CONSOLIDATED INTERIM MANAGEMENT STATEMENT FOR THE DADA GROUP AT 30 SEPTEMBER 2012

Registered office: Piazza Annigoni, 9B – Florence, Italy
Share capital: EUR 2,755,711.73 fully paid-in
Florence Company Register no. FI017- 68727
Chamber of Commerce (REA) no. 467460
Tax ID/VAT no. 04628270482

Dada S.p.A.: Company subject to the direction and coordination of RCS MediaGroup S.p.A.

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CORPORATE OFFICERS

The current Officers were elected during the AGM held on 24 April 2012, for the three-year period 2012-2014.

BOARD OF DIRECTORS

Alberto Bianchi[1, 8]	Chairman
Claudio Corbetta [2]	CEO
Lorenzo Lepri [3]	General Manager
Silvia Michela Candiani[7]	Director
Claudio Cappon [7]	Director
Stanislao Chimenti[7, 4, 5]	Director
Giorgio Cogliati	Director
Alessandro Foti[7, 4, 5, 6]	Director
Monica Alessandra Possa	Director
Vincenzo Russi [7,4, 5]	Director
Maria Oliva Scaramuzzi[7, 6]	Director
Riccardo Stilli	Director
Danilo Vivarelli [7, 6]	Director

1 The Board of Directors appointed Alberto Bianchi, Esq. Chairman of the Company during the meeting held on 24 April 2012.
2 The Board of Directors appointed Claudio Corbetta Chief Executive Officer and General Manager of the Company during the meeting held on 24 April 2012.
3 The Board of Directors appointed Lorenzo Lepri General Manager and CFO of the Company during the meeting held on 24 April 2012.
4 Appointed member of the Internal Control Committee by the Board of Directors on 24 April 2012.
5 Appointed member of the Committee for Related Party Transactions by the Board of Directors on 24 April 2012 .
6 Appointed member of the Compensation Committee by the Board of Directors on 24 April 2012.
7 Independent director pursuant to Art. 148 paragraph 3 of Legislative Decree n. 58/1998 and the Corporate Governance Code for Listed Companies.
8 Independent director pursuant to Art. 148 paragraph 3 of Legislative Decree n. 58/1998.

BOARD OF STATUTORY AUDITORS

Claudio Pastori	Chairman
Cesare Piovene Porto Godi	Standing auditor
Sandro Santi	Standing auditor
Maria Stefania Sala	Alternate auditor
Mariateresa Diana Salerno	Alternate auditor

EXTERNAL AUDITORS

KPMG S.p.A.

DADA GROUP FINANCIAL HIGHLIGHTS

Consolidated Income Statement (9 months)

(€/mn)	30/09/2012	30/09/2011	Total difference	% difference
Revenue	**64.8**	59.4	5.5	9%
EBITDA*	**9.3**	6.6	2.7	41%
Depreciation and amortization	**-5.0**	-5.6	0.6	-11%
Non-recurring charges and impairment	**-0.1**	-2.9	2.8	95%
EBIT	**4.2**	-1.9	6.1	318%
Profit/(loss) from discontinued operations	**-**	2.3	-2.3	100%
Group net profit/(loss)	**1.3**	-2.9	4.2	143%

Consolidated Income Statement (3 months)

(€/mn)	3Q 2012	3Q 2011	Total difference	% difference
Revenue	**21.3**	19.2	2.1	11%
EBITDA*	**3.2**	2.5	0.7	26%
Depreciation and amortization	**-1.6**	-1.7	0.1	-6%
Non-recurring charges and impairment	**-**	-0.6	0.5	94%
EBIT	**1.5**	0.2	1.3	566%
Profit/(loss) from discontinued operations	**0.4**	-0.7	1.1	161%

* Gross of impairment losses and other non-recurring items

Consolidated statement of Financial Position at 30 September 2012

(€/mn)	30 September 2012	31 December 2011	Total difference	% difference
Net Working Capital	**-12.0**	-12.0	0.0	0%
Net Capital Employed	**77.4**	75.3	2.1	3%
Shareholders' equity	**51.5**	48.3	3.3	7%
Net short-term Financial Position	**-3.5**	-9.3	5.8	63%
Total Net Financial Position	**-25.9**	-27.0	1.2	-4%
Number of employees	**374**	367	7	2%

DIRECTORS' REPORT

INTRODUCTION

The Interim Management Report at 30 September 2012 was 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 (Testo Unico della Finanza or TUF). It satisfies the provisions of CONSOB Regulation no. 11971 of 14 May 1999, as subsequently amended.

We remind that last year the entire share capital of Dada.net S.p.A. was sold by Dada S.p.A. to Buongiorno S.p.A., resulting in the application of IFRS 5. Therefore, all the comparison figures from the previous year found in the income statement are still grouped on the line "Profit/(loss) from discontinued operations".

DADA GROUP PROFILE

Dada S.p.A. - listed in the STAR segment of the Milan Stock Exchange - is an international leader in professional online presence and visibility services, as well as in several advanced online advertising solutions.

As a result of the event mentioned in the introduction above, the Dada Group now consists of one operating division which includes the professional services for online presence and visibility (domain registration, hosting, server, brand protection) and performance advertising.

In the first nine months of the year, thanks also to the gradual improvement in the average renewal rate for the main services and the continuous acquisition of new clients, Dada succeeded in confirming its European leadership in the sector of professional services for online presence management, brand protection and visibility, with a customer base at 30 September of approximately 510 thousand international business clients and more than 1.8 million domains under management; this milestone is attributable to the positive impact of marketing initiatives and the expansion of the services offered which included a new program dedicated to resellers based on a totally customizable control panel which simplifies and streamlines client management. Six months after its release, a total of approximately 3,000 resellers in all the reference countries have signed up (10% of which are new clients). A new version of the product for the development of e-commerce sites, designed to give sites ever greater visibility, make them easier to find through search engines and simplify the purchase process, was also launched. In the month of October Dada launched a new educational project – the Register.it School – which seeks to support the growth and innovation of Italian SMEs and professionals, the fiber of Italy's economy, through training events and in-depth online discussion groups focusing on the web and the latest technological developments involving e-

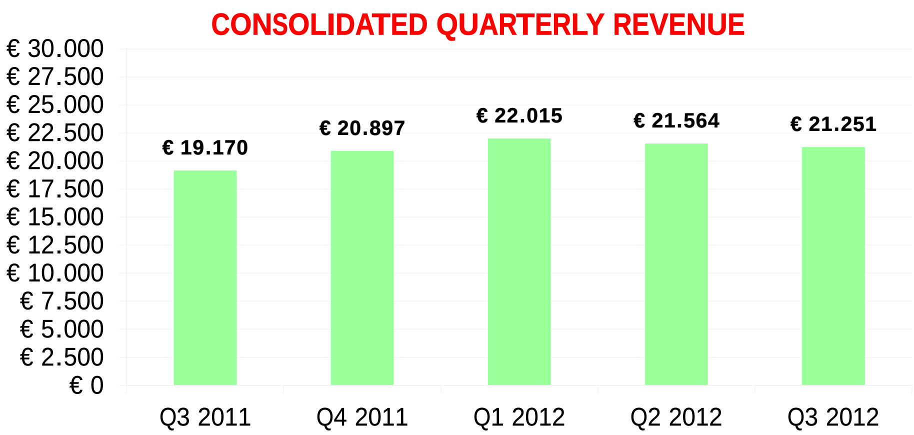
Commerce, Search Engine Optimization, Social Media Marketing, Advertising Online and Certified E-mail.

With regard to advertising on-line, in the period Dada continued with the strategy to strengthen and internationally expand its performance advertising business, thanks, in particular, to the international expansion of the Peeplo service in new markets and the close collaboration with the world's main Ad networks. At the end of September 2012, Google started some changing measures regarding its global “policy” which governs the ways in which advertisers may acquire traffic on the Google network, the largest advertising network in the world. While initially performance advertising reported a decrease in volumes together with stable margins, it isn’t currently possible to estimate the long term impact of these changes.

PERFORMANCE REVIEW

The **Dada Group** closed the first nine months of 2012 with **consolidated Revenue of €64.8 million,** an increase of 9% with respect to the €59.4 million posted in the same period of the prior year. In the third quarter of 2012 alone, revenue rose by 11% to €21.3 million with respect to the €19.2 million recorded in the same quarter of 2011.

The following graph presents the Dada Group’s consolidated revenue for the last five quarters:

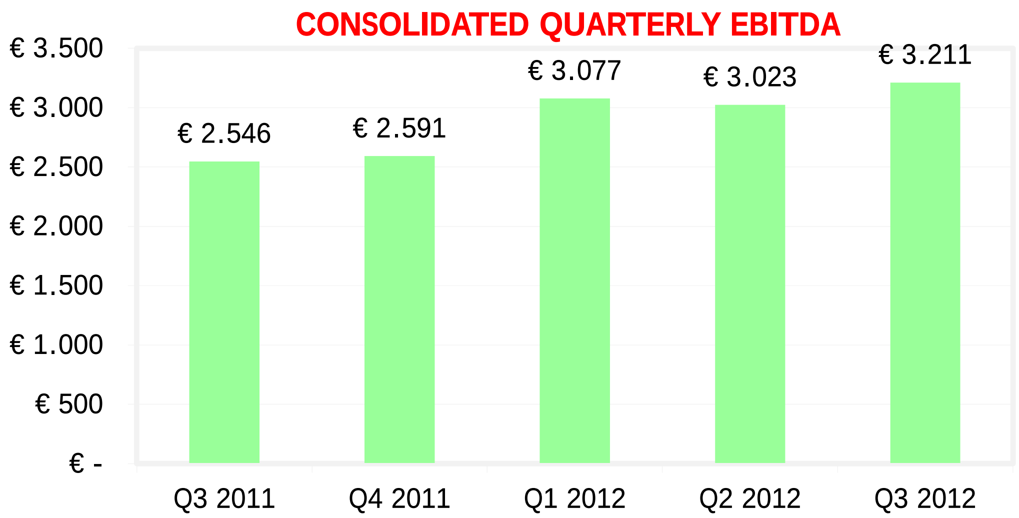


The Dada Group’s consolidated EBITDA in the first nine months of 2012 (gross of impairment losses and other non-recurring items) came to €9.3 million (14% of consolidated revenue), an improvement of 41% with respect to the figure recorded in the same period 2011 (€6.6 million or 9% of consolidated revenue).

In the third quarter of 2012 alone the consolidated EBITDA amounted to €3.2 million, an increase of 26% with respect to the €2.5 million posted in 2011.

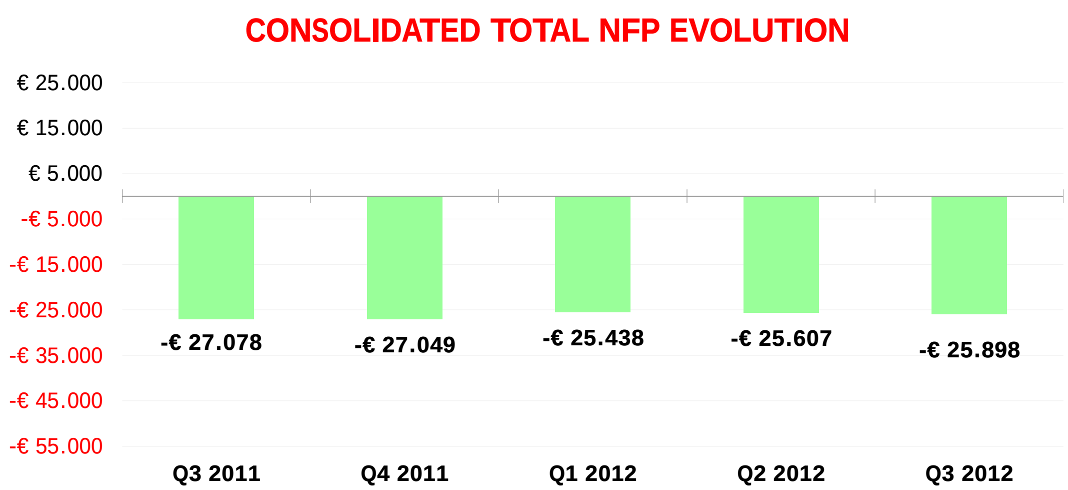
For more information about the trend in EBITDA please refer to the Results section.

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



The Dada Group's **total Net Financial Position** at 30 September 2012**,** which includes funding to be repaid beyond one year reached a negative €25.9 million, compared to a negative €27.1 million at 30 September 2011 and a negative €27 million at 31 December 2011 In the first nine months of 2012 the Net Financial Position improved by €1.1 million, while with respect to the third quarter of the prior year there was an improvement of €1.2 million.

The Net Financial Position at 30 September 2012 and at the end of the previous five quarters is shown below:



Results

The following tables show the **Dada Group's** key results for the first nine months of 2012 and the third quarter alone, compared with the same period in the prior year:

(€/000)	30-Sept-12 9 months		30-Sept-11 9 months		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net revenue	**64,831**	**100%**	**59,379**	**100%**	**5,452**	**9%**
Chg. in inventories & inc. in own wk. capitalized	2,718	4%	2,669	4%	49	2%
Service costs and other operating expenses	-44,433	-69%	-41,489	-70%	-2,944	7%
Payroll costs	-13,804	-21%	-13,946	-23%	141	-1%
EBITDA	**9,311**	**14%**	**6,613**	**11%**	**2,698**	**41%**
Depreciation and amortization	-4,967	-8%	-5,604	-9%	637	-11%
Non-recurring income/(charges)	0	0%	-1,847	-3%	1,847	-100%
Impairment of fixed assets	0	0%	0	0%	0	
Provisions and impairment losses	-150	0%	-1,086	-2%	937	-86%
EBIT	**4,194**	**6%**	**-1,924**	**-3%**	**6,118**	**-318%**

(€/000)	3Q 2012		3Q 2011		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolut e	%
Net revenue	**21.251**	**100%**	**19.170**	**100%**	**2.081**	**11%**
Chg. in inventories & inc. in own wk. capitalized	777	4%	901	5%	-124	-14%
Service costs and other operating expenses	-14,531	-68%	-13,343	-70%	-1,187	9%
Payroll costs	-4,287	-20%	-4,182	-22%	-105	3%
EBITDA	**3,211**	**15%**	**2,546**	**13%**	**665**	**26%**
Depreciation and amortization	-1,642	-8%	-1,738	-9%	96	-6%
Non-recurring income/(charges)	0	0%	-206	-1%	206	-100%
Impairment of fixed assets	0	0%	0	0%	0	
Provisions and impairment losses	-35	0%	-372	-2%	337	-91%
EBIT	**1,534**	**7%**	**230**	**1%**	**1,304**	**566%**

The Dada Group closed the first nine months of 2012 with **consolidated revenue** of €64.8 million, an increase of 9% with respect to the €59.4 million posted in the same period 2011.

In the first nine months of the year growth was recorded by both the Domain and Hosting business in the Group's main markets (approximately 75% of the total) and the Performance Advertising (approximately 25% of the total).

In the period under examination Dada confirmed its European leadership in the sector of professional services for domain registration and hosting. More in detail, in the period Dada achieved its goal to expand its international user base (which to date counts approximately 510,000 clients), improve the renewal rate for its services and expand its product range through the launch of new services which include the new program dedicated to resellers - based on a control panel which can be totally customized – which seeks to simplify and streamline client management, as well as expand the network of partners, in order to better support SMEs on the web.

The Performance Advertising business also posted growth (of more than 20% compared to the same period in the prior year). Dada continued with its strategy to strengthen its offer, thanks to the consolidation of the Peeplo service, the constant fine-tuning of proprietary algorithms and the close collaboration with the world's principle Ad networks.

Revenue in third quarter 2012 alone amounted to €21.3 million, an increase of €2.1 million or 11% with respect to the same period in 2011. Domain and Hosting also posted growth in all reference markets in the quarter and Performance Advertising reported a positive performance.

With regard to the geographical breakdown of the Dada Group's consolidated revenue for third quarter 2012, and for the first nine months of 2012, 68% was generated abroad, up slightly with respect to the first nine months of 2011 and to the 2012 first half.

<u>The Dada Group's consolidated EBITDA in the first nine months of 2012</u> (gross of impairment losses and other non-recurring items) **came to €9.3 million** (14% of consolidated revenue), an improvement with respect to the €6.6 million (11% of consolidated revenue) posted in the same period of the prior year.

The Dada Group's consolidated EBITDA is explained primarily by the following factors:

- an improvement in the margins of some domain registration and hosting services and the Performance Advertising business;

- the actions undertaken to control costs, particularly with regard to staffing.

Looking at each line of the income statement, it is clear that all the principal cost items decreased as a percentage of revenue. Service costs were reduced from the 70% of revenue recorded in the first nine months of 2011 to 69% at 30 September 2012. Payroll costs decreased from the €13.9 million recorded in the first nine months of 2011 to €13.8 million in 2012 coming in at 21% of revenue versus 23%. The total number of employees went from the 367 heads reported at 31 December 2011 to 374 at 30 September 2012, an increase of 7 heads (employees totalled 366 at 30 June 2012).

The item "Change in inventories and increase in own work capitalized," which amounted to €2.7 million in the first nine months of 2012 (slightly above the first nine months of 2011), consists of expenses incurred for the development of the proprietary platforms needed to launch and operate the services provided by the Dada Group.

EBITDA in third quarter 2012 amounted to €3.2 million (15% of consolidated revenue) versus €2.5 million in the same period 2011; an increase of €0.7 million or 26%. This performance is explained by the growth in revenue mentioned above, only partially offset by the increase in service costs (in line with the sales trend), while payroll costs fell as a percentage of revenue from 22% to 20% in 2012.

The “change in inventories and own work capitalized” reached €0.8 million versus €0.9 million in third quarter 2011.

The Dada Group’s **consolidated EBIT** for the first nine months of 2012 amounted to a **positive €4.2 million** versus a negative €1.9 million in the same period of the prior year, an increase of €6.1 million (+318%). In the third quarter alone EBIT amounted to a positive €1.5 million, versus a €0.2 million in third quarter 2011 and a positive €1.2 million in second quarter 2012.

EBIT for the first nine months of 2012 was impacted by amortization of €2.3 million and depreciation of €2.7 million versus €2.8 million, respectively, in the first nine months of 2011. In third quarter 2012 alone, amortization amounted to €0.8 million and depreciation to €0.8 million, versus €0.9 million, respectively, in third quarter 2011. The decreasing trend in amortization and depreciation in both the nine month period and in the third quarter is due, despite the new investments made in the period, to lower intangible assets to be amortized with respect to the prior year (because of a write-down of €2 million in 2011).

Non-recurring charges in the first nine months of 2012 amounted to €0.2 million explained by both write-downs of uncollectible receivables of €0.25 million and the release of provisions for risks and charges accrued in previous years which amounted to less than €60 thousand in the period. In the prior year these non-recurring items amounted to €2.9 million. In the third quarter of the prior year there were no non-recurring charges, while non-recurring charges of €0.6 million were incurred in third quarter 2011.

The Dada Group closed the first nine months of 2012 with a consolidated Net Profit of €1.3 million, compared to a net loss of €2.9 million in the same period of the prior year, an increase of €4.2 million.

Net financial charges in the first nine months of 2012 fell by 12% from the €2.3 million posted in the first nine months of 2011 to €2.0 million. This figure is explained by financial charges of €2.2 million (versus €2.3 million in the same period 2011) attributable to:

- interest payable on bank loans undertaken in previous years to finance acquisitions of €0.9 million (€1.0 million in the same period 2011);
- other bank commissions and interest owed on bank overdrafts amounting to €0.9 million (€0.8 million in the same period 2011)), due primarily to credit card payments;
- derivative differentials of -€0.4 million (-€0.5 million in 2011).

The net result for exchange activities in the first nine months of 2012 was a positive €0.2 million versus a negative €0.1 million in the same period of 2011.

In third quarter 2012 alone net financial charges rose by 20% coming in at a negative €0.6 million versus negative €0.5 million in third quarter 2011.

These financial aggregates were impacted negatively by the gradual increase in the spreads applied to interest rates on loans and positively by the drop in Euribor rates. The financial charges also benefitted from the improvement in the total Net Financial Position recorded in the first nine months of the year. These figures were also undoubtedly impacted by the renegotiation, in the first part of the year, of the loans held with Banca IntesaSanpaolo. Following these negotiations, which are described more in detail below in the section about the financial position, three mortgages were merged in a single loan.

The Dada Group's tax burden in the first nine months of the year amounted to negative €0.9 million, versus €0.8 million in the same period of 2011. Breaking down net taxes into current and deferred, current taxes amounted to €706 thousand, while deferred tax amounted to a negative €190 thousand. Current tax refers to IRAP (regional business tax) relative to Register.it, as well as tax for the foreign companies which posted positive pre-tax income. The Dada Group has accrued tax losses of €31.3 million. Deferred tax assets have been recognized on only a portion of those losses (€12.5 million), namely those the Group expects to recover in the near future, as exposed in the current economic plan.

As in third quarter 2011, the income statement for third quarter 2012 does not include any non-controlling interests following the extraordinary transactions closed during the prior year and referred to in the introduction above.

Similarly, the net profit/(loss) from discontinued operations shown in accordance with IFRS 5 is no longer present, while at 30 September 2011 this aggregate reached a positive €2.3 million.

Financial position

The Net Financial Position at 30 September 2012 is shown in detail below, with comparative figures at 31 December 2011:

(In EUR/000)	30-Sept-12	31-Dec-11	DIFFERENCE	
			Absolute	%
Cash on hand	10	9	1	11%
Bank and post office deposits	3,635	4,301	-666	-15%
Liquidity	3,645	4,310	-665	-15%
Time deposits and other receivables	1,000	3,166	-2166	100%
Derivatives		156	-156	-100%
Other financial receivables	1,000	3,322	-2,322	100%
Total financial assets	**4,645**	**7,632**	**-2,987**	**-39%**
Current credit lines and account overdrafts with banks	-7,028	-7,317	289	-4%
Short term bank borrowings	-93	-8,551	8,458	-99%
Other current financial payables	-558	-547	-11	2%
Current portion of derivatives	-334	-258	-76	100%
Current debt	-8,013	-16,673	8,660	-52%
Non-current bank borrowings	-22,424	-17,745	-4,679	26%
Non-current portion of derivatives	-106	-263	157	100%
Non-current debt	-22,530	-18,008	-4,522	25%
Total financial liabilities	**-30,543**	**-34,681**	**4,138**	**-12%**
Net Financial Position	**-25,898**	**-27,049**	**1,151**	**-4%**

The Dada Group's total Net Financial Position at 30 September 2012, which includes funding to be repaid beyond one year, was negative for **€25.9 million**, versus negative €27 million at 31 December 2011 and negative €27.1 million at 30 September 2011. The current Net Financial Position at 30 September 2012 was negative for some €3.4 million, versus negative €9.0 million at 31 December 2011 and negative €7.8 million at 30 September. The improvement with respect to 2011 is explained by both total cash flow generation and a financial receivable of €1 million maturing at the end of May 2013 relating to the payment of the last instalment of the sales price to be paid by Buongiorno S.p.A. for the Dada.net, as well as the renegotiation of current loans. For more information about the new M/L term debt structure see the note on page 43 of this Report.

The item "time deposits and other receivables" includes the remaining amount of €1 million owed on the transaction with Buongiorno which should be released by 31 May 2013.

The item "current portion of derivatives" relates to the market to market at 30 September 2012 of the portion of the IRS hedging the mortgage with Banca Intesa which expires in 12 months, while the part which expires beyond one year is included in the item "non-current portion of derivatives".

Non-recurring cash-out amounted to €168 thousand in the first nine months of 2012 and relate to severance and the resolution of legal disputes. The non-recurring charges in the prior year amounted to a much more significant figure of approximately €3.8 million and were attributable almost entirely to sale transaction costs and severance.

Movements in cash flow in the first nine months of 2012 with respect to cash and cash equivalents and compared to the same period in the prior year are summarized below. For more detailed information please refer to the Statement of Cash Flows included in the Consolidated Financial Statements and the notes:

(in EUR/000)	30 September 2012 (9 months)	31 December 2011 (12 months)
Cash flow from operating activities	7,719	7,159
Taxes and interest paid	-2,781	-4,526
Cash flow from investing activities	-4,788	20,963
Cash flow from financing activities	4,764	-10,993
Net cash flow for the period (cash and cash equivalents)	**4,915**	**12,604**

The reconciliation of the Net Financial Position with the change in cash and cash equivalents found in the consolidated statement of cash flows can be found in Note 18 of the notes to the Consolidated Financial Statements.

Investing activities

In the first nine months of 2012, in addition to the above, the Dada Group also made the following investments in:

- intangible assets, totalling some €2.9 million, which included approximately €2.7 million for the development of the proprietary processes and platforms needed to provide Domain & Hosting services and Performance Advertising, as well as €0.2 million for the purchase of software and licenses;

- property, plant and equipment, totalling some €2.1 million, which included approximately €2.1 million for the purchase of network servers and other machinery needed to extend the Group server farm. Investments in furnishings and fittings amounted to €70 thousand.

Financing activities

The cash flow from financing activities reached a positive €4.8 million and is largely explained by the net difference in cash flow from financing activities in the first nine months of 2012 following the renegotiation referred to above with Intesa Sanpaolo which resulted in a drop in short term versus an increase in long term debt. This impacted solely "cash, cash equivalents and current bank borrowings", but is neutral with regard to the "total Net Financial Position".

For more information please refer to the Statement of Cash Flows found on page 26 of this Report.

The breakdown of the Net Working Capital and the Net Capital Employed at 30 September 2012 and at 31 December 2011 is shown below:

(in EUR/000)	**30-Sept-12**	**31-Dec-11**	**DIFFERENCE**	
			Absolute	**Percentage**
Non-current assets (A)	**92,127**	**90,918**	**1,209**	**1%**
Current operating assets (B)	19,776	19,975	-199	-1%
Current operating liabilities (C)	-31,758	-31,936	178	-1%
Net working capital (D)=(B)-(C)	**-11,982**	**-11,961**	**-21**	**0%**
Termination indemnities (E)	-849	-877	29	-3%
Provision for risks and charges (F)	-1,657	-2,781	1,124	-40%
Other payables due beyond one year (G)	-207	0	-207	
Net capital employed (A+D+E+F+G)	**77,432**	**75,299**	**2,134**	**3%**

Net Working Capital

Net Working Capital at 30 September 2012 amounted to –€12 million, largely in line with the figure posted at 31 December 2011, but down with respect to the -€12.7 million reported in the prior quarter.

This dynamic is explained by the operating trend over the last few quarters of the year and, in particular, by the fact that there was a slowdown in the third quarter during the summer months in credit card payments which has lower impact in terms of the income statement as these services are recognized over the period in which they are provided.

Current liabilities also include deferred income of approximately €11.4 million relative to web hosting services; these will not entail future financial outlays, but rather the recognition of revenue in the income statement. This aggregate at 31 December 2011 amounted to €12.2 million, versus €12.5 million at 30 June 2012.

For more information about investing activities please refer to the description of the Net Financial Position above and the notes to this Report.

The number of employees at 30 September 2012 is shown below:

Number of employees	**Italy**		**International**		**TOTAL**	
	30/09/2012	31/12/2011	**30/09/2012**	31/12/2011	**30/09/2012**	31/12/2011
Total	**207**	205	**167**	162	**374**	367

Alternative performance indicators:

This report provides the following economic and financial indicators in addition to those required by IFRS which are used by the management of the Dada Group to monitor and assess the Dada Group's operating performance, but as they are not recognized accounting measures under IFRS should not be considered alternative performance indicators for the Dada Group.

EBITDA: As the composition of EBITDA is not governed by the accounting policies, the Dada Group's method of calculating it may differ from that used by others and may therefore make comparisons unreliable. Below is a summary of how the Dada Group calculates EBITDA.

Pre-tax profit and the net gains/(losses) pertaining to assets held for sale

+ Financial charges

- Financial income

+/- Gains/losses from equity investments in associates

Operating profit

+ Restructuring costs

+ Amortization, depreciation and impairment losses on fixed assets

+/- Atypical charges/income

+ Impairment losses on trade receivables

EBITDA - Operating profit before amortization, depreciation, impairment losses, atypical charges/income and impairment losses on receivables.

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);

Current net financial position: cash and cash equivalents, current financial assets and current financial liabilities;

Total net financial position: net current financial position and all financial receivables and payables due beyond one year.

PERFORMANCE BY BUSINESS SEGMENT

For operational purposes, as of 31 December 2011, the Dada Group was organized into a single business segment. This is due to the reorganization following the sale of the Dada.net Group; the remaining product lines (domain and hosting and performance advertising) and corporate activities have been so completely integrated that they no longer qualify as separate business segments under IFRS 8.

SIGNIFICANT EVENTS IN THE FIRST NINE MONTHS OF 2012

The events which had the most significant impact on the Dada Group in the first nine months of 2012 are described below:

On 8 February 2012 – The Board of Directors of Dada S.p.A., including in accordance with Art. 37 of CONSOB's Market Regulations, acknowledged Dada S.p.A.'s position as a company subject to the direction and coordination of RCS MediaGroup S.p.A. pursuant to and in accordance with Art. 2497 *et seq*. of the Italian Civil Code.

It was also confirmed, in light of the information made available during the above mentioned Board of Directors' meeting, that the Company negotiates independently with its clientele and suppliers, still complies with mandatory disclosure pursuant to Art. 2497-*bis* of the Italian Civil Code and has not entered into any cash pooling agreements with the parent company and, therefore, meets all the requirements of a listed company as per Art. 37 (1) of the Market Regulations (Reg. 16191 of 2007, as subsequently amended).

In this regard, the Company also complied with the last requirement for a listed company under Art. 37 (1)(d) of the above mentioned regulation by convening its Annual General Meeting to approve the financial statements for FY 2011, renew the corporate bodies, the composition of the Board of Directors and the Board Committees which were subsequently appointed by the Board in accordance with the Corporate Governance Code for Listed Companies.

On 24 April 2012 – the Annual General Meeting of Dada S.p.A. in ordinary session approved:

The separate financial statements at 31 December 2011

Shareholders approved Dada S.p.A.'s separate financial statements for the year ended 31 December 2011, as proposed by the Board of Directors during the meeting held on 12 March 2012. The shareholders resolved to allocate the Parent Company's net profit of €18,011,273.69 as follows: to carry forward €11,105,917.04 to cover losses from previous years and the remainder to extraordinary reserves.

Appointment of the Board of Directors

During the AGM shareholders appointed the Company's new Board of Directors, to be comprised of 13 directors, which will be in office through the approval of the financial statements for FY 2014.

The new Board of Directors is comprised as follows:

ALBERTO BIANCHI

SILVIA MICHELA CANDIANI

CLAUDIO CAPPON

STANISLAO CHIMENTI

GIORGIO COGLIATI

CLAUDIO CORBETTA

ALESSANDRO FOTI

LORENZO LEPRI

MONICA ALESSANDRA POSSA

VINCENZO RUSSI

MARIA OLIVA SCARAMUZZI

RICCARDO STILLI

DANILO VIVARELLI

The Directors appointed were candidates on the only list submitted by the majority shareholder RCS MediaGroup S.p.A..

The directors Silvia Michela Candiani, Claudio Cappon, Stanislao Chimenti, Alessandro Foti, Vincenzo Russi, Maria Olivia Scaramuzzi and Danilo Vivarelli declared that they qualify as independent pursuant to and in accordance with Art. 148 par. 3 of Legislative Decree n. 58/1998 (*Testo Unico della Finanza* or *TUF*) and the Corporate Governance Code for listed companies currently adopted by Dada S.p.A., including with regard to any requirements relative to companies listed on the STAR segment, while Director Alberto Bianchi declared that he qualified as independent pursuant to and in accordance with Art. 148 par. 3 of Legislative Decree n. 58/1998, in virtue of his position as Chairman of the Board of Directors beginning with the previous term.

Shareholders also resolved on the directors' compensation.

Appointment of the Board of Statutory Auditors

As the term of the Board of Statutory Auditors also expired, a new Board of Statutory Auditors was appointed for the period 2012 – 2014, through the approval of the financial statements for FY 2014.

Shareholders resolved to appoint the Chairman and members of the Board of Statutory Auditors as follows:

STANDING AUDITORS

Claudio Pastori, Chairman

Cesare Piovene Porto Godi

Sandro Santi

ALTERNATE AUDITORS

Maria Stefania Sala

Mariateresa Diana Salerno

The statutory auditors appointed were candidates on the only list submitted by the majority shareholder RCS MediaGroup S.p.A. within the timeframe provided at law and in accordance with the corporate bylaws.

The shareholders also determined the relative compensation.

Assignment of the External Auditors for the period 2012/2020

Pursuant to Articles 13 and 17, paragraph 1, of Legislative Decree n. 39/2010, as the previous assignment for financial audit granted to the company Reconta Ernst & Young had expired, a new assignment was made to KPMG S.p.A. for the period 2012-2020. The fees to be paid were also approved based on the proposal submitted by the Company's Board of Statutory Auditors.

Approval of the Compensation Policy and the authorization to purchase and sell treasury shares

The shareholders approved the Remuneration Report prepared in accordance with Art. 123 *ter* of Legislative Decree 58/98 and, lastly, renewed the authorization, after revoking the previous one granted on 21 April 2011, 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 any treasury shares acquired and to carry out transactions such as purchases/sales, swaps 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.

On 24 April 2012 – the Board of Directors of Dada S.p.A.

confirmed Alberto Bianchi, Esq. as its Chairman, Claudio Corbetta as Chief Executive Officer, granting him the powers deemed opportune, and General Manager and Lorenzo Lepri as General Manager and Chief Financial Officer, granting the powers deemed necessary and opportune to manage the company. The Board also appointed the Internal Control Committee and the Compensation Committee comprised entirely of independent directors pursuant to Art. 148 paragraph 3 of Legislative Decree n. 58/1998 and the Corporate Governance Code for Listed Companies currently adopted by the Committee. The Board appointed directors to the two committees as follows:

Internal Control Committee: Vincenzo Russi (Chairman), Stanislao Chimenti and Alessandro Foti;

Compensation Committee: Danilo Vivarelli (Chairman), Alessandro Foti and Maria Olivia Scaramuzzi; having previously confirmed that all the Directors listed as independent on the lists filed qualified as such. The Board also confirmed that all the Statutory Auditors appointed by the shareholders qualified as independent in accordance with and pursuant to Art. 148 paragraph 3 of Legislative Decree n. 58/1998.

CORPORATE REORGANIZATION

Following the change in the business scope as a result of the disposal of the Dada.net division, the opportunity to better align the Group's corporate structure with the new organizational structure emerged. The rationalization of the corporate structure resulted, in September, in the formation of a new company MOQU Adv S.r.l., a wholly-owned subsidiary of Dada S.p.A., to which the performance Advertising business was spun-off by Register.it. The transaction will be finalized by 31 December 2012 while for legal, accounting and tax purposes, the transaction will take effect as of 1 January 2013.

By the end of January 2013 it is also expected that MOQU Adv S.r.l. will form a new Irish company which will acquire all the assets and assume the liabilities relative to the performance advertising business currently held by Namesco Ireland.

SUBSEQUENT EVENTS

No events occurred subsequent to the close of the third quarter of the year.

OUTLOOK

Based on the Group's performance in the first nine months of the year it is reasonable to confirm the estimates for the current fiscal year with regard to the Group's revenue, EBITDA and Net Profit which are expected to improve with respect to the prior year, despite difficult global market conditions and increased competition and challenges for both businesses, as also previously mentioned.

With regard to the core business of Domain & Hosting, the focus in the last quarter of the year will be on strengthening the quality of the service and introducing new performing products which can together support the acquisition of new clients and the loyalty of the newly acquired customer base. Of note, is the upcoming launch in all the reference markets of a ground breaking service which will allow both beginners and professionals to create – on the web and mobile devices – innovative, professional sites using Cloud platform technologies.

Steps will continue to be taken to carefully manage operating and overhead costs in order to sustain the gradual improvement of the Group's overall efficiency.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 SEPTEMBER 2012

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT AT 30 SEPTEMBER 2012

		30 September 2012	30 September 2011
Net revenue		**64,831**	**59,379**
Cost of raw materials and consumables		-19	-41
Chg. in inventories & inc. in own wk. capitalized		2,718	2,669
Service costs and other operating expenses		-44,269	-41,094
Payroll costs		-13,804	-13,946
Other operating revenue and income		12	94
Other operating costs		-158	-2,261
Provisions and impairment losses		-150	-1,086
Depreciation and amortization		-4,967	-5,604
Impairment of fixed assets		-	-
EBIT		**4,194**	**-1,889**
Investment income		1,056	704
Financial charges		-3,094	-3,021
Share of profit/(loss) of associates		-	-
Income from revaluation of equity investments		-	-
Profit/(loss) before taxes		**2,156**	**-4,207**
Income taxes		-897	-1,073
Profit/(loss) from continuing operations		**1,259**	**-5,280**
Non-controlling interests		-	-
Profit/(loss) from discontinued operations		-	2,346
Group net profit/(loss)		**1,259**	**-2,934**
Basic earnings/loss per share		0.078	-0.181
Diluted earnings/loss per share		0.075	-0.181

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 30 SEPTEMBER 2012

In EUR/000	30-Sept-12 9 months	30- Sept -11 9 months
Net profit/(loss) for the period (A)	**1,259**	**-2,934**
Gains/(losses) on exchange rate derivatives (cash flow hedges)	201	197
Tax effect on other gains/(losses)	-55	-54
	146	143
Translation reserve	-	-
Equity transaction reserve	-	-253
Other reserves	-	-
Gains/(losses) from the translation of foreign currency financial statements	1,742	-1,115
Total other gains/(losses), net of tax effects (B)	**1,887**	**-1,225**
Total comprehensive income/(loss) (A) + (B)	**3,146**	**-4,160**

THE DADA GROUP'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2012

ASSETS	Note	30 September 2012	31 December 2011
Non-current assets			
Goodwill		78,109	76,162
Intangible assets		7,492	6,860
Other property, plant and equipment		6,312	6,872
Equity investments in non-consolidated subsidiaries, associates and other companies		-	-
Financial assets		214	1,181
Deferred tax assets		5,727	5,963
Total non-current assets		**97,854**	**97,037**
Current assets			
Inventories		-	-
Trade receivables		9,154	9,133
Tax receivables and others		4,896	4,879
Current financial receivables		1,000	-
Financial assets held for trading		-0	-
Cash and cash equivalents		3,645	7,476
Total current assets		**18,694**	**21,488**
TOTAL ASSETS		**116,548**	**118,526**

THE DADA GROUP'S CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2012

EQUITY AND LIABILITIES		30 September 2012	31 December 2011
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		2,756	2,756
Other equity instruments		168	34
Share premium reserve		32,071	32,071
Legal reserve		950	950
Other reserves		8,797	-306
Retained earnings		5,534	21,287
Net profit/(loss)		1,259	-8,542
Total equity, Group share		**51,534**	**48,250**
Non-controlling interests		**-**	**-**
Total shareholders' equity		**51,534**	**48,250**
Non-current liabilities			
Bank loans (due beyond one year)		22,424	17,745
Provision for risks and charges		1,657	2,781
Provision for employee termination indemnities		849	877
Deferred tax liabilities		440	521
Other payables due beyond one year		207	-
Total non-current liabilities		**25,577**	**21,924**
Current liabilities			
Trade payables		14,590	13,650
Other payables		14,763	15,590
Taxes payable		2,405	2,696
Bank overdrafts and financial payables (due within one year)		7,679	16,415
Total current liabilities		**39,437**	**48,351**
TOTAL EQUITY AND LIABILITIES		**116,548**	**118,526**

THE DADA GROUP'S CONSOLIDATED CASH FLOW STATEMENT AT 30 SEPTEMBER 2012

In EUR/000	30 September 2012	31 December 2011
Operating activities		
Net profit (loss) for the period	**1,259**	**-8,542**
Adjustments for:		
Income from trading	-1,056	-1,099
Financial charges	3,094	3,938
Income taxes	897	1,304
Profit (loss) from discontinued operations	-	-1,239
Depreciation	2,702	3,667
Amortization	2,265	3,291
Impairment of fixed assets	0	3,764
Other provisions and impairment losses	150	1,705
Increases/(decreases) in provisions	-484	-1,630
Cash flow from operating activities before changes in working capital	**8,827**	**5,159**
(Increase)/decrease in receivables	-406	1,104
Increase/(decrease) in payables	-701	896
Cash flow from operating activities	**7,719**	**7,159**
Income taxes paid	-469	-941
Interest paid	-2,312	-3,585
Net cash flow from operating activities	**4,939**	**2,633**
Investing activities		
Interest received	86	763
Acquisition of subsidiaries and associates	-	-7,200
Sale of subsidiaries and associates	-	33,633
Purchase of property, plant and equipment	-2,064	-2,514
Sale of fixed assets	-	200
Other changes in fixed assets	15	-
Purchase of intangible assets	-107	-346
Product development costs	-2,718	-3,573
Net cash flow used in investing activities	**-4,788**	**20,963**

THE DADA GROUP'S CONSOLIDATED CASH FLOW STATEMENT AT 30 SEPTEMBER 2012

In EUR/000	30 September 2012	31 December 2011
Financing activities		
Change in financing	4,679	-9,871
New loans	-	-
Other changes	86	-1,122
Assets held for sale		
Net cash flow from financing activities	**4,764**	**-10,993**
Net increase/(decrease) in cash and cash equivalents	**4,915**	**12,604**
Cash and cash equivalents at beginning of the period	**-8,392**	**-20,995**
Total cash and cash equivalents at end of the period	**-3,477**	**-8,392**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 30 SEPTEMBER 2012

	Attributed to the shareholders of the parent company										
Description	**Share capital**	**Share prem. res.**	**Legal res.**	**Other reserves**	**Other equity instruments**	**Cash flow hedge res**	**Translation reserve**	**Retained earnings**	**Net profit /(loss)**	**Total**	**Total equity**
Balance at 1 January 2012	2,756	32,070	950	7,137	34	-299	-7,142	21,286	-8,542	**48,250**	**48,250**
Allocation of 2011 profit				7,211				-15,753	8,542	-	-
Profit/(loss) for the period									1,259	**1,259**	**1,259**
S.O. old plan											
Other comprehensive income (losses)				-	-	146	1,742			**1,887**	1,887
Total comprehensive income (losses)				**-**	**-**	**146**	**1,742**	**-**	**1,259**	**3,146**	**3,146**
Reclassifications										**-**	-
Other equity instruments					134					**134**	134
Other changes				3						**3**	3
Balance at 30 September 2012	**2,756**	**32,070**	**950**	**14,351**	**168**	**-154**	**-5,400**	**5,534**	**1,259**	**51,534**	**51,534**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 30 SEPTEMBER 2011

	Attributed to the shareholders of the parent company											
Description	**Share capital**	**Share prem. res.**	**Legal res.**	**Other reserves**	**Equity transaction reserve**	**Cash flow hedge res**	**Translation reserve**	**Retained earnings**	**Net profit /(loss)**	**Total**	**Non-controlling interests**	**Total equity**
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									-2,934	**-2,934**		-2,934
Other comprehensive income (losses)					-253	143	-1,115			**-1,225**		-1,225
Total comprehensive income (losses)				**0**	**-253**	**143**	**-1,115**	**0**	**-2,934**	**-4,160**	**0**	**-4,161**
Reclassifications				1,175	-1,175					**0**		**0**
Decons./Acquis./Var. % di possesso										**0**	-79	-79
Other changes										**0**	14	14
Balance at 30 September 2011	**2,756**	**32,070**	**950**	**10,899**	**0**	**-326**	**-8,457**	**17,525**	**-2,934**	**52,482**	**0**	**52,482**

NOTES TO THE FINANCIAL STATEMENTS

1. Company information

Dada S.p.A. is a joint-stock company incorporated in Italy and listed in the Florence Company Register, and an issuer of shares traded on the STAR segment of the Milan Stock Exchange. Its registered office is stated in the introduction to this report.

The Dada Group (www.dada.eu) – is an international leader in professional digital services aimed at building the online presence of our customers (domain registration, hosting, servers, website creation, e-commerce, brand protection) and in other 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 12 November 2012.

Statement of compliance with IFRS

The condensed quarterly report at 30 September 2012 was prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and with the measures enacted for the implementation of Art. 9 of Legislative Decree 38/2005. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), previously known as 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 2011.

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 2011, with the exception of the following new standards and interpretations applicable from 1 January 2012:

- IFRS 9 – Financial instruments – The standard issued by the IASB in November 2009 and subsequently amended in October 2010 is the first step in the gradual substitution of IAS 39 in its entirety.
- IAS 27 – Separate financial statements – Following the issue of IFRS 10, in May 2011 the IASB confirmed that IAS 27 was applicable solely to separate financial statements. This standard specifically governs the accounting treatment of equity investments in separate financial statements and is applicable as of 1 January 2013.
- IAS 28 – Investments in associates and joint ventures – Following the issue of IFRS 11 in May 2011, the IASB amended the pre-existing standard to also include equity investments in jointly controlled companies and to set out the requirements for application of the equity method when accounting for investments in associates and joint ventures. The standard is applicable as of 1 January 2013.
- IFRS 10 – Consolidated financial statements – The standard, which will substitute SIC 1 – Consolidation of vehicle companies – and parts of IAS 27 – Separate and consolidated financial statements – was issued by the IASB in May 2011 and is effective retroactively as of 1 January 2013. Based on the standard, control is the element which determines if a company should be consolidated by the parent company or not. It also provides guidelines on how to determine the existence of control in the event it is difficult to ascertain.
- IFRS 11 – Joint arrangements – The standard, issued by the IASB in May 2011 which will substitute IAS 31 – Interests in joint ventures – and SIC 13 – Jointly Controlled Entities - Non-Monetary Contributions by Venturers – is applicable as of 1 January 2013. This standard outlines the accounting by entities that jointly control an arrangement based on the rights and obligations included in the agreements, as well as the legal form of same and establishes that the interests in jointly controlled entities must be equity accounted in the consolidated financial statements.
- IFRS 12 – Disclosure of interests in other entities – the standard, issued by the IASB in May 2011 is applicable as of 1 January 2013. It provides the specific additional information that is to be provided for each type of interest, including subsidiaries, associates, joint arrangements and other unconsolidated vehicle companies.
- IFRS 13 – Fair value measurement – The standard, issued by the IASB in May 2011 is applicable as of 1 January 2013. The standard defines fair value, clarifies how it is to be determined and introduces standardized disclosure for items valued at fair value. The standard is applicable to all types of transactions or balances for which another standard requires or allows fair value measurement.
- Amendment of IFRS 1 – First time adoption of International Financial Reporting Standards – The amendment issued by the IASB in December 2010, eliminates the reference to the date 1 January 2004 as the IAS/IFRS transition date and provides guidelines for the adoption of the IAS/IFRS in a hyperinflationary economy. The amendment is applicable as of 1 July 2011.
- Amendment of IAS 12 – Income tax – The amendment, issued by the IASB in December 2010 and applicable to annual periods beginning on or after 1 January 2012, introduces the presumption that recovery of the carrying amount of an investment property will normally be through sale unless there is clear evidence that it will be recovered through use. The presumption will be applied to investment property, plants and machinery, intangible assets recognized or revalued at fair value. Following these amendments the interpretation SIC 21 Income taxes – recovery of revalued non-depreciable assets – will be repealed.
- IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine – The interpretation, issued in October 2011, addresses how to account for the waste removal charges incurred in the production phase of a surface mine and is applicable as of 1 January 2013.

- Amendment of IFRS 9 – Financial instruments and of IFRS 7 – Financial instruments: additional disclosures – The amendment changes the effective date from 1 January 2013 to 1 January 2015.
- Amendment of IAS 32 – Financial instruments: presentation – The amendment addresses issues relating to the offsetting of financial assets and liabilities.
- Amendment of IFRS 7 –Financial instruments: additional disclosure – The amendment proposes that additional disclosures (both qualitative and quantitative) be provided for transferred financial assets and liabilities.

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 30 September 2012.

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	**Exchange rate at 30 September 2012**	**Average exchange rate at 30 September 2012**
US dollar	1.293	1.281
British pound	0.798	0.812

CURRENCY	**Exchange rate at 30 September 2011**	**Average exchange rate at 30 September 2011**
US dollar	1.350	1.406
British pound	0.871	0.867

Consolidation Scope

The Dada Group's scope of consolidation changed in the first nine months of 2012 with respect to 30 September 2011 due to the extraordinary transactions involved in the sale of the Dada.net Group while it is unchanged with respect to 31 December 2011. See the financial statements at 31 December 2011 for further information. A list of consolidated companies is provided in an annex to this report.

Please note that on 13 September 2012 the company MOQU Adv S.r.l. was formed, but was not yet operational at the close of the quarter.

Risks

Market risks

With regard to risks associated with trends in the industry and the economy at large, our business is influenced by general economic conditions, which may vary from one market to the next. An economic crisis and the resulting decline in consumption can hurt sales of some of the services provided by the Group.

The service market in which the Dada Group is active is highly competitive, due to constant, rapid innovation and technological advancements and to the entry of new competitors. Such an environment requires a non-stop commitment to offering increasingly innovative and improved services in order to maintain competitive market positioning.

Furthermore, with regard to the performance advertising business please note that there is an important global commercial partner, Google, that is key to the reference market and, consequently to the Dada Group’s business, as well. With regard to the Dada Group, specifically, the relationship with Google represents almost all the Performance Advertising business’s costs and revenue. If the relationship with this commercial partner deteriorates or if the contract with Google should fail to be renewed this business would be impacted. Moreover, Google is in a position to noticeably influence the dynamics of the reference market and periodically updates its policies which must be complied with by its commercial partners. The choices made in these policies can, therefore, affect the reference market as a whole and, consequently, the Dada Group’s Performance advertising business in terms of both sales and margins. The Dada Group’s failure to comply with these policies could significantly impact the relationship with Google, who reserves a noticeable right to evaluate its relationships. More in general, the Performance advertising market is not a fully mature one and is still subject to, even significant, volatility.

The industry in which the Group operates, both in Italy and abroad, is also strictly regulated with regard to personal privacy, consumer protection, and rules for commercial communications and for 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 reference market.

Toward this end, some Group companies are or could soon be involved in disputes or affected by supervisory or regulatory decisions regarding the provision of services. At present no situations of this sort exist.

Financial risk

The Dada Group's international expansion, including through the acquisition of important operating companies, has increased its exposure to 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 the UK company Namesco Ltd., the Amen Group and Poundhost; and liquidity risk, in general, reflecting the potential changes in borrowing requirements.

In addition, some of the Group's loan contracts include requirements to satisfy various financial ratios that give the lender certain rights, including the right to call in the loan, in the event such covenants are breached.

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

Due to the sale of the Dada.net Division, as discussed in the introduction to this interim 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 against €10.7 million loan (at 30 September 2012) taken out by the subsidiary Register.it. The fair value of this derivative instrument is recorded in the statement of financial position, with a balancing entry in an equity reserve in accordance with IAS 39 (cash flow hedges). Two interest rate caps were also arranged with major banks: one with a strike rate of 3.5% on principal of €4 million, and one with a strike rate of 3% on principal of €4.5 million. The fair value adjustment relative to both caps (€2 thousand) was posted in full to the income statement for the first nine months of 2012. Exchange risk has been hedged through forward contracts for the purchase or sale of US 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 wholly-owned subsidiaries. At 30 September 2012 the Group had credit lines of €56.5 million, of which approximately €34.5 million 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 22% of the Group's sales are denominated in a currency other than the primary one (the euro), while about 24% of its costs are expressed in foreign currency (USD). In the first nine months of 2012, 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 Group assumes the credit risk associated with part of its advertising business, while the risk for the domain & hosting business is more limited as fees 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.

Risks associated with the contract for the disposal of the BU Dada.net (hereinafter referred to as "the Contract")

Terms of payment

Out of the full provisional price for the sale of Dada.net, an instalment of €30,112,000 was paid in cash on 31 May 2011. By contract, the remainder will be paid after the closing. More specifically:

(i) a second instalment of €1,000,000 must be paid at a later date to be determined on the basis of criteria established in the contract, but in any case no later than 24 months from the date of closing; and

(ii) €2,750,000.00 was placed in an escrow account on the date of closing and must remain in that account for the subsequent twelve months, to service the standard representations and warranties. At 31 March 2012, the exact date on which the second instalment will be paid is unknown, while the sum in the escrow account could be reduced or eliminated if the seller is forced to indemnify the buyer in accordance with the terms of the contract. As no disputes emerged relating to declarations made or guarantees granted, the €2,750,000 was paid in full to the seller on 31 May 2012.

Earn-out

In addition to the final price, the contract also requires the buyer to pay an earn-out if, within three years of the closing, all or part of Dada.net's interest in Giglio is sold or some of Giglio's operations are disposed of such that a capital gain is realized with respect to an established amount, as detailed in the Contract.

In this case, the buyer shall pay the seller a sum in proportion to the capital gain realized from the disposal of Giglio, up to a maximum earn-out of €2,500,000. However, the disposal of Giglio could fail to take place or could occur under conditions that fail to produce a capital gain or otherwise to satisfy the conditions requiring the earn-out to be paid. The Dada Group will recognize the earn-out only when the conditions for its payment have been met.

Representations, warranties and penalties in the event of non-fulfillment

The Group has given the buyer certain representations and warranties, typical of this kind of transaction, with respect to Dada.net, its wholly-owned subsidiaries, Giglio and Youlike.

Should the buyer, Dada.net, its wholly-owned subsidiaries, Giglio and/or Youlike become liable for any out-of-period expenses, costs or charges due to non-fulfillment of the representations and warranties made by the seller, the seller will be required to indemnify and hold harmless the buyer for the amount of such liabilities, provided that the total sum of the individual losses exceeding a given minimum amount exceeds an established threshold, for a total maximum penalty of €7,125,000. The duration of the guarantees depends on the type of guarantee involved and in certain instances coincides with the statute of limitations relative to the dispute in question.

Special penalties

In addition to the representations and warranties mentioned above, the contract for the sale of Dada.net provides for other penalties for the seller under expressly stated circumstances that expose the buyer, Dada.net, and/or any other company within the scope of the sale to further liabilities. The seller shall indemnify and hold harmless the buyer for the amount of any such liabilities that arise, provided this penalty exceeds the specific thresholds laid down in the contract. In specified cases, an additional ceiling of €2,175,000 will apply on top of the maximum penalty listed above. An action may be brought under this guarantee through 31 May 2016.

Risks from reconciliation with telephone companies and aggregators

The contract with Buongiorno S.p.A. includes a reconciliation clause with respect to the amounts due by Dada.net and its wholly-owned subsidiaries to telephone companies or aggregators and vice versa, for reconciliations carried out by telephone companies or aggregators in the twelve months following the date of closing on amounts paid or received, as applicable, by Dada.net or its wholly-owned subsidiaries in the twelve months preceding the date of closing, on the basis of statements shared between the parties. Therefore, by virtue and within the limits of such provisions, the Group may be required to pay the buyer any amount it may be due as a result of such reconciliations by telephone companies or aggregators.

Risks relating to the non-compete clause

By contract the seller is prohibited from doing significant business, directly or indirectly, that competes with the business currently performed by Dada.net S.p.A. and/or its wholly-owned subsidiaries, in Italy and the United States for a period of 18 months from the date of closing. The seller has also agreed not to hire individuals who, as of the contract date or during the preceding 30 days, were employees or contract workers of Dada.net, its wholly-owned subsidiaries or other companies in the Buongiorno group, or who become such in the 18 months following the closing. The buyer has agreed to the same restrictions concerning the personnel of the Dada Group.

Risks of the reduced scope of operations

The sale of Dada.net has reduced the Group's scope of operations which, post-sale, will essentially be focused on professional domain and hosting services and performance advertising. That said, Dada.net is active in extremely competitive business environments and has suffered decreasing performance in recent years.

Risks associated with changes in the Dada Group due to the sale

The sale of Dada.net resulted in significant changes in the Dada Group's business, corporate structure, organization and ownership of assets, and therefore it is exposed to the problems, expenses and execution risks in connection with the refocusing process mentioned above.

Moreover, by contract, any events arising from such risks that concern the Dada.net companies being sold could generate liabilities or price adjustments for Dada.

With regard to the earn-out right and the penalty and reconciliation obligations stated in the contract, at 30 September 2012 the Company had recognized no assets and no liabilities, as it currently estimates that nothing will be received or paid. Should the above situations concerning the sale of Dada.net come to pass, this could generate liabilities for Dada S.p.A. and the Dada Group and change the economic effects of the sale.

Seasonal trends

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

3. Segment reporting pursuant to IFRS 8

For operational purposes, beginning fourth quarter 2011, the Dada Group is organized into a single business segment. This is due to the reorganization following the sale of the Dada.net Group; the remaining product lines (domain and hosting and performance advertising) and corporate activities have been so completely integrated that they no longer qualify as separate business segments under IFRS 8. Comparative figures have been restated to reflect this new structure.

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

Income statement by business segment at 30 September 2012

30 September 2012 (9months)			
Segment reporting	**Continuing operations**	**Discontinued operations**	**Total consolidated**
Revenue Italy	20,982		20,982
Revenue abroad	43,849		43,849
Revenue - interdivisional	0		0
Net revenue	**64,831**	**0**	**64,831**
Increase in own work capitalized	2,718		2,718
Cost of services	-44,433		-44,433
Payroll costs	-13,804		-13,804
Segment EBITDA	**9,311**	**0**	**9,311**
Depreciation, amortization and impairment of fixed assets	-4,967		-4,967
Impairment, provisions and non-recurring charges	-150		-150
EBIT	**4,194**	**0**	**4,194**
Net financial charges	-2,038		-2,038
Profit (loss) before taxes	**2,156**	**0**	**2,156**
Income taxes	-897		-897
Group & non-controlling interests profit (loss)	**1,259**	**0**	**1,259**
Non-controlling interests			0
Profit/(loss) from discontinued operations			0
Group net profit (loss)	**1,259**	**0**	**1,259**

Income statement by business segment at 30 September 2011

30 September 2011 (9months)			
Segment reporting	**Continuing operations**	**Discontinued operations**	**Total consolidated**
Revenue Italy	19,923		19,923
Revenue abroad	39,456		39,456
Revenue - interdivisional	0		0
Net revenue	**59,379**	**0**	**59,379**
Increase in own work capitalized	2,669		2,669
Cost of services	-41,489		-41,489
Payroll costs	-13,946		-13,946
Segment EBITDA	**6,613**	**0**	**6,613**
Depreciation, amortization and impairment of fixed assets	-5,604		-5,604
Impairment, provisions and non-recurring charges	-2,934		-2,934
EBIT	**-1,924**	**0**	**-1,924**
Net financial charges	-2,283		-2,283
Profit (loss) before taxes	**-4,207**	**0**	**-4,207**
Income taxes	-1,073		-1,073
Group & non-controlling interests profit (loss)	**-5,280**	**0**	**-5,280**
Non-controlling interests			0
Profit/(loss) from discontinued operations		2,346	2,346
Group net profit (loss)	**-5,280**	**2,346**	**-2,934**

Geographical breakdown of the Dada Group's revenue

Description	**30 September 2012**		**30 September 2011**	
	Amount	**%**	**Amount**	**%**
Revenue Italy	20,982	32%	19,923	34%
Revenue abroad	43,849	68%	39,456	66%
Consolidated revenue	**64,831**		**59,379**	

4. 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 2011. 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.

5. Non-recurring income and charges

No non-recurring income or charges were recorded at 30 September 2012, while in the prior year they amounted to €2.2 million and related primarily to personnel expense incurred over the nine month period. For further information please refer to the annual report for the previous year.

6. Property, plant and equipment

Plant and machinery increased by €2.1 million in the first three quarters of 2012, mostly due to the purchase of network servers and the installation of networking systems, servers and storage systems to enhance the server farm used by Register and the Poundhost Group companies.

7. Intangible assets

Increases for the first nine months of 2012 in intangible assets came to €2.9 million and are explained for €2.7 million by development of products and internal processes and for €0.2 million by the purchase of licenses, brands and software.

More in detail, increases for "product/service development costs" refer to the capitalization of internal expenses incurred to develop new products and services relating to domain and hosting and performance advertising.

In third quarter 2012 these activities were mainly geared toward further development of the new PEC and Windows shared hosting for domain & hosting products begun in previous quarters, along with the continuous development of the Save'n'keep platform and the performance advertising's Peeplo search engine.

The recognition of intangible assets is based on the future profitability calculated in accordance with the applicable international accounting standards.

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

Amortization is completed over five years, which represents the estimated useful life of these projects.

8. Equity investments, financial assets and deferred tax

Description	30/09/12	31/12/11	Change	% change
Financial receivables and other non-current assets	214	1,181	-967	-82%
Total financial assets	**214**	**1,181**	**-967**	**-82%**
Deferred tax assets	**5,727**	**5,963**	**-236**	**-4%**

Description	Balance at 31/12/2011	Increases	Utilizations	Exchange difference	Other movements	Balance at 30/09/2012
Deferred tax assets	5,962	163	-353	12	-57	5,727
Total	**5,962**	**163**	**-353**	**12**	**-57**	**5,727**

“Financial receivables and other non-current assets" consist of security deposits and financial receivables due beyond 12 months. Most security deposits concern the rental of business premises. The financial receivables include €1 million to be paid by Buongiorno S.p.A. for Dada.net which was previously recognized under this item but, as this amount is now due within 12 months of the closing, the item was reclassified as current.

The deferred tax assets of €5.7 million stem from both prior fiscal losses and temporary differences shown in tax returns which will be recovered in the future. Fiscal losses that can be carried forward to subsequent years amount to €31.4 million. These can be carried forward indefinitely and are 80% recoverable (as per Italian law).

The fiscal losses based on which the deferred tax assets were calculated amount to €12.5 million.

For the sake of prudence, deferred tax assets have been recognized in the amount for which they will likely be recovered.

9. Trade receivables

Consolidated trade receivables at 30 September 2012 came to €9.2 million, largely in line with the €9.1 million recorded at 31 December 2011.

The average turnover on trade receivables is 45 days, and varies based on the different products provided by the Dada Group. Specifically, the domain & hosting business collects receivables very quickly (or even in advance), while there is a longer turnover period in the online advertising business.

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.

The provision for doubtufl accounts was increased by €0.2 million in the period and the provision at 31 March 2012 was, consequently, deemed sufficient to cover potential losses on all trade receivables.

10. Liquidity and net debt

Total liquidity, which comprises liquidity at major banks and cash on hand, amounted to €3.6 million at 30 September 2012 versus €7.4 million at 31 December 2011.

Italian bank deposits, concentrated mainly at two banks, pay interest at the three-month Euribor less a spread of 0.1-0.25%.

The table below details loans and borrowings and their movements between 31 December 2011 and 30 September 2012:

Description	Balance at 31/12/11	Increases	Decreases	Balance at 30/09/12
Loans				
non-current portion of loans due to banks	17,745	22,414	-17,735	22,424
current portion of loans due to banks	8,551	-	-8,458	93
Subtotal	**26,296**	**22,414**	**-26,193**	**22,517**
Account overdrafts	2,317	10,711	-6,000	7,028
Credit lines	5,000		-5,000	-
Other	547	11		558
Subtotal	**7,864**	**10,722**	**-11,000**	**7,586**
Total	**34,160**	**33,136**	**-37,193**	**30,103**

Financial payables and liabilities include the Dada Group's amortizing loans of €22.4 million, overdraft facilities and credit lines of €7 million, as well as overdrafts on the current account with RCS MediaGroup of €0.6 million.

The Dada Group's current loan agreements include those entered into in order to finance the acquisitions made over the last few years.

The loans held at 30 September 2012 are described below.

Description of loans held by the Dada Group at 30 September 2012:

- Register.it S.p.A.

  on 27 March 2012 the subsidiary Register.it S.p.A. amended the loan agreement with a major bank which resulted in the combining of the two existing lines of credit, of €11.7 million, relating to the acquisition of Namesco Ltd in July 2007, and of €10.7 million, relating to the loans used to acquire the Amen Group and Poundhost which were combined on 22 December 2010; the loan has a remaining balance at 30 September 2012 of €22.4 million; the new loan maturity is 30 June 2016, and the new amortization schedule calls for bullet repayments for 18 months followed by 6 half-yearly installments due on 31 January and 31 July of each year; the interest rate is the six-month Euribor plus a spread of 4.10%. The loan is hedged by the pre-esxiting interest rate swap at the rate of 3.81% which was adjusted for the new expiration of the underlying notional amount.

Two interest rate caps are still in effect, with respective strike rates of 3.5% and 3%; the caps failed to qualify as hedges so the rules of hedge accounting do not apply.

- Dada S.p.A.

  Dada S.p.A. has bank overdrafts with premiere banks which amount to €7.0 million. Interest is charged at one-month Euribor plus a spread of between 3.0% and 6% and an intercompany account with RCS Media Group of €0.6 million.

  On 17 February 2012 an overdraft account was used to extinguish the €5 million overdraft facility held with a major bank.

- Namesco Ltd

  On 5 March 2012 the loan agreement entered into with a major bank was extinguished.

- Poundhost Ltd

  Poundhost has finance leases with a residual balance of £0.1 million.

  For further information on movements in liquidity during the period, see the Directors' report and the statement of cash flows.

11. Provisions for payroll, risks and charges

The following table shows movements in the provision for employee termination indemnities from 31 December 2011 to 30 September 2012:

Description	**Balance at 31/12/2011**	**Increases**	**Utilizations**	**Other movements**	**Balance at 30/09/2012**
Provision for termination indemnities	877	390	-89	-329	849
Total	**877**	**390**	**-89**	**-329**	**849**

At 30 September 2012, the provision amounted to €0.8 million and reflects the total liability to employees, in accordance with the law and the terms of the collective employment contract. "Other movements" refer to 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 provision for risks and charges between 31 December 2011 and 30 September 2012:

Description	Balance at 31/12/2011	Increases	Utilizations	Other movements	Exchange difference	Balance at 30/09/2012
Provision for risks and charges	2,782	0	-395	-741	12	1,657
Total	**2,782**	**0**	**-395**	**-741**	**12**	**1,657**

The provision for risks and charges amounted to €1.7 million at 30 September 2012, down with respect to 31 December 2011 due to utilizations in the first nine months of the year relating to severance awards and the settlement of other disputes from previous years.

The item “other movements” includes the provision associated with a tax audit begun the prior year and finalized in the first few months of 2012 which was recognized in “other payables” once the amount owed was defined, while the excess amount was recognized in the income statement.

At 30 September 2012 the provision for risks and charges was made up of €0.9 million for severance following corporate restructuring and €0.8 million for “other” legal disputes which have yet to be settled at 30 September 2012.

No detailed information is given on the specific positions covered, in order not to prejudice the outcome of proceedings.

12. Trade payables

Trade payables are amounts due for purchases of a commercial nature and other costs strictly related to the Group's operations. At 30 September 2012 they came to €14.6 million, compared with €13.7 million at 31 December 2011, an increase of 5% which is in line with the business trend.

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

13. Other payables and liabilities

Taxes payable (€2.4 million) include withholding tax on salaries and consultants' pay for the month of September 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. This item also includes €434 thousand owed the tax authorities following the tax audit completed in 2011.

The item “other payables”, totalling €14.8 million, comprises mainly:

- bonus salaries due to employees (*tredicesima* and *quattordicesima*), pay in lieu of holiday, and other amounts payable for a total of €2.8 million, as well as €0.5 million in social security payments due;

- deferred income of €11.5 thousand, originating from contract revenue on domain, hosting, connectivity and other resale services pertaining to future periods.

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

14. Non-current assets of relevance to the cash flow statement

Movements in non-current intangible and tangible assets are shown below:

Description	Balance at 31/12/11	Increases	Decreases	Other movments	Exchange differences	Amort./ deprec.	Balance at 30/09/12
Goodwill	76,161		0		1,948	0	78,109
Total goodwill	*76,161*	*0*	*0*	*0*	*1,948*	*0*	*78,109*
Product/service development costs	5,534	2,718	0	0	13	-1,830	6,435
Concessions, licenses and brands	63	13	0	0	0	-53	23
Other	1,240	94	-1	0	0	-382	951
Patents and other rights	0	0		0	0		0
Assets under dvpmt. & advances	24	59	0	0	0	0	83
Total non-current intangible assets	*6,861*	*2,884*	*-1*	*0*	*13*	*-2,265*	*7,492*
Total	**83,022**	**2,884**	**-1**	**0**	**1,961**	**-2,265**	**85,601**

Description	Balance at 31/12/11	Increases	Decreases	Other movments	Exchange differences	Amort,/ deprec,	Balance at 30/09/12
Plant and EDP machines	6,110	1,980	-10	85	79	-2,512	5,732
Furniture and fittings	752	70	0	-85	8	-181	564
Other property, plant and equipment	10	14	0	0	0	-8	16
TOTAL	**6,872**	**2,064**	**-10**	**0**	**87**	**-2,701**	**6,312**

Regarding goodwill:

the increase in "exchange differences" relative to goodwill is explained by exchange differences on goodwill expressed in other currencies, in particular for the British company Namesco Ltd., offset by the translation reserve recognized under equity reserves.

With regard to the main increase in non-current intangible and tangible assets refer to the section above relating to increases in property, plant and equipment and intangible assets.

Increases:

Increases for continuing operations came to €2.9 million in the period. For more information refer to Note 7 of this report.

The recognition of intangible assets is supported by a careful evaluation of the future economic benefits of these services, based on available forecasts for the two divisions.

Amortization is completed over five years.

The heading "Other" covers software purchased during the period, while trademark registration costs and user licenses reflect extensions acquired by the Group for new activities initiated during the year. They are generally amortized over a five-year period.

Please refer to the section in the directors' report above on cash flow and investing activities for information on investments in property, plant and equipment.

Decreases:

there were no significant decreases in the first nine months of the year.

Impairment losses:

no impairment losses were recorded in the first nine months of the year.

Assets under development and advances refer to projects begun in late 2011 or during the first nine months of 2012, but not yet put into production at 30 September 2012.

Exchange differences cover the changes in intangible assets contributed by foreign companies due to exchange rate fluctuations.

"Other movements" in intangible assets (excluding goodwill) concern reclassifications of different categories.

15. Changes in equity reserves

At 30 September 2012, 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 nine months of 2012.

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, once the legal reserve reaches one fifth of the share capital. At 30 September 2012 it amounted to €32.1 million and there were no increases during the first nine months of the year.

Other reserves: these include:

- *Other equity instruments:* includes the payroll costs incurred in relation to the Group's Stock Option plans which at 30 September 2012 amounted to €0.2 million.
- *FTA reserve* (first-time adoption of IFRS), with a negative balance at 30 September 2012 of €6.5 million.
- *Extraordinary reserve* of €19.4 million, the change with respect to 31 December 2011 is explained by allocation of part of the earnings for 2011.
- *Cash flow hedge reserve,* with a negative balance of €0.2 million at 30 September 2012, a change of €146 thousand with respect to 31 December 2011.

- *Translation reserve*, containing the differences arising from the translation of subsidiaries' financial statements prepared in currencies other than the euro, with a negative balance of €5.4 million at 30 September 2012 (versus €7.1 million at 31 December 2011). Movements in the period, totalling approximately €1.7 million, arose from the translation of the financial statements of the subsidiaries Poundhost and Namesco;
- *Other reserves,* these are the reserves produced by the deconsolidation of the Dada.net Group, amounting to €1.1 million.

16. 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)	30/09/2012	31/12/2011
Change in net financial position	**1,151**	**23,596**
Change in non-current portion of loans	4,679	-10,796
Change in non-cash derivatives	75	-364
Change in other financial receivables	-1,000	
Other changes (current account - intercompany)	11	167
Change in cash and cash equivalents	**4,915**	**12,603**

The more important changes refer to the change of short and long term financing granted in prior years.

17. Commitments

The table below shows changes in commitments between 31 December 2011 and 30 September 2012:

	Balance at 31/12/2011	Increase for the period	Decrease for the period	Balance at 30/09/2012
Guarantees	1,695	1,423	-1,304	1,814
Total	**1,695**	**1,423**	**-1,304**	**1,814**

Guarantees given at 30 June 2012 amounted to €1.7 million, largely unchanged with respect to 31 December 2011, and are recognized for the amount guaranteed.

The decrease relates primarily to the termination of the guarantee issued for rental of the space where the Florence headquarters is located which was replaced by a new guarantee (included in the increases) of a lesser amount. These increases also include the guarantees issued in favour of international partners relative to the operations of a few of the Group's subsidiaries.

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

Florence, 8 November 2012

For the Board of Directors
The Chief Executive Officer
Claudio Corbetta

Statement by the Financial Reporting Officer

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

Dirigente Preposto alla redazione dei documenti
contabili societari
Federico Bronzi

Dirigente Preposto alla redazione dei documenti
contabili societari
Federico Bronzi

ANNEX 1

RESTATED CONSOLIDATED INCOME STATEMENT AT 30 SEPTEMBER 2012

In EUR/000	30-Sept-12 9 months		30- Sept -11 9 months		DIFFERENCE	
	Amount	% of revenue	Amount	% of revenue	Absolute	%
Net revenue	**64,831**	**100%**	**59,379**	**100%**	**5,452**	**9%**
Chg. in inventories & inc. in own wk. capitalized	2,718	4%	2,669	4%	49	2%
Service costs and other operating expenses	-44,433	-69%	-41,489	-70%	-2,944	7%
Payroll costs	-13,804	-21%	-13,946	-23%	141	-1%
EBITDA *	**9,311**	**14%**	**6,613**	**11%**	**2,698**	**41%**
Depreciation and amortization	-4,967	-8%	-5,604	-9%	637	-11%
Non-recurring income/(charges)	0	0%	-1,847	-3%	1,847	-100%
Impairment of fixed assets	0	0%	0	0%	0	
Writedowns of receivables and other provisions	-150	0%	-1,086	-2%	937	-86%
EBIT	**4,194**	**6%**	**-1,924**	**-3%**	**6,118**	**-318%**
Financial income	1,056	2%	737	1%	318	43%
Financial charges	-3,094	-5%	-3,020	-5%	-74	2%
Share of profit/(loss) of associates	0	0%		0%	0	
Capital gains	0	0%		0%	0	
Profit/(loss) before taxes	**2,156**	**3%**	**-4,207**	**-7%**	**6,363**	**-151%**
Income taxes	-897	-1%	-1,073	-2%	176	-16%
Profit (loss) from continuing operations	**1,259**	**2%**	**-5,280**	**-9%**	**6,539**	**-124%**
Non-controlling interests	0	0%	0	0%	0	
Profit/(loss) from discontinued operations	0	0%	2,346	4%	-2,346	-100%
Group net profit/(loss)	**1,259**	**2%**	**-2,934**	**-5%**	**4,193**	**-143%**

* Gross of impairment losses and non-recurring items

ANNEX 2

RESTATED CONSOLIDATED INCOME STATEMENT AT 30 SEPTEMBER 2012

In EUR/000	Q312		Q312		Difference	
	Amount	% of revenue	Amount	% of revenue	Absolute	%
Net revenue	**21,251**	**100%**	**19,170**	**100%**	**2,081**	**11%**
Chg. in inventories & inc. in own wk. capitalized	777	4%	901	5%	-124	-14%
Service costs and other operating expenses	-14,531	-68%	-13,343	-70%	-1,187	9%
Payroll costs	-4,287	-20%	-4,182	-22%	-105	3%
EBITDA *	**3,211**	**15%**	**2,546**	**13%**	**665**	**26%**
Depreciation and amortization	-1,642	-8%	-1,738	-9%	96	-6%
Non-recurring income/(charges)	0	0%	-206	-1%	206	-100%
Impairment of fixed assets	0	0%	0	0%	0	
Writedowns of receivables and other provisions	-35	0%	-372	-2%	337	-91%
EBIT	**1,534**	**7%**	**230**	**1%**	**1,304**	**566%**
Financial income	149	1%	81	0%	68	84%
Financial charges	-766		-544	-3%	-222	41%
Share of profit/(loss) of associates	0	0%	0	0%	0	
Capital gains	0	0%	0	0%	0	
Profit/(loss) before taxes	**917**	**4%**	**-232**	**-1%**	**1,149**	**-495%**
Income taxes	-508	-2%	-437	-2%	-70	16%
Profit (loss) from continuing operations	**409**	**2%**	**-670**	**-3%**	**1,079**	**-161%**
Non-controlling interests	0	0%	0	0%	0	
Profit/(loss) from discontinued operations	0	0%	0	0%	0	
Group net profit/(loss)	**409**	**2%**	**-670**	**-3%**	**1,079**	**-161%**

* Gross of impairment losses and non-recurring items

ANNEX 3

NET WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT 30 SEPTEMBER 2012

In EUR/000	30-Sept-12	31-Dec-11	DIFFERENCE	
			Absol.	%
Fixed assets (A)	**92,127**	**90,918**	**1,209**	**1%**
Current operating assets (B)	19,776	19,975	-199	-1%
Current operating liabilities (C)	-31,758	-31,936	178	-1%
Net working capital (D)=(B)-(C)	**-11,982**	**-11,961**	**-21**	**0%**
Provision for termination indemnities (E)	-849	-877	29	-3%
Provision for risks and charges	-1,657	-2,781	1,124	-40%
Other payables due beyond one year (G)	-207	0	-207	
Net capital employed (A+D+E+F+G)	**77,432**	**75,299**	**2,134**	**3%**
Non-current financial payables	-22,424	-17,745	-4,679	26%
Shareholders' equity	**-51,534**	**-48,250**	**-3,284**	**7%**
Current bank debt	-7,121	-15,868	8,746	-55%
Current financial receivables and derivatives	1,000	156	844	539%
Current financial payables and derivatives	-998	-1,069	71	-7%
Cash and cash equivalents	3,645	7,476	-3,831	-51%
Net current financial position	**-3,475**	**-9,304**	**5,829**	**-63%**
Total net financial position	**-25,898**	**-27,049**	**1,151**	**-4%**

ANNEX 4

Consolidation Scope at 30 September 2012

NAME	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	HELD BY	% held	Consoli-dation period
Dada S.p.A. (Parent company)	**Florence**	**Euro**	**2,755,712**	**Parent company**		**Jan.-Sept. 2012**
Agence des Medias Numerique Sas	Paris	Euro	1,935,100	Register.it S.p.A.	100	Jan.-Sept. 2012
Amen Ltd.	London	GBP	2	Register.it S.p.A.	100	Jan.-Sept. 2012
Amen Nederland B.V.	Amsterdam	Euro	18.000	Register.it S.p.A.	100	Jan.-Sept. 2012
Amenworld Servicios internet	Lisbon	Euro	10.000	Register.it S.p.A.	100	Jan.-Sept. 2012
Clarence S.r.l.	Florence	Euro	21.000	Dada S.p.A.	100	Jan.-Sept. 2012
Fueps S.p.A.	Florence	Euro	1.500.000	Dada S.p.A.	100	Jan.-Sept. 2012
Namesco Inc.	New York (USA)	USD	1.000	Namesco Ltd.	100	Jan.-Sept. 2012
Namesco Ltd.	Worcester	GBP	100	Register.it S.p.A.	100	Jan.-Sept. 2012
Namesco Ireland Ltd	Dublin	Euro	1	Namesco Ltd.	100	Jan.-Sept. 2012
Nominalia Internet S.L.	Barcelona	Euro	3.005	Register.it S.p.A.	100	Jan.-Sept. 2012
Poundhost Internet Ltd	Worcester	GBP	200	Namesco Ltd.	100	Jan.-Sept. 2012
Register.it S.p.A.	Florence	Euro	8.401.460	Dada S.p.A.	100	Jan.-Sept. 2012
Simply Virtual Servers Limited	Worcester	GBP	2	Namesco Ltd.	100	Jan.-Sept. 2012
Simply Virtual Servers LLC	Delaware (USA)	USD	2	Simply Virtual Servers Ltd	100	Jan.-Sept. 2012
Simply Transit Limited	Worcester	GBP	2	Namesco Ltd.	100	Jan.-Sept. 2012
Simply Acquisition Limited	Worcester	GBP	200	Namesco Ltd.	100	Jan.-Sept. 2012
Server Arcade Limited	Worcester	GBP	150	Simply Acquisition Ltd	100	Jan.-Sept. 2012

On 13 September 2012 the company Moqu S.r.l. was formed with a share capital of €10,000, fully paid-in. The company was not yet operational at 30 September 2012.