CONSOLIDATED HALF YEAR REPORT OF THE DADA GROUP AT JUNE 30, 2008

(Prepared in accordance with IAS/IFRS international accounting standards)

Registered Office: Piazza Annigoni, 9B - Florence
Share capital Euro 2,755,711.13 fully paid-in
Florence Company Registry Office No. FI017- 68727 - REA 467460
Fiscal code/VAT No. 04628270482

INDICE

CORPORATE BOARDS

The corporate boards were appointed by the Shareholders' Meeting on April 21, 2006 for the three-year period 2006-2008.

BOARD OF DIRECTORS

Paolo Barberis	Chairman [1]
Angelo Falchetti	Director [2]
Salvatore Amato	Director [3,4,5]
Marco Argenti	Director [2]
Lorenzo Lepri	Director [2]
Raffaello Napoleone	Director [3,4]
Barbara Poggiali	Director
Monica Alessandra Possa	Director [5]
Roberto Ravagnani	Director
Riccardo Stilli	Director
Giorgio Valerio	Director
Pietro Varvello	Director
Danilo Vivarelli	Director [3,4,5]

1. Chairman with signatory powers for all operational areas of the Company
2. Director with signatory powers in some areas of the Company
3. Independent director in accordance with the self-governance code for Listed Companies
4. Member of the Internal Control Committee
5. Member of the Remuneration Committee
6. Statutory Auditor until resignation on May 31, 20008.
7. Statutory Auditor until June 1, 2008

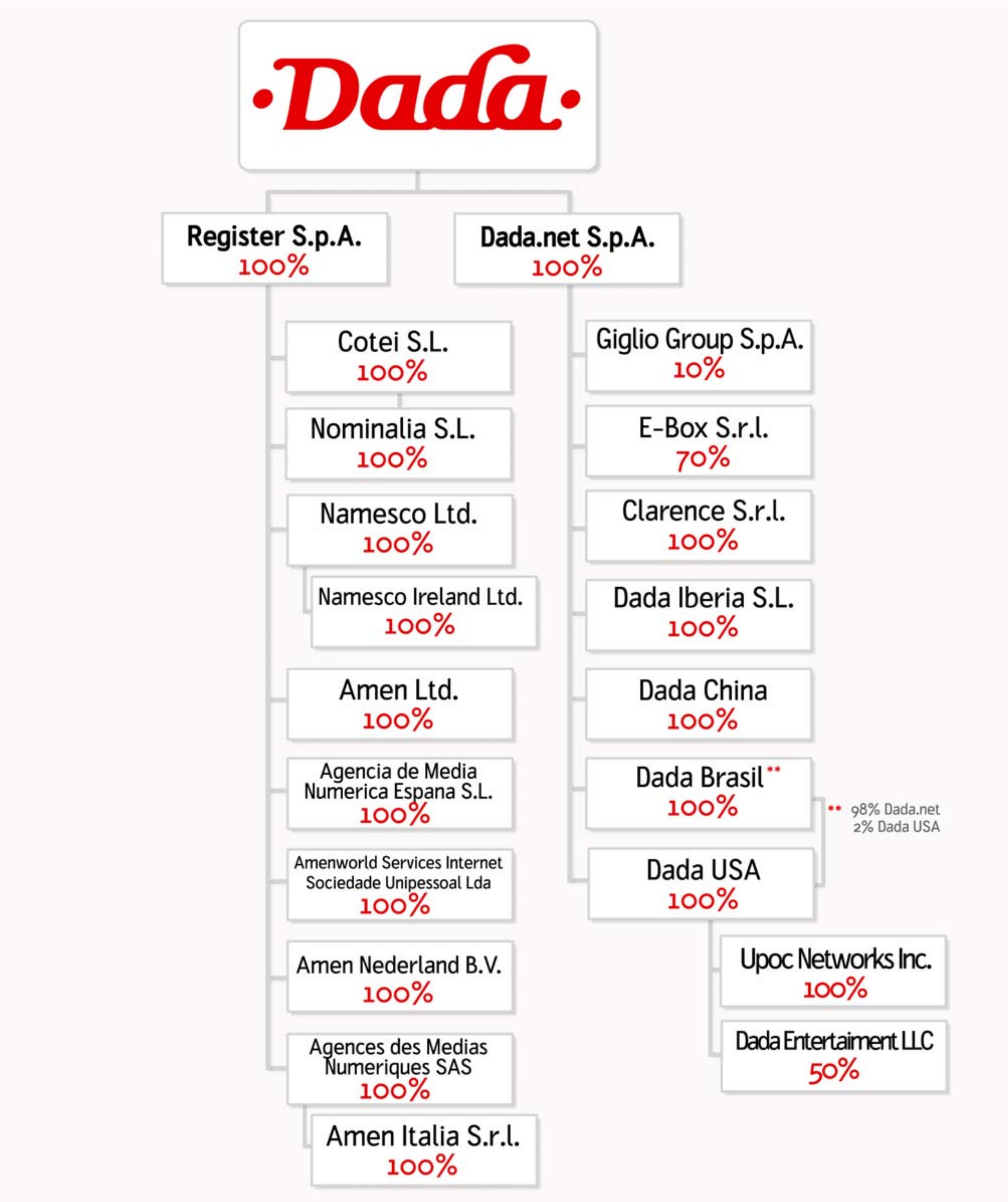
BOARD OF STATUTORY AUDITORS

Pier Angelo Dei	Chair - Board of Stat. Auditors
Piero Alonzo	Statutory Auditor
Massimo Cremona[6]	Statutory Auditor
Claudio Pastori[7]	Alternate Auditor
Francesca Pirrelli	Alternate Auditor

INDEPENDENT AUDIT FIRM

Reconta Ernst & Young S.p.A.

STRUCTURE OF THE GROUP



Group situation at August 1, 2008

KEY FINANCIAL RESULTS OF THE DADA GROUP AS PER IAS/IFRS ACCOUNTING STANDARDS

Consolidated Results (3 months)

(millions of Euro)	30/06/2008	30/06/2007
Revenues	40.7	37.9
Ebitda	7.4	5.9
Amortisation & depreciation	-1.9	-1.1
Ebit	5.1	4.3
Group net profit	4.1	3.7

Consolidated Results (6 months)

(millions of Euro)	30/06/2008	30/06/2007
Revenues	81.3	73.3
Ebitda	14.4	10.2
Amortisation & depreciation	-3.4	2.1
Ebit	10.4	7.7
Group net profit	8.0	6.5

* The quarterly 2007 data was modified in accordance with the new accounting principles

Consolidated balance sheet as at June 30, 2008

(millions of Euro)	30/06/2008	31/12/2007
Net Working Capital	-7.0	-4.7
Net Capital Employed	77.8	79.1
Shareholders' Equity	67.0	62.3
Short-term net financial position	13.1	9.7
Total net financial position	-10.8	-16.8
Number of employees	519	474

* The quarterly 2007 data was modified in accordance with the new accounting principles

DIRECTORS' REPORT ON OPERATIONS

INTRODUCTION

The consolidated half-year report at June 30, 2008 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). For comparative purposes, the figures for the previous periods were also prepared in accordance with IAS/IFRS. The following half-year report has been prepared in accordance with Issuers' Regulation No. 11971 of May 14, 1999.

It is also noted that the present half-year report was prepared taking into consideration the current accounting standards at the date of their preparation. It is possible that new versions or interpretations of the IFRS will be issued before the publication of the financial statements for the present quarter. If this occurs, it is therefore possible that there will be an effect on the data presented in the IFRS half-year report and in the reconciliation schedules prepared in accordance with IFRS 1.

DADA GROUP PROFILE

Dada is listed on the Milan Stock Exchange in the STAR segment (DA.MI) and includes the RCS group (which holds 46.54%) among its shareholders, in addition to the management and founding shareholders who hold 12.54% of the share capital.

During the first half-year, the Dada Group reviewed its internal structure and is now focused on 2 business areas: Dada.net (community & entertainment services focused on music) and DadaPro (professional services and advertising on the Internet).

Dada's services are provided through the Dada.net community (www.dada.net) and offers its customers a wide range of "Mobile Entertainment" and "Community" products and services, accessible both via PC and Mobile phone (through the SMS/MMS channel and its "Deck" presence - the micro-portals of the main mobile phone operators).

The uniqueness of the Dada services is the convergence of a vast number of applications and a rich library of content, from Entertainment/Infotainment to Social Networking and Dating, in a single all inclusive subscription, accessible via web and mobile.

Through the business unit DadaPro and the brand Dada Ad, Dada offers advertising solutions on the internet and portals of UMTS mobile carriers. Dada Ad is in fact the advertising agency of Dada, which manages exclusively the advertising spaces on the mobile phones 3 Italia and Vodafone, in addition to the advertising spaces on well-known websites and portals.

DadaPro also includes the activities of Register.it S.p.A., European leader in the registration of internet domains and the management of the online presence of individuals and businesses and the companies Nominalia S.L. and Namesco Ltd., leaders respectively in Spain and in the UK in the same sector of domains and hosting.

The Dada Group includes Upoc Networks - a provider of added value web and mobile phone services and an international leader in the blog and social networking sector with the Splinder and Motime brands - and Blogo - the most visited vertical blog network in Italy. The investment in the Company E-Box Srl (owner of Blogo) increased to 70% in July. Reference should be made to events after the end of the first half year.

From October 1, 2007, the joint venture of Dada Entertainment LLC by Dada and SONY BMG MUSIC ENTERTAINMENT became operative, which aims to develop new entertainment services accessible via web and mobile. 50% of Dada Entertainment is held by Dada and the remaining 50% by SONY BMG MUSIC ENTERTAINMENT.

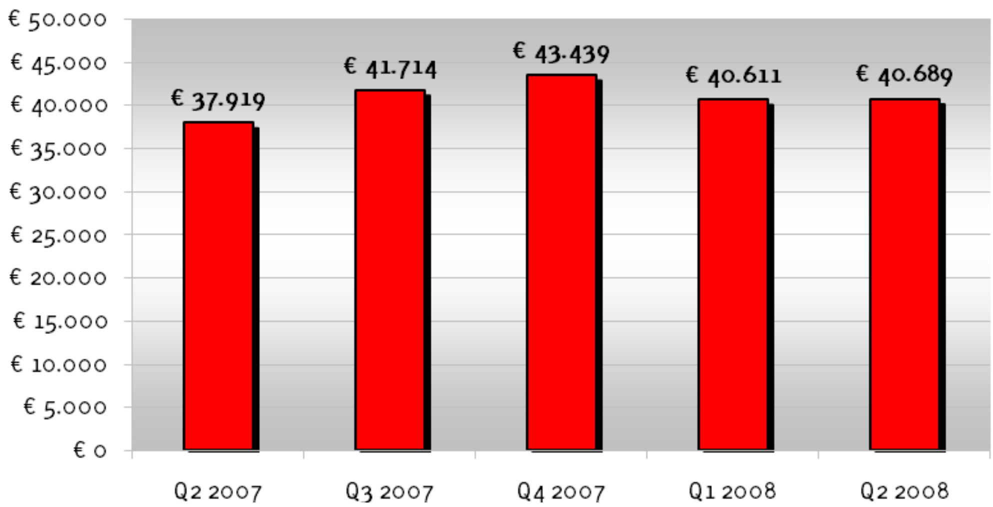
OPERATIONAL OVERVIEW

Dear Shareholders,

In the first half of 2008, the **DADA Group** recorded **consolidated revenues** of **Euro 81.3 million**, compared to Euro 73.3 million in the same period of 2007, **an increase of 11%**.

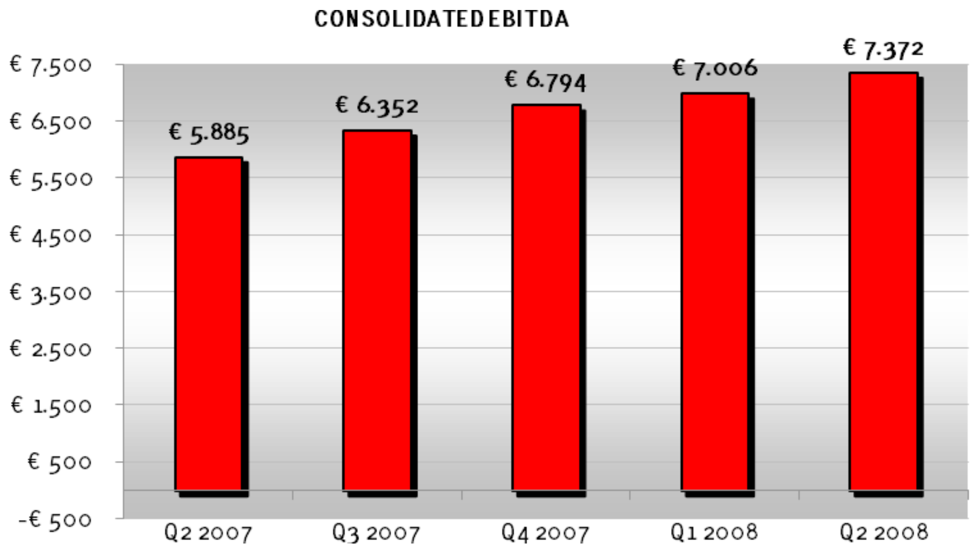
The graph below shows the trend of consolidated quarterly revenues over the last 5 quarters:

QUARTERLY CONSOLIDATED REVENUES



The **consolidated Ebitda of the Dada Group in the first half year** (before write-downs and other extraordinary items) **was Euro 14.4 million**, compared to Euro 10.2 million in the first half of 2007, growth of 40%.

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

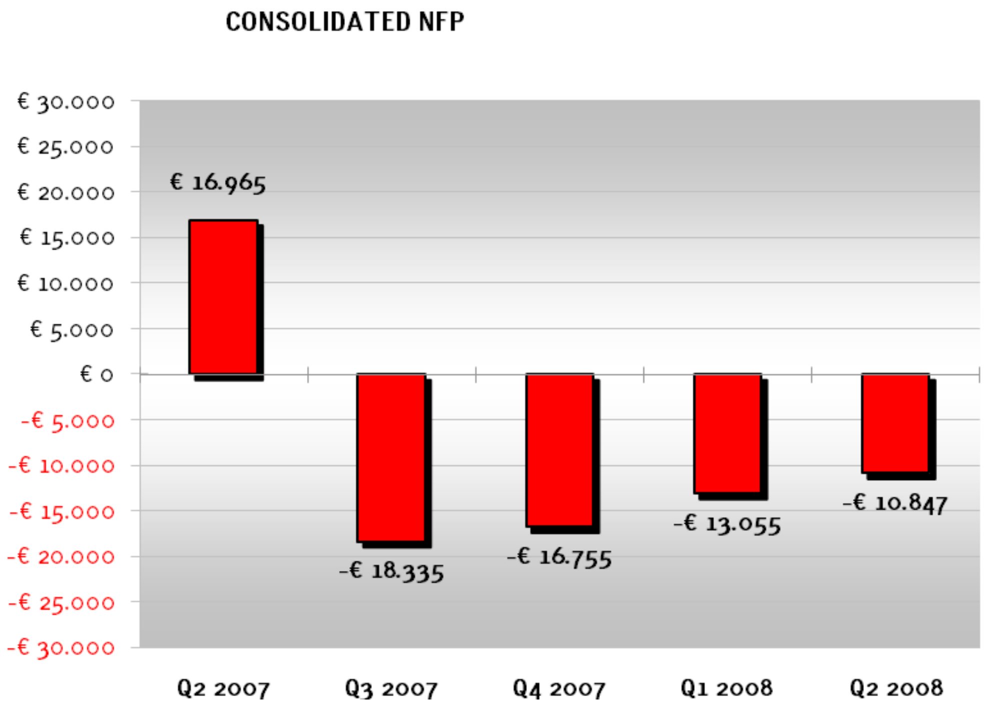


(*) The quarterly 2007 data was modified in accordance with the new accounting principles

The total net financial position, which includes loans repayable beyond one year, was a net debt of Euro 10.8 million, in comparison to funds of Euro 15.2 million at June 30, 2007 and debt of Euro 16.8 million at December 31, 2007.

The financial position improved in the first half year (including investments in the period) by Euro 6.1 million.

The graph below shows the changes in the net financial position from June 30, 2007 to June 30, 2008.



Financial Highlights

The following tables illustrate the key financial highlights (both quarterly and half yearly) of the **Dada Group** in the first half-year of 2008, together with a comparison with the previous year:

Quarter Results

Amounts in Euro/thousand	June 30, 08 3 months		June 30, 07 3 months(**)		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	**40,689**	**100%**	**37,919**	**100%**	**2,770**	**7%**
Changes in inventory and internal work	1,228	3%	908	2%	320	35%
Service costs and other operating costs	-27,753	-68%	-27,410	-72%	-343	1%
Labour costs	-6,792	-17%	-5,532	-15%	-1,260	23%
Ebitda*	**7,372**	**18%**	**5,885**	**16%**	**1,487**	**25%**
Amortisation & depreciation	-1,879	-5%	-1,147	-3%	-732	64%
Non-recurring income (charges)	97	0%	-211	-1%	308	-146%
Revaluations/(Write-downs)	-534	-1%	-225	-1%	-309	137%
Ebit	**5,056**	**12%**	**4,302**	**11%**	**754**	**18%**

(*) before write-downs and extraordinary items

(**) The 2007 data was modified in accordance with the new accounting principles as illustrated in the notes to the half year financial statements

Half-Year Results

Amounts in Euro/thousand	June 30, 08 6 months		June 30, 07 6 months (**)		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	**81,300**	**100%**	**73,348**	**100%**	**7,952**	**11%**
Changes in inventory and internal work	2,440	3%	1,703	2%	737	43%
Service costs and other operating costs	-55,814	-69%	-53,641	-73%	-2,173	4%
Labour costs	-13,548	-17%	-11,168	-15%	-2,380	21%
Ebitda*	**14,378**	**18%**	**10,242**	**14%**	**4,136**	**40%**
Amortisation & depreciation	-3,449	-4%	-2,110	-3%	-1,339	63%
Non-recurring income (charges)	42	0%	-211	0%	253	-120%
Revaluations/(Write-downs)	-584	-1%	-225	0%	-359	160%
Ebit	**10,387**	**13%**	**7,696**	**10%**	**2,691**	**35%**

(*) before write-downs and extraordinary items

(**) The 2007 data was modified in accordance with the new accounting principles as illustrated in the notes to the half year financial statements

The consolidated revenues of the DADA Group in the first half-year were Euro 81.3 million, compared to Euro 73.3 million in the same period in the previous year. In the second quarter of 2008, revenues amounted to Euro 40.7 million compared to Euro 40.6 million in the first quarter of 2008 and Euro 37.9 million in the second quarter of 2007.

It should be noted that between the second half of 2007 and the beginning of 2008 the consolidation scope changed significantly with effects on the consolidated revenues.

The principal effects on revenues in the first half of 2008 compared to the same period of 2007 are shown below:

- in the first half of 2007, Softec S.p.A. was fully consolidated for the first three months of the year. This company was subsequently sold in April 2007 and therefore not included in the consolidation scope in 2008.

- in the first half of 2007, the activities of the company Dada Usa Inc. relating to the VAS activities on the American market were still included. These activities were conferred in September last year into the Joint Venture Dada Entertainment LLC, held 50% with Sony BMG, and therefore these activities do not contribute to revenues in the first half of 2008.

- in the first half of 2008, the company Namesco Ltd, acquired in July 2007, was fully consolidated, and which did not contribute to revenues in the first half of 2007.

The total net effect on the consolidated revenues of the Dada Group of the above changes to the consolidation scope amounted to Euro 3.2 million; consequently the growth in sales in 2008 over 2007 would have been 16% instead of 11%.

As previously reported from 2008 the Dada Group structure was reorganised with the activities of the previous division Dada adv being incorporated into the **Dada pro division**, and therefore the figures of the previous year were also restated.

The breakdown of consolidated revenues of the Dada Group **by sector of activity** reports a substantial shift in the respective divisions contribution to DADA Group revenues. The breakdown of revenue by division was significantly impacted by the change in the consolidation scope, whose effects were described previously.

The **Dada.net Division:** contributed Euro 48.2 million to consolidated revenues in the first half of 2008 (58% of Group revenues), compared to Euro 54.9 million in the first half of the previous year. The contribution of the division to Group sales therefore fell from 73% in the previous quarter to 58%, due to both the change in the consolidation area of the Dada.pro division, which benefited from the sales of the company Namesco Ltd, and from the conferment of the VAS mobile services of the US subsidiary Dada USA to the Joint Venture with Sony Bmg and consolidated under the equity method. This is reported in greater detail below. In the second quarter of 2008 the consolidated revenues of the division amounted to Euro 23.8 million compared to Euro 28.7 million in the second quarter of 2007 and Euro 24.3 million in the first quarter of 2008. The same considerations apply on these results as commented upon above.

The **Dada.pro Division** contributed Euro 35.4 million to consolidated revenues in the first half of 2008 (42% of Group revenues), compared to Euro 20.5 million in the first half of 2007 (27% of Group revenues), an increase of 73%.

The inclusion of the English company Namesco Ltd in the consolidation scope impacted positively on this increase which contributed approx. Euro 6.6 million of revenues in the first quarter of 2008.

At quarterly level the Dada pro division recorded revenues of Euro 17.5 million in the second quarter of 2008 compared to Euro 10.5 million in the second quarter of 2007 and Euro 17.7 million in the first quarter of 2008.

For further information on the performance of the divisions, reference should be made to the paragraph on segment information as per IAS 14.

Geographically, **foreign revenues** accounted for 45% of Group revenues compared to 44% in the first half of 2007 and in the fourth quarter of 2007. The change in the consolidation area mentioned above also impacted upon this figure, particularly in relation to the conferment of the VAS mobile services in the United States from Dada Usa Inc. to the Joint Venture with Sony BMG, Dada Entertaiment LLC, and the acquisition of the English company Namesco. The contributions of the Brazilian and Spanish markets were particularly significant.

The consolidated Ebitda of the Dada Group in the first half of 2008 (before write-downs and other extraordinary items) was Euro 14.4 million (a margin of 18% on consolidated sales), compared to Euro 10.2 million in the previous year (margin of 14%).

At quarter level, the consolidated Ebitda was Euro 7.4 million in the second quarter of 2008 compared to Euro 5.9 million in the second quarter of 2007 and Euro 7 million in the first quarter of 2008, growth respectively of 25% and 5%.

A significant proportion of the service and other operating costs consisted of expenses incurred in the development and strengthening of the Dada.net Division's subscription user base at both international and national level. However, this cost item decreased compared to the same period of the previous year due to the change in the consolidation scope. In fact, the costs in the quarter were affected by the conferment, on the first of October 2007, of the value added services in the American market into the JV Dada Entertainment LLC, a company valued at equity in the financial statements, which directly sustains these costs.

Labour costs increased in absolute terms compared to the first quarter of 2007. Total labour costs in the second quarter of 2008 were Euro 6.8 million compared to Euro 5.5 million in the same period of the previous year. This increase is entirely related to the expansion of the activities of the companies and in particular of the development within the Dada.net sector and to the change in the consolidation scope.

The percentage of the overhead and general costs is in line with the previous quarters.

The total effect on the EBITDA of the change in the consolidation scope previously described was positive in the 6 months for Euro 750 thousand, of which Euro 500 thousand relating to the second quarter of 2008.

The consolidated Ebit in the first half of 2008 was Euro 10.4 million (13% of consolidated sales), compared to Euro 7.7 million in the same period of the previous year, growth of 35%.

Amortisation and depreciation in the period amounted to Euro 3.4 million (Euro 2.1 million in 2007) and write-downs and non-recurring charges amounted to Euro 0.5 million (Euro 0.4 million in 2007).

Amortisation and depreciation increased compared to the first half of the previous year (Euro 1.3 million), due to the investments made in the development of products and capital expenditures.

The consolidated EBIT was Euro 5.1 million (12% margin on consolidated revenues) in the second quarter of 2008 compared to Euro 4.3 million in the second quarter of 2007 (margin of 11% on consolidated revenues) and Euro 5.3 million in the first quarter of 2008, in which the write-downs and non-recurring costs had a lower effect (Euro 0.1 million compared to Euro 0.5 million).

The total effect on the consolidated Ebit of the change in the consolidation scope previously described was negative in the first half-year for Euro 46 thousand while in the second quarter the effect was minimal.

The Consolidated net profit of the Dada Group in the first half of 2008 was Euro 8 million, equal to 10% of consolidated revenues, while in the first half of 2007 the net profit amounted to Euro 6.5 million (9% of consolidated revenues). The growth compared to the same period of 2007 was therefore 24%.

The financial assets (represented by the combined effect of the investment income and financial charges) was a net charge in the first half year of Euro 276 thousand, compared to Euro 59 thousand in the previous year. These charges include borrowing costs on the loan for the acquisition of Namesco Ltd, and from the valuation of the investments of the associated companies at net equity principally relating to JV Dada Entertainment LLC. Both of these items were not present in the first half of 2007.

Total income taxes in the period amounted to Euro 2.1 million, principally relating to Irap regional taxes and income taxes of foreign companies. The current income taxes amounted to 1.9 million Euro and deferred taxes amounted to Euro -0.2 million.

There is no longer a minority shareholding as a consequence of the completion of the acquisition of Nominalia in January 2008.

In the second quarter of 2008, the consolidated net profit was Euro 4.1 million, an increase on the second quarter of 2007 (Euro 3.7 million) and the first quarter of 2008 (Euro 3.9 million).

The change in the consolidation scope, as previously described, had a negative effect on the net result of Euro 600 thousand at June 30, 2008, of which Euro 312 thousand relating to the second quarter of 2008.

Financial position and balance sheet

The composition of the net financial position at June 30, 2008 compared to that at December 31, 2007 is shown below:

	FINANCIAL POSITION	June 30, 08	Dec 31, 07	DIFFERENCE	
				Absolute	Percent.
A	Cash	16	21	- 5	-24%
B	Bank and postal deposits	19,076	15,609	3,467	22%
C	Securities held for trading				
D	**Liquidity (A+B+C)**	**19,092**	**15,630**	**3,462**	**22%**
E	**Current financial receivables**	**1,918**	**1,388**	**-**	
F	Current bank payables	- 2,925	- 2,377	- 548	23%
G	Current portion of non-current debt	- 4,942	- 4,942	-	0%
H	**Current debt (F+G+H)**	**- 7,867**	**- 7,319**	**- 548**	**7%**
I	**Current net financial position (I-E-D)**	**13,143**	**9,699**	**3,444**	**36%**
J	Non-current bank payables	- 23,990	- 26,454	2,464	-9%
K	Other non-current payables				
L	**Non-current debt (K+L)**	**- 23,990**	**- 26,454**	**2,464**	**-9%**
M	**Total net financial position (J+M)**	**- 10,847**	**- 16,755**	**5,908**	**-35%**

(*) The 2007 data was modified in accordance with the new accounting principles

The total net financial position of the Dada Group, which also includes medium/long term sources and uses was a net debt of **Euro 10.8 million** at June 30, 2008, net of payables to banks and other lenders repayable beyond one year of Euro 24.0 million. This amount at June 30, 2007 was a cash position of Euro 17 million and at December 31, 2007 a net debt of Euro 16.8 million. In the first half of 2008, there was a total net cash inflow of Euro 6 million, of which Euro 2.4 million relating to the second quarter.

Contributing to the Group cash flow was a cash inflow from the exercise of the first stock option plan. On February 6, 2008, the period closed for the subscription to the share capital increase deliberated by the Board of Directors on June 20, 2005 for the stock option plan for employees of Dada S.p.A. and its subsidiaries. The number of options exercised was 112,990 and the financial contribution was Euro 1.2 million.

The short-term Consolidated Net Financial Position at June 30, 2008 was a cash balance of Euro 13.1 million, compared to Euro 17 million at June 30, 2007 and Euro 10 million at December 31, 2007.

The cash position was significantly impacted by the Group investment in the period; the principal investments include:

the completion of the acquisition of Nominalia, for a total payment of Euro 1.3 million as the third payment to the closing in January;

investments in intangible assets relating for Euro 2.4 million to costs for the development of processes and the proprietary platform necessary for the provision of the services of the Dada.net and Dada.pro divisions and for Euro 0.1 million for the acquisition of licenses and software;

investments in tangible fixed assets totalling Euro 1.5 million comprising purchases of servers and other EDP equipment.

acquisition by Namesco Ltd of a user base in Ireland totalling Euro 3.2 million (of which Euro 1.9 million paid in June); this operation was realised through the incorporation of a company, Namesco Ireland, which was conferred the above-mentioned client user base. The residual part of this acquisition (Euro 1.3 million) was paid in July.

In addition, in the comparison with the first half of 2007 it is recalled that in July 2007 the acquisition was completed of Namesco Ltd for a total consideration of Euro 36 million.

The change in the consolidation scope previously described did not have a significant impact on the investments at Group level.

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

Amounts in Euro/thousand	30/06/08 *(6 months)*	30/06/07 *(6 months)*
Cash flow from operating activity	13,064	9,695
Cash flow from investing activity	-8,924	-5,261
Cash flow from financing activity	-1,227	1,294
Net cash flow for the period cash and cash equivalent	**2,913**	**5,728**

The composition of the net working capital and the net capital employed at June 30, 2008 compared to December 31, 2007 is shown below:

	June 30, 08	Dec 31, 07	Difference	
			Absolute	Percent.
Fixed assets (A) (*)	**87,405**	**86,428**	**977**	**1%**
Current assets (B)	86,536	73,983	12,553	17%
Current liabilities (C)	-93,533	-78,667	-14,866	19%
Net working capital (D) = (B)-(C)	**-6,997**	**-4,684**	**-2,313**	**49%**
Employee leaving indemnity provision (E)	-1,406	-1,545	139	-9%
Provision for risks and charges (F)	-1,204	-1,125	-79	7%
Net capital employed (A+D+E+F)	**77,798**	**79,074**	**-1,276**	**-2%**

(*) The 2007 data was modified in accordance with the new accounting principles

The Net working capital at June 30, 2008 amounted to Euro -7 million, while at December 31, 2007 it amounted to Euro – 4.7 million and at June 30, 2007 Euro 1.2 million. The net working capital is impacted, among other factors, by the change in the accounting treatment of the user acquisition costs which resulted in the elimination of the accrued income under current assets.

As described in the notes to the annual accounts as at December 31, 2007 these amounts were correlated, in accordance with the accruals concept, to the related revenues, while from the year 2008 these costs are recognised in the income statement when incurred. It is recalled that in general the value-added services activities undergo temporary differences between the creation/strengthening of the user base and the benefit in monetary terms. In addition, this business is also characterised by significant temporary differences between the average period between payment and receipt.

In relation to trade receivables, it is recalled that over 80% of the total value is due from telephone carriers, directly or through affiliates, and from which a large part of the sales are generated for fee-based services of the Dada.net division, which as previously reported have increased significantly in recent months.

In addition, the change in the consolidation area, therefore with the exclusion of the Softec operating results and the inclusion of Namesco Ltd, resulted in an improvement in the NFP of Euro 0.6 million at the end of the first half of 2008 compared to June 30, 2007.

The number of employees at June 30, 2008 was 519 (of which 6 executives), while the average number in the period was 496 (of which 6 executives).

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.

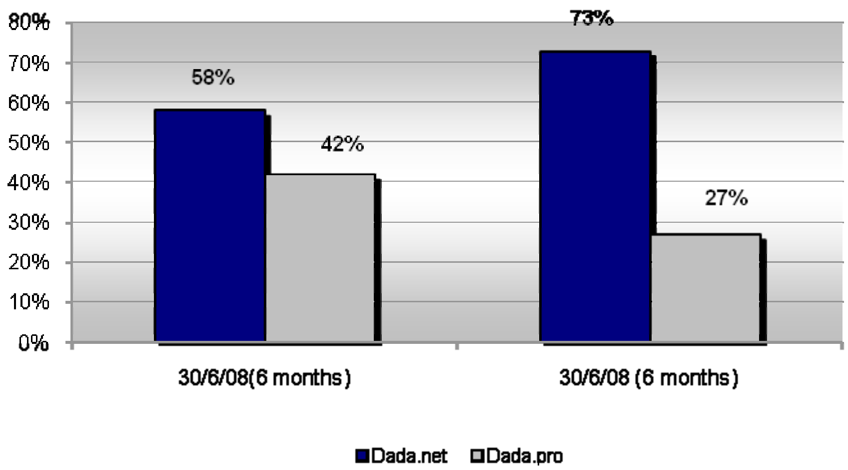
THE ORGANISATIONAL STRUCTURE OF THE DADA GROUP

The DADA Group's primary disclosure of information is by Business Unit.

From the present quarter, the Group organisation structure changed and therefore the Business Units are comprised of the **Dada.net Division** and the **Dada.pro Division**, while until December 31, 2007 a third division also existed, Dada.adv, now part of the Dada.pro division.

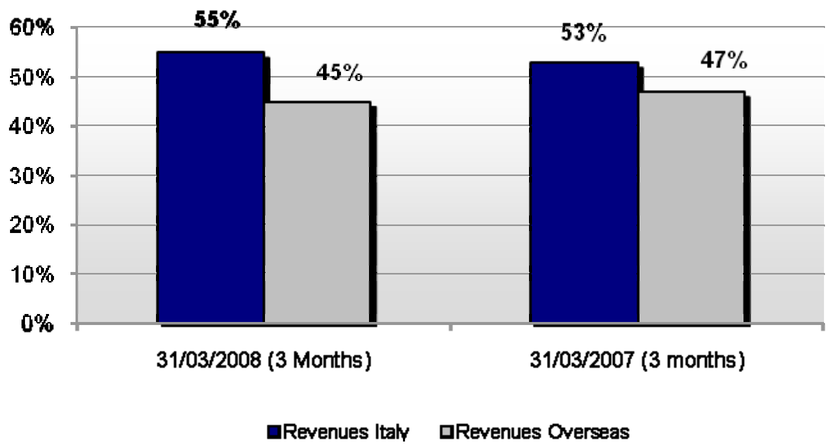
Breakdown of Consolidated Revenues in the two divisions (6 months)

Description	30/06/2008 (6 months)		30/06/2007 (6 months)	
	Amount	% of total	Amount	% of total
Dada.net	48,214	58%	54,868	73%
Dada.pro	35,351	42%	20,515	27%
Inter-divisional revenues	-2,264		-2,035	
Consolidated Revenues	81,300	100%	73,348	100%



Division of consolidated revenues by geographic area (6 months)

Description	30/06/2008 (6 Months)		30/06/2007 (6 Monhts)	
	Amount	% of total	Amount	% of total
Revenues Italy	45,067	55%	40,738	56%
Revenues Overseas	36,233	45%	32,610	44%
Consolidated Revenues	81,300	100%	73,348	100%



Dada.net Services

The revenue sources of the Dada.net Division of Dada are principally constituted of: VAS (Value Added Services) revenues; services that are provided against a payment by the final user of a fee that may be for consumption or subscription; advertising revenues from community sites.

Operational performance of Dada.net services

In 2008, Dada further expanded its range of products in the Consumer sector, which covers an international market with its Web and Mobile services.

The strong growth of the product range by Dada.net which began in 2007 continued, and now includes, in a single integrated environment, Community, Social Networking, Video, Audio, Blogging and Mobile Entertainment via both Web and mobile.

In June, The Music Movement was launched; the social music community presented a unique and competitive offer in the type of music available in MP3 format, downloadable on all devices, from a large catalogue of the major and independent record labels.

The new digital offer is unique in that it provides in one product legal downloadable music from a vast catalogue where the user can enrich his "Emotional Network" through music oriented content. The offer is noted for its user friendliness, its operability through different devices and for its very competitive subscription rates.

All of the tracks, in MP3 format, can be reproduced on any computer, mobile phone, iPod or digital music reader. Thanks to dual delivery, downloads directly to mobile phones can be optimised for the mobile, while computer downloads will be of a higher MP3 quality.

In 2008, the turnover from international operations amounted to 63% of revenues in the Dada.net Division.

The most important overseas countries in terms of revenues are Spain, Brazil, Australia and Germany.

The launch also took place of Dada.net in Hong Kong, Indonesia, Hungary and the Czech Republic.

The international growth was sustained by financial investments in order to expand and strengthen its user base, through campaigns for the acquisition of both web clients and on the portals of mobile carriers.

Dada therefore currently offers its Value Added Services/Products in Italy, the USA, Germany, the UK, France, China, Portugal, Australia, Spain, Belgium, Austria, Brazil, Holland, Hungary, the Czech Republic, Indonesia and Hong Kong.

In 2008, Dada confirmed its leadership in the Web and Mobile Community & Entertainment services in the domestic market.

Dada.net Results

Dada.Net (6 months)						
In Euro thousands	First half 2008		First half 2007 *		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	25,802	54%	24,408	44%	1,393	6%
Revenues - third parties Overseas	22,095	46%	29,720	54%	-7,625	-26%
Revenues- inter-sector	317	1%	740	1%	-423	-57%
Net revenues	**48,214**		**54,868**		**-6,654**	**-12%**
Increases in internal work	1,423	3%	1,329	2%	94	7%
Services	-32,089	-67%	-40,908	-75%	8,819	-22%
Labour costs	-7,191	-15%	-6,884	-13%	-307	4%
Segment Ebitda	**10,358**	**21%**	**8,405**	**15%**	**1,952**	**23%**
Amortisation & depreciation	-1,759	-4%	-1,183	-2%	-577	49%
Segment Ebit	**8,598**	**18%**	**7,222**	**13%**	**1,376**	**19%**

(*) The 2007 data was modified in accordance with the new accounting principles

The Dada.net Division in the first half of 2008 reported **total sales of Euro 48.2 million**, compared to Euro 54.9 million (-12%) in the first half of 2007.

The change in the consolidation scope, due to the conferment of the VAS activities in the US market to the Dada Entertainment LLC Joint Venture (a company not consolidated under the line-by-line method but valued under equity), had a negative effect of Euro 8.9 million, therefore on a like-for-like basis, the change was an increase of Euro 2.1 million (+5%).

For the same reason, in addition to the entry of Namesco into the consolidation scope of Dada pro, the contribution of the division revenues to the DADA Group decreased, from 73% in the first half of 2007 to 58% in the first half of 2008.

International revenues accounted for 46% of consolidated revenues of the division for the period, while in the previous year international revenues amounted to 54%, due to the conferment of the activities on the US market to the Joint Venture as already described. The contribution from the Brazilian and Spanish markets was particularly strong with the Group providing its services through the subsidiaries Dada Brasile and Dada Iberia.

Revenues on the domestic market accounted for 54% and increased from Euro 24.4 million in the first half of 2007 to Euro 25.8 million in the first half of 2008 (+6%).

The first half of 2008 reported an **Ebitda** in the sector of Euro 10.4 million (21% of division revenues), compared to Euro 8.4 million in the first half of the previous year (29% of division revenues), an increase of Euro 1.9 million (23%).

The percentage of labour costs increased from 13% to 15% (from Euro 6.8 million to Euro 7.2 million), while the percentage of service costs decreased from 75% to 67%, decreasing in absolute terms from Euro 41 million to Euro 32 million.

The change in the consolidation area of the division resulted in a higher Ebitda on the previous year of Euro 1 million.

The **segment Ebit** in the first half of 2008 was Euro 8.6 million (18% of division sales), after depreciation and amortisation of Euro 1.8 million, while in the first half of 2008 the Ebit was Euro 7.2 million (13% of division sales), a growth therefore in absolute terms of 19%.

The increase in amortisation and depreciation is strictly correlated to the investments as previously described.

The contribution of the Dada net Division to the total consolidated results is in line with that of the previous year, representing 72% of Group Ebitda and 82% of Group Ebit.

Dada.net Services

Dada.pro is the internal division of Dada, dedicated:

- *to domain registration*, fee-based e-mail and hosting services – or to be more precise, services with automatic supply and provision methods directed mainly at SME's.

- *to advertising*, which is based on:

  - Revenues from advertising on the Mobile Channel;
  - Revenues from advertising on the Web Channel;

Operational performance of Dada.pro services

Domain and Hosting Activities

During the first quarter of 2008, growth continued in all the sectors of activity in the 3 countries in which the division operates, driven by the greater integration of the 3 companies and of the sharing of work methods and best practices.

Register.it, the leading Italian brand within DadaPro, is a European leader in the registration of domains with over 900,000 active domains at Group level (of which over 330,000 in Italy). In the first 6 months of the year over 55,000 new clients were acquired and over 130,000 new domains registered increasing the total managed to over 260,000 professional clients (over 110,000 in Italy).

In March, the product "Easyclick" was launched in Italy created from a partnership with Google (first in Italy and among the few in Europe); Easyclick allows DadaPro client companies to manage and self-provision their visibility campaigns on the Google circuit through the same management control panel of the domains, e-mail and hosting. With this first online visibility product, DadaPro actively enters the online advertising market, launching its own strategy "from domain to click".

In May, the new DominioPro was launched in Italy and Spain, through the Group company Nominalia.

This is an extremely advantageous offer and very simple to use – whose key feature is increased visibility on the Internet: with DominioPro, Register.it clients will acquire, on the registration of their own domain, a set of innovative instruments to best manage and promote their own Internet site.

The company now offers its DominioPro clients the possibility to construct their own website easily and quickly thanks to guided design tools and to communicate professionally with 5 POP3 email boxes protected with antivirus and antispam, with a capacity of 2GB each and managed from a new professional WebMail interface which, one month since its launch, had already registered tens of thousands of new subscriptions from professional clients.

Web e Mobile Advertising

Dada Ad has exclusive management of all of the properties of 3 (H3G), the leading Italian UMTS carrier. The products offered are SMS profiled, MMS visual, banners and graphic space on the mobile portal Pianeta3 – these products are marketed to a user base of 6.8 million UMTS clients subscribing to H3G services.

Dada Ad is also the exclusive agency for the Vodafone Italia channels. The products covered by the concession are FreetimeSMS, MMSmania and space on the mobile portal VodafoneLive.

In the Advertising Web sector, Dada Ad is positioned as a partner capable of directing Internet traffic towards business activity sites or portals that can thus increase earnings from their own models.

Through its own technological platform and its retailer network, Dada Ad plans its campaigns with various offers.

On July 16, 2008, Register.it, acquired from Claranet, a leading UK Group in the managed service providing, 100% of the share capital of the Amen Group. For further information, reference should be made to the subsequent events after the end of the first half-year.

Dada.pro Results

Dada Pro (6 Months)						
In Euro thousands	First-Half 2008		First-Half 2007 *		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	19,266	54%	16,330	80%	2,936	18%
Revenues - third parties Overseas	14,138	40%	2,890	14%	11,248	389%
Revenues- inter-sector	1,947	6%	1,294	6%	653	50%
Net revenues	**35,351**		**20,515**		**14,836**	**72%**
Increases in internal work	1,017	3%	375	2%	642	
Services	-24,981	-71%	-14,004	-68%	-10,977	78%
Labour costs	-5,933	-17%	-3,906	-19%	-2,027	52%
Segment Ebitda	**5,454**	**15%**	**2,979**	**15%**	**2,474**	**83%**
Amortisation & depreciation	-1,521	-4%	-652	-3%	-869	133%
Segment Ebit	**3,933**	**11%**	**2,328**	**11%**	**1,605**	**69%**

(*) The 2007 data was modified in accordance with the new accounting principles

The Dada.pro Division recorded **consolidated sales of Euro 35.4 million** in the first half of 2008, an increase of 72% on the same period in 2007 (Euro 20.5 million).

It is recalled that from the current year the Dada.pro division also includes the advertising activities previously undertaken by the Dada.adv division, and the data relating to the first half of 2007 was reclassified.

This growth is also due to the change in the consolidation area with the acquisition of the UK company Namesco in July 2007. The acquisition of Namesco contributed Euro 6.6 million to the division revenues in the first half of 2008. In addition, in the first quarter of 2007 the company Softec S.p.A. was fully consolidated, subsequently sold in April 2007 and no longer present in the first quarter of 2008. This company contributed revenues of Euro 0.9 million to the division, therefore the net effect was Euro 5.7 million.

In the second quarter of 2008 the revenues of the Dada pro division amounted to Euro 17.5 million compared to Euro 17.8 million in the first quarter of 2008 and Euro 10.5 million in the second quarter of 2007.

The segment Ebitda was Euro 5.5 million (15% of division revenues), compared to Euro 3 million in the first half of the previous year (15% of revenues), growth therefore of 83%. The above-mentioned change in the consolidation scope had a positive effect in 2008 compared to 2007 of approximately Euro 1.8 million.

In the second quarter of 2008, the gross operating margin of the division was Euro 3.6 million (a margin of 21% on division revenues) compared to Euro 1.8 million in the first quarter of 2008 (margin of 10%) and Euro 2 million in the second quarter of 2007 (a margin of 19%).

Impacting on these results in the first and second quarters of the year (approx. 99%) was also the launch of the new "pro" product in May (and previously described). This new type of contract results in the recording of the revenues (and costs), immediately on the sale of the service (at the point of sale).

The **segment Ebit** was Euro 3.9 million (11% of division revenues), after amortisation and depreciation of Euro 1.5 million, compared to Euro 2.3 million in the previous year (11% of division revenues, growth of 69%.

The effect deriving from the change in the division consolidation area on this amount was Euro 1.2 million.

In the second quarter of 2008 alone, the segment Ebit was Euro 2.7 million compared to Euro 1.1 million in the first quarter of 2008 and Euro 1.7 million in the second quarter of 2007. The same considerations apply on this result as to those mentioned in relation to the Ebitda.

The contribution of the division to consolidated Group revenues was 42% compared to 27% in the first half of the previous year. In relation to the growth, reference should be made to the previous paragraphs.

The investments in the first half-year in product and process development activity principally related to the new platforms related to easyclick and DominioPro.

Finally it is recalled that the Dada pro division recorded deferred revenues in the financial statements at June 30, 2008 of approx. Euro 11.7 million, of which Euro 5 million from foreign subsidiary companies.

SIGNIFICANT EVENTS IN 2008

The principal extraordinary events of the DADA Group in the first half of 2008 are reported below:

On January 9, 2008 the transfer was completed of the company Media Dada Science and Development (Beijing) Co. Ltd which distributes the Dada.net product/service on the Chinese market, from Dada S.p.A. to Dada.net S.p.A., which within the Group is the distribution vehicle in the various countries of the product, and which already holds the investment in the other foreign companies of the Group undertaking similar activities; the sale was made at standard conditions and therefore at book value.

On January 30, 2008 Register.it S.p.A., in accordance with the purchase contract, completed the acquisition of the company Nominalia S.l., acquiring from the founding shareholders the remaining 25% of the share capital, for an amount of Euro 1.3 million, of which Euro 650 thousand paid on closing and the remaining part in two instalments - the first due on March 31 2008 and the second on June 30, 2008.

On March 20, 2008 the registered office of Dada S.p.A. was changed to the address Piazza Annigoni 9/B – Florence.

On May 9, 2008, the Board of Directors of Dada S.p.A. approved, in order to rationalise the corporate holdings in line with the current organisational structure, the conferment of a business unit related to the Dada.net service (web and mobile community services) currently offered to the public by Dada.net S.p.A. and the business unit Dada.Adv (web advertising and mobile services) respectively into the wholly owned subsidiaries Dada.net S.p.A. and Register.it S.p.A.: this re-organisation will allow a greater focus on the business areas related to the "core" activities and a greater efficiency in the decision making processes. The process will be undertaken in compliance with the normal regulations for such operations with the involvement of the two subsidiaries. These operations will be fiscally neutral and will not result in any gain or loss in Dada S.p.A., as the operations will be at book values with the wholly owned subsidiaries.

The effects of this reorganisation will be effective as of July 1, 2008.

SUBSEQUENT EVENTS AFTER THE PERIOD END

The principal extraordinary events of the DADA Group after the end of the period are reported below:

On July 3, 2008, the Dada Group, through Dada S.p.A., acquired a further 40% holding in E-Box S.r.l. (owner of Blogo), increasing its shareholding to 70% and thereby acquiring control of the Company ahead of the planned date of March 2009.

The acquisition of 40% of the share capital of the Company was made with own funds for a consideration – including controlling premium – of Euro 1.6 million which will be paid to the founding shareholders of Blogo in 2 equal tranches, the first paid on closing and the second by the end of 2008. E-Box reported revenues in 2007 totalling Euro 870 thousand, a growth of 107% on the previous year, and an Ebit of Euro 170 thousand, a growth of 240% on the Ebit of 2006 and a margin of approx. 20%.

On July 9, 2008, - Dada S.p.A acquired 10% of the share capital of Giglio Group S.p.A., owner of Music Box, leader in Italy in the music television channel segment on satellite platforms. This acquisition, which is within a wider consolidation strategy of the Dada Group in the music content segment with the aim of being a leading player in the online music world, was finalised on July 9 for a total consideration of Euro 750 thousand.

Simultaneously, Dada was assigned call options up to a holding of 51% or 100% to be exercised at the sole discretion of Dada within two years of today's date, and a put option relating to the stake acquired exercisable after the approval of the 2008 annual accounts, subject to certain conditions.

On July 16, 2008 - Dada acquired from Claranet, a leading UK Group in the managed service providing, 100% of the share capital of the Amen Group. This operation, which furthers DadaPro Division's strategy of consolidating its leadership in the European market, will place the Dada Group among the leading companies in the sector in Europe, with over 400 thousand business clients and more than 1.2 million domains, of which 70% overseas.

The acquisition was made through Register.it S.p.A., a wholly owned subsidiary of Dada S.p.A. and head of the DadaPro Division, and involves 100% of the share capital of all the companies in the Amen Group: Agences des Medias Numeriques S.A.S (France), Agencia de Media Numerica Espana S.L. (Spain), Amenworld Services Internet Sociedade Unipessoal Lda (Portugal), Amen Limited (United Kingdom), Amen Nederland B.V. (The Netherlands) and Amen Italia S.r.l (Italy).

The transaction was completed on July 16 for a cash payment of Euro 17.5 million entirely paid on closing. The acquisition was partly financed utilising Dada Group liquidity and partly through bank funding.

Outlook for the current year

In response to the emerging economic and market scenario, a growth strategy was implemented during the year by the Dada Group focussed on the activities/countries with the fastest return on investments, in order to generate a higher Ebitda margin and higher cash flow compared to the previous year. This strategic choice follows up on the commitment to continually grow revenues, although at a lower growth rate than that projected at the end of the previous year.

The 2008 consolidated revenues target is therefore over Euro 170 million – a result which does not include the revenues from the US activities transferred to the Joint Venture with Sony BMG deconsolidated from October 1, 2007; in the first half of 2008, the total revenues of the JV (not consolidated as the investment is recorded under the equity method) were USD 40 million. The above-mentioned revenue target is higher than 2007 revenues (Euro 158.5 million – inclusive of the contribution from the US activities for the first 3 quarters of 2007).

Based on the results in the first half of 2008 and on business activity for the current year and also taking into account the extraordinary operations undertaken in the period, at the present moment - provided the general economic and market outlook does not deteriorate - the forecast for the full year 2008 is of an Ebitda of over Euro 28 million compared to Euro 22.5 million in 2007, and above that previously communicated: it is recalled that in December 2005 guidance was provided to the market on the projected growth of the Dada Group margin which estimated a CAGR of the Ebitda for the three-year period 2005-2008 of 15-20%, equal to Euro 19.3-22.0 million projected in the year 2008.

DADA GROUP

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP AT June 30, 2008 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS			
	Ref	30/06/08 *(6 months)*	30/06/07* *(6 months)*
Net Revenues	3	81,300	73,348
- of which related parties		*9,313*	*1,964*
Cost of raw materials and consumables	3	-49	-101
Changes in inventory and internal work	3	2,440	1,703
Service costs and other operating costs	3	-55,576	-53,751
- of which related parties		*-5,333*	*-2,335*
Labour costs	3	-13,548	-11,168
- of which related parties		*-452*	*-148*
Other charges		-147	0
Provisions and write-downs	12-9	-584	-225
Amortisation & depreciation	16	-3,449	-2,110
Ebit		10,387	7,696
Investment income		268	567
- of which non-recurring activities			*275*
Financial charges		-1,173	-626
Share of profit/losses of associates	8	628	
Profit before taxes		10,110	7,637
Income taxes		-2,109	-1,043
Profit from normal operations		8,001	6,594
Minority interest profit			-123
Group net profit		8,001	6,471
Basic earnings per share		0.494	0.405
Diluted earnings per share		0.467	0.380

* Reclassified income statement as illustrated in Note 20.

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT June 30, 2008 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

ASSETS	Ref	30/06/08 *(6 months)*	31/12/07 *(12 months)*
Non-current assets			
Goodwill	7-16	58,670	63,331
Intangible assets	7-16	14,275	10,316
Other tangible assets	6-16	8,967	8,168
Equity investments in non-consolidated subsidiaries, associated and other companies	8	4,672	4,296
Financial assets	8	820	296
Deferred tax assets	8	8,799	9,309
Total		96,203	95,716
Current assets			
Inventories		59	73
Trade receivables	9	68,591	56,144
- of which related parties		*4,219*	*1,927*
Tax receivables and others	10	9,088	8,477
Held-for-trading financial assets	11-17	1,918	1,388
Cash and cash equivalents	11-17	19,092	15,630
Total current assets		98,748	81,712
Non-current assets of discontinued operations			
TOTAL ASSETS		194,951	177,428

* Reclassified balance sheet as illustrated in Note 20.

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT June 30, 2008 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

SHAREHOLDERS' EQUITY AND LIABILITIES	Ref	30/06/08 (6 months)	31/12/07 (12 months)
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	18	2,756	2,737
Share premium reserve	18	32,071	30,867
Treasury shares			
Legal reserve	18	950	902
Other reserves	18	2,683	6,398
- of which related parties		*1,736*	*1,500*
Retained earnings	18	20,490	7,842
Net profit	18	8,001	13,676
Total Group Shareholders' equity		66,951	62,422
Minority interest share		-	-103
Total Net Equity		66,951	62,319
Medium/long term liabilities			
Bank loans (payable beyond one year)	11-17	23,990	26,454
Provisions for risks and charges	12	1,204	1,125
Employee leaving indemnity	12	1,406	1,545
Other payables beyond one year			
Total		26,600	29,124
Current liabilities			
Trade payables	13	67,818	54,020
- of which related parties		*10,562*	*3,756*
Other payables	14	19,597	19,805
- of which related parties		*300*	*568*
Tax payables	14	6,118	4,842
Bank overdrafts and loans (payable within one year)	11-17	7,867	7,318
Total		101,400	85,985
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		194,951	177,428

* Reclassified balance sheet as illustrated in Note 20.

CONSOLIDATED CASH FLOW OF THE DADA GROUP AS AT June 30, 2008 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

Amounts in Euro/thousand	30/06/08 *(6 months)*	30/06/07* *(6 months)*
Operating activities		
Net profit for the period	8,001	6,471
Adjustments for:		
Income from trading activities	-268	-567
Financial charges	544	626
Income taxes for the period	2,110	1,043
Depreciation of property, plant & equipment	1,299	746
Amortisation of other intangible assets	2,150	1,364
Other provisions and write-downs	584	225
Increases/(decreases) in provisions	-241	-241
Cash flows generated from operating activities before working capital changes	14,179	9,667
Increase in inventories	14	-21
(Increase) / decrease in receivables	-13,151	-4,387
Increase in trade payables	12,661	5,157
Cash flow generated from operating activities	13,703	10,416
Income taxes paid	-95	-95
Interest paid	-544	-626
Net cash flow generated from operating activities	13,064	9,695
Investing activities		
Interest received	268	567
Purchase of subsidiary and associated companies	396	-1,895
Effect of changes in the consolidation area		973
Sale of subsidiary and associated companies		400
Purchase of tangible fixed assets	-2,098	-3,067
Purchase of financial assets		
Purchase/sale of financial assets available-for-sale	-524	535
Purchase of intangible assets	-4,526	-1,072
Product development costs	-2,440	-1,703
Net Cash flow used in investment activities	-8,924	-5,261

CONSOLIDATED CASH FLOW OF THE DADA GROUP AS AT June 30, 2008 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

Amounts in Euro/thousand	30/06/08 *(6 months)*	30/06/07* *(6 months)*
Financial activities		
Dividends from subsidiaries		
Repayment of loans	-2,464	-125
Payments deriving from share capital increases	1,222	1,395
Sale of treasury shares		
Other changes	15	24
Increases (decreases) in bank overdrafts		
Net Cash flow generated from financing activities	**-1,227**	**1,294**
Net increase/(decrease) in cash and cash equivalents	**2,913**	**5,728**
Cash and cash equivalents at beginning of the period	**8,312**	**9,318**
Cash and cash equivalents at the end of the period	**11,225**	**15,045**

Additional information on the cash flow statement	2008	2007
	6 months	6 months
Cash and cash equivalents at the beginning of the period:	**8,312**	**9,318**
Cash and cash equivalents	9,525	10,531
Bank payables – current portion	-1,213	-1213
Cash and cash equivalents at the end of the period:	**11,225**	**15,045**
Cash and cash equivalents	19,092	16,417
Bank payables – current portion	-7,867	-1,372
Increase/ (decrease) in the period	**2,913**	**5,727**

* Reclassified cash flow statement as illustrated in Note 20.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY FROM 01/01/2006 TO 30/06/2008

Description	Share capital	Share premium reserve	Legal reserve	Other reserves	Retained earnings	Net profit	Total
Balance at January 1, 2006	2,692	28,085	406	-6,064	7,349	7,222	39,689
Allocation of results 2005			133	4,734	2,355	-7,222	0
Share capital increase	22	1,408					1,430
Translation difference				-64			-64
Other changes					140		140
Stock Option				1,083			1,083
Result 2006						12,455	12,455
Balance at December 31, 2006	**2,715**	**29,493**	**539**	**-311**	**9,844**	**12,455**	**54,735**
Allocation of results 2006			363	6,904	5,188	-12,455	0
Share capital increase	22	1,374					1,396
Translation difference				-1,133			-1,133
Other changes				-3	176		173
Stock Option				1,020			1,020
Consolidation reserve				-79			-79
New accounting standards*					-7,366	1,188	-6,178
Result 2007						12,488	12,488
Balance at 31/12/07*	**2,737**	**30,867**	**902**	**6,398**	**7,842**	**13,676**	**62,423**
Allocation of results 2007			48	918	12,710	-13,676	0
Share capital increase	19	1,203					1,222
Translation difference				-5,685			-5,685
Other changes					0		0
Stock Option				453			453
Cash Flow Hedge Reserve				562			562
Consolidation reserve				36	-62		-26
Result first half 2008						8,001	8,001
Balance at 30/06/08	**2,756**	**32,070**	**950**	**2,682**	**20,491**	**8,001**	**66,951**

* Refer to the adjusted tables on page 59

SELECTED EXPLANATORY NOTES

1. Corporate information

DADA S.p.A. is a limited liability company incorporated in Italy at the Florence Company's Registry 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.

The DADA Group operates in the Internet sector and its principal activities are in the consumer market, with applications for PC and mobile telephone services, the business solutions market and the Hosting & domain market (self-provisioning). For further information, reference should be made to the Directors' Report on operations.

2. Criteria for the preparation of the Financial Statements

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

The present condensed half-year 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 notes.

Declaration of compliance with IFRS

The condensed half-year 2008 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 condensed half-year financial statements were prepared in accordance with IAS 34. The 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, 2007.

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, 2008. Based on the accounting standards applied the control of a company is when the company has the power to determine financial and operating policies of a company so as to benefit form 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 the consolidated financial statements in accordance with the purchase method, as described below.

The minority share interests in the subsidiaries consolidated are recorded separately in shareholders' equity.

This minority interest is determined based on the percentage held in the fair value of the assets and liabilities recorded at the original acquisition date (see below) and in the changes in shareholders' equity after this date.

After the initial recording, the losses attributable to the minority shareholders exceeding the shareholders' equity pertaining to them are allocated to the Group shareholders' equity except where the minority shareholders have a binding obligation and are capable of making further investments to cover the losses.

The separate financial statements of each company belonging to the Group are prepared in the primary currency where they operate (operational currency). For the purposes of the consolidated financial statements, the financial statements of each foreign entity are expressed in Euro, which is the operational currency of the Group and the presentation currency of the consolidated financial statements.

All of the assets and liabilities of foreign subsidiaries in currencies other than the Euro which are included in the consolidation are translated using the exchange rate at the balance sheet date (current foreign exchange rate method). Income and costs are translated at the average exchange rate for the year. The translation differences deriving from the application of this method are classified in equity until the sale of the investment. In the preparation of the consolidated cash flow statement, the average exchange rates for the year are used to convert the cash flows of foreign subsidiaries.

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".

On the sale of a foreign entity, the accumulated exchange differences recorded in the equity reserve, relating to the foreign entity, are recorded in the income statement.

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	AVERAGE EXCHANGE RATE AT 30.06.2008	EXCHANGE RATE AT 30.06.2008
US Dollar	1.5764	1.53055
Brazilian Real	2.5112	2.60273
Chinese Yuan	10.8051	10.82038
UK Sterling	0.79225	0.777508

The minority share interests in the subsidiaries consolidated are recorded separately in shareholders' equity. This minority interest is determined based on the percentage held in the fair value of the assets and liabilities recorded at the original acquisition date (see below) and in the changes in shareholders' equity after this date. After the initial recording, the losses attributable to the minority shareholders exceeding the shareholders' equity pertaining to them are allocated to the Group shareholders' equity except where the minority shareholders have a binding obligation and are capable of making further investments to cover the losses.

The accounting principles adopted for the present condensed half-year financial statements are the same as those utilised for the annual accounts at December 31, 2007 with the exception of the following:

Up to the financial statements at December 31, 2007, the user acquisition costs in the Dada.net division were correlated to the revenues on an accruals basis.

This correlation was determined on the basis of the historical LTV (life time value), rolling on a half-year basis, of the users acquired for the paid services.

In relation to the above, IASB at the end of 2007, issued an exposure draft of the Improvement Project, re-examining and reviewing some aspects related to the issue. In particular, the proposal to amend the IASB standards expanded upon the concept of the prepaid charges, which would sanction an analytical approach in order to limit the possibility of recording prepayments only in some circumstances.

The above amendments should be effective as of January 1, 2009, with the possibility of advanced application.

Therefore in consideration of the matters outlined above, and in particular of the fact that this new interpretation will be obligatory from the year 2009, with possibility of advanced application in 2008, the Dada Group adopted this new interpretation from the current year, with consequent recording in the income statement of the user acquisition costs when incurred.

The change in the application of this standard resulted in an adjustment to the data at December 31, 2007 and at June 30, 2007 as follows:

- at December 31, 2007, a negative effect on the net equity of approx. Euro 6.2 million and a positive effect on the income statement of approx. Euro 1.2 million.
- at June 30, 2007, a negative effect on the net equity of approx. Euro 10.8 million and of Euro -46 thousand on the result for the period;

It is recalled that the above account affects the net working capital (due to the reduction of the accrued income included under receivables against net equity) which at June 30 decreased from Euro 4,891 thousand to Euro -5,936 thousand and at December 31 from Euro 1,494 thousand to Euro -4,684 thousand.

The balance sheet and income statement reported in the present half year accounts at June 30, 2008 were restated to reflect the above changes.

The consolidation scope of the DADA Group has not changed since December 31, 2007. However, compared to the first half of 2007, the following changes in the consolidation scope took place:

The company Softec S.p.A. was sold at the beginning of April 2007. This investment was therefore fully consolidated in the income statement for the first three months of the year, while it was not included in the consolidation scope in 2008. The disposal of the company generated a gain of Euro 247 thousand.

At June 30, 2007, the effects of the acquisition of Namesco Ltd in July were not included.

The holding in the company Tipic was merged into the parent company Dada USA in December 2007 and is therefore no longer included in the consolidation scope.

The consolidation scope for the period is shown below:

Consolidation scope	At June 30, 2008			At December 31, 2007			At June 30, 2007		
Values: Euro/000	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital
Dada SpA (FI)	Parent Company	Jan-June 2008	2,756	Parent Company	Jan-Dec 2007	2,736	Parent Company	Jan-June 2007	2,736
Media Dada Science and Development Co. Ltd (Beijing - CHINA)	100%	Jan-June 2008	759	100%	Jan-Dec 2007	759	100%	Jan-June 2007	759
Register SpA (BG)	100%	Jan-June 2008	1913	100%	Jan-Dec 2007	1913	100%	Jan-June 2007	1913
- Cotei SL (Barcelona - ES) ind.	100%	Jan-June 2008	23	100%	Jan-Dec 2007	23	66,75%	Jan-June 2007	23
- Nominalia SL (Barcelona - ES) ind.	75%	Jan-June 2008	3	75%	Jan-Dec 2007	3	75%	Jan-June 2007	3
- Namesco Limited (Worcester-GB) ind.	100%	Jan – June 2008		100%	July – Dec 2007		-	-	-
- Namesco Ireland Ltd (Dublin- IE) ind.****	100%	May – June 2008							
Softec SpA (Pistoia)**	-	-	-	50%	Jan-Mar 2007	300	50%	Jan-June 2007	300
- WebNet S.r.l. (FI) ind**	-	-	-	100%	Jan-Mar 2007	21	100%	Jan – June 2007	21
- Business Engineering Srl (PT) ind.**	-	-	-	100%	Jan-Mar 2007	21	100%	Jan – June 2007	21
Dada.net S.p.A. (FI)*	100%	Jan-June 2008	9933	100%	Jan-Dec 2007	9933	100%	Jan-June 2007	9933
- Clarence S.r.l. (FI) ind.	100%	Jan-June 2008	21	100%	Jan-Dec 2007	21	100%	Jan-June 2007	21
- Dada USA Inc (NY - USA) ind.	100%	Jan-June 2008	-	100%	Jan-Dec 2007	-	100%	Jan-June 2007	
- Upoc Inc (NY - USA) ind.	100%	Jan-June 2008	-	100%	Jan-Dec 2007	-	100%	Jan-June 2007	
- Dada Brasil Serviços de Tecnologia Ltda (SP - BR) ind.	100%	Jan-June 2008	163	100%	Jan-Dec 2007	163	100%	Jan-June 2007	163
- Tipic Inc (NY - USA) ind. ***	-	-	-	-	-	-	100%	Jan-June 2007	1
- Dada Iberia SL (Barcelona - ES) ind.	100%	Jan-June 2008	3	100%	Mar - Dec 2007	3	100%	Mar - June 2007	3

* DadaMobile S.p.A. changed its name to Dada.net S.p.A..

** Company sold and consolidated at income statement level for only the first quarter of 2007.

*** Company merged with Dada Usa Inc in December 2007.

**** Company formed in May 2008.

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 a medium term loan for the acquisition of the UK company Namesco Ltd and the general liquidity risk against the possible changes in financing.

The Dada Group since 2007 has consequently given great 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 in Euro by the subsidiary Register.it. The fair value of the derivative instrument was recorded under equity reserve in accordance with IAS 39. For further information, reference should be made to page 51;

forward currency sales/purchase contracts were undertaken to cover the exchange risk. The effects of these derivative instruments were recorded in the income statement.

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 Group undertakes its activity largely utilising connectivity providers and telephone carriers, and provides contents to its clients which in some cases are supplied by outside content suppliers; an interruption of services from these suppliers 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, impacting upon the financial results.

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 in general norms governing the telecommunication sector. It is expected that the above-mentioned regulations will have an increasingly direct effect on the activities of the company with possible effects – in general terms – for the market and on the profitability of the business. In relation to this, it is noted that some Group companies have, or may have, disputes in relation to the provision of their services and that, in particular, a recent act in the United States and currently in the process of its first examination, could lead to a collective action.

Seasonal activities

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

Impairment test

At December 31, 2007, the company undertook an impairment test of the intangible assets recorded in the consolidated financial statements without the necessity of any write-down on the carrying values. Based on the performance in the first half of 2008, the directors do not consider that there has been any indication of loss in value.

3. Segment information as per IAS 14

The DADA Group's primary disclosure of information is by Business Units.

From the present period, the Group organisation structure changed and therefore the Business Units are comprised of the **Dada.net Division** and the **Dada.pro Division**, while until December 31, 2007 a third division also existed, Dada.adv, now part of the Dada.pro division.

The Dada.net division is operated by Dada.net S.p.A., while the Dada.pro division is operated by the subsidiaries Register.it S.p.A., the parent company of Cotei/Nominalia SL and Namesco.

The Dada.net Division also includes all of the subsidiaries of Dada.net S.p.A. (Clarence S.r.l., Dada USA Inc, Upoc Inc, Dada Iberia SL, Dada Brasil Ltd. and Dada China).

The consolidation scope of the Dada.pro division (previously Self Provisioning) was expanded with the entry of Namesco Ltd. With regard to this, reference should be made to the preceding paragraph.

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

The share of general expenses and overhead amortisation and depreciation is not allocated to the individual divisions, but only allocated at consolidated level ("corporate depreciation and amortisation" and "general expenses not allocated" accounts). In addition, write-downs, extraordinary items 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 secondary segment was determined as two geographic areas.

The comments relating to the main accounts in the following tables appear in the directors' report on operations.

Segment Income Statement for the first half of 2008

30/06/2008 (6 Months)				
Segment information	Dada.Net	Dada Pro	Adjustments	Consolidated
Revenues- third parties Italy	25,802	19,266		45,067
Revenues – third parties Overseas	22,095	14,138		36,233
Revenues- inter-sector	317	1,947	-2,264	0
Net revenues	**48,214**	**35,351**	**-2,264**	**81,300**
Increases in internal work	1,423	1,017		2,440
Services	-32,089	-24,981	2,264	-54,806
Labour costs	-7,191	-5,933		-13,124
Segment Ebitda	**10,358**	**5,454**	**0**	**15,811**
Segment Ebitda / Sales				
Amortisation & depreciation	-1,759	-1,521		-3,280
Segment Ebit	**8,598**	**3,933**	**0**	**12,531**
Segment Ebit / Sales				

Corporate depreciation & amortisation	-169
General expenses not allocated	-1,975
EBIT	**10,387**
Financing activities	-276
Profit before taxes	**10,111**
Income taxes	-2,110
Group and minority interest result	**8,001**
Minority interest share	
Group net profit	**8,001**

Segment Income Statement for the first half of 2007

30/06/2007 (6 Months)				
Segment information	Dada.Net	Dada Pro	Adjustments	Consolidated
Revenues- third parties Italy	24,408	16,330	0	40,738
Revenues - third parties Overseas	29,720	2,890	0	32,610
Revenues- inter-sector	740	1,294	-2,035	0
Net revenues	**54,868**	**20,515**	**-2,035**	**73,348**
Increases in internal work	1,329	375	0	1,704
Services	-40,908	-14,004	2,035	-52,878
Labour costs	-6,884	-3,906	0	-10,790
Segment Ebitda	**8,405**	**2,979**	**0**	**11,384**
Segment Ebitda / Sales				
Amortisation & depreciation	-1,183	-652	0	-1,834
Segment Ebit	**7,222**	**2,328**	**0**	**9,550**
Segment Ebit / Sales				

Corporate depreciation & amortisation	-276
General expenses not allocated	-1,578
EBIT	**7,697**
Financing activities	-59
Profit before taxes	**7.638**
Income taxes	-1.043
Group and minority interest result	**6.595**
Minority interest share	-123
Group net profit	**6,472**

Breakdown of DADA Group revenues by sector and geographic area

30/06/2008 (6 months)

Description	Revenues Italy	Revenues Overseas	Eliminations/adjustments	Total
Dada net	26,118	22,095	-316	47,897
Dada pro	21,212	14,138	-1,947	33,403
Segment revenues	**47,330**	**36,233**	**-2,263**	**81,300**
Inter-sector revenues	-2,263	-		
Net revenues	**45,067**	**36,233**		**81,300**

30/06/2007 (6 months)

Description	Revenues Italy	Revenues Overseas	Eliminations/adjustments	Total
Dada net	25,148	29,720	-740	54,128
Dada pro	17,624	2,890	-1,294	19,220
Segment revenues	**42,772**	**32,610**	**-2,034**	**73,348**
Inter-sector Revenues	-2,034	-		
Net revenues	**40,738**	**32,610**		**73,348**

Breakdown of DADA Group quarterly revenues by sector and geographic area

30/06/2008 (3 months)

Description	Revenues Italy	Revenues Overseas	Eliminations/adjustments	Total
Dada net	12,413	11,470	-80	23,803
Dada pro	10,881	6,638	-632	16,887
Segment revenues	**23,294**	**18,108**	**-712**	**40,689**
Inter-sector Revenues	-712	-		
Net revenues	**22,581**	**18,108**		**40,689**

30/06/2007 (3 months)

Description	Revenues Italy	Revenues Overseas	Eliminations/adjustments	Total
Dada net	14,293	14,384	-413	28,264
Dada pro	8,840	1,680	-865	9,655
Segment revenues	**23,133**	**16,064**	**-1,278**	**37,919**
Inter-sector Revenues	-1,278	-		
Net revenues	**21,855**	**16,064**		**37,919**

Breakdown of assets and liabilities by sector at June 30, 2008

30/06/2008				
Segment information	Dada net	Dada pro	Corporate	TOTAL
Segment assets	95,465	66,968		162,433
Investments in associated companies	4,672			4,672
Unallocated assets			27,846	27,846
TOTAL ASSETS	100,137	66,968	27,846	194,951
Segment liabilities	52,777	45,579		98,356
Unallocated liabilities			29,644	29,644
TOTAL LIABILIITES	52,777	45,579	29,644	128,000
Other information				
Provisions	154	130	300	584
Employee leaving indemnity provision	194	166	33	393
Amortisation of intangible assets	1,316	784	48	2149
Depreciation of property, plant & equipment	618	680	0	1298
Write-down of fixed assets	0		0	0
Tangible fixed asset investments	1,416	676		2,092
Intangible asset investments	1,735	4049	325	6,109

Breakdown of assets and liabilities by sector at December 31, 2007

31/12/2007				
Segment information	Dada net	Dada pro	Corporate	TOTAL
Segment assets	58,324	74,241		132,565
Investments in associated companies	4,296			4,296
Unallocated assets			46586	46,586
TOTAL ASSETS	62,620	74,241	46,586	183,447
Segment liabilities	28,648	52,093		80,741
Unallocated liabilities				34,368
TOTAL LIABILIITES	28,648	52,093		115,109
Other information				
Provisions	25	50	351	426
Employee leaving indemnity provision	512	241		753
Amortisation of intangible assets	520	1,065	1,757	3,342
Depreciation of property, plant & equipment	1,095	1,015		2,110
Write-down of fixed assets				
Tangible fixed asset investments	2,864	1,815	1,152	5,831
Intangible asset investments	3,648	35,681	1,293	40,622

Breakdown of assets by geographic area at June 30, 2008 and 2007

30/06/2008			
Information by geographic area	Italy	Overseas	Total
Segment assets	115,841	46,592	162,433
Investments in associated companies	768	3,904	4,672
Unallocated assets			27,846
TOTAL ASSETS	**116,609**	**50,496**	**194,951**
Segment liabilities	65,173	33,183	98,356
Unallocated liabilities			29,644
TOTAL LIABILIITES	**65,173**	**33,183**	**128,000**

31/12/2007			
Information by geographic area	Italy	Overseas	Total
Segment assets	83,487	49,079	132,566
Investments in associated companies	758	3,537	4,295
Unallocated assets			46,745
TOTAL ASSETS	**84,245**	**52,616**	**183,606**
Segment liabilities	54,094	26648	80,742
Unallocated liabilities			34,368
TOTAL LIABILIITES	**54,094**	**26,648**	**115,110**

4. Transactions with related parties

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 46.9% 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 of 2008 between companies of the Dada Group and "related parties" with the exclusion of inter-group transactions eliminated in the preparation of the consolidated financial statements.

The transactions of the Dada Group with the Company RCS which 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	Financial receivables	Trade payables	Revenues	Costs
RCS Group	3,672	340	6,036	3,076	3,918
TOTAL	3,672	340	6,036	3,076	3,918

Transactions with related companies	Trade receivables	Trade payables	Revenues	Costs
Dada Entertainment LLC	198	-4,345	6,206	288
E-Box S.r.l.	10	-182	32	441
Total	207	-4,526	6,237	729

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. and Register.it S.p.A. (consolidated companies).

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, including all benefits, for the first half of 2008.

Transactions with related parties	Service costs	Labour costs	Other financial instruments represented by equity
Board of directors - emoluments	513	354	236
Board of Statutory Auditors - fees	35		
Total	548	354	236

5. Non-operating income and charges

There was no non-recurring income or charges recorded in the 2008 half year financial statements.

The same period of the previous year includes extraordinary income of Euro 275 thousand related to the disposal of the company Softec S.p.A.

6. Plant & equipment

The increase in the plant and equipment in the first half of 2008 amounted to Euro 2,098 thousand and for Euro 1,582 thousand relate to the purchase of a server for the internet and the installation of new equipment for the enlargement of the farm server, represented by servers, networking and storage systems.

The increases in furniture and fittings, amounting to Euro 510 thousand, relate to the expenses incurred for the new Dada offices at Florence and the renovation of the offices of some foreign companies.

7. Intangible assets

The increases in the period in intangible assets amount to Euro 6,108 thousand and refer for Euro 2,440 thousand to product development expenses and for Euro 3,234 thousand to the acquisition of a user portfolio on the Irish market by Namesco Ltd.

In particular, the increase in the “development expenses on products/services” refers to the capitalisation of the costs incurred for the development of the new products and services provided in the Dada net and Dada pro divisions. These assets relate to the portfolio of “Community & Entertainment” fee-based products and services via web and via mobile, through the single SMS numbers of the Operators. Among these, we report in particular the project Music Movement of the Dada net division and the Easy Click project of the Dada pro division.

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.

The increase in “others”, amounting to Euro 325 thousand, is prevalently comprised of the software acquired by the Group, while the increase in expenses for the registration of the brands and licences, amounting to Euro 109 million, are amortised on a straight-line basis over five years.

8. Equity investments, financial assets and deferred tax assets

Description	30/06/08	31/12/07	Changes	Change %
Equity investments	4,672	4,296	376	8.75%
Financial receivables and other non-current assets	45	296	-251	-84.80%
Financial assets for financial instruments	775		775	
Total financial assets	**5,492**	**4,592**	**900**	**19.60%**
Deferred tax assets	8,799	9,309	1,675	17.99%
Total deferred tax assets	**8,799**	**9,309**	**1,675**	**17.99%**

The increase in the account equity investments is due to the equity valuation of the associated companies Dada Entertainment LLC and Blogo Srl for a total of Euro 628 thousand. In addition, the investment in Dada Entertainment LLC decreased by Euro 252 thousand due to the Euro/USD exchange rate movements.

The financial assets for derivative instruments consist of the market value of a hedge operation of the interest rate on the loan received by the company Register.it S.p.A. for the acquisition of Namesco Ltd during 2007.

The principal features of the contract are as follows:

On February 6, 2008 an IRS hedge was signed with Banca Akros. The hedge commences on February 2, 2009 and expires on August 1, 2014 (final payment of the loan).

The residual capital of the loan of Register.it S.p.A. and hedged by the IRS, is Euro 23,571,428.57 at the expiry of the first instalment hedged (February 2, 2009 and equal to 11 residual instalments at the same date).

The interest rate is 3.81%, including spread, on the basis of ACT/360. The benchmark period for the rate is half-yearly.

This operation was recorded under assets in the balance sheet with a counter-entry under "Other Reserves" in equity (cash flow hedge reserve), in accordance with IAS 39.

Deferred tax assets, recorded in the financial statements for Euro 8.8 million, originate from the temporary timing differences recoverable in the short-term relating to provisions made for write-downs on investments, 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.

The tax losses carried forward amount to approximately Euro 55 million, of which Euro 43 million are for an indefinite period. The losses on which the deferred tax assets were not calculated amount to Euro 27 million.

The utilisations for the period relate to the fiscal charge for the period, while the increase was calculated on the basis of the recovery of the above mentioned items as resulting from the business plans of the individual companies of the group.

9. Trade receivables

Trade receivables at June 30, 2008 amount to Euro 68.60 million compared to Euro 56.14 at December 31, 2007.

The level of trade receivables is in line with increased Group operations and sales volumes in the first half of 2008. The average collection period for trade receivables is 120 days.

It is also recalled that a significant part of trade receivables is concentrated among a limited number of clients, principally telephone operators.

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

In the first half-year, Euro 284 thousand was allocated to the bad debt provision in order 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.

The provision as at June 30, 2008 is considered adequate to meet the potential losses relating to the entirety of trade receivables.

There are no trade receivables due over one year for which it would be necessary to record a financial loss.

The Company estimates that the book value of trade and other receivables approximate their fair value.

There are no receivables over 5 years.

10. Other receivables and other current assets

The table below shows the composition of other receivables:

Description	Balance at 30/06/08	Balance at 31/12/07	Changes	Change %
Tax receivables	1,712	1,618	94	6%
Advances to suppliers	44	138	-94	-68%
Other receivables	3,983	3,312	671	20%
Deferred income	3,349	3,409	-60	-2%
Total	9,088	8,477	611	7%

Tax receivables include the payments on account for Irap regional tax and Ires, withholding taxes and other credits matured by foreign companies.

Deferred income relates to the registration costs of domains of the Dada pro sector in future periods. For the accounting treatment of this account, reference should be made to the section relating to the accounting principles change on the user acquisition costs.

The account "other receivables" include deposits paid to the various authorities relating to the domain registration activity for a total amount of Euro 1 million and receivables on contractual advances relating to minimum guaranteed contracts with telephone operators.

11. Net debt

Description	June 30, 08	Dec. 31, 07
Financial receivables	1,918	1,359
Current financial assets for derivative instruments	23	
Receivables and current financial assets	*1,941*	*1,359*
Cash and cash equivalents	*19,068*	*15,659*
Total current financial assets	**21,009**	**17,018**
Payables and non-current financial liabilities	-23,990	-26,454
Total non-current financial liabilities	**-23,990**	**-26,454**
Payables and current financial liabilities	-7,867	-7,319
Total current financial liabilities	**-7,867**	**-7,319**
Net financial debt	**-10,847**	**-16,755**

The account "current receivables" includes the interest-bearing loan in favour of the Joint Venture Entertainment LLC, set up with SONY BMG and operative from October 1 last. The agreement provides for financial support by Dada USA and Sony BMG totalling USD 4 million (paid on June 30 for USD 3 million) by each company for the start-up of the joint venture. The interest on the loan is equal to Libor at 1 month.

The financial payables (current and non current) consist of:

- A loan by Register related to the acquisition of the company Namesco Ltd in the previous year. This loan was received from Banca Intesa San Paolo on July 16, 2007 totalling Euro 30 million, to be repaid in 14 half yearly instalments on January 31 and July 31 of each year. The interest rate is based on EURIBOR 1M, 3M or 6M at the discretion of the company, increased by a variable spread (currently 30 b.p.). Final instalment July 31, 2014. The residual amount at June 30, 2008 was Euro 27,942 thousand, of which Euro 4,286 thousand due within 1 year (classified under current financial liabilities).

The Loan received by Namesco Ltd relates to the acquisition made by the company of a client portfolio in 2007. This loan was provided by HSBC, totalling GBP 1 million, to be repaid in 24 monthly instalments; the interest rate is based on the Bank's Sterling Base Rate increased by 2%. Final instalment December 31, 2009. The residual amount at June 30, 2008 was Euro 964 thousand, of which Euro 631 thousand is due within 1 year (classified under current financial liabilities).

- The Loan received by Dada USA Inc is a short-term credit line from the Banca Intesa New York for Euro 2.9 million to be repaid in 3 months, at a variable Libor 1 month interest rate. The loan is renewable month by month at the discretion of the company.

12. Employee benefits and provision for risks and charges

Description	Balance at 31/12/2007	Increase for the period	Utilisation in the period	Other movements	Balance at 30/06/08
Leaving indemnity	1,544	395	-228	-305	1,406
Total	**1,544**	**395**	**-228**	**-305**	**1,406**

The provision at June 30, 2008 of Euro 1,406 thousand reflects the indemnity matured in favour of employees, in conformity with legislation and collective employment contracts.

The "other movements" refer to the payments paid to the Inps treasury.

In accordance with international accounting standards, the obligation was calculated through the projected unit credit method which considers each employment period a source of an additional unit of benefit and separately measures each unit in order to calculate the final obligation for liabilities matured until December 31, 2006.

Description	Balance at 31/12/2007	Increase for the period	Utilisation in the period	Other movements	Balance at 30/06/08
Provisions for risks and charges	1,125	300	-216	-5	1,204
Total	1,125	300	-216	-5	1,204

The provisions for risks and charges, amounting to Euro 1,204 thousand at June 30, 2008 - of which Euro 300 thousand accrued in the current period - were created against probable liabilities arising from contractual and legal disputes.

The utilisations in the period relate to the settlement of disputes in the first half of 2008.

The increases relate to new disputes which arose during the period and the reassessment of previous disputes during the period.

The provision for risk and charges at June 30, 2008 consists of Euro 350 thousand for labour disputes and of Euro 580 thousand for disputes of an operational and legal nature and Euro 274 thousand for other disputes.

13. Trade payables

Trade payables at June 30, 2008 amount to Euro 67.82 million compared to Euro 54.02 at December 31, 2007.

The account “trade payables” includes the amounts related to purchases of a commercial nature and other costs strictly related to Group activities.

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

The increase in the period is solely related to an increase in the volumes of activities of the Group and to the increase in the net working capital, or more specifically trade receivables.

14. Other payables and other current liabilities

The composition of other payables is as follows:

Description	30/06/08	31/12/07	Changes	Change %
Tax payables	**6,118**	**4,842**	**1,276**	**26.35%**
Others	6,721	6,381	340	5.33%
Social security institutions	966	1,234	-268	-21.72%
Deferred income	11,910	12,190	-280	-2.30%
Other payables	**19,597**	**19,805**	**-208**	**39.194**
Total	**25,715**	**24,647**	**1,068**	**4.33%**

"Tax payables", amounting to Euro 5.9 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 local taxes for the foreign companies.

The account "Other payables" includes:

- employee payables for the month of June and the accrual on the "thirteenth" month and vacation days matured;

- the payables for the acquisitions of the investments completed during 2007. In particular, the last portion relating to Nominalia SA;

- the payables for the residual part of the acquisition of the user base in Ireland, of the Dada pro division, made by the subsidiary Namesco Ltd.

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

15. Equity investments recorded in the cash flow statement

There were no significant equity investments during the first half year of 2008.

16. Investments in fixed assets recorded in the cash flow statement

The table below shows the principal movements in tangible and intangible fixed assets during the period:

Description	Value at 31/12/07	Increases	Decreases	Exchange movement	Amortisation & Depreciation	Value at 30/06/08
Goodwill	63,330	1,407	-32	-6,035	0	58,670
Intangible assets	10,316	6,108	0		-2,150	14,275
Property, plant and equipment	8,168	2,098	0	0	-1,299	8,967
Total	81,814	9,613	-32	-6,035	-3,449	81,912

In relation to the nature of the principal increases in tangible and intangible fixed assets, reference should be made to the previous section on intangible and tangible fixed assets.

17. Net changes in financial payables and other financial assets recorded in the cash flow statement

This amounts to Euro 5.9 million compared to Euro -28.3 million in the previous year, and refers to the monetary changes included in the net financial position:

The table below shows the reconciliation of the changes in the net financial position:

Changes in the net financial position	Value at 30/06/2008	Value at 31/12/2007
Changes in cash and cash equivalents	2,892	- 1,006
Non monetary changes in derivative instruments	22	-
Reclassification of cash flow from investing activity	530	- 1,068
Reclassification of cash flow from financing activity	2,464	- 26,210
Total	5,908	- 28,284

18. Changes in shareholders equity reserves

The share capital of Dada S.p.A at June 30, 2008 is made up of 16,210,069 ordinary shares, of a nominal value of Euro 0.17, for a total value of Euro 2,756 thousand. During the period, the share capital increased by Euro 19 thousand due to the subscription of the reserved share capital increase for employees of Dada S.p.A. (stock options plan).

The movements in net equity in the period are shown in the tables at page 33.

The principal changes in the shareholders' equity reserve related to:

Share premium reserve: this is an equity reserve comprising of contributions by shareholders or conversion of bonds into shares. There is no specific limit relating to its utilisation. At June 30, 2008 the reserve amounted to Euro 32,071 thousand. The movement during the period relates to the subscription, on February 6, 2008, of 112,990 shares subscribed for an amount of Euro 1,203 thousand.

Other reserves: the account comprises the Reserve created on the transition to the IFRS and the Extraordinary Reserve. The Extraordinary Reserve amounts to Euro 12,544 thousand and the movements during the period relate to the allocation of the 2007 result. The IAS Reserve amounts to Euro -3,497 thousand and the movements during the period relate to the Stock Options. Among the movements in the period, those relating to the change in the accounting principle relating to the user acquisition costs which resulted in the reduction of the net equity of Euro 6.2 million are recalled.

Translation reserve: the account arises from the differences deriving from the translation of the individual financial statements of the foreign currencies prepared in a currency other than that utilised for the preparation of the consolidated financial statements. The balance of this reserve at June 30, 2008 amounted to Euro - 6,882 thousand. The movements during the period, amounting to Euro -5,685 thousand, derive from the translation of the financial statements of the subsidiaries Dada USA, Dada Brazil, Upoc, Dada China and Namesco. The effect is particularly strong due to the strong depreciation of UK Sterling and the US Dollar.

19. Commitments

The table below shows the comparison of the commitments between June 30, 2008 and December 31, 2007:

Description	30/06/2008	31/12/2007	Changes	Change %
Guarantees	33,026	35,862	-2,836	-8,59%
Total	**33,026**	**35,862**	**-2,836**	**3,22%**

The sureties provided at June 30, 2008 amounting to Euro 37 million (compared to Euro 35.8 million at December 31, 2007) are recorded for the amount guaranteed.

The most important increases related to:

- Guarantee for a loan received by Register.it from Banca Intesa for the purchase of Namesco ltd. For further information, reference should be made to the Directors' Report on Operations;
- Guarantee for DADA Iberia and DADA USA Inc. credit lines at Banca Intesa San Paolo;
- Guarantee for the acquisition of the residual part of E-Box Srl for Euro 360 thousand;
- Guarantee for the rental of new offices of the Dada Headquarters in Florence totalling Euro 1.2 million;
- The decrease in the period amounting to Euro 2.8 million relates to:
- Reduction of the guarantee for the closure of the second tranche of Nominalia for Euro 1.8 million, agreed in February 2007 and closed in July 2007;
- Closure of the guarantee for the payment of the second tranche for the acquisition of Tipic totalling Euro 2.9 million;

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

20. Change in the accounting principles

The income statement and balance sheet with the adjustments made following the change in the accounting principle relating to the accounting of the acquisition cost is shown below.

For further information, reference should be made to page 36;

RECONCILLIATION OF THE DADA GROUP CONSOLIDATED INCOME STATEMENT AT June 30, 2007 RELATING TO CHANGES IN ACCOUNTING STANDARDS

Amounts in Euro/thousand	30/06/07 Approved	Adjustments changes in accounting principles	30/06/07 Adjusted
Net Revenues	73,348		73,348
Cost of raw materials and consumables	-101		-101
Changes in inventory and internal work	1,703		1,703
Service costs and other operating costs	-53,705	-46	-53,751
Labour costs	-11,168		-11,168
Provisions and write-downs	-225		-225
Amortisation & depreciation	-2,110		-2,110
Ebit	7,742	-46	7,696
Investment income	567		567
Financial charges	-626		-626
Profit before taxes	7,683	-46	7,637
Income taxes	-1,043		-1,043
Profit from normal operations	6,640	-46	6,594
Minority interest profit	-123		-123
Group net profit	6,517	-46	6,471

RECONCILIATION DADA GROUP CONSOLIDATED BALANCE SHEET AT December 31, 2007 RELATING TO CHANGES IN ACCOUNTING STANDARDS

Amounts in Euro/thousand	31/12/07 Approved	Adjustment changes in accounting principles	31/12/07 Adjusted
ASSETS			
Goodwill	63,331		63,331
Intangible assets	10,316		10,316
Other tangible assets	8,168		8,168
Equity investments in ass. & other companies	4,296		4,296
Financial assets	296		296
Deferred tax assets	9,309		9,309
Total	95,716	-	95,716
Inventories	73		73
Trade receivables	56,144		56,144
Tax receivables and others	14,655	- 6,178	8,477
Held-for-trading financial assets	1,388		1,388
Cash and cash equivalents	15,630		15,630
Total current assets	87,890	- 6,178	81,712
TOTAL ASSETS	183,606	- 6,178	177,428
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	2,737		2,737
Share premium reserve	30,867		30,867
Legal reserve	902		902
Other reserves	6,398		6,398
Retained earnings/accumulated losses	15,208	-7,366	7,842
Net profit	12,488	1,188	13,676
Total Group Shareholders’ equity	68,600	-6,178	62,422
Minority interest share	-103		-103
Total Net Equity	68,497	-6,178	62,319
Bank loans (payable beyond one year)	26,454		26,454
Provisions for risks and charges	1,125		1,125
Employee leaving indemnity	1,545		1,545
Total non-current liabilities	29,124	0	29,124
Trade payables	54,020		54,020
Other payables	19,805		19,805
Tax payables	4,842		4,842
Bank overdrafts and loans (within one year)	7,318		7,318
Total current liabilities	85,985	0	85,985
TOTAL SHAREHOLDERS’ EQUITY AND	183,606	-6,178	177,428

LIABILITIES

RECONCILIATION OF THE CONSOLIDATED CASH FLOW OF THE DADA GROUP AS AT June 30, 2007 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

Amounts in Euro/thousand	30/06/07 Approved	Adjustments for changes in accounting principles	30/06/07 Adjusted
Operating activities			
Net profit for the period	6,517	-46	6,471
Adjustments for non-monetary cash flows	3,196		3,196
Cash flows generated from operating activities before working capital changes	9,713	-46	9,667
Changes in net working capital	-18	46	28
Net cash flow generated from operating activities	9,695	0	9,695
Net Cash flow used in investment activities	-5,261		-5,261
Net Cash flow generated from financing activities	1,294		1,294
Net increase/(decrease) in cash and cash equivalents	5,728		5,728
Cash and cash equivalents at beginning of the period	9,318		9,318
Cash and cash equivalents at 30/06/2008	15,045		15,045

ATTACHMENTS

WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT June 30, 2008

Amounts in Euro/thousand	June 30, 08	Dec. 31, 07	DIFFERENCE	
			Absolute	percent.
Fixed assets (A) (*)	87,405	86,428	977	1%
Current assets (B)	86,536	73,983	12,553	17%
Current liabilities (C)	-93,533	-78,667	-14,866	19%
Net working capital (D) = (B)-(C)	-6,997	-4,684	-2,313	49%
Employee leaving indemnity provision (E)	-1,406	-1,545	139	-9%
Provision for risks and charges (F)	-1,204	-1,125	-79	7%
Net capital employed (A+D+E+F)	77,798	79,074	-1,276	-2%
Medium-long term payables	-23,990	-26,454	2,464	-9%
Shareholders' equity (G)	-66,951	-62,319	-4,632	7%
Short-term bank debt	-7,867	-7,319	-548	7%
Short-term financial receivables and securities	1,918	1,359	559	41%
Cash and cash equivalents	19,092	15,659	3,433	22%
Short-term net financial position	13,143	9,699	3,444	36%
Total net financial position	-10,847	-16,755	5,908	-35%

(*) The 2007 data was modified in accordance with the new accounting principles

RECLASSIFIED HALF-YEAR CONSOLIDATED INCOME STATEMENT TO June 30, 2008

Amounts in Euro/thousand	June 30, 08 6 months		June 30, 07 6 months *		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	**81,300**	**100%**	**73,348**	**100%**	**7,952**	**11%**
Changes in inventory and internal work	2,440	3%	1,703	2%	737	43%
Service costs and other operating costs	-55,814	-69%	-53,641	-73%	-2,173	4%
Labour costs	-13,548	-17%	-11,168	-15%	-2,380	21%
Ebitda*	**14,378**	**18%**	**10,242**	**14%**	**4,136**	**40%**
Amortisation & depreciation	-3,449	-4%	-2,110	-3%	-1,339	63%
Non-recurring income (charges)	42	0%	-211	0%	253	-120%
Revaluations/(Write-downs)	-584	-1%	-225	0%	-359	160%
Ebit	**10,387**	**13%**	**7,696**	**10%**	**2,691**	**35%**
Investment income	268	0%	567	1%	-299	-53%
Share of expenses/(income) from equity valuations	-544	-1%	-626	-1%	82	-13%
Profit before taxes	**10,111**	**12%**	**7,637**	**10%**	**2,474**	**32%**
Income taxes	-2,110	-3%	-1043	-1%	-1,067	102%
Net profit	**8,001**	**10%**	**6,594**	**9%**	**1,407**	**21%**
Minority interest profit		0%	-123	0%	123	-100%
Group net profit	**8,001**	**10%**	**6,471**	**9%**	**1,530**	**24%**

(*) The 2007 data was modified in accordance with the new accounting principles
(**) before write-downs and extraordinary items of Euro 0.5 million

RECLASSIFIED HALF-YEAR CONSOLIDATED INCOME STATEMENT TO June 30, 2008

Amounts in Euro/thousand	June 30, 08 3 months		June 30, 07 * 3 months		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	**40,689**	**100%**	**37,919**	**100%**	**2,770**	**7%**
Changes in inventory and internal work	1,228	3%	908	2%	320	35%
Service costs and other operating costs	-27,753	-68%	-27,410	-72%	-343	1%
Labour costs	-6,792	-17%	-5,532	-15%	-1,260	23%
	0					
Ebitda**	**7,372**	**18%**	**5,885**	**16%**	**1,487**	**25%**
Amortisation & depreciation	-1,879	-5%	-1,147	-3%	-732	64%
Non-recurring income (charges)	97	0%	-211	-1%	308	-146%
Revaluations/(Write-downs)	-534	-1%	-225	-1%	-309	137%
Ebit	**5,056**	**12%**	**4,302**	**11%**	**754**	**18%**
Investment income	168	0%	428	1%	-260	-61%
Share of expenses/(income) from equity valuations	-206	-1%	-184	0%	-22	12%
Profit before taxes	**5,018**	**12%**	**4,546**	**12%**	**472**	**10%**
Income taxes	-949	-2%	-821	-2%	-128	16%
Net profit	**4,069**	**10%**	**3,725**	**10%**	**344**	**9%**
Minority interest profit	0	0%	-28	0%	28	-100%
Group net profit	**4,069**	**10%**	**3,697**	**10%**	**372**	**10%**

(*) The 2007 data was modified in accordance with the new accounting principles
(**) before write-downs and extraordinary items of Euro 0.4 million