concession business (mostly with media agencies), and from scalable advertising.

During the quarter there was no increase in provisions for doubtful accounts, whose balance at 31 March 2011 was sufficient to cover potential losses on all trade receivables.

There are no trade receivables due beyond one year that would require an assessment of financial loss.

The company estimates that the carrying value of trade and other receivables approximates their fair value.

12. Net financial position

NET FINANCIAL POSITION				
in EUR/000	31/03/2011	31/12/2010	DIFFERENCE	
			Absolute	Percentage
Cash on hand	8	33	-25	-76%
Bank and post office deposits	5.303	6.521	-1.218	-19%
Cash and cash equivalents (A+B)	5.311	6.554	-1.243	-19%
Time deposits	399		399	100%
Derivatives	47	111	-64	-58%
Other financial receivables	446	111	335	100%
Total financial assets (C+F)	5.757	6.665	-908	-14%
Current credit lines and bank payables	-14.254	-14.942	688	-5%
Current bank borrowings	-10.012	-12.607	2.595	-21%
Other current financial payables	-538	-380	-158	42%
Current portion of derivatives	-149		-149	100%
Current debt (H+I+L+M)	-24.953	-27.929	2.976	-11%
Non-current bank borrowings	-25.290	-28.542	3.252	-11%
Other non-current financial payables	0			
Non-current portion of derivatives	-455	-839	384	100%
Non-current debt (O+P+Q)	-25.745	-29.381	3.636	-12%
Total financial liabilities	-50.698	-57.310	6.612	-12%
Net financial position (G+S)	-44.941	-50.645	5.704	-11%

Financial liabilities consist of account overdrafts, the current and non-current portion of loans and finance leases, and the intercompany account with RCS Mediagroup for €0.5 million.

The short-term portion of loans and finance leases (due within one year) is classified under current liabilities.

The loans taken out by the Dada Group finance the various acquisitions carried out in recent years.

At 31 March 2011, Register.it S.p.A. had the following loans outstanding:

- an amortizing loan taken out on 22 December 2010 with a remaining balance of €17.6 million, charging interest at the six-month Euribor plus a variable spread based on price lists, hedged by two interest rate caps with respective strike rates of 3.5% and 3%;

- an amortizing loan taken out on 19 July 2007 with a remaining balance of €15 million, charging interest at the one-, three- or six-month Euribor plus a variable spread based on price lists, hedged by an interest rate swap at 3.81%;

- a stand-by credit facility of €1.5 million, charging interest at the one-, three- or six-month Euribor plus 1.5%, maturing on 30 December 2011 and contracted on 6 May 2010.

Namesco Ltd. has an amortizing loan charging interest at the bank's sterling base rate plus a spread of 2.25%, with a remaining balance of GBP 0.8 million at 31 March 2011. Poundhost has finance leases with remaining payments due of GBP 0.3 million.

Dada S.p.A. is paying back a credit facility of €5 million charging interest at the one-month Euribor plus 1.7%, as well as €9.3 million in account overdrafts and €0.6 million due on an intercompany account with RCS Mediagroup.

13. General and payroll provisions

The following table shows movements in the provision for employee termination indemnities from 31 December 2010 to 31 March 2011:

	Balance at 31/12/10	Increase - continuing operations	Increase - assets held for sale	Utilizations for the period	Other movements	Assets held for sale	Balance at 31/03/11
Provision for termination indemnities	1,315	144	52	-50	-178	-459	824
Total	1,315	144	52	-50	-178	-459	824

At 31 March 2011, the provision amounted to €824 thousand and reflects the total liability to employees, in accordance with the law and the terms of the collective employment contract. "Other movements" are payments made to INPS (social security).

As required by international accounting standards, the liability was determined using the Projected Unit Credit method, which treats every period of employment as the source of an additional unit of benefits and measures each unit separately when calculating the total accrued obligation.

The following table shows movements in the provisions for risks and charges since the close of 2010:

	Balance at 31/12/10	Increase - continuing operations	Utilizations for the period	Other movements	Assets held for sale	Balance at 31/03/11
Provisions for risks and charges	4,141	0	-188	-34	-2,081	1,838
Total	4,141	0	-188	-34	-2,081	1,838

The provisions for risks and charges amounted to €1,838 thousand at 31 March 2011, showing a decrease with respect to 31 December 2010 due to utilizations in the first three months of the year and the reclassification of Dada.net's provisions to assets held for sale. Most of the balance concerns the expenses incurred in the reorganization process. "Other movements" cover exchange rate differences (EUR/USD) on the provisions held by the U.S. company Dada Ent. Inc.

14. Trade payables

Trade payables are amounts due for purchases of a commercial nature and other costs strictly related to the Group's operations. At 31 March 2011 they amounted to €20.7 million, while at the close of 2010 they totalled €35.8 million including the payables of Dada.net, which have now been reclassified to assets/liabilities held for sale. On a like-for-like basis, trade payables came to €19.7 million at 31 December 2010 and increased by 5% in the first quarter of 2011.

The trend in this item closely parallels the trend in business volumes during the first few months of the year.

Management estimates that the carrying value of trade and other payables approximates their fair value.

15. Other liabilities

Taxes payable (€3.7 million) include withholding tax on salaries and consultants' pay for the month of March and income taxes pertaining to the period. The latter consist mainly of IRAP (regional tax) for the Group's Italian companies and of local taxes for subsidiaries abroad.

"Other payables", totalling €15.9 million, are mainly comprised of:

- bonus salaries due to employees ("*tredicesima*" and "*quattordicesima*"), pay in lieu of holiday, and other amounts due to personnel for a total of €3.3 million;
- deferred income of €12.6 thousand, originating from contract revenue on domain, hosting, connectivity and other resale services pertaining to future periods.

Other payables also include the put option payable to Sony for 13% of Dada.net S.p.A., valued at €8 million. On 2 May 2011, further to the agreements signed on 18 April 2011, Dada S.p.A. acquired the interest covered by the put option against payment of €7.2 million.

16. Fixed assets of relevance to the statement of cash flows

Movements in fixed assets are shown in the table below:

	Balance at 31/12/10	Incr.	Decr.	Other mvmts.	Assets held for sale	Amort./deprec. - continuing operations	Amort./deprec. - assets held for sale	Balance at 31/03/11
Goodwill	102,011	0	0	-2,458	-23,006	0	0	76,547
Intangible assets	13,807	1,849	0	8	-5,641	-982	-917	8,124
Property, plant and equipment	12,161	596	0	-83	-3,740	-958	-353	7,623
Total	127,979	2,445	0	-2,533	-32,387	-1,940	-1,270	92,294

Regarding goodwill:

"Other movements" with respect to goodwill consist of exchange losses on goodwill expressed in foreign currency, in particular for the British company Namesco Ltd. The goodwill of the Dada.net Group, comprised mainly of goodwill on Dada Entertainment Inc., has been reclassified to assets held for sale. The increases in other fixed assets are described above in the sections on property, plant and equipment and intangible assets.

17. Changes in equity reserves

At 31 March 2011, Dada S.p.A.'s share capital was comprised of 16,210,069 ordinary shares with a par value of €0.17 each, for a total of €2,756 thousand. There were no increases in the first quarter of 2011.

Movements in equity items are reported in the schedules on page 30.

The main equity reserves and their changes during the period are described below.

Share premium reserve: this is a capital reserve consisting of contributions from shareholders. There is no specific limit on its use. At 31 March 2011 it had a balance of €32,071 thousand and there were no increases during the first three months of the year.

Other reserves: these consist of the FTA reserve (first-time adoption of IFRS), the extraordinary reserve, the cash flow hedge reserve, and the equity transaction reserve. The FTA reserve amounts to -€2.8 million and there were no movements in the first quarter of 2011. The extraordinary reserve amounts to €12.5 million and there were no movements in the first quarter of 2011. The cash flow hedge reserve came to -€147 thousand at 31 March 2011 and -€0.5 million at the close of 2010. The equity transaction reserve, at €2.3 thousand,

accrued in 2009 due to the application of IFRS 3 Revised to the transfer of Dada Ent LLC. Movements in the first three months of 2011, for €0.9 million, refer to the classification of the reserve for the purchase of Giglio Group to assets and liabilities held for sale, along with the other items pertaining to the Dada.net business unit.

Translation reserve: movements during the first three months consist of -€1,015 for the translation of the financial statements of the subsidiaries Namesco and Poundhost and -€818 for the reclassification of Dada Ent's and Dada Brasile's reserves to assets and liabilities held for sale, along with the other items pertaining to Dada.net.

18. Net change in financial payables and other financial assets recorded in the statement of cash flows

The following table reconciles the change in consolidated net financial position with the change in cash and cash equivalents:

€/000	31.03.2011	31.12.2010
Change in net financial position	2.239	-13.979
Long-term payables transferred to short term payables	-2.327	-2.320
Change in non-cash derivatives	-171	-242
Other changes (intercompany current accounts)	-158	380
Change in cash and cash equivalents	-417	-16.161

The more important changes concern the transfer of the amount of loans taken out in prior years that was reimbursed during the period from long-term to short-term payables.

19. Commitments

The table below shows changes in commitments between 31 December 2010 and 31 March 2011:

Description	Balance at 31/12/2010	Increases in the period	Decreases in the period	Balance at 31/03/2011
Guarantees	2.069		401	1.668
Guarantees related to assets held for sale	1.363			1.363
Total	3.432	0	401	3.031

There are no potential commitments that are not recorded in the statement of financial position.

Florence, 11 May 2011

for the Board of Directors

Alberto Bianchi
Chairman

Barbara Poggiali
CEO

Statement by the financial reporting officer

Pursuant to Art. 154-*bis* (2) of the Consolidated Finance Act, it is hereby declared that the figures contained in this interim management statement correspond to the company's records, ledgers and accounting entries.

ANNEX 1

RESTATED CONSOLIDATED INCOME STATEMENT AT 31 MARCH 2011 - RECONCILIATION

in EUR/ooo	1st quarter 2011 *		1st quarter 2010 *		DIFFERENCE	
	Amount	%	Amount	%	Absolute	%
Net revenue	21.005	100%	17.958	100%	3.047	17%
Change in inventory and increase in own work capitalized	855	4%	1.196	7%	-341	-29%
Service costs and other operating expenses	-15.086	-72%	-13.862	-77%	-1.224	9%
Payroll costs	-4.798	-23%	-5.117	-28%	319	-6%
Ebitda**	1.976	9%	175	1%	1.801	1029%
Depreciation and amortization	-1.940	-9%	-1.824	-10%	-116	6%
Non-recurring income/(charges)	-1.436	-7%	0	0%	-1.436	
Impairment of fixed assets	0	0%	0	0%	0	
Writedowns of receivables and other provisions	0	0%	0	0%	0	
Ebit	-1.400	-7%	-1.649	-9%	249	-15%
Financial income	179	1%	120	1%	59	49%
Financial charges	-1.061	-5%	-841	-5%	-220	26%
Share of associates	0	0%	0	0%	0	
Capital gains	0	0%	0	0%	0	
Total profit/(loss)	-2.282	-11%	-2.370	-13%	88	-4%
Income taxes	-181	-1%	-252	-1%	71	-28%
Net profit/(loss)	-2.463	-12%	-2.622	-15%	159	-6%
Minority interests	0	0%	0	0%	0	
Profit/(loss) from assets held for sale	-475	-2%	1.305	6%	-1.780	-136%
Group net profit/(loss)	-2.938	-14%	-1.317	-6%	-1.621	123%

* Figures shown after the application of IFRS 5 relating to non-current assets held for sale. Please refer to the introduction at the beginning of this report for further information.

** Gross of impairment losses and other non-recurring items

ANNEX 2

RESTATED CONSOLIDATED INCOME STATEMENT AT 31 MARCH 2011 - RECONCILIATION					
in EUR/ooo	Consolidated		IFRS 5 eliminations	Consolidated after IFRS 5 eliminations	
Net revenue	39.139	100%	-18.134	21.005	100%
Change in inventory and increase in own work cap	1.035	3%	-180	855	4%
Service costs and other operating expenses	-29.647	-76%	14.561	-15.086	-72%
Payroll costs	-7.699	-20%	2.900	-4.798	-23%
Ebitda *	2.829	7%	-853	1.976	9%
Depreciation and amortization	-3.210	-8%	1.270	-1.940	-9%
Non-recurring income/(charges)	-2.427	-6%	991	-1.436	-7%
Impairment of fixed assets	0	0%	0	0	0%
Writedowns of receivables and other provisions	0	0%	0	0	0%
Ebit	-2.808	-7%	1.408	-1.400	-7%
Financial income/(charges)	-937	-2%	55	-882	-4%
Share of associates	0	0%	0	0	0%
Capital gains	1.317	3%	-1.317	0	0%
Total profit/(loss)	-2.428	-6%	146	-2.282	-11%
Income taxes	-585	-1%	404	-181	-1%
Net profit/(loss)	-3.013	-8%	550	-2.463	-12%
Minority interests	75	0%	-75	0	0%
Profit/(loss) from assets held for sale	0	0%	475	-475	-2%
Group net profit/(loss)	-2.938	-8%		-2.938	-14%

* Gross of impairment losses and other non-recurring items

ANNEX 3

NET WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT 31 MARCH 2011				
In EUR/ooo	31/03/2011 *	31/12/2010 *	DIFFERENCE	
			Absolute	%
Fixed assets (A)	92.392	128.078	-35.686	-28%
Current operating assets (B)	25.867	45.430	-19.563	-43%
Current operating liabilities(C)	-47.723	-56.027	8.304	-15%
Net working capital (D)=(B)-(C)	-21.856	-10.597	-11.259	106%
Provision for termination indemnities (E)	-825	-1.315	490	-37%
Provision for risks and charges (F)	-1.838	-4.141	2.303	-56%
Other payables due beyond one year (G)	0	-8.000	8.000	
Net capital employed (A+D+E+F+G)	67.873	104.025	-36.152	-35%
Non-current financial payables	-25.290	-28.541	3.251	-11%
Shareholders' equity	-53.144	-56.709	3.565	-6%
Assets/liabilities held for sale	30.212	3.329	26.883	808%
Short-term bank debt	-24.266	-27.549	3.283	-12%
Current financial receivables and derivatives	47	110	-63	-57%
Current financial payables and derivatives	-1.142	-1.219	77	-6%
Cash and cash equivalents	5.710	6.554	-844	-13%
Net short-term financial position	-19.651	-22.104	2.453	-11%
Total net financial position	-44.941	-50.645	5.704	-11%

* Figures shown after the application of IFRS 5 relating to non-current assets held for sale.

Please refer to the introduction at the beginning of this report for further information.

ANNEX 4

NET WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT 31 MARCH 2011 - RECONCILIATION			
in EUR/000	Consolidated	IFRS 5 eliminations	Consolidated after IFRS 5 eliminations
Fixed assets (A) (*)	124.784	-32.392	92.392
Current operating assets (B)	53.479	-27.612	25.867
Current operating liabilities (C)	-72.214	24.491	-47.723
Net working capital (D)=(B)-(C)	-18.735	-3.121	-21.856
Provision for termination indemnities (E)	-1.284	459	-825
Provision for risks and charges (F)	-3.919	2.081	-1.838
Other payables due beyond one year (G)		0	0
Net capital employed (A+D+E+F+G)	100.846	-32.973	67.873
Non-current financial payables	-26.054	764	-25.290
Shareholders' equity	-51.750	-1.394	-53.144
Assets/liabilities held for sale		30.212	30.212
Short-term bank debt	-31.544	7.278	-24.266
Current financial receivables and derivatives	47	0	47
Current financial payables and derivatives	-1.142	0	-1.142
Cash and cash equivalents	9.597	-3.887	5.710
Net short-term financial position	-23.042	3.391	-19.651
Total net financial position	-49.096	4.155	-44.941

ANNEX 5

Scope of consolidation of continuing operations at 31 March 2011

NAME	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	COMPANY HELD BY	% held	Consolidation period
Dada S.p.A.	Florence	EUR	2,755,711.73	Parent Company		Jan.-March 2011
Agence des Medias Numerique Sas	Paris	EUR	37,000.00	Register.it S.p.A.	100.00	Jan.-March 2011
Amen Ltd.	London	GBP	2.00	Register.it S.p.A.	100.00	Jan.-March 2011
Amen Nederland B.V.	Amsterdam	EUR	18,000.00	Register.it S.p.A.	100.00	Jan.-March 2011
Amenworld Servicios internet sociedade Unipersonal LDA	Lisbon	EUR	10,000.00	Register.it S.p.A.	100.00	Jan.-March 2011
Clarence S.r.l.	Florence	EUR	21,000.00	Dada.net S.p.A.	100.00	Jan.-March 2011
Fueps S.p.A.	Florence	EUR	1,500,000.00	Dada S.p.A.	100.00	Jan.-March 2011
Namesco Inc.	New York	USD	1,000.00	Namesco Ltd.	100.00	Jan.-March 2011
Namesco Ltd.	Worcester	GBP	100.00	Register.it S.p.A.	100.00	Jan.-March 2011
Namesco Ireland Ltd.	Dublin	EUR	1.00	Namesco Ltd.	100.00	Jan.-March 2011
Nominalia Internet S.L.	Barcelona	EUR	3,005.00	Register.it S.p.A.	100.00	Jan.-March 2011
Poundhost Internet Ltd.	Worcester	GBP	200.00	Namesco Ltd.	100.00	Jan.-March 2011
Register.it S.p.A.	Florence	EUR	8,401,460.00	Dada S.p.A.	(1) 100.00	Jan.-March 2011
Simply Virtual Servers Limited	Worcester	GBP	2.00	Namesco Ltd.	100.00	Jan.-March 2011
Simply Virtual Servers Llc	Delaware	USD	2.00	Simply Virtual Servers Limited	100.00	Jan.-March 2011
Simply Transit Limited	Worcester	GBP	2.00	Namesco Ltd.	100.00	Jan.-March 2011
Simply Acquisition Limited	Worcester	GBP	200.00	Namesco Ltd.	100.00	Jan.-March 2011
Server Arcade Limited	Worcester	GBP	150.00	Simply Acquisition Limited	100.00	Jan.-March 2011

Notes :

(1) including 10% held through treasury shares.

Scope of consolidation of assets held for sale at 31 March 2011

NAME	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	COMPANY HELD BY	% held	Consolidation period
Dada.net S.p.A.	Florence	EUR	15,005,097.00	Dada S.p.A.	87.00	Jan.-March 2011
Dada Entertainment Inc. (1)	New York	USD	102.28	Dada.net S.p.A.	100.00	Jan.-March 2011
Play Me, LLC	New York	USD	0.00	Dada Entertainment Inc.	100.00	Jan.-March 2011
Dada Entertainment Canada Inc.	Toronto	CAD	1.00	Dada Entertainment Inc.	100.00	Jan.-March 2011
Dada Brasil Serviços de Tecnologia Ltda	Sao Paulo	BRL	779,764.00	Dada.net S.p.A.	98.00	Jan.-March 2011
				Dada USA Inc.	2.00	Jan.-March 2011
Dada Iberia SL (formerly Register Iberia SL)	Barcelona	EUR	3,006.00	Dada.net S.p.A.	100.00	Jan.-March 2011
Giglio Group S.p.A.	Rome	EUR	2,100,000.00	Dada.net S.p.A.	(2) 65.00	Jan.-March 2011

Notes

(1) Dada USA Inc. and Dada Ent. LLC merged to form Upoc Inc., which changed its name to Dada Entertainment Inc.

(2) including 40% held in pledge.