



DADA GROUP HALF-YEAR REPORT AS AT JUNE 30, 2010

Registered Office: Piazza Annigoni, 9B - Florence
Share capital Euro 2,755,711.73 fully paid-in
Florence Company Registration Office No. Fl017- 68727 - REA
467460
Fiscal code/VAT No. 04628270482

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CORPORATE BOARDS

The corporate boards were appointed by the Shareholders' Meeting on April 23, 2009 for the three-year period 2009-2011.

BOARD OF DIRECTORS *

Paolo Barberis	Chairman
Barbara Poggiali ¹	Chief Executive Officer
Alberto Bigliardi	Director
Giorgio Cogliati	Director
Alessandro Foti ²	Director
Claudio Cappon ³	Director
Lorenzo Lepri ⁴	Director
Vincenzo Russi	Director
Salvatore Amato ⁵	Director
Monica Alessandra Possa ⁶	Director
Matteo Novello	Director
Riccardo Stilli	Director
Danilo Vivarelli ⁵	Director

* at the date of approval of the present half-year report.

¹ The Director Barbara Poggiali was appointed Chief Executive Officer with the organisational role of General Director with Board resolution of May 8, 2009.

² Member of the Internal Control Committee.

³ Confirmed as director of the Company with Shareholders' Meeting resolution of April 19, 2010.

⁴ The Director Lorenzo Lepri was appointed Chief Corporate Officer with organisational role of Vice Director General with Board of Directors' resolution of May 8, 2009.

⁵ Member of the Remuneration Committee and of the Internal Control Committee.

⁶ Member of the Remuneration Committee.

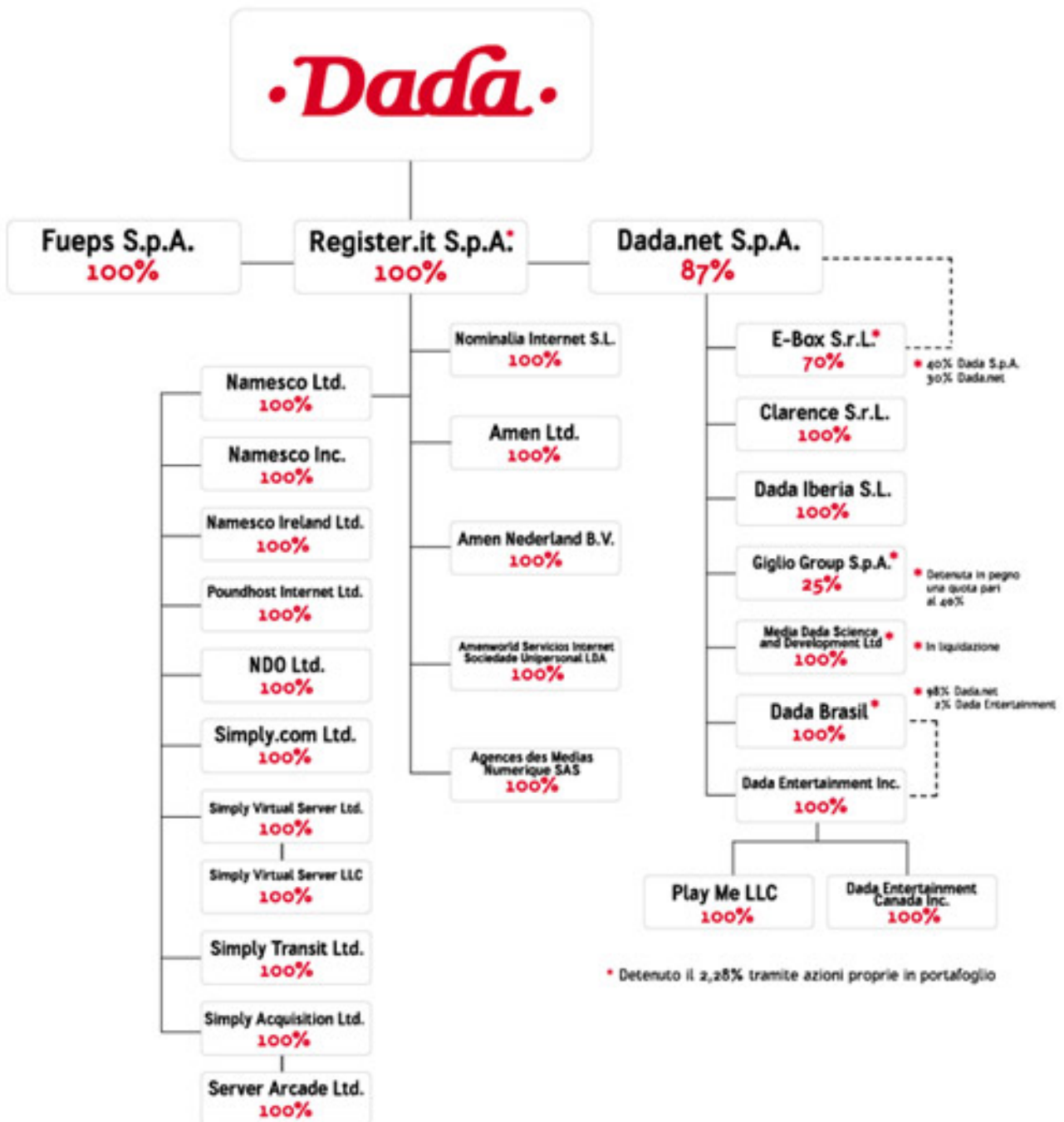
BOARD OF STATUTORY AUDITORS

Silvio Bianchi Martini	Chair - Board of Stat. Auditors
Claudio Pastori	Statutory Auditor
Cesare Piovene Porto Godi	Statutory Auditor
Michele Galeotti	Alternate Auditor
Maria Stefania Sala	Alternate Auditor

INDEPENDENT AUDIT FIRM

Reconta Ernst & Young S.p.A.

STRUCTURE OF THE GROUP



DADA GROUP FINANCIAL HIGHLIGHTS

Consolidated Results (millions of Euro)	1H 2010	1H 2009
Revenues	77.0	76.3
Ebitda	7.5	10.7
Amortisation and Depreciation	-6.3	-5.3
Ebit	-0.9	4.0
Group net profit/(loss)	-1.7	1.1

Consolidated Results (millions of Euro)	Q2 2010	Q2 2009
Revenues	38.4	37.9
Ebitda	5.0	5.4
Amortisation and Depreciation	-3.3	-2.8
Ebit	-0.4	1.5
Group net profit/(loss)	-0.4	0.4

Consolidated Balance Sheet

(millions of Euro)	30/06/2010	31/12/2009
Net Working Capital	-10.8	-8.7
Net Capital Employed	120.2	109.5
Net equity	74.3	72.8
Short-term net financial position	-11.4	-5.8
Total net financial position	-45.9	-36.7
Number of employees	601	593

DIRECTORS' REPORT

INTRODUCTION

The consolidated half-year report at June 30, 2010 was prepared in accordance with International Accounting Standard No. 34 "Interim Reporting" (IAS 34) and, in relation to the accounting standards, in accordance with IAS/IFRS issued by the IASB and approved by the European Union as per article 154 ter of the Consolidated Finance Act (introduced by Legs. Decree 195/2007). The following half-year report has been prepared in accordance with Issuers' Regulation No. 11971 of May 14, 1999 and subsequent modifications and integrations.

DADA GROUP PROFILE

Dada S.p.A., listed on the MTA market in the STAR (DA.MI) segment of the Italian Stock Exchange, is an international leader in Digital Music, Entertainment, Community and On-line Gaming via web and mobile, as well as professional services for online presence and advertising.

Currently the Dada Group is organised into two business areas: **Dada.net** (Digital Music, Entertainment and On-line Gaming via web and mobile) and **Dada.pro** (professional services for online presence and advertising). From the second quarter of the year the online gaming activities were included in the Dada.net business unit, therefore no longer existing as an autonomous business segment.

Dada.net

The principal activities of the Dada.net division relate to the provision to the end user of a bouquet of fee-based products and services concerning Digital Music, Mobile Applications, Mobile Services, Social Community and casual and skill games via PC, mobile and Smartphones - both in Italy and abroad.

In the half year, Dada launched the improved Play.me digital music service in Italy, whose "in the cloud" music experience offers on-demand streaming, the ability to create personalized playlists and to listen to music on the go, accessible virtually anywhere, at any time - even without a mobile connection: always available via web and mobile, all users can access through the Android and iPhone applications also via smartphone the playlists created on the web and the entire extensive catalogue which today boasts nearly 4 million MP3 tracks.

Dada further strengthened its international presence in the added value services sector for mobiles, thanks to expansion in the North American and Latin American markets, in particular Canada and Mexico. The Group is today present in 15 countries: Italy, the USA, Canada, Germany, Portugal, Australia, Spain, Belgium, Austria, Brazil, Argentina, Mexico, Hungary, Indonesia and South Africa. As part of the development of the second generation mobile services, Dada also released in Italy an innovative application for the iPhone and iPod touch with Sony Music at a very affordable price, providing unlimited listening in high quality to the entire catalogue of a selected artist.

The Dada.net division also includes: Bloggo, the most visited vertical blog network in Italy; Splinder, a well established brand in the blog and social networking sector; Upoc Networks (which in March 2010 changed its name to Dada Entertainment Inc.), a company operating in the

US offering value added services for the Internet and mobile telephone; the Giglio Group which produces and broadcasts two television channels, leader in the musical segment on the satellite platform in Italy (Music Box e Live!) and in the second quarter Live! also began to be distributed abroad with good audiences.

At organizational level, the activities of Fueps relating to the creation, management and development of on-line gaming services were incorporated into Dada.net.

Dada.pro

With over 460 thousand business clients and more than 1.6 million domains under management, of which 70% overseas, Dada.pro is one of the leading European companies in the registration of internet domains and the management of online presence for both individuals and businesses. This division also includes the activities of Register.it, established leader in Italy, the companies Nominalia and Namesco, leaders respectively in Spain and in the UK, and from July 2008, the Amen Group, one of the leading operators in France, Spain and Portugal, offering services also in the U.K., Holland and Italy.

In January 2010 Dada.pro completed the acquisition of Poundhost, one of the leaders in the UK in dedicated and virtual hosting services.

In April 2009, Dada launched Simply (www.simply.com), the online advertising platform, entirely developed in-house and available on networks worldwide, which allows businesses to efficiently plan their advertising campaign utilising marketing instruments for the selection of targets and analysis of results and website owners to expand advertising revenue.

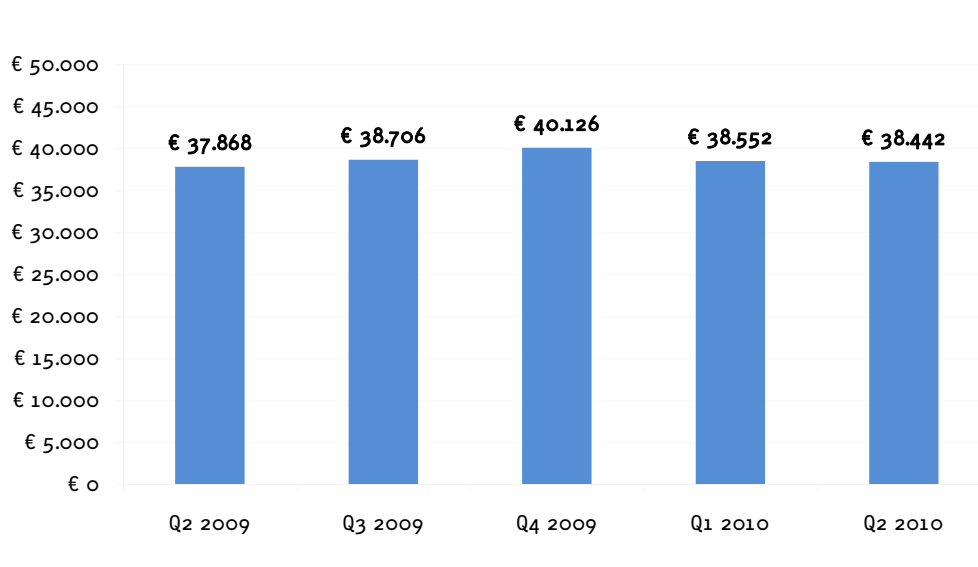
Through the brands Dada Ad, Dada.pro also offers advertising solutions on the internet and portals of UMTS mobile carriers.

OPERATIONAL OVERVIEW

In the first half of 2010 the Dada Group recorded consolidated revenues of Euro 77 million, compared to Euro 76.3 million in the same period of the previous year, an increase of 1%. In the second quarter of 2010, consolidated revenues amounted to Euro 38.5 million, an increase on Euro 37.9 million in the second quarter of 2009, and substantially in line with the first quarter of the year (Euro 38.6 million).

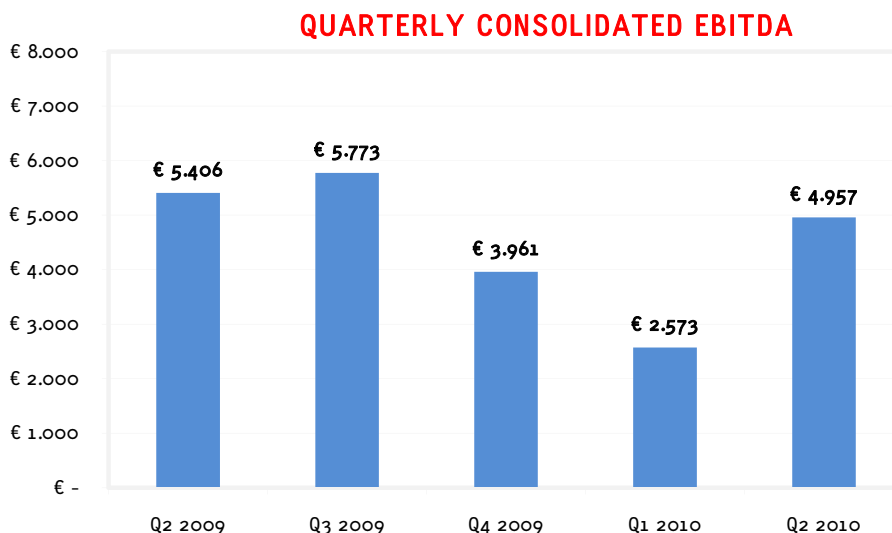
The graph below shows the trend of consolidated quarterly revenues over the last 5 quarters:

QUARTERLY CONSOLIDATED REVENUES



The Consolidated EBITDA of the Dada Group in the first half of 2010 (before bad debt provisions and other extraordinary items) was Euro 7.5 million (margin of 9.8%) compared to Euro 10.7 million in the first half of 2009 (margin of 14.1%), a decrease of 30%. For further details on this result reference should be made to the paragraph relating to the Financial Highlights.

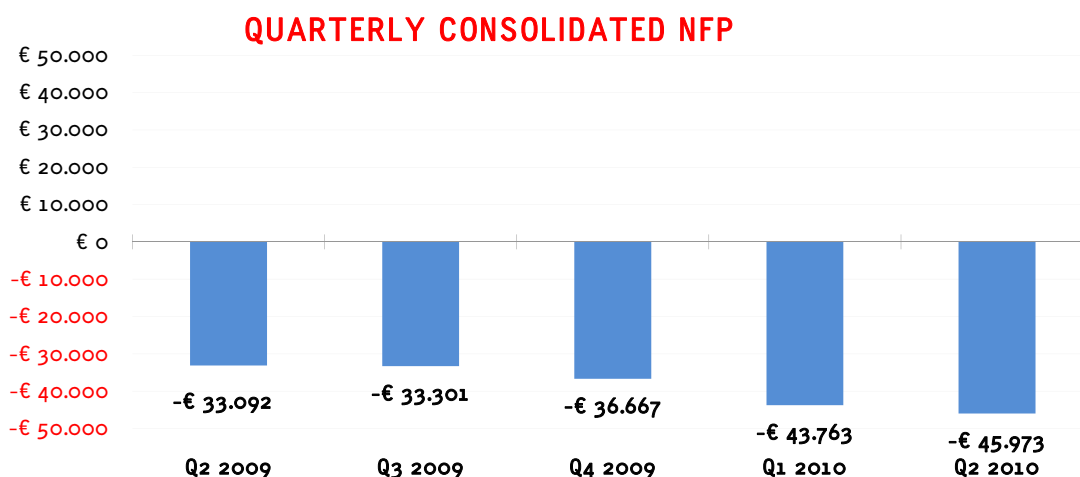
The trend of the consolidated Ebitda in the last 5 quarters is shown in the graph below:



The total net financial position, which also includes loans repayable beyond one year, was a net debt of Euro 45.9 million at June 30, 2010 compared to Euro 43.8 million at March 31, 2010 and Euro 36.7 million at December 31, 2009. Therefore total cash absorption was Euro 9.3 million in the period (including investment and finance activities). Investment activity particularly affected this figure, relating specifically to the acquisition of the English company Poundhost Ltd and the further stake acquired in the Giglio Group, increasing its holding from 10% to 25%.

For further details, reference is made to that stated subsequently in the report.

The graph below shows the changes in the net financial position at June 30, 2010 and in the preceding five quarters:



Financial Highlights

A summary is provided below of the results of the **Dada Group** in the first half of 2010, compared to the same period in the previous year:

Amounts in Euro/thousand	1H 2010		1H 2009		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	76,994	100%	76,269	100%	725	1%
Changes in inventory and internal work	3,074	4%	2,711	4%	363	13%
Service costs and other operating costs	-57,488	-75%	-53,793	-71%	-3,695	7%
Personnel costs	-15,050	-20%	-14,448	-19%	-602	4%
Ebitda *	7,530	10%	10,739	14%	-3,209	-30%
Amortisation and Depreciation	-6,254	-8%	-5,266	-7%	-988	19%
Non-recurring income (charges)	-199	0%	-642	-1%	443	-69%
Write-down of fixed assets	-1,366	-2%	-154	0%	-1,212	
Revaluations/(Write-downs)	-565	-1%	-708	-1%	143	-20%
Ebit	-854	-1%	3,969	5%	-4,823	-122%

Amounts in Euro/thousand	Q2 2010		Q2 2009		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	% of total
Net Revenues	38,442	100%	37,868	100%	574	2%
Changes in inventory and internal work	1,419	4%	1,124	3%	295	26%
Service costs and other operating costs	-28,550	-74%	-26,651	-70%	-1,899	7%
Personnel costs	-6,354	-17%	-6,935	-18%	581	-8%
Ebitda *	4,957	13%	5,406	14%	-449	-8%
Amortisation and Depreciation	-3,256	-8%	-2,846	-8%	-410	14%
Non-recurring income (charges)	-199	-1%	-623	-2%	424	-68%
Write-down of fixed assets	-1,366	-4%	-1	0%	-1,365	
Write-downs & provisions	-565	-1%	-408	-1%	-157	38%
Ebit	-429	-1%	1,528	4%	-1,957	-128%

* gross of write-downs and non-recurring charges

Consolidated revenues of the Dada Group in the first half of 2010 amounted to Euro 77.0 million compared to Euro 76.3 million in the previous year, a slight increase therefore of 1%.

The revenues in the second quarter improved on the same period of 2009 (Euro 38.4 million compared to Euro 37.9 million in 2009), while remaining substantially in line with the first quarter of 2010 (Euro 38.6 million).

It should be noted that consolidated revenues in the quarters were affected by the change in the consolidation scope following the extraordinary operations between June 2009 and the first six months of the current year. The principal effects on revenues in the first half of 2010 compared to the same period of 2009 are described below.

In the first half of 2010, the Companies Dada Ent LLC, Fueps S.p.A. and the companies belonging to the Poundhost Group were fully consolidated for the entire period. The first two operations were carried out respectively in June and October 2009 while the Poundhost operation was carried out in January 2010. Therefore the first operation was included only in the consolidation scope of H1 2009 for one month. Until May 2009 Dada Ent LLC was held 50% (a Joint Venture together with Sony) and therefore was consolidated until May under the equity method. The other two operations described above were not included in the consolidation scope in the first half of 2009.

For further information on these extraordinary operations, reference should be made to the 2009 Annual Accounts for those concluded in the previous year and the section “significant events in the first six months of 2010” for those in the current year.

The total effect on the consolidated revenues of the Dada Group in the first six months of 2010 compared to 2009, due to the combined changes to the consolidation scope described above, amounted to Euro 11.4 million, of which Euro 4.8 million relating to the second quarter of 2010 compared to the same period of 2009. Therefore the total pro-forma reduction in revenues in the half year was Euro 10.7 million.

Sectors of activity

At segment level the organisational structure of the Dada Group in the last quarter was simplified incorporating the Fueps Business Unit into **Dada.net**, created following the acquisition of the company Fueps Spa in the fourth quarter of 2009. The activities of the Group are therefore today represented by the **Dada.net Division, the Dada.pro Division and the Corporate Division**, which is principally centred within the Parent Company Dada S.p.A., mainly providing services to the subsidiary companies and therefore to the two Business Units (see also that reported in the segment information in accordance with IFRS 8).

The breakdown of revenue of the Dada Group by segment of activity was significantly impacted by the change in the consolidation scope, whose effects were described previously.

The **Dada.net Division** contributed Euro 41.1 million to consolidated revenues of the Dada Group in 2010 (gross of inter-divisional revenues), recording growth of Euro 5.6 million on 2009 (Euro 35.5 million - also gross of inter-divisional revenues). Therefore the contribution of the Dada.net division to Group revenues rose to 46% from 45% in the previous year - the small increase in revenue contribution is due to the change in the consolidation scope partially offset by the progressive slowdown of some traditional products, in particular the Mobile services in Italy. This benefit for the division in terms of revenues, deriving from the consolidation of the companies Dada Entertainment and Fueps, amounted to approx. Euro 13.7 million.

The contribution of the Dada.net division to Group revenues in the second quarter of the year was Euro 20.3 million (Euro 15.1 million net of the changes in the consolidation scope) compared to Euro 18.1 million in 2009, with overall growth of Euro 2.2 million.

The **Dada.pro Division** contributed (gross of inter-divisional revenues) Euro 48.9 million to consolidated revenues in 2010 (54% of Group revenues), compared to Euro 43.7 million in 2009 (55% of Group revenues), a total increase of 12%.

The consolidation of Poundhost contributed approximately Euro 2.3 million of this growth.

At a quarterly level, the Dada.pro division recorded revenues of Euro 23.9 million in the second quarter of 2010 compared to Euro 21.8 million in the same period of the previous year (increase of 10%).

The breakdown of consolidated revenues of the Dada Group by **geographic area** shows an increased contribution of international business on the previous year. International revenues amount to 60% compared to 47% in the previous year. The contribution of the international business in the second quarter grew to 59% from 57% in the previous year. The above stated changes in the consolidation area also significantly impacted this data.

For further information on the performance of the divisions, reference should be made to the section on Segment Information of the Group.

The consolidated Ebitda of the Dada Group in 2010 (before bad debt write-downs and non-recurring charges) **was Euro 7.5 million** (a margin of 9.8% on consolidated sales), compared to Euro 10.7 million in the previous year (margin of 14%), a reduction therefore of 30%.

The decrease was principally due to: in the Dada.net division the lower contribution of the traditional mobile services in some geographic areas, the net costs for the launch of the on-line poker service, with charges in the half-year of Euro 2.5 million; in the Dada.pro division, and with a lesser impact, the lower contribution of Domain & Hosting and of Advertising services.

Net charges incurred for the development of "Play.me - powered by Dada" of Euro 2.1 million affected the results, lower than the same period of the previous year, following the withdrawal of investments in the Music business in the US market and the simultaneous focus on the Italian market, together with ongoing cost control actions.

Non-recurring charges of Euro 0.5 million (in the same period of the previous year Euro 0.9 million) principally related to the reorganisation implemented in 2010.

In the second quarter, the Ebitda was Euro 5.0 million (margin of 13% on consolidated sales), compared to Euro 5.4 million in the same period of the previous year (margin of 14%). The decrease in Ebitda in the second quarter of 2010 compared to the same period of 2009 was principally due to the above stated start-up costs relating to the launch of on-line poker, to the reduction in the margins due to the progressive lower contribution of the traditional Mobile business in Italy and in some other countries. A significant reduction in personnel costs on previous quarters was however recorded.

Services and other operating charges increased in absolute values (Euro +3.7 million) and in percentage terms (+7%) in the half-year compared to the same period of the previous year, principally due to the impact of the change in the consolidation scope already described for Euro 10.3 million. The increase both in absolute terms and in percentage terms of personnel costs which increased from Euro 14.5 million in 2009 (19%) to Euro 15.1 million in 2010 (20%) is noted, while at quarterly level personnel costs decreased from Euro 6.9 million in the

second quarter of 2009 to Euro 6.4 million in the second quarter of 2010 reducing from 18% of revenues in 2009 to 16% in 2010. In the second quarter, a decrease in personnel costs on the first quarter of the year was recorded due to the operational efficiencies achieved and the containment of some personnel charges.

General, overhead and rental expenses were in line with revenues.

The account “inventory changes and increases of internal work capitalised” relate to the expenses incurred for the development of the proprietary platform necessary for the launch and management of the services provided via web and mobile by the Dada Group. In relation to this, we report the expenses incurred in the development of some new products, including the musical business Play.me in the Dada.net division and Simply – the digital advertising platform – developed in the Dada.pro division, as well as expenses incurred for the integration of the technological platform of the Amen Group.

The total effect on the Ebitda of the change in the consolidation scope previously described was a lower Ebitda of Euro 0.4 million, with no substantial impact in the second quarter of 2010.

The Consolidated EBIT of the Dada Group in the first half of 2010 was a **loss of Euro 0.9 million** compared to a profit of Euro 4 million in the first half of the previous year, a decrease therefore of Euro 4.9 million.

The Ebit in the half-year was affected by amortisation of intangible fixed assets of Euro 3.8 million (Euro 3.2 million in the first half of 2009) and depreciation on fixed assets of Euro 2.5 million (Euro 2.1 million in 2009). The increase in amortisation and depreciation in the half-year on the previous year (+19%) is due to the investments made in the development of products and in capital expenditure and also the change in the consolidation scope previously described (with an effect of Euro 0.3 million).

Write-downs and non-recurring provisions for risks and charges amounted to Euro 2.1 million, up 40% on Euro 1.5 million in the first half of the previous year. The write-downs of intangible fixed assets amounted to Euro 1.4 million, of which Euro 0.2 million relating to the write-down of the residual value of projects developed entirely in-house in previous years and no longer usable and Euro 1.3 million relating to the Fueps goodwill write-down; in particular this reduction related to the impairment test carried out under IAS 36 on the value of the Fueps CGU goodwill. For a more detailed description with regard to the reasons and the methodology utilised for this valuation, reference is made to the condensed consolidated half-year report.

Doubtful debt provisions amounted to Euro 241 thousand compared to Euro 125 thousand in the first half of 2009.

The non-recurring charges amounted to Euro 523 thousand (of which Euro 199 thousand already settled in the half-year), which principally related to reorganisation charges for personnel and the legal disputes relating to operating activities. In the first half of 2009, these non-recurring charges amounted to Euro 1.2 million.

In the second quarter of 2010 the consolidated EBIT was a loss of Euro 0.4 million, compared to a profit of Euro 1.5 million in the second quarter of the previous year and a loss of Euro 0.4 million in the first quarter of 2010. The write-downs and non-recurring charges described above were recorded entirely in the second quarters of both 2010 and 2009.

The total effect on the consolidated Ebit of the change in the consolidation scope previously described was a higher Ebit in the first half-year of Euro 0.5 million while in the second quarter the effect was a lower Ebit of Euro 0.2 million.

The **Consolidated net result** of the Dada Group in the first half of 2010 was a loss of Euro 1.7 million compared to a profit of Euro 1.1 million in the first half of 2009.

The financial activity (represented by the combined effect of the investment income and the financial charges) was a net charge in the first six months of 2010 of Euro 0.8 million, while in the previous year amounting to charges of Euro 0.9 million, with a positive effect on 2010 relating particularly to foreign exchange gains (particularly the performance of the US Dollar and UK Sterling). In the first half year these charges included higher financial charges relating to loans undertaken in January 2010 for the acquisition of the companies of the Poundhost Group. The financial activities in the previous year included the valuation under the equity method of the associated company Dada Ent LLC (until May 31, 2009), fully consolidated for the entire first half of 2010.

The total tax charge in the half year was Euro 128 thousand, while in the same period of 2009 amounted to Euro 1.3 million. This charge was obviously affected by the pre-tax result which was a loss in the present period.

Separating the current and deferred taxes, the former amount to Euro 763 thousand, while deferred tax income amount to approx. Euro 635 thousand. In particular the current taxes were represented principally by Irap of the Italian companies and the tax charge of some foreign companies which recorded pre-tax profits. The Group has matured fiscal losses carried forward of Euro 50 million, of which Euro 38 million may be carried forward indefinitely. Deferred tax assets are recorded only on a part of these losses and in particular on those which are considered recoverable within a short time period.

Finally, the minority interest share decreased significantly due to the effects relating to the change in the consolidation scope.

At quarterly level, the net result in the second quarter of 2010 was a loss of Euro 0.4 million, compared to a profit of Euro 0.4 million in the second quarter of 2009 and a loss of Euro 1.3 million in the first quarter of the year.

The change in the consolidation scope of the Group had a negative impact of Euro 2.3 million on the half-year results 2010 compared to the previous year, while in the comparison between the second quarter 2010 and 2009 the effect was negative for Euro 0.8 million.

The minority interest net profit in the first half year was Euro 84 thousand, while recording a loss of Euro 25 thousand in the first half of 2009. Minority interests principally concern the 13% Sony Group interest in the Dada.net sub-consolidated.

Group Balance Sheet and Financial Position

The composition of the net financial position at June 30, 2010 compared to that at December 31, 2009 is shown below:

FINANCIAL POSITION		30-06-10	31-12-09	DIFFERENCE	
				Absolute	Percent.
A	Cash	20	429	-409	-95%
B	Bank and postal deposits	7,130	7,732	-602	-8%
C	Securities held for trading				
D	Liquidity (A+B+C)	7,150	8,161	-1,011	-12%
E	Current financial receivables				
F	Current bank payables	-7,245	-4,556	-2,689	59%
G	Other current payables	-377	-367	-10	3%
H	Current portion of non-current debt	-9,957	-8,072	-1,885	23%
I	Current debt (F+G+H)	-17,579	-12,995	-4,584	35%
K	Non-current bank payables	-34,519	-30,862	-3,657	12%
	Derivatives	-995	-970	-25	3%
L	Non-current debt (K)	-35,514	-31,832	-3,682	12%
M	Total net financial position (J+L)	-45,943	-36,666	-9,277	25%

The total net financial position of the Dada Group at June 30, 2010, which also includes medium-long term sources and uses, was a net debt of Euro 45.9 million, while at December 31, 2009 amounting to Euro 36.7 million and Euro 33.1 million at June 30, 2009. The short-term net financial position at June 30, 2010 was a debt position of Euro 17.6 million, while at December 31, 2009 a debt position of Euro 13 million and at June 30, 2009 net funds of Euro 1.6 million.

In particular it is noted that the investment activities completed in the period particularly impacted the total and in particular:

the acquisition of 100% of the share capital of the companies belonging to the Poundhost group resulted in higher net debt of approx. Euro 7.8 million (including the earn-out);

the increase in the Giglio Group shareholding resulted in an increase in the debt of Euro 1.1 million, with this investment recorded according to the equity transaction criteria.

In the first six months of 2010, as well as that reported above, the Dada Group carried out the following investment activities:

- investments in intangible assets: approx. Euro 3.1 million represented principally by costs for the development of proprietary platforms and processes, necessary for the provision of the services of the Dada.net and Dada.pro divisions and for Euro 653 thousand for the purchase of

software, brands and television rights and finally Euro 12 thousand for the acquisition of licences.

- investments in tangible fixed assets totalling Euro 2.2 million principally comprising purchases of servers and other EDP equipment for the provision of Dada.net and Dada.pro services. Investments in furniture and fittings amounted to Euro 81 thousand.

The cash flow from financing activity was positive for Euro 5.4 million and arises from the difference between the repayment of loans in the first six months of 2010 and new loans received in the same period.

A summary of the cash flow for the period relating to the cash and bank accounts is shown below:

Amounts in Euro/thousand	30/06/10	30/06/09
Cash flow from operating activity	5,140	12,748
Cash flow from investing activity	-14,409	-8,997
Cash flow from financing activity	5,433	-3,541
Net cash flow for the period cash and cash equivalent	-5,217	210

The composition of the net working capital and the net capital employed at June 30, 2010 compared to December 31, 2009 is shown below:

Amounts in Euro/thousand	30-06-10	31-12-09	DIFFERENCE	
			Absolute	Percent.
Fixed assets (A)	142,045	129,733	12,312	9%
Current assets (B)	55,458	56,350	-892	-2%
Current liabilities (C)	-66,310	-65,013	-1,297	2%
Net working capital (D) = (B)+(C)	-10,852	-8,663	-2,189	25%
Employee leaving indemnity provision (E)	-1,194	-1,210	16	-1%
Provision for risks and charges (F)	-1,795	-2,350	555	-24%
Other Payables beyond one year (G)	-8,000	-8,000	0	
Net capital employed (A+D+E+F+G)	120,204	109,510	10,694	10%

The **Net working capital** at June 30, 2010 of the Dada Group amounted to Euro -10.9 million, while at December 31, 2009 amounting to Euro - 8.7 million and at March 31, 2009 to Euro -8.9 million. The change in the principal aggregates comprising working capital (particularly trade receivables and payables) was in line with the business activities in the half-year, as well as the change in the consolidation scope which had a negative impact on this balance sheet aggregate for approx. Euro 950 thousand.

In relation to trade receivables, a significant percentage of the total value is due from telephone carriers, directly or through affiliates, from which a large part of the sales is generated for fee-based services of the Dada.net division.

Current liabilities include deferred income of approx. Euro 15 million which originates from the management of web hosting services (relating to the Dada.pro division) and some Dada.net division added value services; this therefore relates to payables which will not generate future cash payments but revenues in the income statement. This total at December 31, 2009 amounted to Euro 15 million, while at June 30, 2009 amounting to Euro 16 million.

In general the value-added services activities undergo temporary differences between the charges incurred for the creation and the benefit received from these investments. In addition, this business is characterised by significant temporary differences between the average period between payment and receipt.

Other payables include the payable for the Put option in favour of Sony relating to 13% of Dada.net S.p.A. This option was valued at Euro 8 million, equalling the floor value of the agreement. The amount constitutes the fair value at June 30, 2010.

Reference should be made to that reported previously in relation to the net financial position and that detailed further in the notes to the present consolidated financial statements concerning investment activities.

Group employees

The number of employees at June 30, 2010 was 601 (of which 11 executives), while the average number in the period was 597 (of which 12 executives). At December 31, 2009, the number of employees was 593. The following factors affected the workforce numbers in the first six months of 2010:

- the change in the consolidation scope following the acquisition of the Poundhost Group added 17 employees, therefore at like-for-like consolidation scope employees at June 30, 2010 would have amounted to 584;
- rationalisation of the Dada.net structure.

Alternative performance indicators:

In the present report, the following additional economic and financial performance indicators are provided in respect of those contained in IAS 1:

Ebitda: defined as the operating result before amortisation/depreciation, write-downs and non-recurring charges;

Net working capital: defined as the difference between current assets and liabilities, identifying current as one year from the balance sheet date. Within this account, the deferred tax assets are divided between current and non-current, based on the portion which is considered recoverable from the result of the following year;

Net capital employed: fixed assets plus net working capital and less non financial consolidated liabilities (employee leaving indemnity and provision for risks and charges);

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

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

PERFORMANCE OF THE BUSINESS UNITS

From the present half-year report the organisational structure of the Group was modified and the Business Units today comprise the **Dada.net Division and the Dada.pro Division** following the integration of the previous Fueps division into the Dada.net division.

This reorganisation at sector level is due also to the significant slow-down in the on-line gaming business (with particular regard to on-line poker), which has led to revise the development plans and therefore also to reduce the value of goodwill of this segment.

It is also noted that in application of IFRS 8, which provides that the segment information is structured according to the same criteria utilised for management reporting purposes, a third segment was identified, the Corporate division, principally comprised of services provided by the Parent Company Dada S.p.A. to the subsidiary companies belonging to the two operational divisions.

According to this new structure, the comparative data of the previous year was reclassified.

Financial highlights by segment

The principal results of the individual divisions in the second quarter of 2010 compared with the same period of the previous year are reported in the following table:

	Q2 2010					Q2 2009				
	Revenue	EBITDA	Margin %	Ebit	Margin %	Revenue	EBITDA	Margin %	Ebit	Margin %
Dada.Net	20,326	2,343	12%	-375	-2%	18,138	3,193	n.a.	1,498	n.a.
Dada.Pro	23,905	3,355	14%	1,040	4%	21,824	3,249	14%	1,570	5%
Corporate	2,359	-367	-16%	-1,091	-46%	2,481	-591	0%	-1,540	0%
Inter-divisional	-8,148	-372	n.a.	0	n.a.	-4,575	-444	0%	0	0%
Total	38,442	4,960	13%	426	-1%	37,867	5,408	14%	1,528	4%

The principal results of the individual divisions in the first half of 2010 compared with the same period of the previous year are reported in the following table:

	1H 2010					1H 2009				
	Revenue	EBITDA	Margin %	Ebit	Margin %	Revenue	EBITDA	Margin %	Ebit	Margin %
Dada.Net	41,124	2,939	7%	-1,014	-2%	35,468	6,051	15%	3,017	5%
Dada.Pro	48,868	6,003	12%	2,085	4%	43,722	6,703	0%	3,597	0%
Corporate Inter-divisional	4,946	-668	-14%	-1,924	-39%	5,493	-1,127	0%	-2,645	0%
	-17,943	-744	n.a.	0	n.a.	-8,414	-889	0%	0	0%
Total	76,994	7,530	10%	- 854	-1%	76,269	10,739	14%	3,969	5%

Consolidated revenues by geographic area

Description	2010		2009	
	Q2		Q2	
	Amount	% of total	Amount	% of total
Revenues Italy	15,689	41%	16,186	43%
Revenues International	22,753	59%	21,681	57%
Consolidated Revenues	38,442		37,867	

Description	2010		2009	
	1H		1H	
	Amount	% of total	Amount	% of total
Revenues Italy	30,646	40%	33,091	43%
Revenues International	46,348	60%	43,178	57%
Consolidated Revenues	76,994		76,269	

Dada.net Services

The principal activities of the Dada.net division relate to the provision to the end user of a bouquet of fee-based products and services concerning Digital Music, Mobile Applications, Mobile Services, Social Community and casual and skill games via PC, mobile and Smartphones - both in Italy and abroad.

Business performance of Dada.net services

In the half year, Dada launched the improved Play.me digital music service in Italy, whose “in the cloud” music experience offers on-demand streaming, the ability to create personalized playlists and to listen to music on the go, accessible virtually anywhere, at any time - even

without a mobile connection: always available via web and mobile, all users can access through the Android and iPhone applications also via smartphone the playlists created on the web and the entire extensive catalogue which today boasts nearly 4 million MP3 tracks.

In the second quarter, with regard to musical services, Dada released in Italy an innovative application for the iPhone and iPod touch with Sony Music at a very affordable price, providing unlimited listening to the entire catalogue of a selected artist in high quality. In particular, three Apps dedicated to Gianna Nannini, Alessandra Amoroso and Giusy Ferreri were launched.

Dada further strengthened its international presence in the added value services sector for mobiles, thanks to expansion in the North American and Latin American markets, in particular Canada and Mexico. The Group is today present in 15 countries: Italy, the USA, Canada, Germany, Portugal, Australia, Spain, Belgium, Austria, Brazil, Argentina, Mexico, Hungary, Indonesia and South Africa.

In the half-year Dada consolidated its presence in the Italian satellite music segment through the continued positive performance of the two television channels - Music Box and Live! - of Giglio Group. In the second quarter Live! also began to be distributed abroad with good audiences.

In the Community Related Content sector Dada, through Blogio, is present with a network of over 60 vertical blogs in Italy, Brazil, the UK, France and Spain.

In the last quarter the activities of Fueps - the creation, management and development of online gaming services - were incorporated at organizational level into Dada.net, creating a single Business Unit dedicated to Digital Entertainment services. Today the activities of Fueps are carried out through: www.4a.com a site dedicated to online Poker; www.fueps.com social gaming services.

Financial Highlights - Dada.net

Dada.net						
In Euro thousands	1H 2010		1H 2009		Change	
	Amount	In %	Amount	In%	Absolute	%
Revenues - Italy	11,717	28%	15,206	43%	-3,488	-23%
Revenues - International	28,428	69%	19,360	55%	9,069	47%
Revenues - Inter-sector	978	2%	903	3%	75	8%
Net revenues	41,124	100%	35,468	100%	5,655	16%
Increases in internal work	796	2%	1,104	3%	-308	-28%
Services	-33,278	-80.9%	-25,267	-71,2%	-8,011	31.7%
Personnel costs	-5,702	-13.9%	-5,254	-14,8%	-448	8.5%
Segment EBITDA	2,939	7%	6,051	17%	-3,112	-51%
Amortisation, depreciation and write-downs	-3,828	-9%	-2,314	-7%	-1,514	65%
Write-downs, provisions and non recurring charges	-125	0%	-720	-2%	595	-83%
EBIT	-1,014	-2%	3,017	9%	-4,032	134%

Revenues of the Dada.net division in the first six months of 2010 amounted to Euro 41.1 million compared to Euro 35.5 million in 2009 (+16%). The change in the consolidation scope of the division following the strategic agreement with Sony which led to the full consolidation of Dada Entertainment (previously consolidated at equity) from June 2009 and the consolidation of Fueps from October 2009, led to an increase of Euro 13.4 million.

The Dada.net contribution to Group consolidated revenues increased from 45% to 46%, substantially due to the changed consolidation scope partially offset by the previously mentioned lower contribution of the traditional Mobile product in Italy.

In H1 2010, turnover from international operations represented 69% of revenues in the Dada.net Division from 55% in H1 2009.

This increase is due to the full consolidation of Dada Entertainment, the expansion of some markets, in particular Mexico and Canada and the mentioned slowdown of the traditional mobile product in Italy, a market in which Dada has focused its Play.me musical offer, still in a start-up phase.

The most important overseas countries in terms of revenues are the US, Spain, Brazil, Canada and Mexico.

The Ebitda of the Dada.net Division in H1 2010 amounted to Euro 2.9 million (margin of 7%), a decrease on Euro 6.1 million (margin of 17%) in the previous year. The change in the consolidation scope of the division resulted in a lower Ebitda in the first half of 2010 of approx. Euro 1 million compared to 2009. The consolidation of Dada Entertainment was not sufficient to offset the negative contribution of Fueps relating to the launch of on-line poker and the marginality reduction due to the gradual lower contribution of the traditional Mobile services in Italy.

The “service costs” increased in absolute terms by Euro 8 million and in percentage terms by 32%. Service costs were 81% of revenues, an increase on the same period of the previous year (71%), principally following the change of the consolidation scope with the consolidation of Dada Ent.

“Personnel costs” increased in absolute terms by Euro 0.5 million and in percentage terms by 9%. Personnel costs were 14% of revenues, a decrease on 15% in the same period of the previous year.

The segment Ebit in the half year was a loss of Euro 1 million after amortisation and depreciation of tangible and intangible fixed assets of Euro 3.8 million, while in the same period of the previous year the Ebit was a profit of Euro 3.0 million (margin of 9% of the segment Ebit) after amortisation and depreciation of Euro 2.3 million and write-downs and extraordinary items of Euro 0.7 million.

The account amortisation, depreciation and write-downs includes the Fueps goodwill write-down of Euro 1.2 million.

Dada.pro Services

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

- Registration of Domains, Hosting & Mail services, virtual and dedicated Server services, Adsl;
- Advanced online Advertising solutions, both via Mobile and Web channels.

Business performance of Dada.pro services

In the professional services for the registration of domains and hosting sector, in the first six months of the year Dada.pro further strengthened its European leadership with a client base which today numbers 460 thousand for a total of 1.6 million domains managed in Italy, the UK, France, Spain, Portugal, Holland and Ireland: during the period, the division focused on the integration of Poundhost's dedicated and virtual hosting offer into the Namesco platform in the UK, on the updating of its marketing tools and the release of the new WebSite application which allows the creation of professional websites in a simple, flexible and complete way, providing an even greater integration of the digital services offer from the registration and construction of on-line presence to the planning of visibility.

In the digital advertising sector, both the technological development and the growth of the Simply network continued, combining easy management with the highest return possible on the advertiser's investment and an optimised performance for the publisher, thanks to the ground-breaking optimisation algorithms on which it is based. The division continued to improve the performance advertising offer (traffic refining services, customer acquisition for the Group and management of online campaigns) through the consolidation of the Peeplo.com service and the launching of new internationally scalable models such as "Save n' keep", the new social bookmarking service via web and mobile.

Simply (www.simply.com) allows small and medium-sized businesses to efficiently plan their advertising campaigns and for owners of websites to expand their opportunities for advertising revenues.

The platform, available online on scalable models in Italy, the UK, France and Spain, thanks to the new optimisation of technology output assures the maximum possible value for:

- The advertiser: Simply is a promotion instrument aimed particularly at small and medium-sized businesses who can create a single internet advertising campaign defining their times, targets and objectives and providing analysis of results;
- Website owners: Simply allows website owners to count the visits which arrive naturally to their sites with advertising and obtaining therefore the best possible results from clicks generated.

The Simply.pro version dedicated to a principally professional audience was also released in the period.

Financial highlights - Dada.pro

Dada.pro						
In Euro thousands	1H 2010		1H 2009		Change	
	Amount	In %	Amount	In %	Absolute	%
Revenues - Italy	18,929	38,7%	17,860	40,9%	1,068	6%
Revenues - International	17,920	36,7%	23,818	54,5%	-5,899	-25%
Revenues - Inter-sector	12,019	24,6%	2,043	4,7%	9,976	488%
Net revenues	48,868	100%	43,722	100%	5,146	12%
Increases in internal work	2,278	5%	1,607	4%	671	42%
Services	-37,734	-77%	-31,376	-72%	-6,358	20%
Personnel costs	-7,409	-15%	-7,250	-17%	-159	2%
Segment EBITDA	6,003	12%	6,703	15%	-701	-10%
Amortisation, depreciation and write-downs	-3,433	-7%	-2,779	-6%	-654	24%
Write-downs, provisions and non recurring charges	-484	-1%	-327	-1%	-157	48%
EBIT	2,085	4%	3,597	8%	-1,512	-42%

The revenues of the Dada.pro division in the first half of 2010 amounted to Euro 48.9 million, while amounting to Euro 46.6 million net of approx. Euro 2.3 million related to the acquisition of Poundhost in January 2010, growth of 12% on the same period of 2009 (Euro 43.7 million, +7% net of the contribution of Poundhost).

The segment Ebitda in H1 2010 was Euro 6.0 million (12% of division revenues), compared to Euro 6.7 million in the previous year (15% of revenues). The change in the consolidation scope resulted in a higher Ebitda in the half-year of approx. Euro 0.6 million.

The principal cost components reported an increase in absolute values of service costs of Euro 6.3 million compared to H1 2009 (+15% net of the impact of Poundhost of Euro 1.7 million) and of "personnel costs"- which however saw a drop in terms of the percentage on revenues from 17% to 15% - of Euro 0.2 million.

The segment Ebit in H1 2010 was Euro 2.1 million (margin of 4%), after amortisation and depreciation of Euro 3.4 million, compared to Euro 3.6 million (margin of 8%) in the previous year, a decrease therefore of 42%, due in part to the increase in amortisation and depreciation on investments in tangible and intangible assets relating in particular to the new business projects.

Corporate Services

Dada S.p.A is the division focused on Corporate Services which carries out service activities for the companies of the group and therefore of the two operating divisions.

The division revenues are comprised of recharges to the companies of the Group for services provided centrally such as administration, finance, tax, planning and control, purchases, legal and corporate, communications, personnel administration, facility management, general services and ICT.

Operational performance of Corporate services

The revenues in the Corporate division in the first half of 2010 amounted to approx. Euro 4.9 million compared to Euro 5.5 million in the same period of 2009. The segment Ebitda reported a loss of Euro 0.7 million, a slight improvement on the first half of 2009 (loss of Euro 1.1 million) thanks to the continued cost containment actions.

TRANSACTIONS WITH RELATED PARTIES

For an analysis of the transactions with related parties, reference is made to that described in note 18.

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2010

The principal events of the Dada Group in the first half of 2010 are reported below:

On January 18, 2010, the acquisition of 100% of the share capital of the companies which constitute Poundhost, one of the major players in Great Britain in dedicated and virtual hosting services, for a total consideration of GBP 6.5 million (approximately Euro 7.2 million) was completed through the English subsidiary Namesco, with an earn-out of a maximum amount of GBP 300 thousand (approx. Euro 330 thousand), based on the reaching of target financial results in the first quarter 2010, fully paid in April 2010.

On February 10, 2010, Dada.net acquired a further 15% of Giglio Group S.p.A. for a total consideration of Euro 1,125,000, increasing its holding to 25%.

The amount for the further holding is in line with the valuation made on the first acquisition of July 9, 2008. The principal terms of the agreements concerning governance and call options assigned to Dada.net to acquire 51% or 100% to be exercised at the sole discretion of Dada.net within 3 years of the previous closing were extended for a further year.

SUBSEQUENT EVENTS AFTER THE FIRST HALF 2010

No significant events took place after June 30, 2010.

OUTLOOK FOR THE CURRENT YEAR

In the first six months of the year, Dada focused upon two objectives:

- on the one hand, on optimising the management of traditional businesses through the consolidation of the core business of both of its divisions, continuing the operational cost containment measures;
- on the other, on the rationalisation of the new activities portfolio begun in the previous years, relating in particular to the on-line skill gaming and digital music segments, through the investments redefinition in some geographic areas and the reduction of relative overhead costs.

At the end of the first half of the year, some forecast data of the Dada Group were examined which – in light of the current overall scenario, of the actions being implemented and in the absence of currently unforeseen events – forecast consolidated revenues for 2010 lower than those previously announced on December 3, 2009 (Euro 170 million), in line with the performance of the first half-year.

DADA GROUP
CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL
STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

DADA GROUP CONSOLIDATED INCOME STATEMENT AT JUNE 30, 2010

	Ref	HY 2010	HY 2009
Net Revenues		76,994	76,269
Cost of raw materials and consumables		-48	-47
Changes in inventory and internal work		3,074	2,711
Service costs and other operating costs		-56,896	-53,531
Personnel costs		-15,050	-14,448
Other operating income and revenues		0	0
Other operating charges		-743	-857
Provisions and write-downs		-565	-708
Amortisation and Depreciation		-6,254	-5,266
Write-down of fixed assets		-1,366	-154
Ebit		-854	3,969
Investment income		1,404	503
Financial income/(charges)		-2,220	-1,435
Share of profit/losses of associates		0	-558
Profit/(loss) before taxes		-1,670	2,479
Income taxes		-128	-1346
Profit/(loss) from normal operations		-1,798	1,133
Minority interest share		84	-25
Group net profit/(loss)		-1,714	1,108
Basic earnings per share		-0.1057	0.0684
Diluted earnings per share		-0.1057	0.0684

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT AT JUNE 30, 2010

Amounts in Euro/thousand	HY 2010	HY 2009
Profit/(loss) for the period (A)	-1,798	1,108
Profit/(Losses) on exchange risk derivatives (cash flow hedge)	116	-457
Tax effect on gains (losses)	-32	126
Total	84	-331
Equity transaction reserve	-932	-
Profits (losses) from conversion of accounts of foreign companies	4,283	3,230
Total other profits (losses), net of the fiscal effect (B)	3,435	2,899
Total Profits (A)+(B)	1,637	4,007
<i>Total Profits attributable to:</i>		
Parent company shareholders	1,637	3,980
minority interest share	-	-27

DADA GROUP CONSOLIDATED BALANCE SHEET AT JUNE 30, 2010

ASSETS	Ref	June 30, 2010	December 31, 2009
<i>Non-current assets</i>			
Goodwill		113,135	102,818
Intangible assets		16,046	15,356
Other tangible assets		12,764	11,459
Equity investments in non-consolidated subsidiaries, associate and other companies		-	-
Financial activities		139	138
Deferred tax assets		10,238	10,581
Total		152,322	140,352
<i>Current assets</i>			
Inventory		343	7
Trade receivables		35,527	33,960
Tax receivables and others		9,445	11,814
Held-for-trading financial assets		-	-
Cash and cash equivalents		7,150	8,161
Total current assets		52,465	53,942
Non-current assets of discontinued operations			
TOTAL ASSETS		204,787	194,294

DADA GROUP CONSOLIDATED BALANCE SHEET AT JUNE 30, 2010

SHAREHOLDERS' EQUITY AND LIABILITIES	Ref	June 30, 2010	December 31, 2009
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Share capital		2,756	2,756
Share premium reserve		32,071	32,071
Legal reserve		950	950
Other reserves		4,268	836
Retained earnings		35,025	28,118
Net profit/(loss)		-1,714	6,906
Total Group Shareholders' equity		73,356	71,637
Minority interest share		905	1,207
Total Shareholders' Equity		74,261	72,844
<i>Medium/long term liabilities</i>			
Bank loans (payable beyond one year)		34,519	30,861
Provisions for risks and charges		1,795	2,350
Employee leaving indemnity		1,194	1,210
Deferred tax liabilities		0	1,197
Other payables beyond one year		9,129	9,020
Total non-current liabilities		46,637	44,638
<i>Current liabilities</i>			
Trade payables		40,435	36,789
Other payables		21,649	22,427
Tax payables		4,603	4,600
Bank overdrafts and loans (payable within one year)		17,202	12,996
Total current liabilities		83,889	76,812
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		204,787	194,294

CONSOLIDATED CASH FLOW STATEMENT OF THE DADA GROUP AT JUNE 30, 2010 in accordance with IAS/IFRS Accounting Standards			
Amounts in Euro/thousand	30/06/10 (6 months)	31/12/09 (12 months)	30/06/09 (6 months)
Operating activities			
Net profit/(loss) for the period/year	-1,714	6,958	1,108
<i>Adjustments for:</i>			
Income from trading activities	-1,404	-2,095	-503
Financial charges	2,220	4,241	1,435
Income taxes	128	1,205	1,346
Stock Option cost in P&L	0	457	
Depreciation of property, plant & equipment	2,462	4,181	2,071
Amortisation of other intangible assets	3,792	7,181	3,195
Write-down of fixed assets	1,366	-6,654	154
Other provisions and write-downs	565	1,363	1,738
Increases/(decreases) in provisions	-896	-158	-898
Cash flows generated from operating activities before working capital changes	6,519	16,679	9,646
Increase in inventories	-336	35	5
(Increase) / decrease in receivables	894	22,549	8,457
Increase/ (decrease) in trade payables	430	-20,205	-8,169
Cash flow generated from operating activities	7,507	19,058	9,939
Income taxes paid	-147	-2,069	-1,087
Interest paid	-2,220	-4,241	-812
Net cash flow generated from operating activities	5,140	12,748	8,040
Investing activities			
Interest received	1,404	2,095	503
Purchase of subsidiary and associated companies (change in goodwill)	-8,932	-2,075	325
Effect of changes in the consolidation scope		2,663	2,663
Sale of subsidiary and associated companies			
Purchase of tangible fixed assets	-2,253	-3,802	-2,547
Purchase of financial assets			
Purchase/sale of financial assets available-for-sale			
Purchase of intangible assets	-1,554	-2,649	-1,394
Product development costs	-3,074	-5,229	-2,711
Net Cash flow used in investment activities	-14,409	-8,997	-3,161

CONSOLIDATED CASH FLOW STATEMENT OF THE DADA GROUP AT JUNE 30, 2010 in accordance with IAS/IFRS Accounting Standards

Amounts in Euro/thousand	30/06/10 (6 months)	31/12/09 (12 months)	30/06/09 (6 months)
Financing activities			
Dividends from subsidiaries			
Repayment of loans	-4,011	-8,038	-3,013
Payments deriving from share capital increases			
New loans	7,711	4,466	6,235
Sale of treasury shares			
Other changes	352	31	-4
Increases (decreases) in bank overdrafts			
Net Cash flow generated from financing activities	4,052	-3,541	3,218
Net increase/(decrease) in cash and cash equivalents	-5,217	210	8,097
Cash and cash equivalents at beginning of the year	-4,835	-5,045	-5,045
Cash and cash equivalents at end of the period	-10,052	-4,835	3,052

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AT JUNE 30, 2010

Description	Attribution to the shareholders of the parent company										Min. Inter.	Total NE
	Share capital	Share Premium reserve	Legal Reserve	Other reserves	Equity transaction reserve	Cash Flow Hedge Reserve	Translation reserve	Retained earnings	Net profit/loss	Total		
Balance at January 1, 2010	2,756	32,070	950	9,724	2,339	-738	-10,490	28,118	6,906	71,637	1,207	72,844
Allocation of results 2009								6,906	-	0		0
Result									6,906	-1,714	-84	-1,798
Other comprehensive profits (losses)				0	-932	84	4,283			3,435	0	3,435
Total comprehensive profits/losses				0	-932	84	4,283	0	-1,714	1,721	-84	1,637
Share-based payments				0						0		0
Decons./Acquis./Var% held											-218	-218
Balance at June 30, 2010	2,756	32,070	950	9,724	1,407	-654	-6,207	35,024	-1,714	73,356	905	74,262

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AT JUNE 30, 2009

Description	Attribution to the shareholders of the parent company										Min. Inter.	Total NE
	Share capital	Share Premium	Legal Reserve	Other reserves	Equity transaction reserve	Cash Flow Hedge Reserve	Translation reserve	Retained earnings	Net profit/loss	Total		
Balance at January 1, 2009	2,756	32,070	950	9,269		-391	-12,105	20,491	7,627	60,667	812	61,479
Allocation of results 2008								7,627	-7,627	0		0
Result									1,108	1,108	25	1,133
Other comprehensive profits (losses)				0		-331	3,230			2,899	2	2,901
Total comprehensive profits/losses				0		-331	3,230	0	1,108	4,007	27	4,034
Share capital increase										0		0
Share-based payments				237						237		237
Decons./Acquis./Var. % held										0	-362	-362
Other changes				62						62		62
Balance at June 30, 2009	2,756	32,070	950	9,568	0	-722	-8,875	28,119	1,108	64,974	477	65,451

**CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP AT JUNE 30, 2010 IN
ACCORDANCE WITH CONSOB ARTICLE NO. 15519 OF JULY 27, 2006**

	Ref	HY 2010	HY 2009
Net Revenues		76,994	76,269
- of which related parties		1,239	9,385
Cost of raw materials and consumables		-48	-47
Changes in inventory and internal work		3,074	2,711
Service costs and other operating costs		-56,896	-53,531
- of which related parties		-2,597	-2,739
Personnel costs		-15,050	-14,448
- of which related parties		-275	-505
Other operating charges		-743	-857
- of which from non-recurring charges		-199	-642
Provisions and write-downs		-565	-708
- of which from non-recurring charges		-325	-300
Amortisation and Depreciation		-6,254	-5,266
Write-down of fixed assets		-1366	-154
Ebit	4	-854	3,969
Investment income		1,404	503
- of which related parties		0	7
Financial charges		-2,220	-1,435
- of which related parties		-3	-22
Share of profit/losses of associates		0	-558
Profit/(loss) before taxes		-1,670	2,479
Income taxes		-128	-1,346
Profit/(loss) from normal operations		-1,798	1,133
Minority interest share		84	-25
Group net profit/(loss)		-1,714	1,108

Basic earnings per share		-0.1057	0.0684
Diluted earnings per share		-0.1057	0.0684

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AT JUNE 30, 2010 IN ACCORDANCE WITH
CONSOB ARTICLE NO.15519 OF JULY 27, 2006

ASSETS	Ref	June 30, 2010	December 31, 2009
Goodwill	9-11	113,135	102,818
Intangible assets	9	16,046	15,356
Other tangible assets	8	12,764	11,459
Financial activities	12	139	138
Deferred tax assets	12	10,238	10,581
Total		152,322	140,352
Inventory	15	343	7
Trade receivables	16	35,527	33,960
- of which related parties	23	1,714	1,502
Tax receivables and others	16	9,445	11,814
Cash and cash equivalents	17	7,150	8,161
Total current assets		52,465	53,942
Non-current assets of discontinued operations			
TOTAL ASSETS		204,787	194,294

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AT JUNE 30, 2010 IN ACCORDANCE WITH
CONSOB ARTICLE NO.15519 OF JULY 27, 2006

SHAREHOLDERS' EQUITY AND LIABILITIES		June 30, 2010	December 31, 2009
Share capital	18	2,756	2,756
Share premium reserve	18	32,071	32,071
Legal reserve	18	950	950
Other reserves	18	4,268	836
- of which related parties	23	2,012	2,012
Retained earnings	18	35,025	28,118
Net profit/(loss)	18	-1,714	6,906
Total Group Shareholders' equity		73,356	71,637
Minority interest share	18	905	1,207
Total Shareholders' Equity		74,261	72,844
Bank loans (payable beyond one year)	19	34,519	30,861
Provisions for risks and charges	20	1,795	2,350
Employee leaving indemnity	14	1,194	1,210
Deferred tax liabilities		0	1,197
Other payables beyond one year		9,129	9,020
Total non-current liabilities		46,637	44,638
Trade payables	21	40,435	36,789
- of which related parties	23	-2,931	3,780
Other payables	21	21,649	22,427
- of which related parties	23	20	391
Tax payables	21	4,603	4,600
Bank overdrafts and loans (payable within one year)	19	17,202	12,996
Total current liabilities		83,889	76,812
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		204,787	194,294

SELECTED EXPLANATORY NOTES

1. Corporate information

Dada S.p.A. is a public limited company incorporated in Italy at the Florence Company's Registration Office. The addresses of the registered office and of the locations in which the main activities of the Group are carried out are indicated in the introduction to the accounts. Dada S.p.A. is an international leader in Digital Music, Entertainment, Community and On-line Gaming via web and mobile, as well as professional services for online presence and Advertising. For further information, reference should be made to the Directors' Report on operations.

2. Criteria for the preparation of the Financial Statements

The financial statements are expressed in Euro as this is the currency in which the majority of the operations of the Group are carried out.

The report comprises the balance sheet, income statement, statement of change in shareholders' equity, cash flow statement and the present explanatory notes.

The present half-yearly report has been prepared on the going-concern basis. The Dada Group in fact has established that although in the presence of a difficult economic and financial scenario, there are no significant uncertainties on the going-concern of the business, also following the actions undertaken and the flexibility of the Group.

Declaration of compliance with IFRS

The condensed half-year 2010 financial statements are prepared in accordance with IFRS issued by the International Accounting Standards Board and approved by the European Union. IFRS also include all the revised international accounting standards (IAS) and all of the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), including those previously issued by the Standing Interpretations Committee ("SIC").

The present consolidated half-year financial statements were prepared in accordance with IAS 34. These condensed half-year financial statements therefore do not include all the information published in the annual report and must be read together with the consolidated financial statements as at December 31, 2009.

Main accounting principles

The accounting principles adopted for the preparation of the consolidated interim financial statements conform with those for the preparation of the Annual Financial Statements of the Group at December 31, 2009 with the exception of the adoption of new Standards and Interpretations applicable from January 1, 2010 listed as follows:

- IFRS 2 Share-based payments

The IASB issued an amendment to IFRS 2 which clarifies the calculation of Share-based payments at group level. This amendment supersedes IFRIC 8 and IFRIC 11. The adoption of the amendment did not have any impact on the financial position or the

performance of the Group.

- IAS 39 Financial Instruments: recognition and measurement - Eligible Hedged items
The amendment concerns the designation of unilateral risks (one-sided) to a single hedged instrument and the designation of inflation as a hedged risk or a portion of hedged risk in certain situations. The adoption of the amendment did not have any impact on the financial position or the performance of the Group.
- IFRIC 17 Distribution of non monetary assets to shareholders
The interpretation provides a guide for the accounting of transactions in which the company distributes non-cash assets to shareholders as dividends or from reserves. This interpretation did not have any impact on the balance sheet or on performance of the Group.

The amendments to the following principles did not have any impacts on the accounting policies, financial position or results of the Group:

- *IFRS 2 Share-based payments*
- *IFRS 5 Non-current assets held for sale and discontinued operations*
- *IAS 1 Presentation of Financial Statements*
- *IAS 17 Leasing*
- *IAS 38 Intangible assets*
- *IAS 39 Financial Instruments: recognition and measurement*
- *IFRIC 9 Reassessment of Embedded Derivatives*
- *IFRIC 16 Hedges of a net investment in a foreign operation*

Consolidation principles

The condensed half-year financial statements include the results of the Parent Company Dada S.p.A. and of the companies it controls as at June 30, 2010. Based on the accounting standards applied, control of a company is deemed when the company has the power to determine financial and operating policies of a company so as to benefit from its activities.

The results of subsidiaries acquired or sold during the year are included in the consolidated income statement from the date of acquisition until the date of sale.

All significant transactions between companies included in the consolidation scope are eliminated. Business combinations are recorded in accordance with the purchase method.

The exchange differences on the translation between the initial net equity translated at current exchange rates and those translated at historical exchange rates, as well as the differences between the result expressed at average exchange rates and those expressed at current exchange rates, are allocated to the shareholders' equity account "Other reserves".

The exchange rates used for the translation to Euro of the income statement and balance sheet of the companies included in the consolidation are shown in the table below.

CURRENCY	EXCHANGE RATE AT 30.06.10	AVERAGE EXCHANGE RATE AT 30.06.10
US Dollar	1.2271	1.32683
Brazilian Real	2.2082	2.3839
UK Sterling	0.8175	0.87
CA Dollar	1.2890	1.37186

Consolidation scope

The consolidation scope of the Dada Group changed in the first half of 2010 from December 31, 2009 due to the consolidation from January 1 of the English Group Poundhost Ltd, following the acquisition at the beginning of the year and described in detail in the directors' report in the section 'Significant events in the first half of 2010'. The holding in Giglio S.p.A. was also increased in the first half year (from 10% to 25%) and calculated according to the equity transaction method, the company already being consolidated fully under the agreements in place with the company.

Risks

Financial

The growth of the activities of the Dada Group on the international markets, including through acquisitions of important operating companies, increased the overall financial risk profile of the Group. In particular, the exchange risk became significant, against greater revenues in foreign currencies, the interest rate risk against medium term loans for the acquisitions of the English company Namesco Ltd and the companies of the Amen Group and of Poundhost, and the general liquidity risk against the possible changes in financing.

The Dada Group following the numerous acquisitions in the year and particularly overseas has consequently paid much attention to the analysis and the preparation of adequate reporting and monitoring procedures of the exchange and interest/liquidity risks, as well as strengthening the operating structure of the corporate area for the monitoring and control of these financial risks.

In particular the following was applied:

- An IRS contract was signed with a primary Credit Institution to hedge against the interest rate risk on the loan of Euro 19,285 thousand in place at June 30, 2010 of the subsidiary Register.it. The fair value of the derivative instrument was recorded under an equity reserve in accordance with IAS 39. In 2009 a CAP contract with a primary credit institution was signed, with a threshold of 3.5%, with effect from December 31, 2009 relating to the loan in place at June 30, 2010 for a residual Euro 6,400 thousand; at the end of May 2010, a further CAP contract was signed with a primary credit institution, with a threshold of 3%, with effect from July 31, 2010 relating to the loan in place at June 30, 2010 for Euro 7,500 thousand. The fair value of both the CAP contracts were recorded to the income statement for the time value differential and to net equity for the intrinsic value differential.

- In order to hedge the exchange rate risk forward purchase/sales contracts in foreign currencies (US Dollars) were signed; the effect of these instruments was fully recorded to the income statement.

Liquidity risk

The liquidity risk is managed by the Group through the investment of liquidity in short term operations. In order to optimise the utilisation of the Group liquidity, the parent company Dada S.p.A. implemented a cash-pool line with the subsidiaries Register.it S.p.A., Dada.net S.p.A. and Fueps S.p.A..

Other risks

It should be noted that the market in which the Dada Group operates is extremely competitive, both in relation to the continual and fast pace of innovation, including product technology, and for the potential entry into the market of new competitors; this environment requires constant investment in innovation of the services proposed to the customer, and updating of the products and services in order to maintain the Group's competitive position.

The sector in which the Group operates, both in Italy and internationally, is also subject to competitive regulations, among which, the protection of personal data, the safeguarding of consumers, regulations on commercial communications and value added services, and in general norms governing the telecommunication sector. It is expected that the above-mentioned regulations (for example purposes only, the new national numbering plan regarding decade 4 services and the migration of the user to new numbers) following some recent measures, already have and increasingly will have a direct effect on the activities of the company with possible effects - in general terms - for the market and on the profitability of the business. Therefore some Group companies have been or may be involved in disputes relating to the provision of their services.

The Group undertakes its activity largely utilising connectivity providers and telephone carriers, and provides content to its clients which in some cases are supplied by outside content suppliers or of rights to the same; an interruption of services from these suppliers, with the occurrence of one of the risks relating to the market performance described above, or a deterioration in the services with one or more of these suppliers could infringe upon the capacity to supply the products and services to the final client or be sources of possible disputes, impacting upon the financial results.

Seasonal activities

The principal activities of Dada Group are not impacted by seasonal factors which could influence the current results.

3. Business Combinations

Acquisition of the Poundhost group

On January 18, 2010, the acquisition of 100% of the share capital of the companies which constitute Poundhost, one of the major players in Great Britain in dedicated and virtual hosting services, for a total consideration of GBP 6.5 million was completed through the English subsidiary Namesco, with an earn-out of a maximum amount of GBP 300 thousand, based on the reaching of target financial results for Q1 2010, fully paid in April 2010, for a total amount of Euro 7.8 million. The fair value was calculated provisionally at the date of acquisition of the assets.

Eur/1000

Description	Value of the acquisition	
Intangible assets	-	-
Property, plant & equipment	1,231	
Financial assets	57	
Cash and cash equivalents	64	
Trade receivables	189	
Other receivables	163	
Trade payables	-	598
Financial payables	-	246
Other payables	-	311
Tax payables	-	89
Total net assets	461	
Share of net assets	461	
Goodwill of the acquisition	7,381	
Total cost	7,841	
Payments	-	7,840
Net liquidity of the subsidiary		64
Net liquidity utilised	-	7,776
Residual payable due	0	

* The value of goodwill, adjusted at June 30, 2010, is Euro 7,953 thousand.

4. Segment information as per IFRS 8

For management purposes, the Dada group is organised by segment of activity (Business Units), which from the present half-year report comprises the Dada.net division and the Dada.pro division. In the last quarter the organisation structure of the Dada Group changed; until March 31, 2010, a third division was managed independently comprising Fueps S.p.A. (operating in the casual and skill games market), which was subsequently fully integrated and consolidated within the Dada.net division. This reorganisation occurred following difficulties in the development and growth of the business of Fueps S.p.A. which necessitated a significant review of the plans relating to the company.

In accordance with IFRS 8, which requires the organisation of the segment information according to the same criteria utilised for management reporting purposes, a further division, that of the Corporate Division, was identified.

Based on that previously reported, the different divisions can be broken down as follows:

- a) The Dada.net Division: comprised, as stated in the directors' report, of fee-based services to the end user through subscription. This division includes also the management of the casual and skill games market;
- b) The Dada.pro Division: comprised of automatically provided services, such as the registration of domains, fee-based e-mail and hosting services and the digital advertising activities, generated via mobile and web channels;
- c) The Corporate Division: the Corporate Services Division carries out service activities for the companies of the group and therefore the three Business Units.

The division revenues are comprised of recharges to the companies of the Group for services provided centrally such as administration, finance, tax, planning and control, purchases, legal and corporate, communications, personnel administration, facility management, general services and ICT.

The Dada.net Division manages, as well as Dada.net, the Italian and foreign companies (directly and indirectly controlled), i.e. Clarence S.r.l., Dada Ent. Inc, Dada Iberia SL, Dada Brasil Ltda., E-Box S.r.l. and Giglio Group S.p.A., Play.me Inc and Dada Canada Inc. and Fueps.

The Dada.pro division is headed by Register.it S.p.A., and includes Nominalia SL, Namesco Ltd., Namesco Ireland Ltd, Namesco Inc., the companies of the Amen Group and the companies of the Poundhost Group.

For the Dada.net Division, there were no changes in the consolidation scope in the half-year.

For the Dada.pro division, the consolidation scope changed with the entry of the companies of the Poundhost group.

The following divisional income statements take into account the costs and revenues relative to each segment.

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

The segment costs and revenues are considered before inter-divisional balances, which are eliminated in the consolidation process (see column "adjustments" of the tables).

The management individually monitors the operating results of its business units in order to make decisions on the allocation of resources and the evaluation of the performance. The segment performance is evaluated based on the business volumes and the operating margin. The

financial management results (including financial income and charges) and income taxes are managed at group level and therefore not allocated to the single operating segment level.

According to this new structure, the comparative data of the previous year was reclassified.

The comments relating to the main accounts in the following tables appear in the Directors' Report on operations.

Segment Income Statement for the first six months of 2010

HY 2010					
Segment Information	Dada.Net	Dada Pro	Corporate	Adj.	Consolid
Revenues - Italy	11,717	18,929	o	o	30,646
Revenues - International	28,428	17,920	o	o	46,348
Revenues- inter-sector	978	12,019	4,946	-17,943	o
Net revenues	41,124	48,868	4,946	-17,943	76,994
Increases in internal work	796	2,278	o	o	3,074
Services	-33,278	-37,734	-3,675	17,199	-57,488
Personnel costs	-5,702	-7,409	-1,939	o	-15,050
Segment Ebitda	2,939	6,003	-668	-744	7,530
Amortisation, depreciation and write-downs	-3,828	-3,433	-1,102	744	-7,619
Write downs, provisions and non-recurring charges	-125	-484	-155	o	-764
EBIT	-1,014	2,085	-1,924	o	-854
					Financial activities -818
					Loss before taxes -1,672
					Income taxes -128
					Group and minority interest result -1,798
					Minority interest share 84
					Group net loss -1,714

Segment Income Statement for the first six months of 2009

HY 2009					
Segment information	Dada.Net	Dada Pro	Corporate	Adjustments	Consolid
Revenues - Italy	15,206	17,860	25		33,091
Revenues - International	19,360	23,818			43,178
Revenues- inter-sector	903	2,043	5,468	-8,414	0
Net revenues	35,468	43,722	5,493	-8,414	76,269
Increases in internal work	1,104	1,607			2,711
Services	-25,267	-31,376	-4,676	7,525	-53,793
Personnel costs	-5,254	-7,250	-1,944		-14,448
Segment Ebitda	6,051	6,703	-1,127	-889	10,739
Amortisation, depreciation and write-downs	-2,314	-2,779	-1,217	889	-5,421
Write downs, provisions and non-recurring charges	-720	-327	-302		-1,349
EBIT	3,017	3,597	-2,645	0	3,969
<i>Segment Ebit / Sales</i>					
				Corporate depre. & amort.	
				EBIT	3,969
				Financial activities	-1,490
				Profit before taxes	2,479
				Income taxes	-1,346
				Group and minority interest result	1,133
				Minority interest share	-25
				Group net profit	1,108

Breakdown of Dada Group revenues by Sector and Geographic Area

Description	2010		2009	
	1H		1H	
	Amount	% of total	Amount	% of total
Revenues Italy	30,646	40%	33,091	43%
Revenues International	46,348	60%	43,178	57%
Consolidated Revenues	76,994		76,269	

Description	2010		2009	
	Q2		Q2	
	Amount	% of total	Amount	% of total
Revenues Italy	15,689	41%	16,186	43%
Revenues International	22,753	59%	21,681	57%
Consolidated Revenues	38,442		37,867	

Breakdown of assets by sector at June 30, 2010

Amounts in Euro/thousand	30-06-10				
	Dada.net	Dada.pro	Corporate	Adj.	Total
Segment assets	74,033	103,464	17,052		194,549
Holdings in associated companies and joint ventures					-
Financial assets not broken down					-
Fiscal assets not broken down					10,238
Total assets	74,033	103,464	17,052	-	204,787

Breakdown of assets by sector at December 31, 2009

Amounts in Euro/thousand	31-12-09				
	Dada.net	Dada.pro	Corporate	Adj.	Total
Segment assets	74,382	89,176	25,379		188,937
Holdings in associated companies and joint ventures					-
Financial assets not broken down					
Fiscal assets not broken down					5,336
Total assets	74,382	89,176	25,379	-	194,273

Breakdown of assets by geographic area at June 30, 2010 and at December 31, 2009

30-06-10				
Amounts in Euro/thousand	Italy	Overseas	Adj.	Total
Segment assets	139,942	63,299		203,241
Holdings in associated companies and joint ventures				0
Financial assets not broken down				
Fiscal assets not broken down				10,238
Total assets	139,942	63,299	0	213,479

31-12-09				
Amounts in Euro/thousand	Italy	Overseas	Adj.	Total
Segment assets	143,923	47,626		191,549
Holdings in associated companies and joint ventures				0
Financial assets not broken down				
Fiscal assets not broken down				8,964
Total assets	143,923	47,626	0	200,513

5. Impairments

The changes in goodwill in the first half of 2010 from December 31, 2009 are shown in the table below:

	31/12/2009	INCR.	DECR.	WRITE-DOWNS	CURRENCY	OTHER	30/06/2010
Register.it SpA	7,119						7,119
DadaNet SpA	1,265						1,265
Clarence Srl	430						430
Dada Entertainment (ex Upoc Inc)	4,908				1,548	21,275	27,731
Nominalia SL	8,550						8,550
Dada Brasil Serviços de Tecnologia Ltda	14						14
Dada Iberia SL	10						10
Namesco Ltd	30,183				2,543		32,726
Merger difference	1,689				137		1,826
Amen Group	22,284				151		22,435
E-Box Srl	2,262						2,262
Giglio Group SpA	753						753
Dada Ent. LLC	21,275					(21,275)	0
Pound Host		7,953			0	61	8,014
Fueps	2,075		(860)	(1,215)	0		0
	102,817	7,953	(860)	(1,215)	4,379	61	113,135

The increases in the year are entirely related to the acquisition of the companies of the Poundhost Group in January 2010 and therefore fully consolidated for the first half of 2010. For details on this operation, reference is made to the Directors' Report. The acquisition of a further 15% of Giglio S.p.A. did not lead to any increase in goodwill as it has been recorded under the equity transaction method.

The decrease in goodwill of Fueps relates to the closure of the earn out (contractually agreed) and the write-down of the impairments in value previously described.

Exchange rate effect

Goodwill in foreign currencies is converted at the exchange rate at the end of the period utilising the rates reported on page 41 of the present notes. The conversion of the Euro/Sterling exchange rates for the goodwill of Namesco Ltd and Amen Ltd resulted in an increase in the value of goodwill respectively of Euro 2.5 million and Euro 0.2 million. The adjustment of the US company Dada Ent Inc led to a revaluation of goodwill of Euro 1.5 million.

This increase is recorded in the translation reserve as part of consolidated net equity.

Impairment test

As set out in international accounting standard No. 36, the impairment test, carried out in order to verify a permanent impairment loss in value, takes place at least annually on the preparation of the annual accounts and in any case when indicators of an impairment exist. The recoverable value of the cash-generating units, to which the individual goodwill is allocated, is verified through the determination of the value in use.

In particular, also for the present half-year report, a valuation was made to verify the recovery of the investments by preparing financial and cash flow forecasts on the basis of the best information currently available and approved by the Board of Directors of the subsidiary companies subject to verification.

Identification of the cash generating units (CGU): In this regard, the Dada Group has identified its CGUs prevalently as single legal entities or unions of these which are the smallest entities of the sector activity utilised for the segment information, i.e. Dada.pro and Dada.net sectors. Compared to December 31, 2009 the only significant change related to the acquisition of Poundhost (comprising the Group companies) in January 2010 and which was valued together with the companies of the Namesco Group.

The impairment test was carried out on the following CGUs:

- Register.it S.p.A.;
- Namesco Group/Poundhost: consolidation of the individual financial statements of Namesco Ltd, Namesco Ireland and companies belonging to the Poundhost Group;
- Amen Group/Nominalia SA: consolidation of the individual financial statements of the Amen Group and Nominalia SA;
- US Activities: consolidation of the individual financial statements of Dada Ent. Inc, Dada Canada Inc. and Play me LLC;
- CRC activities: individual financial statements of E-Box S.r.l. including the contribution of assets from Tipic Inc.. This activity relates to the sector activities of “social networking and the so-called “user generated content””;
- FUEPS: individual financial statements of the company.

The table below shows the principle assumptions used for the preparation of the DCF method for the individual CGUs:

Assumptions	CRC	USA ACT.	Namesco/Poundhost	Nominalia/Amen	Fueps	Register.it
Period of plan	5 years	5 years	5 years	5 years	5 years	5 years
Growth rate: Revenues	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company	H1 2010 actual results, 2010 from Forecast approved by BoD of the company; years 2011 to 2015 based on the best available information on the business and reviewed by the BoD of the company
EBITDA	Based on the considerations above	Based on the considerations above	Based on the considerations above	Based on the considerations above	Based on the considerations above	Based on the considerations above
Growth rate beyond explicit period	0%	0%	0%	0%	0%	0%

The terminal value was generally calculated over an infinite time period for all of the CGUs examined.

The principal factors upon which the impairment tests for the half-year are based are as follows:

The expected **growth rates** of the CGUs belonging to the Dada.pro division were formulated based on the average growth rates realised in the domain & hosting sector in the previous years, characterised by an extremely fragmented market.

For detailed estimates, reference is made to the annual accounts 2009, in relation to which it should be noted that new elements which have become apparent in the first half of 2010 have also been taken into account.

The expected growth rates of the CGUs belonging to the Dada.net division were based on the growth rates forecast internally of the business in each distribution market considering available data; for the underlying data reference is made to the 2009 annual accounts. Also for this sector of activity account is taken of the specific difficulties which affected the launch of the new products as well as the difficulties which became apparent in 2010 in some countries in relation to traditional services.

The discount rate used at June 30, 2010 for future cash flows is the weighted average cost of capital (WACC); this rate, pre-tax, utilised for the projection of cash flows was based on different measures for the individual CGUs and takes account, among others, of the following parameters: cost of money for the enterprise, specific risk factors for the sector activity, return on activities without risk and marginal income tax rates. The rate therefore respects the type of activity carried out by the individual CGUs, while also taking account of the particular movements in the market rate and of the overall macroeconomic scenario. The following rates were applied:

Cash Generating Unit	WACC (post tax)
CRC	9.3%
US Activities	6.8%
Namesco	8.6%
Nominalia/Amen	7.4%
Fueps	9.8%
Register.it	8%

From the analyses carried out for the CRC CGU, the US Activities, Namesco, Nominalia/Amen and Register.it, these were made applying the Discounted Cash Flow Method, utilising the projected cash flow contained in the five year plan described above for each of the three CGUs.

From this verification it emerged that there were no identifiable elements that could ascertain a loss of value relating to such goodwill as indefinite useful life and therefore the values recorded in the balance sheet are confirmed.

Given the particular significance of the value of goodwill of the Namesco Ltd. CGU, the principal data based on a sensitivity analysis utilising the WACC discounted rate and the growth rate utilised for the determination of the terminal value, relating to the valuation of this CGU, carried out with the infinite terminal value and utilising the above reported rate, is set out below:

€/ooo		g (growth) rate				
		-0.50%	-0.25%	0.00%	0.25%	0.50%
WACC	8.13%	43,634	44,583	45,589	46,660	47,801
	8.38%	42,344	43,230	44,169	45,165	46,224
	8.63%	41,125	41,954	42,831	43,760	44,746
	8.88%	39,972	40,749	41,569	42,436	43,356
	9.13%	38,879	39,608	40,376	41,188	42,047
€/ooo		g (growth) rate				
2218.1		-0.50%	-0.25%	0.00%	0.25%	0.50%
WACC	8.13%	3,022	3,970	4,977	6,047	7,188
	8.38%	1,732	2,617	3,556	4,552	5,612
	8.63%	513	1,341	2,218	3,147	4,133
	8.88%	(640)	136	956	1,824	2,743
	9.13%	(1,733)	(1,005)	(236)	575	1,434

Relating to the Fueps S.p.A. CGU (operating in the casual and skill games market) in the first half of 2010 the development plans of this sector of activity were substantially reviewed in consideration of the growth difficulties which became apparent. Following that reported above, the value of the CGU within the Dada Group was also revised leading to a full write-down of the long-term loss in value of goodwill.

Other changes

The other changes reported in the table of movements of goodwill are due to two operations which were concluded in the year:

- In March 2010 the merger process involving the US companies of the Dada.net sector was concluded. In particular the merger of the Dada USA Inc companies and Dada Ent. LLC into Upoc Inc was finalised (reverse merger). This operation was carried out as part of the rationalisation of the structure of the companies operating in this country. The company Upoc Inc thereafter changed its name to Dada Entertainment Inc.

The holding in Giglio S.p.A. was also increased (from 10 to 25%) calculated according to the equity transaction method, the company already being consolidated fully under the agreements in place with the company.

6. Non-recurring charges

The table below reports the breakdown of non-recurring charges for H1 2010 compared to the previous year:

Description	30/06/2010	30/06/2009	Changes
Other operating charges: non-recurring charges	-199	-642	443
Provisions and write-downs: non-recurring charges	-325	-300	-25
Total	-524	-942	418

The non-recurring charges in the half year amounted to Euro 0.5 million, while amounting to Euro 0.9 million in the previous year and comprising the extraordinary expenses in the half year.

The non-recurring operational charges principally include the personnel charges for the reorganisation of some Group sectors. The non-recurring provisions and write-downs include the penalties and contractual disputes or personnel charges which have been incurred but not yet settled at the period end.

The non-recurring charges in the previous period were of a similar nature.

7. Income taxes

The table below reports the breakdown of income taxes for the first half 2010 compared to the previous year:

Description	HY 2010	HY 2009	Changes	Change %
IRAP	-398	-487	89	-18%
IRES	-365	-980	615	-63%
Deferred tax income	635	121	514	424%
Deferred tax charges	0	0	0	
Total	-128	-1,345	1,218	-91%

The movements in deferred taxes in the first half of 2010 are shown in the table below:

Description	Balance at 31/12/09	Increases	Util.	Other decrease	Curr.	Other movements	Balance at 30/06/10
Deferred tax assets	10,581	1,812	-922	-255	295	-1,273	10,238
Deferred tax liabilities	-1,197	0	0	0	-196	1,393	0
Total	9,384	1,812	-922	-255	99	120	10,238

Deferred tax assets, recorded in the financial statements for Euro 10.2 million, originate from the temporary timing differences recoverable in the short-term relating to provisions made for doubtful debts and risks and charges and all of the other temporary adjustments which will be recovered in future years (so-called “temporary differences”). In addition, deferred tax assets were recorded on the expected recovery of fiscal losses, as well as the temporary differences relating to the transitional adjustments to the international accounting standards. For the determination of the recoverability of fiscal losses a long-term period is used (variable from one to five years) in order to allow for the assessment of the expected taxable income. The deferred tax assets have been recorded, on a prudent basis, up to the amount for which there is reasonable certainty that they will be recovered.

The tax losses carried forward amount to approximately Euro 55 million, of which Euro 41 million are for an indefinite period. The losses on which deferred tax assets were not calculated amount to Euro 22 million.

The utilisations for the year relate to the fiscal charge for the year, while the increase was calculated on the basis of the accounting principle applied.

The account “other movements” includes the closure of the deferred tax liabilities set off by deferred tax assets of the same company which were recorded by the American companies and which are no longer due following the merger which concluded in April of the present year.

The account “other decreases” includes the release of deferred tax assets no longer recoverable.

8. Assets of discontinued operations

In the half year report no operations were discontinued.

9. Other items of the Comprehensive Income Statement

The account recorded at net equity and included in the comprehensive result is broken down as follows:

Description	HY 2010			HY 2009		
	Gross value	Tax income (charge)	Net value	Gross value	Tax income (charge)	Net value
Profit/(Losses) on cash flow hedge instruments	116	-32	84	-457	126	-331
- Profit (losses) from conversion of accounts of foreign companies	4,283		4,283	3,230		3,230
Profit (losses) from application of the equity transaction method	-932		-932			0
Total other profit (losses)	3,467	-32	3,435	3,230		2,899

10. Other intangible assets

The increases in intangible assets in the half-year amounted to Euro 4,628 thousand (compared to Euro 4,105 thousand in the previous year) and relate to: Euro 3,074 thousand of product development expenses, Euro 12 thousand for the acquisition of licences and trademarks and Euro 653 thousand for the acquisition of the software necessary for the provision of the services of the Dada Group. The remaining part relates to the account “other intangible fixed assets” including the television rights acquired by Giglio S.p.A.

In particular, the increase in the “development expenses on products/services” refers to the capitalisation of internal costs incurred for the development of the new products and services provided in the Dada.net and Dada.pro divisions.

These activities in the first half of 2010 were concentrated in the Dada.pro division which continued the development of the Simply product, as well as the stores integration of the Amen group companies. For the Dada.net division, these assets relate to the portfolio of “Community & Entertainment” fee based products and services via web and mobile, through unique SMS number towards the Operators, and to the platform for the music activities.

The capitalisation of these fixed assets is made based on their future profitability and in accordance with the criteria established by international accounting standards.

Their recognition is supported by a careful evaluation in order to determine the future economic benefits connected to these services.

The amortisation is made on a straight-line basis over a period of 5 years, which represents the expected useful life of these projects.

The amortisation of television rights and industrial patents is carried out on a straight line basis over 3 years.

11. Plant & equipment

The increase in the plant and equipment in the first six months of 2010 of Euro 2,163 thousand (Euro 2,459 thousand in H1 2009) relates to the purchase of web server and the installation of new equipment for the enlargement of the farm server and for Music Box, represented by servers, networking and storage systems.

The increases in furniture and fittings, amounting to Euro 81 thousand, relate to the expenses incurred for the new Dada company offices both in Italy and abroad.

12. Trade and other receivables

The trade and other receivables for the first half of 2010 are composed of:

Description	Balance at 30/06/10	Balance at 31/12/09	Changes	Change %
Trade receivables	38,405	36,710	1,695	5%
Allowance for doubtful debts	-2,878	-2,750	-128	5%
	35,527	33,960	1,567	5%
Tax receivables	3,227	2,805	422	15%
Advances to suppliers	-	-	0	
Other receivables	3,216	6,132	-2,916	-48%
Deferred charges	3,002	2,877	125	4%
	9,445	11,814	-2,369	-20%
Total	44,972	45,774	-802	-2%

The net trade receivables increased from Euro 34 million at December 31, 2009 to Euro 35.5 million at June 30, 2010, an increase of 5% and in line with the Group operations in the first half of 2010, but also affected by the lengthening of collections due to the macroeconomic situation. It is also recalled that a significant part of trade receivables is concentrated among a limited number of clients, principally telephone operators and affiliates, both Italian and foreign.

Given the nature of the principal clients, there was a general increase in the average collection period, although these companies are characterised by high credit ratings.

The increase in the allowance for doubtful debts, totalling Euro 240 thousand, reflects the necessity to write-down, on a prudent basis, several positions which have arisen in the year as a consequence of the economic/financial difficulties of some clients. There were no effects on this account during the year deriving from changes in the consolidation scope.

The allowance for doubtful debts as at June 30, 2010 is considered adequate to meet the potential losses relating to the entirety of trade receivables.

The account "other receivables" include deposits paid to the various authorities relating to the domain registration activity for a total amount of Euro 1.2 million and receivables on

contractual advances relating to minimum guaranteed contracts with telephone operators. Tax receivables include the payments on account for Group direct taxes, withholding taxes and other tax credits. The deferred charges include service costs relating to periods beyond the period end (for example costs relating to Domain & Hosting services).

13. Net debt

The table below shows the breakdown of the net debt at June 30, 2010 and at June 30, 2009.

Description	Balance at 30/06/10	Balance at 31/12/09
Financial receivables		
Cash and cash equivalents	7,150	8,161
Total current financial assets	7,150	8,161
Payables and non-current financial liabilities	-34,519	-31,832
Total non-current financial liabilities	-34,519	-31,832
Payables and current financial liabilities	-18,574	-12,995
Total current financial liabilities	-18,574	-12,995
Net financial debt	-45,943	-36,666

The composition of the liquidity is shown in the table below:

Description	Balance at 30/06/10	Balance at 31/12/09	Changes	Change %
Bank and postal deposits	7,130	7,732	-602	-7.79%
Cash in hand and similar	20	429	-409	-95.34%
Total	7,150	8,161	-1,011	-12%

The balance comprises the liquidity held by primary credit institutions and the cash held at June 30, 2010.

The yield on Italian bank deposits, prevalently relating to two Credit Institutions, is equal to Euribor at three months less a spread of between 0.3% and 0.5%.

The composition of loans are as follows:

Description	Balance at 30/06/10	Balance at 31/12/09	Changes	Change %
Payables:				
Banks	52,716	44,827	7,889	17.60%
Other lenders	377		377	
Bank overdrafts and loans	53,093	44,827	8,266	18.44%
Total	53,093	44,827	8,266	18%

The bank payables include the current account overdrafts, the short-term portion (Euro 10 million) and the medium-long term portion of loans (Euro 35 million), the fair value of derivative instruments of the Dada Group and the inter-group RCS-Dada current account of Euro 377 thousand.

The loans in place are those undertaken by the Dada Group to finance various acquisition operations which were carried out in recent years. In the half year, two new loans were signed. In particular the characteristics of the loan contracted in January to finance the acquisition of Poundhost and in February for the acquisition of a further share in the Giglio Group S.p.A. are reported below:

- loan of Euro 7.5 million issued on January 14, 2010 by a primary credit institution, repayable in 10 semi-annual instalments from 31-07-2010; the interest rate is Euribor 1, 3 or 6 Months increased by a variable spread;

- to finance the acquisition of a further share of the Giglio Group a stand-by credit line of 18 months was utilised, undertaken with a primary credit institution.

In the half year a stand-by line of credit of Euro 1,500 thousand was contracted from a primary credit institution.

The average spread on the medium-long term loans is 115 bps.

For further information relating to the liquidity movements in the year, reference should be made to the Directors' Report on Operations and to the Cash Flow Statement.

14. Trade and other payables

The balance of trade and other payables at June 30, 2010 is as follows:

Description	Balance at 30/06/10	Balance at 31/12/09	Changes	Change %
Trade payables	40,435	36,789	3,646	10%
	40,435	36,789	3,646	10%
Tax payables	4,603	4,701	-98	-2%
	4,603	4,701	-98	-2%
Other payables	5,365	5,984	-619	-10%
Social security institutions	1,196	1,221	-25	-2%
Deferred income	15,088	15,223	-135	-1%
	21,649	22,428	-779	-3%
Total	66,687	63,918	2,769	4%

The account "trade payables" includes the amounts related to commercial purchases and other costs. It is believed that the book value of trade payables and other payables reflects their fair value.

The change in trade payables is strictly related to the business volumes of the Group, as well as the change in the consolidation scope.

"Tax payables", amounting to Euro 4.6 million, include withholding taxes on salaries and consultants and other current taxes for the period, principally relating to IRAP regional tax for the Italian companies and direct local taxes for the foreign companies.

The account "other payables" principally includes the accrual of the fourteenth month and vacation days matured at June 30, 2010.

Deferred income originates from income on connectivity, domain and hosting contracts and other resale services referring to future periods.

15. Other liabilities

The account "other medium term liabilities" is recorded for Euro 9,129 thousand and comprised of:

- the payable for the put option granted to the minority shareholders of Dada.net of Euro 8,000 thousand. This option is related to the contribution carried out by Sony to Dada.net S.p.A. in exchange for 13% of the share capital of the company. In relation to the nature of this operation and the put option in particular, reference should be made to the consolidated Financial Statements as at December 31, 2009. Euro 8 million constitutes the fixed floor amount which approximates the fair value at June 30, 2010 of the same option.

- The MTM value of the IRS option on the loan relating to the acquisition of Namesco Ltd of Euro 1,129 thousand.

16. Provisions for risks and charges

The provision for risks and charges, recorded in the financial statements for Euro 1,795 thousand (compared to Euro 2,350 thousand at December 31, 2009) was created against probable liabilities from contractual and legal disputes deriving from operating activities. The significant increase on the previous year is due to an increased amount of legal actions which was further impacted by the market situation and the macroeconomic crisis.

The utilisations in the half-year relate to the settlement of disputes.

The increases in the first half of 2010 are due both to the revision of the evaluations made in the previous periods following some negative progress relating to the cases and new disputes originating in the current period.

The provision for risks and charges at June 30, 2010 comprised Euro 700 thousand for charges relating to the reorganisation of personnel and Euro 1,095 thousand relating to operational disputes. No detailed information is given on the specific positions in order not to prejudice the outcome of the proceedings in course.

17. Share-based payments

The principal characteristics of the stock option plan in place at June 30, 2010 is reported below:

Key points to the plan	Plan of 24/02/09	Plan of 08/10/09
Duration of the plan	2009-2015	2009-2015
Total options issued	410,000	50,000
Total residual options at 30/06/2010	380,000	50,000
Value of issue	6.05	6.875

The plans of the Dada Group were subject to an actuarial valuation carried out by an independent actuary, in relation to which the data utilised in the valuation models of the two plans is listed below:

Data utilised for the valuation	Plan of 24/02/09	Plan of 08/10/09
Valuation Date	issue of plan	issue of plan
Model utilised	Binomial	Binomial
Percentage of annual exit	5%	5%
Expected volatility	29.07%	37.30%

The expected volatility reflects the assumptions that the historical volatility is indicative of future trends which may not coincide with the actual outcome. The fair value of the plans is measured at the assignment date.

Data utilised for the valuation	Plan of 24/02/09	Plan of 08/10/09
Interest rate without risk	Zero coupon on spot interest curve	Zero coupon on spot interest curve
Estimated dividends	zero	zero
Vesting conditions	88.5 % Ebitda for the three-year period 2009-2011	88.5 % Ebitda for the three-year period 2009-2011

During the half-year the fulfilment of the non market vesting condition became less likely and therefore the costs of the stock option were not verified in the period.

18. Related party information

The transactions with related parties relate to normal operations and are conducted at normal market conditions.

The company undertakes commercial transactions consisting of the acquisition and purchase of services, with subsidiary companies and with companies belonging to the RCS group, which has a 50.7% shareholding in Dada. The following table indicates the transactions with companies of the group and the balance sheet and income statement values in the first half year between companies of the Dada Group and “related parties” with the exclusion of inter-group transactions eliminated in the preparation of the consolidated interim financial statements.

The transactions of the Dada Group with the RCS Group, whose Parent Company RCS MediaGroup S.p.A is the largest shareholder of the company, with subsidiary and associated companies, principally relate to:

- transactions related to commercial contracts and for the provision of centralised services;
- transactions of a financial nature, management of intercompany current accounts:

Company	Trade receivables	Trade payables	Revenues	Costs	Financial payables
RCS Group	1,714	2,931	1,239	2,290	-379
TOTAL	1,714	2,931	1,239	2,290	379

Transactions with the companies of the Dada Group largely relate to the provision of services, and the provision and use of financial resources as well as transactions of a fiscal nature which are regulated at market terms. In this domain, the Dada S.p.A. parent company acts as central treasury for the Groups’ main companies.

It is also recalled that the Dada Group adhered to the tax consolidation regime, which includes, in addition to the Parent Company Dada S.p.A. (consolidating company), the subsidiary companies Dada.net S.p.A., Clarence S.r.l., Register.it S.p.A. (consolidated companies) and Fueps.

Finally, the Parent Company Dada S.p.A. manages the Group VAT for the companies Dada.net S.p.A., Register.it S.p.A. and Clarence Srl.

In accordance with IAS 24, the following information is provided in relation to the remuneration of the directors of the group with strategic responsibilities:

Transactions with related parties	30/06/2010		
	Services	Personnel costs	Other financial instruments represented by net equity
Board of directors - emoluments	287	275	-
Board of Statutory Auditors - fees	20		
Total	307	275	-

19. Net changes in financial payables and other financial assets recorded in the Cash Flow Statement

The table below shows the reconciliation of the changes in the consolidated net financial position and cash and cash equivalents:

<i>Euro thousands</i>	30.06.2010	31.12.2009
Change NFP	-9,277	-5,229
New medium/long term loans	3,658	2,374
Change in non-cash derivatives	25	970
Current account with RCS	377	-
Change in cash and cash equivalents	-5,217	-1,885

The principal changes refer mainly to the long-term portion of new loans granted in the period.

20. Commitments

The table below shows the comparison of the commitments between June 30, 2010 and December 31, 2009:

Description	Balance at 30/06/10	Balance at 31/12/09	Changes	Change %
Guarantees	47,303	49,783	2,480	4.98%
Total	47,303	49,783	2,480	5%

The sureties given at June 30, 2010 amount to Euro 47.3 million (compared to Euro 49.8 million at December 31, 2009) and are recorded for the amount guaranteed.

The most significant decreases in the half-year relate to the closure of the surety provided in 2009 in the phase of pre-closing for the acquisition of Poundhost of Euro 7.5 million; the partial closure of the guarantee on the Register.it S.p.A. loans relating to the instalment in January for Euro 2.1 million (loan signed in July 2007 by Register.it S.p.A. for the acquisition of the company Namesco Ltd); the instalment in January for Euro 0.6 million (loan signed in July 2008 by Register.it S.p.A for the acquisition of the Amen group) and the instalment of June for Euro 0.8 million.

The increase is due to the mandate relating to the loan obtained for the acquisition of the Poundhost shareholding in January 2010.

No potential commitments exist that are not recorded in the balance sheet.

Florence, July 26, 2010

For the Board of Directors

The Chairman, Paolo Barberis

A handwritten signature in black ink, appearing to read 'Paolo Barberis', with a stylized flourish at the end.

The Chief Executive Officer, Barbara Poggiali

A handwritten signature in blue ink, appearing to read 'Barbara Poggiali', with a stylized flourish at the end.

Dada S.p.A.

Bilancio semestrale abbreviato al 30 giugno 2010

**Relazione della società di revisione
sulla revisione contabile limitata del bilancio consolidato
semestrale abbreviato**

Relazione della società di revisione sulla revisione contabile limitata del bilancio consolidato semestrale abbreviato

Agli Azionisti della
Dada S.p.A.

1. Abbiamo effettuato la revisione contabile limitata del bilancio consolidato semestrale abbreviato, costituito dallo stato patrimoniale, dal conto economico, dal prospetto di conto economico complessivo, dal prospetto delle variazioni del patrimonio netto, dal rendiconto finanziario e dalle relative note esplicative della Dada S.p.A. al 30 giugno 2010. La responsabilità della redazione del bilancio consolidato semestrale abbreviato in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea, compete agli Amministratori della Dada S.p.A.. È nostra la responsabilità della redazione della presente relazione in base alla revisione contabile limitata svolta.
2. Il nostro lavoro è stato svolto secondo i criteri per la revisione contabile limitata raccomandati dalla Consob con Delibera n. 10867 del 31 luglio 1997. La revisione contabile limitata è consistita principalmente nella raccolta di informazioni sulle poste del bilancio consolidato semestrale abbreviato e sull'omogeneità dei criteri di valutazione, tramite colloqui con la direzione della società, e nello svolgimento di analisi di bilancio sui dati contenuti nel predetto bilancio consolidato. La revisione contabile limitata ha escluso procedure di revisione quali sondaggi di conformità e verifiche o procedure di validità delle attività e delle passività ed ha comportato un'estensione di lavoro significativamente inferiore a quella di una revisione contabile completa svolta secondo gli statuiti principi di revisione. Di conseguenza, diversamente da quanto effettuato sul bilancio consolidato di fine esercizio, non esprimiamo un giudizio professionale di revisione sul bilancio consolidato semestrale abbreviato.

Per quanto riguarda i dati relativi al bilancio consolidato dell'esercizio precedente ed al bilancio consolidato semestrale abbreviato dell'anno precedente presentati ai fini comparativi si fa riferimento alle nostre relazioni rispettivamente emesse in data 31 marzo 2010 e in data 30 luglio 2009.

3. Sulla base di quanto svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio consolidato semestrale abbreviato della Dada S.p.A. al 30 giugno 2009 non sia stato redatto, in tutti gli aspetti significativi, in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea.

Firenze, 2 agosto 2010

Reconta Ernst & Young S.p.A.



Lapo Ercoli
(Socio)

ATTACHMENTS TO THE DIRECTORS' REPORT

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT JUNE 30, 2010

Amounts in Euro/thousand	HY 2010		HY 2009		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	76,994	100%	76,269	100%	725	1%
Changes in inventory and internal work	3,074	4%	2,711	4%	363	13%
Service costs and other operating costs	-57,488	-75%	-53,793	-71%	-3,695	7%
Personnel costs	-15,050	-20%	-14,448	-19%	-602	4%
Ebitda *	7,530	10%	10,739	14%	-3,209	-30%
Amortisation and Depreciation	-6,254	-8%	-5,266	-7%	-988	19%
Non-recurring income (charges)	-199	0%	-642	-1%	443	-69%
Write-down of fixed assets	-1366	-2%	-154	0%	-1,212	
Revaluations/(Write-downs)	-565	-1%	-708	-1%	143	-20%
Ebit	-854	-1%	3,969	5%	-4,823	-122%
Financial income	1,404	2%	503	1%	901	179%
Financial charges	-2,220	-3%	-1,435	-2%	-785	55%
Share of associates	0	0%	-558	-1%	558	-100%
Gain	0	0%				
Profit/(loss) before taxes	-1,670	-2%	2,479	3%	-4,149	-167%
Income taxes	-128	0%	-1346	-2%	1,218	-90%
Net profit/(loss)	-1,798	-2%	1,133	1%	-2,931	-259%
Minority interest share	84	0%	-25	0%	109	-436%
Group net profit/(loss)	-1,714	-2%	1,108	1%	-2,822	-255%

* gross of write-downs and non-recurring charges

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT JUNE 30, 2010

Amounts in Euro/thousand	Q2 2010		Q2 2009		DIFFERENCE	
	Amount	% of total %	Amount	% of total	Absolute	% of total
Net Revenues	38,442	100%	37,868	100%	574	2%
Changes in inventory and internal work	1,419	4%	1,124	3%	295	26%
Service costs and other operating costs	-28,550	-74%	-26,651	-70%	-1,899	7%
Personnel costs	-6,354	-17%	-6,935	-18%	581	-8%
Ebitda *	4,957	13%	5,406	14%	-449	-8%
Amortisation and Depreciation	-3,256	-8%	-2,846	-8%	-410	14%
Non-recurring income (charges)	-199	-1%	-623	-2%	424	-68%
Write-down of fixed assets	-1,366	-4%	-1	0%	-1,365	
Write-downs & provisions	-565	-1%	-408	-1%	-157	38%
Ebit	-429	-1%	1,528	4%	-1,957	-128%
Investment income	920	2%	132	0%	788	597%
Financial income/(charges)	-1232	-3%	-968	-3%	-264	27%
Share of associates	0	0%	-183		183	
Gain	0	0%			0	
Profit/(loss) before taxes	-741	-2%	509	1%	-1,250	-246%
Income taxes	380	1%	-244	-1%	624	-256%
Net profit/(loss)	-361	-1%	265	1%	-626	-236%
Minority interest share	-36	0%	166	0%	-202	-122%
Group net profit/(loss)	-397	-1%	431	1%	-828	-192%

* gross of write-downs and non-recurring charges

WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT JUNE 30, 2010

Amounts in Euro/thousand	30-06-10	31-12-09	DIFFERENCE	
			Absolute	Percent.
Fixed assets (A) (*)	142,045	129,733	12,312	9%
Current assets (B)	55,458	56,350	-892	-2%
Current liabilities (C)	-66,310	-65,013	-1,297	2%
Net working capital (D) = (B)+(C)	-10,852	-8,663	-2,189	25%
Employee leaving indemnity provision (E)	-1,194	-1,210	16	-1%
Provision for risks and charges (F)	-1,795	-2,350	555	-24%
Other Payables beyond one year (G)	-8,000	-8,000	0	
Net capital employed (A+D+E+F+G)	120,204	109,510	10,694	10%
Medium-long term payables	-34,519	-30,861	-3,658	12%
Shareholders' equity	-74,261	-72,844	-1,417	2%
Short-term bank debt	-17,202	-12,996	-4,206	32%
Short-term financial receivables and derivatives	134	50	84	168%
Short-term financial payables and derivatives	-1,506	-1,020	-486	48%
Cash and cash equivalents	7,150	8,161	-1,011	-12%
Short-term net financial position	-11,424	-5,805	-5,619	97%
Total net financial position	-45,943	-36,666	-9,277	25%

Consolidation scope at June 30, 2010

COMPANY	REG. OFFICE	CURRENCY	SHARE CAPITAL	HELD BY	% held	Consolidation period
Dada S.p.A.	Florence	Euro	2,755,711.73	Parent Com		Jan-June 2010
Agence des Medias Numerique Sas	Paris	Euro	37,000.00	Register.it S.p.A.	100.00	Jan-June 2010
Amen Ltd.	London	GBP	2.00	Register.it S.p.A.	100.00	Jan-June 2010
Amen Nederland B.V.	Amsterdam	Euro	18,000.00	Register.it S.p.A.	100.00	Jan-June 2010
Amenworld Servicios internet sociedade Unipersonal LDA	Lisbon	Euro	10,000.00	Register.it S.p.A.	100.00	Jan-June 2010
Clarence S.r.l.	Florence	Euro	21,000.00	Dada.net S.p.A.	100.00	Jan-June 2010
Dada.net S.p.A.	Florence	Euro	15,005,097.00	Dada SpA	87.00	Jan-June 2010
Dada Entertainment Canada Inc	Toronto (Canada)	CAD	1.00	Dada Entertainment Inc	100.00	Jan-June 2010
Dada Brasil Serviços de Tecnologia Ltda	San Paolo (Brazil)	BRL	779,764.00	Dada.net S.p.A.	98.00	Jan-June 2010
				Dada USA Inc	2.00	Jan-June 2010
Dada Iberia SL (già Register Iberia SL)	Barcelona	Euro	3,006.00	Dada.net S.p.A.	100.00	Jan-June 2010
E-Box Srl	Milan	Euro	10,000.00	Dada.net S.p.A.	30.00	Jan-June 2010
				Dada SpA	40.00	Jan-June 2010
Fueps S.p.A.	Florence	Euro	1,500,000.00	Dada SpA	100.00	Jan-June 2010
Giglio Group S.p.A.	Rome	Euro	2,100,000.00	Dada.net S.p.a.	(1) 65.00	Jan-June 2010
Namesco Inc	New York (USA)	USD	1,000.00	Namesco Ltd.	100.00	Jan-June 2010
Namesco Ltd.	Worcester	GBP	100.00	Register.it S.p.A.	100.00	Jan-June 2010

COMPANY	REG. OFFICE	CURRENCY	SHARE CAPITAL	HELD BY	% held	Consolidation period
Namesco Ireland Ltd	Dublin	Euro	1.00	Namesco Ltd.	100.00	Jan-June 2010
Nominalia Internet S.L.	Barcelona	Euro	3,005.00	Register.it S.p.A.	100.00	Jan-June 2010
Play Me, LLC	New York (USA)	USD	,000.00	Dada Entertainment Inc.	100.00	Jan-June 2010
Poundhost Internet Ltd	Worcester	GBP	200.00	Namesco Ltd.	100.00	Jan-June 2010
Register.it S.p.A.	Florence	Euro	8,401,460.00	Dada SpA	(2) 100.00	Jan-June 2010
Simply Virtual Servers Limited	Worcester	GBP	2.00	Namesco Ltd.	100.00	Jan-June 2010
Simply Virtual Servers Llc	Delaware (USA)	USD	2.00	Simply Virtual Servers Limited	100.00	Jan-June 2010
Simply Transit Limited	Worcester	GBP	2.00	Namesco Ltd.	100.00	Jan-June 2010
Simply Acquisition Limited	Worcester	GBP	200.00	Namesco Ltd.	100.00	Jan-June 2010
Server Arcade Limited	Worcester	GBP	150.00	Simply Acquisition Limited	100.00	Jan-June 2010
Dada Entertainment Inc. (3)	New York (USA)	USD	102.28	Dada.net S.p.A.	100.00	Jan-June 2010

Note

(1) Of which 40% of the share capital held as pledges.

(2) The total percentage also includes the 10% held of the company through treasury shares in portfolio.

(3) The companies Dada USA Inc and Dada Ent. LLC were merged into Upoc Inc, which changed its name to Dada Entertainment Inc.



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I - 50122 Firenze
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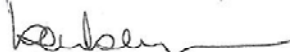
dada.dada.net
p.Iva 04628270482
capitale sociale € 2.755.711,73 I.V.
registro imprese Fi n.467460

Attestazione del Bilancio semestrale abbreviato al 30 giugno 2010 ai sensi dell'art. 154 bis del D.Lgs. 58/98.

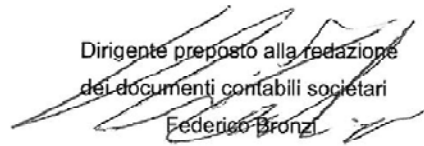
- 1- I sottoscritti, Barbara Poggiali, in qualità di Amministratore Delegato, e Federico Bronzi in qualità di Dirigente Preposto alla redazione dei documenti contabili societari di Dada S.p.A., attestano, tenuto anche conto di quanto previsto dall'art. 154-bis, commi 3 e 4, del decreto legislativo 24 febbraio 1998, n. 58:
 - l'adeguatezza in relazione alle caratteristiche dell'impresa
 - l'effettiva applicazione, delle procedure amministrative e contabili per la formazione del Bilancio semestrale abbreviato al 30 giugno 2010, approvato dal Consiglio di Amministrazione in data 26 luglio 2010, nel corso del primo semestre 2010;
- 2- La valutazione dell'adeguatezza delle procedure amministrative e contabili per la formazione del bilancio semestrale abbreviato al 30 giugno 2010 è stata effettuata sulla base del processo definito da Dada, in coerenza con il modello Internal Control – Integrated Framework emesso dal Committee of Sponsoring Organizations of the Treadway Commission quale framework di riferimento generalmente accettato a livello internazionale
- 3- Si attesta, inoltre, che:
 - 3.1- il Bilancio semestrale abbreviato al 30 giugno 2010 di Dada S.p.A.:
 - a) è redatto in conformità ai principi contabili internazionali applicabili riconosciuti nella Comunità europea ai sensi del regolamento (CE) n. 1606/2002 del Parlamento europeo e del Consiglio, del 19 luglio 2002, ed in particolare dello IAS 34 – Bilanci intermedi nonché ai provvedimenti emanati in attuazione dell'art.9 del D.Lgs n.38/2005;
 - b) corrisponde alle risultanze dei libri e delle scritture contabili;
 - c) è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria della società e dell'insieme delle imprese incluse nel consolidamento;
 - 3.2- la relazione intermedia sulla gestione contiene riferimenti agli eventi importanti che si sono verificati nei primi sei mesi dell'esercizio e alla loro incidenza sul bilancio semestrale abbreviato, unitamente a una descrizione dei principali rischi e incertezze per i sei mesi restanti dell'esercizio. La relazione intermedia sulla gestione contiene, altresì, informazioni sulle operazioni rilevanti con parti correlate.

Firenze, 26 Luglio 2010

Amministratore Delegato


Barbara Poggiali

Dirigente preposto alla redazione
dei documenti contabili societari


Federico Bronzi