CONSOLIDATED HALF-YEAR REPORT OF THE DADA GROUP AS AT JUNE 30, 2006

(Prepared in accordance with IAS/IFRS International Accounting Standards)

Registered Office: Borgo degli Albizi 12 - Florence
Share capital Euro 2,714,569.86 fully paid-in
Florence Company Registry Office No. FI017- 68727 - REA 467460
Fiscal code/VAT No. 04628270482

CONTENTS

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	Managing Director
Salvatore Amato	Director [2,3,4]
Marco Argenti	Director
Aldo Bisio	Director
Vittorio Colao	Director
Lorenzo Lepri Pollitzer	Director
Raffaello Napoleone	Director [2.3]
Barbara Poggiali	Director [4]
Alberto Ronzoni	Director
Giorgio Valerio	Director
Pietro Varvello	Director
Danilo Vivarelli	Director [2,3,4]

1 - Chairman with executive powers
2 - Independent director in accordance with the self-governance code for Listed Companies.
3 - member of the Internal Control Committee
4 - member of the Remuneration Committee.

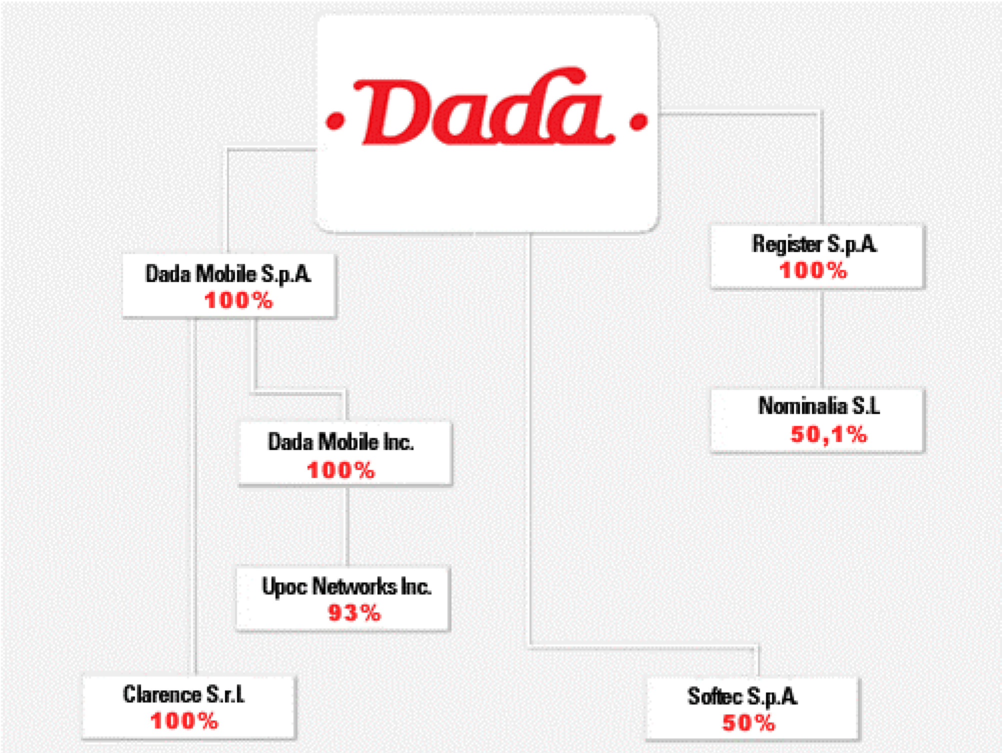
BOARD OF STATUTORY AUDITORS

Pier Angelo Dei	Chairman Board of Statutory Auditors
Piero Alonzo	Statutory Auditor
Massimo Cremona	Statutory Auditor
Claudio Pastori	Alternate Auditor
Francesca Pirrelli	Alternate Auditor

INDEPENDENT AUDIT FIRM

Reconta Ernst & Young S.p.A.

GROUP STRUCTURE



- The companies UPOC Networks Inc and Nominalia SL were acquired in August, for further information reference should be made to pages 31-32 of the present report.
- The investment in Planet.com SpA was sold in July, for further information reference should be made to page 31 of the present report.

RESULTS OF THE DADA GROUP IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

Consolidated Results (3 months)

(millions of Euro)	30/06/2006	30/06/2005
Revenues	**26.1**	15.4
Ebitda	**3.9**	3.3
Amortisation & depreciation	**-0.8**	-0.7
Ebit	**2.6**	2.4
Group net profit	**2.9**	1.8

Consolidated Results (6 months)

(millions of Euro)	30/06/2006	30/06/2005
Revenues	**48.8**	29.9
Ebitda	**7.2**	6.3
Amortisation & depreciation	**-1.6**	-1.4
Ebit	**5.1**	4.6
Group net profit	**4.6**	3.5

Consolidated balance sheet as at June 30, 2006

(millions of Euro)	30/06/2006	31/12/2005
Net working capital	**5.3**	0.7
Net Capital employed	**23.9**	18.1
Net Equity	**46.2**	40.2
Short-term net financial position	**23.1**	23.0
Number of employees	**293**	251

DIRECTORS' REPORT ON OPERATIONS

INTRODUCTION

The present consolidated half-year report at June 30, 2006 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 standardised by the European Union as per article 81 of the Issuers' Regulations No. 11971, issued by Consob on May 14, 1999, and subsequent amendments.

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 half-year financial statements for 2006. If this occurs, therefore, it is possible that there will be an effect on the data presented in the IFRS first half-year report.

DADA GROUP PROFILE

Dada S.p.A. is the leader in Italy in the community and entertainment sector via web and mobile and is the parent company of a Group fully dedicated to the development of Net activities and services.

Dada is listed on the Milan Stock Exchange in the STAR segment (DA.MI) and includes the RCS group (which holds approximately 43%) among its shareholders, in addition to the management and founding shareholders with approximately 14.6% of the share capital.

The Dada offer aimed at the final customer – through the brand **dada.net** - is characterised by a rich range of Community and Entertainment fee-based products and services to entertain, educate and communicate, and are accessible via web and mobile. With its consumer offer DADA operates, in addition to Italy, in the United States, the UK, German, French, Portuguese, Chinese and Australian markets.

In addition, DADA is positioned as one of the most important players on the Italian market of net marketing and web and mobile technical solutions to businesses.

Included in the Dada group is Register.it S.p.A, the Italian leader in the management of individuals and companies online needs, operating in the self-provisioning market with the supply of automated Internet services such as domains, professional email and evolved web hosting.

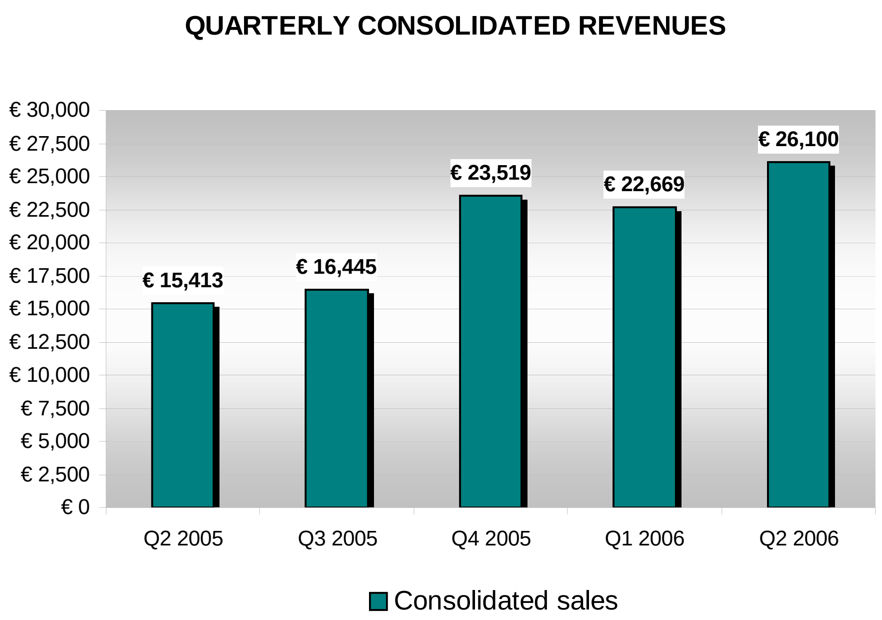
INFORMATION ON OPERATIONS

Dear Shareholders,

In the first half of 2006, the DADA Group recorded **consolidated revenues of Euro 48.8 million,** compared to Euro 29.9 million in the first half of 2005, an **increase of 63%.** In the second quarter the Group recorded revenues of Euro 26.1 million, an increase of 69% compared to the same period of 2005, when revenues totalled Euro 15.4 million and an increase of 15% compared to the first quarter of 2006.

The **Parent Company DADA S.p.A.** recorded revenues of Euro 28.5 million in the first half-year, an increase of 81% compared to Euro 15.6 million in the same period in the previous year. In the second quarter the sales of the Parent Company amounted to Euro 16.8 million, compared to Euro 8.2 million in the first quarter of 2006 and Euro 11.7 million in the second quarter of 2005.

The trend of the consolidated revenues in the last 5 quarters is shown in the table below:



The breakdown of the consolidated revenues by sector reports an increasing contribution from the Consumer Division, accounting for 76% of revenues in the first half of 2006 and 79% in the second quarter of 2006. In the previous year the contribution of this sector to consolidated revenues was 63% both for the half-year and quarter.

The Business Division accounted for 15% of consolidated revenues compared to 26% in the first half of 2005. The Self Provisioning Division accounted for 9% of consolidated revenues compared to 11% in 2005.

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

From the second half of the previous year the internationalisation process began of the Consumer activities of the DADA Group. This expansion recorded important growth during 2006 when the contribution of the international business amounted to 34% of consolidated sales, compared to 1% in the first half of 2005. The operations in the United States contributed significantly to this growth, a market in which the DADA Group operates through its subsidiary Dadamobile Inc.

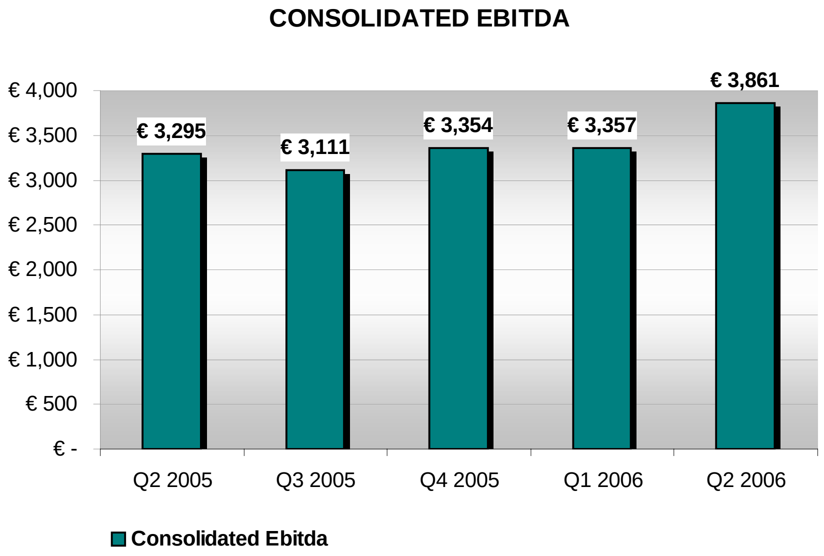
The expansion of the international business continued after the end of the first half-year including through acquisitions. In relation to this reference should be made to the section on subsequent events to the end of the first half-year on page 30.

Particularly noteworthy is that the total value of the activity generated by the DADA Group, resulting from value added services via mobile on the basis of the price paid by the final customer to the operator, was Euro 76 million in the first half-year. In the same period of the previous year this value amounted to Euro 40 million.

The **Ebitda in the first half year was Euro 7.2 million**, compared to Euro 6.3 million in the same period of the previous year, an increase of 14%. In the second quarter of 2006 the Ebitda was Euro 3.9 million compared to Euro 3.9 million in the second quarter of 2005.

The Ebitda of the **Parent Company DADA S.p.A.** in the first half-year was Euro 4.2 million compared to Euro 4.1 million in 2005.

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



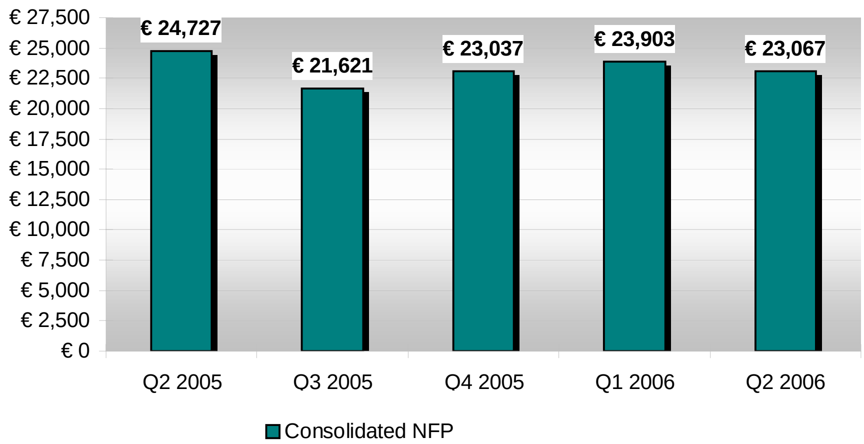
The short-term Consolidated Net Financial Position at June 30, 2006 was a positive amount of Euro 23.1 million, compared to Euro 23 million at December 31, 2005.

The period experienced an important sales drive in relation to the internationalisation process as previously described. This activity was particularly significant in the second quarter of the year when there was a reduction in the short-term financial position of Euro 0.8 million.

There was also a financial use of funds in the period of Euro 2.9 million relating to technological investments and development activities.

The graph below shows the changes in the net financial position:

SHORT-TERM CONSOLIDATED NFP



The total net financial position (which also includes medium/long term sources and uses) amounted to Euro 22.3 million, net of payables to banks and other lenders repayable beyond one year of Euro 0.7 million, compared to Euro 22 million at December 31, 2005.

The **Parent Company DADA S.p.A.** ended the first half-year with a short-term net financial position of Euro 11.0 million compared to Euro 11.3 million at December 31, 2005.

Results

A summary is provided below of the results of the **Dada Group** in the first half of 2006, compared to the same period in the previous year:

(Amounts in Euro/thousand)	June 30, 06 6 months		June 30, 05 6 months		CHANGE	
	Amount	% of total %	Amount	% of total %	Absolute	Percentage
Net Revenues	**48,769**	**100%**	**29,934**	**100%**	**18,835**	**63%**
Changes in inventory and internal work	1,499	3%	709	2%	790	111%
Service costs and other operating costs	-36,363	-75%	-19,143	-64%	-17,220	90%
Personnel costs	-6,687	-14%	-5,242	-18%	-1,445	28%
Ebitda*	**7,218**	**15%**	**6,258**	**21%**	**960**	**15%**
Amortisation & depreciation	-1,619	-3%	-1,427	-5%	-192	13%
Non-recurring income (charges)	-104	0%	-218	-1%	114	-52%
Revaluations/(Write-downs)	-434	-1%	-22	0%	-412	1873%
Ebit	**5,061**	**10%**	**4,591**	**15%**	**470**	**10%**

* after write-downs and extraordinary items of Euro 0.5 million

The reclassified results of the **Parent Company DADA S.p.A.** for the first half-year 2006 and 2005 are reported below:

(Amounts in Euro/thousand)	June 30, 06 6 months		June 30, 05 6 months		CHANGE	
	Amount	% of total	Amount	% of total	Absolute	Percentage
Net Revenues	**28,490**	**100%**	**15,750**	**100%**	**12,740**	**81%**
Changes in inventory and internal work	1,276	4%	491	3%	785	160%
Service costs and other operating costs	-21,655	-76%	-9,795	-62%	-11,860	121%
Personnel costs	-3,872	-14%	-2,357	-15%	-1,515	64%
Ebitda	**4,239**	**15%**	**4,089**	**26%**	**150**	**4%**
Amortisation & depreciation	-1,150	-4%	-793	-5%	-357	45%
Non-recurring income (charges)	24	0%	-147	-1%	171	-116%
Revaluations/(Write-downs)	-244	-1%	-1160	-7%	916	-79%
Ebit	**2,869**	**10%**	**1,989**	**13%**	**880**	**44%**

The consolidated sales of the DADA Group for the first six months of the year amounted to Euro 48.8 million (of which Euro 28.5 million related to the Parent Company Dada S.p.A.) compared to Euro 29.9 million in the same period of the previous year, an increase of 63%.

The growth in the second quarter showed a similar trend, with sales of Euro 26.1 million (of which Euro 16.8 million related to the Parent Company DADA S.p.A.), while sales in the second quarter of 2005 amounted to Euro 15.4 million and in the first quarter of 2006 amounted to Euro 22.6 million.

As previously reported this growth in volumes is due to the increasing importance of the Consumer Division which accounted for 76% of Group sales in the first six months of the year.

The consolidated Ebitda in the first six months was Euro 7.2 million (a margin of 15% on consolidated turnover), recording an improvement compared to the same period in the previous year, which amounted to Euro 6.3 million (margin of 21%). The second quarter of 2006 ended with an Ebitda of Euro 3.9 million compared to Euro 3.4 million in the first quarter of the year, with a similar margin percentage on sales.

The growth in the margin is lower than the growth in turnover. This is due to the fact that in the quarter just ended, as for the previous quarter, the DADA Group undertook important investments in the creation and strengthening of the Consumer Division's subscription user base.

This activity was particularly important in some of the international bases. In relation to this, the expenses in the quarter for the acquisition of clients was Euro 10.6 million, while in the previous quarter these costs amounted to Euro 9.5 million. Therefore, the total costs in the first half-year were over Euro 20 million. In the second quarter of 2005, these expenses amounted to Euro 1.5 million and in the first half-year of 2005 amounted to Euro 3.8 million. This account principally includes service costs and other operating costs as shown in the previous table.

It is recalled that the business model of these services is characterised by the time deferral between the initial cost necessary for the creation of the customer base and the related economic returns. This expansion policy continued after the first half of the year, in particular in its international expansion which grew through acquisitions.

Relating to the other expense items, personnel costs increased in absolute terms from Euro 5.2 million in the first half of 2005 to Euro 6.7 million in 2006, an increase of 12%. However, these costs decreased in percentage terms on consolidated sales from 18% to 14%. The increase in absolute terms is entirely related to the expansion in the activities of the company and in particular to the growth in the Consumer Division. The number of employees increased from 249 at June 30, 2005 to 292 at June 30, 2006.

There was a similar trend in relation to general costs and lease and rental costs which amounted to Euro 3.7 million for the first half of 2006 (8% on sales) compared to Euro 3.5 million in the first half of 2005 (12% on sales).

The accounts "inventory changes and increases of internal work capitalised" relate exclusively to the expenses incurred for the development of the proprietary platform necessary for the launch and management of the services provided via web and mobile by the Group. In relation to this, expenses were incurred for Dada.net in the Consumer Division, and projects for the launch of the .eu domain and new shared hosting in the Self Provisioning Division.

The consolidated Ebit in the first half of 2006 was **Euro 5.1 million** (10% of consolidated sales), compared to Euro 4.6 million (15% of consolidated sales) in the previous year.

The Ebit includes write-downs and non-recurring charges of approximately Euro 534 thousand, while in 2005 these amounted to Euro 240 thousand. The write-downs in the period relate to doubtful debt provisions.

The amortisation and depreciation of intangible and tangible fixed assets amounted to Euro 1.6 million, an increase compared to the previous year (Euro 1.4 million) and due to the investments made in the development of products and capital expenditures. In the second quarter of 2006, the Ebit amounted to Euro 2.6 million compared to Euro 2.4 million in the first quarter of the year and Euro 2.3 million in the second quarter of 2005.

The Parent Company DADA S.p.A. ended the first half with an Ebit of Euro 2.9 million compared to Euro 2.0 million in the first half of 2005.

The consolidated pre-tax profit for the first half year was **Euro 5.1 million**, equal to 11% of consolidated revenues, and an increase compared to the same period in the previous year, which amounted to Euro 4.5 million. Positively impacting on this account is the investment income deriving from the interest matured on securities and the liquidity of the Group, and negatively from financial charges in relation to guarantee/financing operations and bank commissions relating to collection services.

The pre-tax result in the second quarter of 2006 was Euro 2.6 million compared to Euro 2.3 million in the second quarter of 2005, thus recording a growth of approximately 10%.

The Group net profit for the first half of 2006 was **Euro 4.6 million**, equal to 9% of consolidated revenues, compared to Euro 3.5 million in the same period of the previous year (12% of consolidated sales).

This result was impacted by current income taxes of Euro 1.5 million, principally relating to Irap taxes of Euro 541 thousand and Ires taxes of Euro 984 thousand. Deferred tax income was also recorded amounting to Euro 1.1 million - calculated on the temporary timing differences of provisions and write-downs made in previous years, and on the expected recovery of fiscal losses carried forward as resulting from the business plans.

The Parent Company DADA S.p.A. ended the first half with a net profit of Euro 3.1 million, an increase compared to Euro 1.8 million in the first half of 2005.

Financial position and balance sheet

The composition of the short-term net financial position at June 30, 2006 is shown below:

	FINANCIAL POSITION	June 30, 2006	Dec 31, 2005	CHANGE Absolute	CHANGE Percent.
A	Cash	14	8	6	75%
B	Bank and postal deposits	18,763	11,869	6,894	58%
C	Securities held for trading	5,502	11,894	- 6,392	-54%
D	**Liquidity (A+B+C)**	**24,279**	**23,771**	**508**	**2%**
E	**Current financial receivables**			**-**	
F	Bank payables – current portion	- 963	- 491	- 472	96%
G	Current portion of non-current debt	- 249	- 243	- 6	2%
H	Other current financial payables			-	
I	**Current debt (F+G+H)**	**- 1,212**	**- 734**	**- 478**	**65%**
J	**Current net financial position (I-E-D)**	**23,067**	**23,037**	**30**	**0%**
K	Bank payables – non-current portion	- 704	- 964	260	-27%
L	Other non-current payables			-	
M	**Non-current debt (K+L)**	**- 704**	**- 964**	**- 1,668**	**173%**
N	**Total net financial position (J+M)**	**22,363**	**22,073**	**290**	**1%**

The short-term Consolidated Net Financial Position at June 30, 2006 was a positive amount of **Euro 23.1 million**, compared to Euro 23 million at December 31, 2005 and Euro 23.4 million at March 31, 2006. During the first six months of 2006, there was therefore an increase in this figure in absolute terms of Euro 0.1 million.

The lower growth of the net financial position compared to the previous periods was impacted by the Group's current international drive. This activity, as previously reported, is characterised by significant expenses necessary for the creation and growth of the user base for services in the Consumer sector, and technological investments and expenses for the development of products and processes.

The securities are characterised by short-term investments on demand and low risk profile. These securities are measured at market value (fair value), represented by the average quotations obtained from the issuers.

The total net financial position (which also includes medium/long term sources and uses) amounted to Euro 22.4 million, net of payables to banks and other lenders repayable beyond one year of Euro 0.7 million. This position was Euro 22 million at December 31, 2005.

The composition of the net working capital and the net capital employed at June 30, 2006 is shown below:

(Amounts in Euro/thousand)	June 30, 2006	Dec 31, 2005	CHANGE	
			Absolute	Percent.
Fixed assets (A) (*)	**21,013**	**19,704**	**1,309**	**7%**
Current assets (B)	48,309	34,999	13,310	38%
Current liabilities C	-42,987	-34,276	-8,711	25%
Net working capital (D) = (B)-(C)	**5,322**	**723**	**4,599**	**636%**
Employee leaving indemnity provision (E)	-1,664	-1,455	-209	14%
Provisions for risks and charges (F)	-789	-836	47	-6%
Net capital employed (A+D+E+F)	**23,882**	**18,136**	**5,746**	**32%**

(*) Euro 2.7 million of deferred tax assets were reclassified under current assets as they are expected to be utilised in the short-term period.

The composition of the net working capital and the net capital employed of the Parent Company Dada S.p.A. at June 30, 2006 is shown below:

(Amounts in Euro/thousand)	June 30, 2006	Dec 31, 2005	CHANGE	
			Absolute	Percent.
Fixed assets (A) (*)	**32,227**	**30,998**	**1,229**	**4%**
Current assets (B)	33,451	25,350	8,101	32%
Current liabilities C	-31,428	-27,326	-4,102	15%
Net working capital (D) = (B)-(C)	**2,023**	**-1,976**	**3,999**	**-202%**
Employee leaving indemnity provision (E)	-915	-837	-78	9%
Provisions for risks and charges (F)	-673	-688	15	-2%
Net capital employed (A+D+E+F)	**32,662**	**27,497**	**5,165**	**19%**

The net working capital at June 30, 2006 records an increase compared to December 31, 2005 and compared to March 31, 2006, principally due to the investments made for the launch of the products in the Consumer Division in some overseas countries.

As previously described, this type of activity results in a financial management (at least in the initial phase) characterised by important temporary differences between the average period of payments and receipts. It is expected that the net working capital will continue to increase in the second half of 2006 due to the expected development of the operations.

The changes in the principal balance sheet accounts are due to the normal increases related to the increased business activity of the DADA Group, both in terms of sales and current spending.

Within the composition of the net working capital accounts, it is noted that a significant part of the trade receivables are concentrated on a limited number of clients with high credit ratings. In particular, approximately 75% of the total value of the Group receivables is due from telephone operators, directly or through affiliates, and from which a large part of the sales are generated for payment services of the Consumer division, that as previously reported have increased significantly in recent months.

The investment activities have principally related to the purchase of tangible fixed assets for the renewal of the technical structure of approximately Euro 900 thousand, and the expenses for the development of new products and services (and other intangible assets) of Euro 1,490 thousand. The positive investment cash flow relates to the disposal of financial assets and income from investments.

The table below shows the Consolidated Cash Flow for the period:

(Amounts in Euro/thousand)	June 30, 06 (6 months)	June 30, 05 (6 months)
Cash flow from operating activity	1,563	5,782
Cash flow from investing activity	-2,674	-1,602
Cash flow from financing activity	1,141	2,553
Net cash flow for the period	**30**	**6,733**

The cash flow from operations generated Euro 1.6 million compared to Euro 5.8 million in the first half year of 2005. The same considerations apply to the cash flow movements as to those previously made in relation to the composition of the net financial position and the increase in net working capital.

The investment activity relates to tangible fixed assets of Euro 1.3 million and intangible fixed assets (mainly consisting of development activity) of Euro 1.7 million.

The cash flow from financing activities increased following the share capital increase in February related to the stock option plan for Euro 1.4 million and decreased due to the repayments of medium/long-term payables. In the previous year this was positive as a consequence of the sale in April 2005 of treasury shares which the company held in portfolio.

STOCK OPTION PLANS

Following a decision of the Extraordinary Shareholders' Meeting on 28/04/2005 the Board of Directors were conferred and in accordance with articles 2443 and 2441, 8th paragraph of the civil code they granted the power to increase the share capital, for a five year period, on one or more occasions, up to a maximum nominal value of Euro 79,922.95, through the issue of ordinary shares with the nominal value of Euro 0.17 as an incentive plan for the employees of Dada S.p.A. and its subsidiaries.

In execution of these powers, on March 16, 2006, the Board of Directors deliberated to increase the share capital for the issue of a new three-year stock option plan in favour of the employees of DADA S.p.A. and its subsidiaries.

The above-mentioned plan provides for the issue of a total of 33,000 shares divided into three annual tranches and offered in subscription to the employees of the group at an exercise price of Euro 16.92 per share, and in the subscription period between January 18 and February 6 in the three following years, and thus in the three-year period 2007-2009.

tranche 1a: vesting period from March 16, 2006 to January 17, 2007, exercise period from January 18, 2007 to February 6, 2007.

tranche 2a: vesting period from February 7, 2007 to January 17, 2008, exercise period from January 18, 2008 to February 6, 2008.

tranche 3a: vesting period from February 7, 2008 to January 17, 2009, exercise period from January 18, 2009 to February 6, 2009.

The exercise price was determined as the average price of Dada shares in the month prior to the issue of the plan.

With the resolution of the Extraordinary Shareholders' Meeting of December 30, 2005, the Board of Directors in accordance with article 2443, paragraph 2 of the civil code were conferred: the power to increase the share capital, on one or more occasions, up to a maximum nominal value of Euro 136,000.00, through the issue of 800,000 ordinary shares with a par value of Euro 0.17 as an incentive plan for the directors with specific appointments and/or general directors and/or senior management and divisional managers of Dada S.p.A. and its subsidiaries.

In execution of these delegated powers, on February 3, 2006 the Board of Directors deliberated to increase the share capital for the issue of a new three-year stock option plan for the Directors with specific appointments and/or General Directors and/or senior management and divisional managers of Dada S.p.A. and its subsidiaries. The Board, on the proposal of the Remuneration Committee of the Company, approved the regulations of the Plan and assigned 700,700 options for the subscription of the same number of ordinary DADA shares to 10 Directors holding specific offices and Top Managers of the Group, also approving a share capital increase totalling Euro 119,119 to service the above-mentioned options.

The stock option plan has the purpose of providing incentives and ensuring the loyalty of the Top Management and therefore the exercise of the options is conditional, within the limits established in the regulations, of achieving 90% of the objective Consolidated Ebitda for the year 2008 as determined by the Board.

In general terms, the exercise of the options may take place from January 15 to January 31, from February 16 to February 28, from June 1 to June 15, from September 15 to September 30 (extended to October 15 only for the year 2012) and, finally, from November 15 to November 30 of each year until November 11, 2012 and from the date of the approval of the consolidated financial statements relating to the Dada Group for the year ended December 31, 2008.

The subscription price of the shares was determined by the Board of Directors of the Company, in accordance with the criteria indicated by the Shareholders' Meeting, as Euro 14.782 per share, equal to the average official price registered of the DADA shares in the month prior to the assignment of the rights and in any case above the average share price in the previous six months.

Also in execution of these powers, on March 16, 2006, the Board of Directors deliberated to increase the share capital for the issue of a new three-year stock option plan in favour of the employees of DADA S.p.A. and its subsidiaries.

The above-mentioned plan provides for the issue of a total of 33,000 shares divided into three annual tranches and offered in subscription to the employees of the group at an exercise price of Euro 16.92 per share, and in the subscription period between January 18 and February 6 in the three following years, and thus in the three-year period 2007-2009.

The actuarial valuation of the Stock Option plan of the DADA Group, in accordance with IFRS2, was made by an independent actuary applying the binomial method.

CORPORATE GOVERNANCE

Committees

The Board of Directors on May 9, 2006 set up the following committees:

1) Remuneration Committee consisting of the following directors: Barbara Poggiali, Salvatore Amato and Danilo Vivarelli. The purpose of this Committee is to guarantee adequate information and transparency on the remuneration, and on the method of its determination, of the Board of Directors and to guarantee that the remuneration system is capable of attracting, motivating and keeping high level professionals with adequate experience. The decisions of the Remuneration

Committee must be made in such a manner that no director can influence the determination of his remuneration.

2) Internal Control Committee, made up of the following independent directors: Salvatore Amato, and the directors Raffaello Napoleone and Danilo Vivarelli. This committee assists the board in carrying out its tasks in relation to internal control, evaluates the work plan and receives periodic reports prepared by the persons responsible for internal control, evaluates the proposals of the audit firms and reports to the board on its activities and on the adequacy of the internal control system. The Board of Directors also nominated, in addition to the person in charge of internal control, the supervisory and control board.

In consideration of the shareholding structure of the Company, the Board of Directors did not consider it necessary to set up a Nominations Committee.

Code of Conduct of the Company on internal dealing

The Board of Directors of DADA S.p.A. on March 16, 2006 adopted the new Code of Conduct for companies in relation to Internal Dealing; this code, in force since 1/4/2006, was prepared in accordance with article 152.6 and thereafter of the Consob Regulations adopted with Resolution No. 11971 and most recently modified with Resolution No. 15232 of November 29, 2005 and the Regulations of the Markets Organised and Managed by Borsa Italiana S.p.A. (Borsa Italiana shareholders' resolution of December 21, 2005 and approved by Consob Resolution No. 15319 of February 8, 2006) and which governs the periodic disclosure obligations of transactions made relating to quoted securities of the issuer by persons who may have access to price sensitive information.

The code considers "Relevant Persons":
a) in relation to DADA:
all Directors, Standing Auditors and Senior Managers;
b) in relation to any Relevant Subsidiaries:
all Directors which have been attributed executive powers of a permanent nature, or part of an Executive Committee, or General Director as it is considered that these persons have regular access to Price Sensitive information relating to DADA or subsidiaries and have the power to adopt management decisions which may impact upon the performance and future prospects of the Relevant Subsidiaries;
and "Relevant Operations":
all operations relating to the purchase, sale, subscription or exchange of Financial Instruments above a cumulative threshold of Euro 5,000 for a period of one year
From April 1, 2006 – commencement date of the Code - the Relevant Persons must disclose to the Person Responsible for Internal Dealing, within three days of market opening from the effective date of the operation, the Relevant Operations undertaken by them and by persons strictly related to them.

OTHER INFORMATION

On June 20, 2006, the company Dada Brasil Serviços de Tecnologia Ltda was incorporated with registered offices at San Paolo. The company will distribute fee-based services in the Consumer sector in Brazil. The company will commence operations in the final quarter of the year.

SUBSEQUENT EVENTS AFTER THE FIRST HALF YEAR

The figures after the end of the first half-year confirm the growth in revenue in the first 6 months of the year. International operations continue to grow and their contribution is expected to increase in the coming quarters.

The main operational events after the end of the first half year are reported below:

On July 4, 2006, DADA S.p.A., in further implementing the optimisation of the Group structure, completed the sale of the entire investment held in Planet Com S.p.A., equal to 50% of the share capital.

Dada's strategy is to focus on its wholly owned subsidiaries and its core businesses, represented by the scalable services relating to the community and entertainment world accessible via web and mobile. In the first quarter of 2006 these services represented 74% of Dada's consolidated sales and registered sales in constant growth.

The sale of the entire holding in Planet Com S.p.A., specialising in judicial court auctions, to Asteimmobili.it S.p.A. was for a cash payment of Euro 2.5 million, of which Euro 2 million was payable on the purchase date and the remainder payable on September 30, 2006.

The investment in Planet Com was recorded in the financial statements of Dada at December 31, 2005 at a book value of Euro 254 thousand; the sale will therefore generate a gain of Euro 2,246 thousand.

In 2005, Planet Com recorded sales of Euro 5,675 thousand, an Ebitda of Euro 412 thousand and an Ebit of Euro 180 thousand. At December 31, 2005, the net equity of the company was Euro 558 thousand and the short-term NFP was a cash position of Euro 662 thousand.

On July 21, 2006, Dada S.p.A. completed the agreement for the purchase of the remaining 3% of Register.it S.p.A. from four professional individuals with long-term experience within the Group and whose relationship will remain unchanged.

Following this agreement, DADA will hold 100% of Register.it S.p.A. (www.register.it), the first Italian operator accredited by ICANN - the international body that awards the Internet technical management on a worldwide basis. Register.it S.p.A. currently boasts over 250,000 active domain names, 250,000 premium managed emails and over 120,000 web sites hosted on its evolved hosting solutions.

The acquisition of the 3% of the share capital of Register.it S.p.A. will be made for a cash price of Euro 600 thousand, to be paid by September 30, 2006 on the transfer of the shares.

On August 4, 2006, Register.it S.p.A., a company fully owned by Dada S.p.A. and one of the leading players in the European market of Internet domains, professional emails and hosting, formalised an agreement for the acquisition of the Spanish company Nominalia S.L. Nominalia has been active since 1997 in the Spanish professional Internet services segment and is the leading operator managing more than 155 thousand domains with an addition of about 3 thousand new domains per month.

The Company is based in Barcelona, currently employs 35 professionals among which some of the Spanish pioneers of the sector, and – like Register.it – is ICANN accredited (Internet Corporation for Assigned Names and Numbers). Direct agreements with the main Registries all over the world allow Nominalia to offer registration and management of domains and Internet professional services in more than 100 different countries.

The acquisition will be made by Register.it through the purchasing of 100% of the share capital of Nominalia for a total consideration of Euro 5.2 million to be executed in three different tranche.

At the first closing of August 4, 2006 Register.it acquired 66% of Cotei S.L. - the holding company which owns as its sole asset 75% of the share capital of Nominalia - therefore acquiring 50.1% of Nominalia for a total payment of Euro 2.6 million paid half cash at closing and the rest to be paid in 3 equal quarterly instalments. A pledge on behalf of Register.it regarding all the shares of Nominalia and Cotei not yet acquired has immediately granted Register.it full powers of governance and voting rights on 100% of the share capital of the two Spanish companies. Along with the second closing, planned for February 2007, Register.it will complete the acquisition of the remaining 33% of Cotei - thus increasing its stake to 100% of Cotei and therefore 75% of Nominalia - for a payment of Euro 1.3 million of which Euro 650 thousand to be paid at the date of the second closing and the balance to be paid in 2 equal quarterly instalments.

With the third and final closing, planned for January 2008, Register.it will complete the acquisition of the remaining shares of Nominalia equal to 25% of the capital, with a payment of Euro 1.3 million, of which Euro 650 thousand to be paid at closing and the remainder to be paid in 2 equal quarterly instalments.

In the first 5 months of 2006 Nominalia recorded revenues of Euro 2.5 million and an Ebitda of Euro 649 thousand (equal to an Ebitda margin of 26%) while the revenues of the full year 2005 were of Euro 3.8 million with an Ebitda of Euro 830 thousand. At May 30, 2006 the net financial position of the company was positive for over Euro 1 million.

On August 5, 2006, DadaMobile Inc., a subsidiary of Dada S.p.A. with head offices at New York and a leading player in the USA community and entertainment services via web and mobile, formalised the agreement for the acquisition of the company Upoc Networks Inc., an experienced operator in the US market for Internet and mobile added value services.

Founded in 1999 with head offices in New York, Upoc operates in the provision of consumer entertainment and community services, accessible via SMS, WAP, voice, MMS, BREW and Java. It is distributed both through its own brand upoc.com and through some of the principal WAP portals of American carriers. Upoc also offers online marketing solutions for leading American media groups.

Upoc today has approximately 3 million registered users, sends an average of 2 million SMS per day and adds almost 50 thousand new subscribers monthly - the majority of which are from WAP services. The company currently has 34 professionals with proven experience in the technology sector.

The acquisition of Upoc will be made through Dada Mobile Inc. for a cash payment totalling USD 7 million (equal to approximately Euro 5.5 million) from Group funds and will be paid in one single tranche on the transfer of the shares representing the equivalent of over 90% of the ordinary share capital, while the remaining shares will be transferred subsequently.

On August 22, 2006, Dada Mobile Inc. completed the acquisition of Upoc Networks Inc. following the compliance of the suspension clauses of the operation.

In 2005, Upoc recorded revenues of USD 3.6 million, an increase of 71% compared to USD 2.1 million in the previous year and recorded a gross profit of USD 2.9 million.

Florence, September 11, 2006

For the Board of Directors

The Chairman, Paolo Barberis

FINANCIAL STATEMENTS AND NOTES TO THE CONSOLIDATED HALF-YEAR REPORT AS AT JUNE 30, 2006

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

Registered Office: Borgo degli Albizi 12 - Florence
Share capital Euro 2,714,569.86 fully paid-in
Florence Company Registry Office No. FI017- 68727 - REA 467460
Fiscal code/VAT No. 04628270482

SUMMARY CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

ASSETS	30/06/06 (6 months)	31/12/05 (12 months)
Non-current assets		
Goodwill	9,262	9,261
Intangible fixed assets	4,943	4,304
Other tangible assets	3,746	3,229
Equity investments in non-consolidated subsidiaries, associated and other companies	-	15
Financial assets	244	248
Deferred tax assets	5,177	4,829
Total non-current assets	**23,372**	**21,886**
Current assets		
Inventories	150	372
Trade receivables	28,064	23,499
- of which related parties	*1,204*	*570*
Tax and other receivables	15,365	8,946
Financial assets held for trading	5,502	11,894
Cash and cash equivalents	17,998	11,877
Total current assets	**67,079**	**56,588**
Non-current assets of discontinued operations	**3,150**	**-**
TOTAL ASSETS	**93,601**	**78,474**

SUMMARY CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

SHAREHOLDERS' EQUITY AND LIABILITIES	30/06/06 (6 months)	31/12/05 (12 months)
SHAREHOLDERS' EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	2,715	2,692
Share premium reserve	29,493	28,085
Legal reserve	538	406
Other reserves	-1,248	-6,065
Retained earnings/accumulated losses	9,668	7,349
Result for the period	4,570	7,222
Total Group shareholders' equity	**45,736**	**39,689**
Minority interest share	**267**	**520**
Total Shareholders' Equity	**46,003**	**40,209**
Medium/long term liabilities		
Bank loans (beyond one year)	611	934
Provisions for risks and charges	789	836
Employee leaving indemnity	1,567	1,455
Other payables beyond one year	0	30
Total medium/long Liabilities	**2,967**	**3,255**
Current liabilities		
Trade payables	28,513	22,371
- of which related parties:	*1,258*	*732*
Other payables	10,116	9,965
Tax payables	1,996	1,940
Bank overdrafts and loans (within one year)	1,169	734
Total current liabilities	**41,794**	**35,010**
Non-current liabilities of discontinued operations	**2,837**	**0**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	**93,601**	**78,474**

SUMMARY CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP FOR THE SIX MONTHS ENDED JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

	30/06/06 (6 months)	30/06/05 (6 months)
Net Revenues	**48,769**	**29,934**
- of which related parties:	*429*	*224*
Cost of raw materials and consumables	-28	-68
Changes in inventory and internal work	1,499	709
Service costs and other operating costs	-36,392	-19,177
- of which related parties:	*-324*	*-36*
Personnel costs	-6,687	-5,242
Other operating charges	-47	-116
Provisions & write-downs	-434	-22
Amortisation & depreciation	-1,619	-1,427
Ebit	**5,061**	**4,591**
Investment income	317	168
Other income and financial charges	-288	-205
Financial charges		0
Profit before taxes	**5,090**	**4,554**
Income taxes	-470	-880
Net profit from normal operations	**4,620**	**3,674**
Minority interest profit	-50	-209
Group net profit	**4,570**	**3,465**
Basic earnings per share	0.289	0.221
Diluted earnings per share	0.281	0.030

SUMMARY CONSOLIDATED CASH FLOW STATEMENT OF THE DADA GROUP AT JUNE 30

(Amounts in Euro/thousand)	30/06/06	30/06/05
Operating activities		
Net profit for the period	**4,570**	**3,465**
Adjustments for:		
Income from trading activities	-317	-168
Financial charges	288	110
Income taxes	470	880
Depreciation of tangible fixed assets	593	438
Amortisation of other intangible assets	1,026	989
Other provisions	643	277
Increases/(decreases) in provisions	-47	-220
Cash flows generated from operating activities before changes in working capital	**7,226**	**5,771**
Increase in inventories	222	-62
(Increase)/ decrease in receivables	-13,744	-1,602
Increase in trade payables	8,241	1,850
Cash flow generated from operating activities	**1,945**	**5,957**
Income taxes paid	-94	-65
Interest paid	-288	-110
Net cash flow generated from operating activities	**1,563**	**5,782**
Investing activities		
Interest received	317	168
Sale of subsidiary and associated companies		128
Purchase of tangible fixed assets	-1,278	-949
Purchase of financial assets	4	-5
Purchase of intangible assets	-218	-230
Product development costs	-1,499	-714
Net Cash flow used in investing activities	**-2,674**	**-1,602**
Financing activities		
Dividends from subsidiaries	-25	-40
Repayment of loans	-260	-829
Payments deriving from share capital increases	1,431	796
Sale of treasury shares		2,600
Other changes	-5	26
Net Cash flow generated from financing activities	**1,141**	**2,553**
Net increase/(decrease) in cash and cash equivalents	**30**	**6,733**
Cash and cash equivalents at beginning of the period	**23,037**	**17,994**
Cash and cash equivalents at 31/06/06	**23,067**	**24,727**

SUMMARY STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY FROM 01/01/04 TO 30/06/06

Description	Share capital	Share prem.	Legal reserve	Other reserves	Retained earnings (acc. losses)	Profit for the period	Total
Balance at January 1, 2004	2,664	58,986	406	-9,045	4,257	-24,879	32,389
Allocation of results 2003		-24,971			92	24,879	-
Purchase of treasury shares				-658			-658
Result at 30/06/04						-2,725	-2,725
Balance at 31/12/04	**2,664**	**34,015**	**406**	**-9,703**	**4,349**	**-2,725**	**29,006**
Allocation of results 2004		-6,699			3,975	2,725	-
Share capital increase	28	769					797
Sale of treasury shares				3,370	-770		2,600
Other changes				251	-205		46
Translation difference				18			18
Result at 31/12/2005						7,222	7,222
Balance at 31/12/05	**2,692**	**28,085**	**406**	**-6,064**	**7,349**	**7,222**	**39,689**
Allocation of results 2005	-		133	4,734	2,355	-7,222	-
Share capital increase	23	1,408					1,431
Translation difference				-438			-438
Other changes				519	-36		483
Result at 30/06/06						4,570	4,570
Balance at 30/06/06	**2,715**	**29,493**	**539**	**-1,249**	**9,668**	**4,570**	**45,736**

NOTES TO THE FINANCIAL STATEMENTS

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 half-year report. 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 (page 7).

The present half-year consolidated report is expressed in Euro as this is the currency in which the majority of the operations of the Group are carried out.

Criteria for the preparation of the Financial Statements

The interim consolidated financial statements for the six months to June 30, 2006 were prepared in accordance with IAS 34 Interim Reporting and article 81 of Consob's Issuers' Regulation No. 11971/1999.

The interim consolidated financial statements do not contain all the disclosure requirements for the annual report, and should be read together with the Group annual report as at December 31, 2005.

The accounting principles adopted in the preparation of the interim consolidated financial statements are in line with those adopted for the preparation of the Group annual financial statements for the year ended December 31, 2005.

Consolidation principles

The present half-year report includes the results of the Parent Company Dada S.p.A. and of the companies it controls as at June 30, 2006. Based on the accounting standards applied, the control of a company is defined as when the company has the power to determine the financial and operating policies of a company so as to benefit from its activities.

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

Where necessary, adjustments are made to the financial statements of subsidiaries in order to apply uniform Group accounting policies.

All of the significant operations undertaken between the companies of the Group and the relative balances are eliminated in the consolidation.

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 (functional currency). For the purposes of the consolidated financial statements, the financial statements of each foreign entity are expressed in Euro, which is the functional 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".

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.

	AVERAGE RATE 30.06.2006	PERIOD-END RATE 30.06.2006
US Dollar	1.22921	1.27130

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 consolidation scope has not changed compared to December 31, 2005, while compared to the same period in the previous year the company Ad Maiora S.p.A. is no longer included as the company was sold in September 2005.

In addition, as reported in the directors' report, the investment in the company Planet Com was sold at the beginning of July whose income statement was therefore fully consolidated for the period prior to disposal and included in the result from discontinued operations. The balance sheet shows the aggregated assets and liabilities from discontinued operations, while in the attached reclassified financial statements and in the cash flow statement, this account is divided between current and financial fixed assets and current and long-term liabilities.

The consolidation scope for the period is shown below:

Consolidation scope	**June 30, 2006**			**December 31, 2005**			**June 30, 2005**		
Values: Euro/000	**Perc. held**	**Period Consol.**	**Sh. Cap.**	**Perc. held**	**Period Consol.**	**Sh. Cap.**	**Perc. held**	**Period Consol.**	**Sh. Cap.**
Dada S.p.A. (FI)	Parent Company	Jan-June 2006	2,714	Parent Company	Jan-Dec 2005	2,692	Parent Company	Jan-June 2005	2,664
Ad Maiora S.p.A. (RM)							60.00%	Jan-June 2005	780
PlanetCom S.p.A. (MI)	50.00%	Jan-June 2006	263	50.00%	Jan-Dec 2005	263	50.00%	Jan-June 2005	263
Register S.p.A. (BG)	97.04%	Jan-June 2006	1,913	97.04%	Jan-Dec 2005	1,913	67.89%	Jan-June 2005	1,913
Softec S.p.A. (PT)	50.00%	Jan-June 2006	300	50.00%	Jan-Dec 2005	300	50.00%	Jan-June 2005	300
- WebNet S.r.l. (FI) indirect	100.00%	Jan-June 2006	21	100.00%	Jan-Dec 2005	21	100.00%	Jan-June 2005	21
- Altair S.r.l. (PT indirect	100.00%	Jan-June 2006	10	100.00%	Jan-Dec 2005	10	100.00%	Jan-June 2005	10
- Business Engineering S.r.l (PT) indirect	100.00%	Jan-June 2006	21	100.00%	Jan-Dec 2005	21	100.00%	Jan-June 2005	21
DadaMobile S.p.A. (FI)	100.00%	Jan-June 2006	9,933	100.00%	Jan-Dec 2005	9,933	100.00%	Jan-June 2005	10,885
- Clarence S.r.l. (FI) indirect	100.00%	Jan-June 2006	21	100.00%	Jan-Dec 2005	21	100.00%	Jan-June 2005	11
- DadaMobile Inc. (NY - USA) indirect	100.00%	Jan-June 2006		100.00%	Feb-Dec 2005		100.00%	Feb-June 2005	
- Dada Brasil Serviços de Tecnologia Ltda (SP - BR) indirect *	100.00%	Jan - June 2006	169						

* Non-operating company.

Seasonal activities

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

NOTES TO THE MAIN ACCOUNTS OF THE CONSOLIDATED BALANCE SHEET

(Amounts expressed in Euro/thousand)

ASSETS

Non-current assets

Intangible fixed assets

The changes in intangible assets in the first half of 2006 are shown in the table below:

Description	Value at 31/12/05	Increases	Decreases	Other movements	Amortisation	Value at 30/06/06
Goodwill	9,262	-	-	-	-	9,262
Total goodwill	*9,262*	-	-	-	-	*9,262*
Development expenses on products/services	3,315	1,499	-	-5	-787	4,023
Concessions, licenses, trademarks	424	88	-	-	-98	414
Others	566	129	-	-47	-141	506
Total intangible assets	*4,305*	*1,716*	-	*-52*	*-1,026*	*4,943*
Total	**13,567**	**1,716**	**-**	**-52**	**-1,026**	**14,205**

In relation to the composition of goodwill, reference should be made to the paragraph below.

The “other movements” includes the reduction related to the recording of Planet Com (company sold in July) under non-current assets available-for-sale.

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 prevalently relating to the portals and Consumer Services. 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.

In relation to this, expenses were incurred for Dada.net in the Consumer Division, and projects for the launch of the .eu domain and new shared hosting in the Self Provisioning Division.

The capitalisation 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 account “others” is prevalently comprised of the software acquired by the Group, expenses for the registration of the brands and licences which are amortised on a straight-line basis over five years.

Goodwill

The composition of the goodwill at June 30, 2006 is shown in the table below:

Company	Goodwill 30/06/06	Goodwill 31/12/05
Register SpA (Self Provisioning Division)	6,668	6,668
Softec S.p.A. (Business Division)	-	-
Clarence Srl (Consumer Division)	430	430
DadaMobile SpA (Consumer Division)	1,265	1,265
Wireless Solutions (Consumer Division)	899	899
Total	**9,262**	**9,262**

The impairment test is made on an annual basis on the preparation of the annual accounts. The recoverable value of the cash-generating units, to which the individual goodwill is allocated, is verified through the determination of the value in use.

In particular, for all of the companies in the Group, a valuation was made to verify the recovery of the investments by preparing financial and cash flow forecasts on the basis of the best information currently available and approved by the Board of Directors of the Parent Company and the subsidiary companies.

These annual valuations are verified at the end of each periodic accounts through an analysis which verifies the absence of external and internal impairment indicators.

The verification made at June 30, 2006 confirmed that it was not necessary to make any changes to the values recorded in the half-year accounts.

Other tangible assets

The balance of tangible assets atJune 30, 2006, amounting to Euro 3,746 thousand, results from the movements as detailed below:

Description	Value at 31/12/05	Increases	Decreases	Other movements	Depreciati on	Value at 30/06/06
EDP	2,912	1,205	-2	-130	-519	3,466
furniture and fittings	306	38	-	-39	-40	265
Others	12	17	-	-3	-10	16
Total	**3,229**	**1,260**	**-2**	**-172**	**-569**	**3,746**

The increase in the period is principally due 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 "other movements" includes the reduction related to the recording of Planet Com (company sold in July) under non-current assets available-for-sale.

Investments in non-consolidated subsidiaries and associated companies

The composition and movements of the investments in associated companies and non-consolidated subsidiary companies is shown in the table below:

Company	Value at 31/12/05	Increase	Decreases	Other changes	Value at 30/06/06	% poss.
Euclide Active Training Srl	-				-	ind. 100%
Planet-Zucchetti Srl	15			-15	-	Ind. 50%
Total	**15**	**-**	**-**	**-15**	**-**	

The company Euclide Active Training Srl, held through the subsidiary Softec S.p.A., was fully written down in the financial statements at December 31, 2005.

The company Zucchetti-Planet Srl was incorporated in 2005 through the company Planet Com S.r.l., which was sold immediately after the end of the first half year. Therefore, as described in the criteria for the preparation of the accounts, the values of assets (and liabilities) are classified in a separate account "non-current assets (and liabilities) available for sale"

Deferred tax assets

The movements are shown in the following table:

Description	Balance at 31/12/2005	Increases in the period	Utilisation in the period	Other movements	Balance at 30/06/06
Deferred tax assets	4,829	1,055	-707		5,177
Total	**4,829**	**1,055**	**-707**	**-**	**5,177**

Deferred tax assets, recorded in the financial statements for Euro 5.2 million, originate from the temporary timing differences recoverable on a short-term basis relating to provisions made for write-downs on investments, doubtful debts and provisions for risks and charges and fiscal losses carried forward, as well as the temporary differences connected to the transition the International Accounting Standards.

It is noted that the tax losses carried forward amount to approximately Euro 72 million, of which Euro 46 million are for an indefinite period.

The utilisations relate to the fiscal charge for the period, while the increase was calculated on the basis of the criteria at the end of the previous year, on the basis of the recovery of the above mentioned items as resulting from the business plan prepared for a two-year period.

The deferred tax assets have been recorded, on a prudent basis, up to the amount for which there is reasonable certainty that they will be recovered.

Current assets

Trade receivables

The balance of trade receivables consists of:

Description	Balance at 30/06/06	Balance at 31/12/05	Change	Change %

Trade receivables Italy	31,338	26,279	5,059	19%
Less: doubtful debt provision	-3,274	-2,780	-494	18%
Total	**28,064**	**23,499**	**4,565**	**19%**

The level of trade receivables is in line with Group operations in the first half of 2006. The average collection period for trade receivables is 120 days.

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

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.

The movement in the provision for doubtful debts is summarised in the following table:

Description	Balance at 31/12/2005	Increases in the year period	Utilisation in the period	Other movements	Balance at 30/06/06
Bad debt provision	2,780	434	-10	70	3,274
Total	**2,780**	**434**	**-10**	**70**	**3,274**

The increase in the provision reflects the necessity to write-down, on a prudent basis, several positions which have arisen in the year as a consequence of the economic/financial difficulties of some clients.

The "other movements" includes the reduction related to the recording of Planet Com (company sold in July) under non-current assets available-for-sale.

The utilisations relate to positions closed in the year for which either recognition was made of the impossibility to recover the amount or a decision made relating to the settlement with the debtor.

The provision as at June 30, 2006 is considered adequate to meet the potential losses relating to the entirety of trade receivables.

It is considered that the credit risk related to the liquidity is limited as the counterparties are represented by primary credit institutions.

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 approximates their fair value.

There are no receivables over 5 years.

Tax and other receivables

The composition is shown in the following table:

Description	Balance 30/06/06	Balance 31/12/05	Change	Change %
Receivables from tax authorities	295	604	-309	-51%
Advances to suppliers	53	231	-178	-77%
Other receivables	958	1,003	-45	-4%
Accrued income	14,059	7,108	6,951	98%

Total	15,365	8,946	6,419	72%

The accrued income principally relates to the subscription services in the Consumer division, recording the revenues in the income statement on an accruals basis.

This accrued income is calculated on the basis of the historical LTV (life time value) of the users purchasing fee-based services. Prudently, this amount is estimated as not greater than 6 months (depending on the purchase period).

In addition, this account includes telephone carrier fees and domain registration costs of the Self Provisioning division.

The account 'other receivables' include deposits paid to the various authorities relating to the domain registration activity for a total amount of Euro 340 thousand.

Tax receivables include the payments on account for Irap regional tax of Euro 85 thousand. The residual amount of Euro 210 thousand relates to withholding taxes and other tax credits.

Financial assets

The composition is shown in the following table:

Description	Balance at 30/06/06	Balance at 31/12/05	Change	Change %
Bonds	2,345	9,309	-6,964	-74.81%
Financial receivables	3,157	2,585	572	22.13%
Total	**5,502**	**11,894**	**-6,392**	**-53.74%**

The account "financial receivables" includes a blocked bank account of Euro 2,500 thousand and relates to a guarantee received from a primary Credit Institution in relation to the purchase of the investment in Register.it S.p.A. during the year.

This relates to a blocked short term deposit which matures by the end of 2006.

The securities, which represent financial assets held for trading, consist of the investment of the liquidity of the Group. The investments relate to:

- structured bonds issued by the Dresdner Bank of Euro 0.5 million for a 3 year period, payable at 30 days notice. Guaranteed minimum return 2.5%;

- Top propensity investment of Euro 1.8 million; this relates to an insurance policy with an annual return of 2.2% net and payable on demand.

The short-term asset management bonds, recorded in the financial statements at December 31, 2005 for Euro 2.6 million, was sold on June 7, 2006 for a similar value;

The MPS Alternative Defensive funds, recorded in the financial statements at December 31, 2005 for an amount of Euro 4.3 million, were sold on March 30, 2006 for approximately Euro 4.4 million;

The income from the sale of the above securities was recorded in the account "financial income".

All of these investments are characterised by short-term payment on demand and low risk profile.

These securities are measured at market value (fair value), represented by the quotations obtained from the issuers.

Cash and cash equivalents

The composition is shown in the following table:

Description	Balance at 30/06/06	Balance at 31/12/05	Change	Change %
Bank and postal deposits	17,984	11,869	6,115	51.52%
Cash and cash equivalents	14	8	6	75.00%
Total	**17,998**	**11,877**	**6,121**	**51.54%**

The balance represents the liquidity and cash balances at June 30, 2006.

The yield on bank deposits, prevalently relating to one Credit Institution, is equal to Euribor at three months –0.3.

The increase of this account is related to the divestment of the financial assets held for trading described previously.

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

Non-current assets of discontinued operations

It is recalled that immediately after the end of the first half-year the investment in the subsidiary Planet Com S.r.L was sold. In relation to this reference should be made to the directors' report.

Consequently, the relative assets and liabilities are recorded on an aggregate basis. However, in the attached reclassified financial statements and cash flow statement this account is classified under fixed, current and financial assets and current and long-term liabilities.

At income statement level the company was fully consolidated for the period prior to disposal, separately reporting the result under discontinued operations, as the decision to dispose of the operations was made at the end of the period.

Consequently the assets are classified in the balance sheet in the account "non-current assets available for sale".

The composition is shown in the following table:

Description	Balance at 30/06/06
Intangible assets	52
Property, plant and equipment	168
Financial fixed assets	15
Total fixed assets	*235*
Trade receivables	2,030
Other receivables	106

Cash and financial assets	779
Total current assets	*2,915*
Total assets available for sale	**3,150**

LIABILITIES

Shareholders' Equity

The share capital of Dada S.p.A at June 30, 2006 is made up of 15,968,058 ordinary shares, of a nominal value of Euro 0.17, for a total value of Euro 2,714 thousand. During the year the share capital increased by Euro 22 thousand due to the subscription of the reserved share capital increase for employees of Dada S.p.A. (stock options plan).

The changes in shareholders' equity in the period are shown at attachment No. 5 on page 79. The reconciliation of the net result and net equity of the parent company, with the consolidated net result and net equity at June 30, 2006 is shown in the table below:

STATEMENT OF RECONCILIATION BETWEEN THE FINANCIAL STATEMENTS OF THE PARENT COMPANY AND THE CONSOLIDATED FINANCIAL STATEMENTS

	June 30, 06			
	NET RESULT		SHAREHOLDERS' EQUITY	
	Group	Minority shareholders	Group	Minority shareholders
As per Parent Company financial statements*	**3,095**		**43,541**	
Results of consolidated companies	1,450		2,628	
Other adjustments	25		5	
Translation reserve			-438	
Min. interest net equity and result		50		267
As per consolidated financial statements	**4,570**	**50**	**45,736**	**267**

*Prepared in accordance with IAS/IFRS

Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

Euro/000 EARNINGS	30/06/2006	31/12/2005
Profit for the calculation of the earnings per share	4,558	7,222
TOTAL	**4,558**	**7,222**
NUMBER OF SHARES	30/06/2006	31/12/2005
Number of shares for the calculation of the earnings per share	15,968,058	15,835,841
Dilution effect (options on shares)	997,782	441,408
TOTAL	**16,965,840**	**16,277,249**

The Company did not deliberate or distribute any dividends in the period.

Details of loans of the DADA Group:

This account, equal to Euro 1,214 thousand, consists of medium/long-term loans with credit institutions of Euro 934 thousand as illustrated in the table below:

Company	Bank	Initial balance	Residual amount at 30/06/06	Loan Duration	Rate	Maturity
Dada SpA	Banca Toscana	1,200	379	5 years	euribor 6 months + 0.60p	31/12/07
Softec SpA	Banca Toscana	1,500	478	5 years	euribor 6 months + 1.1p	27/09/07
Total		**2,700**	**857**			

The residual balance at June 30, 2006 relates to Euro 249 thousand repayable within one year and Euro 608 thousand repayable beyond one year.

Provisions for risks and charges

The following table shows the movements in the year in the provisions for risks and charges:

Description	Balance at 31/12/2005	Increases in the period	Utilisations in the period	Balance at 30/06/06
Provisions for risks and charges	836	-	-47	789
Total	**836**	**-**	**-47**	**789**

The provisions for risks and charges were created against probable liabilities arising from contractual and legal disputes.

The utilisations in the period relate to the settlement of disputes. The increases relate to new disputes and litigation arising in the year.

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

Provision for employee leaving indemnity

The changes are shown in the following table:

Description	Balance at 31/12/2005	Increases in the period	Utilisation in the period	Other movements	Balance at 30/06/06
Employee termination benefit	1,455	282	-65	-105	1,567
Total	**1,455**	**282**	**-65**	**-105**	**1,567**

The provision at June 30, 2006 of Euro 1,567 thousand reflects the indemnity matured in favour of employees, in conformity with legislation and collective employment contracts.

The "other movements" includes the reduction related to the recording of Planet Com (company sold in July) under non-current assets available-for-sale.

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.

Current liabilities

The composition is shown in the following table:

Description	Balance at 30/06/06	Balance at 31/12/05	Change	Change %
Payables				
Banks	1,169	734	435	59.26%
Bank overdrafts payable within one year	**1,169**	**734**	**435**	**59.26%**
Trade payables	28,513	22,371	6,142	27.46%
Ass. companies				
Trade payables	**28,513**	**22,371**	**6,142**	**27.46%**
Tax payables	1,996	1,940	56	2.89%
Tax payables	**1,996**	**1,940**	**56**	**2.89%**
Others	3,609	4,876	-1,267	-25.98%
Social security institutions	605	528	77	14.58%
Deferred income	5,902	4,561	1,341	29.40%
Other payables	**10,116**	**9,965**	**151**	**20.232**
Total	**41,794**	**35,010**	**6,784**	**19.38%**

"Bank payables" consist principally of bank overdrafts repayable on demand of Euro 920 thousand, and the short-term portion (repayable within one year) of bank loans amounting to Euro 249 thousand.

The account "trade payables" includes the amounts related to purchases of a commercial nature and other costs. The Company estimates that the book value of trade and other payables approximates their fair value. The increase is strictly related to the growth in the business activities of the Group.

"Tax payables", amounting to Euro 2 million, include withholding taxes on salaries and consultants and other current taxes for the period.

The account "other payables" principally includes salaries for the month of June, the accrual on the "fourteenth" month and vacation days matured. The reduction compared to December 31, 2005 is principally due to the instalment repayments for the purchase of a further holding in the company Register.it. This payable will be fully paid by December 31, 2006.

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

Non-current liabilities of discontinued operations

It is recalled that immediately after the end of the first half-year the investment in the subsidiary Planet Com S.r.L was sold. For further information, reference should be made to the directors' report.

Consequently, the balance sheet shows the aggregated assets and liabilities from discontinued operations, while in the attached reclassified financial statements and in the cash flow statement, this account is divided between current and financial fixed assets and current and long-term liabilities.

At income statement level the company was fully consolidated for the period prior to disposal separately reporting the result under discontinued operations, as the decision to dispose of the operations was made at the end of the period.

Consequently the liabilities are classified in the balance sheet in the account "non-current liabilities related to assets available for sale".

The composition is shown in the following table:

Description	Balance at 30/06/06
Shareholders' equity – minority interest	*242*
Employee termination benefit	97
Non-current financial payables	93
Total non-current liabilities	*190*
Current portion of non-current financial payables	43
Trade payables	1,737
Tax and other payables	335
Accruals and deferred income	290
Total current liabilities	*2,405*
Total liabilities related to assets available for sale	**2,837**

Guarantees and Commitments

The sureties given at June 30, 2006 amounting to Euro 3,483 thousand (compared to Euro 2,976 thousand at December 31, 2005) are recorded for the amount guaranteed. The most significant increase relates to guarantees on behalf of a commercial partner for activities in the US market.

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

TRANSACTIONS WITH RELATED PARTIES

Summary of transactions with Subsidiary Companies at June 30, 2006

(Amounts expressed in Euro/thousands)

Company	Trade receivables	Trade payables	Revenues	Costs
Softec SpA	35	712	28	768
Clarence Srl	11	476	0	173
Register.it SpA	817	337	283	90
DadaMobile SpA	5,510	6,958	4,181	4,633
DadaMobile INC	805	0	342	0
Total	**7,178**	**8,483**	**4,834**	**5,664**

The Company has undertaken transactions of a commercial nature, the purchase and sale of services, with companies of the RCS Group (shareholder in DADA with 44.2%) and with the MPS Group (shareholder in DADA with 3.9%). These transactions are part of the normal operations of the company and are at normal market conditions.

(Amounts expressed in Euro/thousands)

Company	Trade receivables	Trade payables	Revenues	Costs
MPS Group	2	0	1	0
RCS Group	1,202	1,258	428	324
TOTAL	**570**	**732**	**665**	**431**

The directors of DADA S.p.A. holding positions with related parties are as follows:

- Vittorio Colao, Managing Director and General Director of RCS Mediagroup S.p.A., Director of Unidad Editorial SA;
- Barbara Poggiali, Strategy and Development Director of RCS Mediagroup S.p.A., Director of RCS Broadcast, Unidad Editorial SA;
- Aldo Bisio, General Director and Director of RCS Quotidiani S.p.A.
- Giorgio Valerio, Manager of RCS Digital RCS Mediagroup S.p.A. and Director of Unedisa SA;
- Alberto Ronzoni, Asset & Risk Manager RCS Mediagroup S.p.A., Director of RCS Investimenti S.p.A.
- Pietro Varvello, Managing Director of RCS Broadcast S.p.A.
- Giorgio Riva, Digital Division Manager RCS Mediagroup;
- Salvatore Amato, Managing Director MPS Net (MPS Group);

Transactions with the companies of the Group largely relate to the provision of services, and the supply 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.

NOTES TO THE MAIN ACCOUNTS OF THE CONSOLIDATED INCOME STATEMENT

(Amounts expressed in Euro/thousand)

REVENUES

Relating to the net revenues the following detailed information is provided:

Description	30/06/2006		30/06/2005	
	Amount	%	Amount	%
Web development projects	2,251	31.70%	2,069	27.12%
Infrastructure design and production	4,850	68.30%	5,560	72.88%
Business Services	*7,101*		*7,628*	
Value added Mobile and Web Services	34,446	92.03%	16,750	88.00%
Net Marketing and on line Advertising	2,491	6.66%	1,527	8.02%
Connectivity	492	1.32%	758	3.98%
Consumer Services	*37,430*		*19,035*	
Domain and hosting (Self Prov. Services)	*4,239*	*100.00%*	*3,271*	*100.00%*
Total	**48,769**	**100.00%**	**29,934**	**100.00%**

There was significant growth in turnover in the period compared to the same period in 2005. The increase was particularly concentrated in the fee-based services of the Consumer division, particularly in relation to the international business. For further information, reference should be made to the Directors' Report on operations.

PRODUCTION COSTS

In relation to the costs of production, the following detailed information is provided:

Description	Balance at 30/06/06	Balance at 30/06/05	Change	Change %
Raw materials, supplies and con. stores	28	68	-40	-58.82%
Total raw material and consumables costs	*28*	*68*	*-40*	*-58.82%*
Operation and organisation of services	9,833	11,651	-1,818	-15.60%
Sales expenses	339	379	-40	-10.43%
User acquisition costs	22,868	4,091	18,777	458.99%
Professional consulting services	388	266	122	45.79%
Connectivity, utilities and other general expenses	2,437	2,373	64	2.68%
Rental	367	320	47	14.59%
Hire	153	75	78	103.94%
Leases	7	23	-16	-70.54%
Total Service costs and other operating costs	*36,392*	*19,178*	*17,214*	*89.76%*
Total	**36,420**	**19,246**	**17,174**	**89.23%**

The account "operation and organisation of service" includes the consulting of external software houses for the production of web sites, the management of free services and the expenses relating to the provision of the consumer services. The decrease compared to the previous year is related to the different method in invoicing services provided via mobile with a telephone carrier.

Of particular note were the expenses incurred during the year to acquire new users with the launch and support of fee-based products and services in the consumer area. The support given by the Group during the period to this type of activity was significantly greater than in the same period of the previous year. The increase in costs is related to the increase in revenues for Web and Mobile added value services.

The trend in the other direct costs for the production and management of services is in line with turnover.

PERSONNEL COSTS

The table below reports the breakdown of personnel costs for the first six months of 2006 compared to the previous year:

Description	Balance at 30/06/06	Balance at 30/06/05	Change	Change %

Salaries and wages	5,050	3,792	1,258	33.18%
Social charges	1,349	1,212	137	11.30%
Employee termination benefit	282	238	44	18.49%
Others	6		6	
Total	**6,687**	**5,242**	**1,439**	**27.45%**

The national contract applied is that for the commercial sector.

PROVISIONS AND WRITE-DOWNS

The composition is shown in the following table:

Description	Balance at 30/06/06	Balance at 30/06/05	Changes	Change %
Write-downs of equity investments in subsidiary companies		-12	12	
Write-downs in associated companies		-11	11	
Provision for doubtful debts	-434	-124	-310	250%
Provision for risks		125	-125	
Total provisions and write-downs	**-434**	**-22**	**-412**	

In relation to the doubtful debt provision, reference should be made to the comments made in the balance sheet.

INVESTMENT INCOME

Financial income is comprised of the interest matured on bank accounts, interest matured on the bonds included in current assets and income deriving from gains on disposals and valuation of the investments in securities.

FINANCIAL CHARGES

Financial charges mainly comprise bank interest matured on bank current accounts, medium-long term financing and commissions on credit card receipts and other bank charges.

INCOME TAXES

The composition is shown in the following table:

Description	Balance at 30/06/2006	Balance at 30/06/2005	Change	Change %
IRAP	-541	-431	-110	25.52%
IRES	-984	-371	-613	165.23%
Deferred tax income/(charge)	1,055	-78	1,133	-1452.56%
Total	**-470**	**-880**	**410**	**-46.59%**

The income taxes of Euro 470 thousand relate to Ires income taxes of Euro 984 thousand and Irap regional taxes of Euro 541 thousand. The difference relates to deferred tax income.

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 DadaMobile S.p.A., Clarence S.r.l. and Register.it S.p.A. (consolidated companies).

SEGMENT INFORMATION OF THE GROUP AS PER IAS 14

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

The Business Units of the DADA Group are comprised of the Consumer Division, the Business Division and the Self-Provisioning Division.

Two of these Divisions – the Consumer Service and the Business Service – are managed by the Parent Company, while the Self-Provisioning Division is managed by Register.it S.p.A..

The Consumer Division includes Dadamobile S.p.A. and Clarence s.r.l, while Softec S.p.A. and Planetcom S.p.A. are part of the Business Division.

The following divisional income statements and balance sheets take into account the costs and revenues and assets and liabilities of 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.

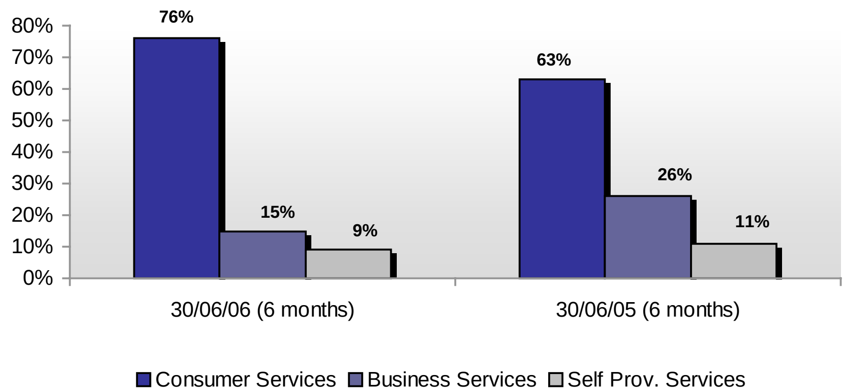
The segment costs and revenues are considered before infra-divisional balances, which are eliminated in the consolidation process (column "adjustments" of the tables).

The secondary segment was determined as two geographic areas.

Breakdown of First-Half Consolidated Revenues in the three divisions

Description	30/06/2006		30/06/2005	
	Amount	% of total	Amount	% of total
Consumer Services	37,577	76%	19,420	63%
Business Services	7,381	15%	8,259	27%
Self-Provisioning Services	4,329	9%	3,385	11%
Inter-divisional revenues	-518		-1,130	
Consolidated Revenues	**48,769**	**100%**	**29,934**	**100%**

The percentages are calculated based on the sales figures of the three divisions, gross of intra-divisional revenues

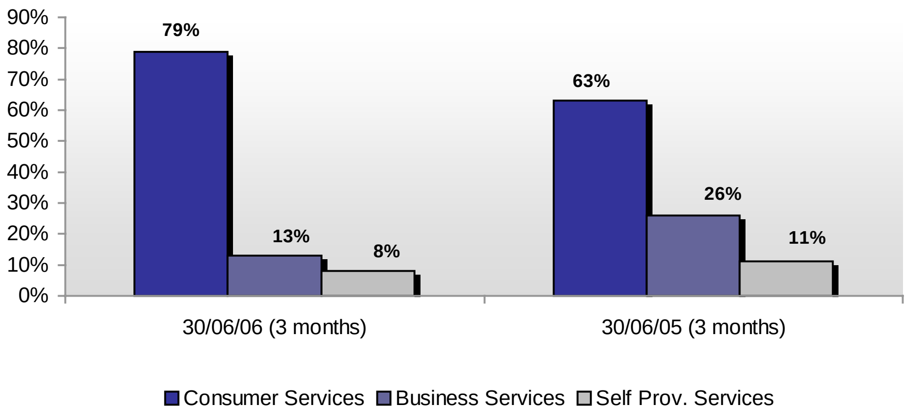


Breakdown of consolidated sales in the three divisions

Description	30/06/2006		30/06/2005	
	Amount	% of total	Amount	% of total
Consumer Services	20,650	79%	10,032	63%
Business Services	3,501	13%	4,145	26%
Self-Provisioning Services	2,144	8%	1,751	11%

Inter-divisional revenues	-195		-515	
Consolidated Revenues	**26,100**	**100%**	**15,413**	**100%**

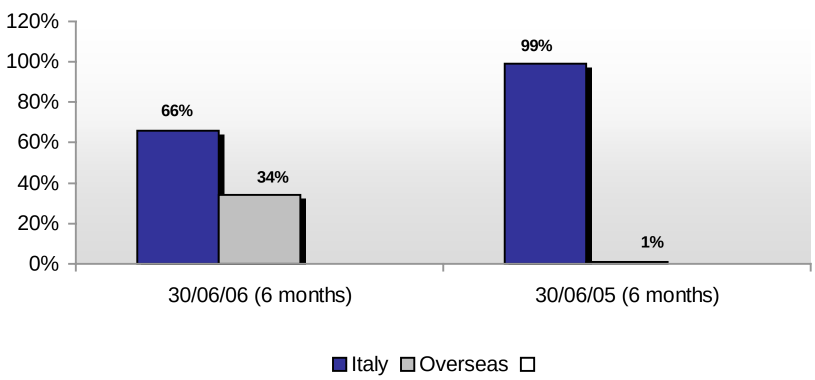
The percentages are calculated based on the sales figures of the three divisions, gross of intra-divisional revenues



Breakdown of Half-Year Consolidated Revenues by geographic area

Description	30/06/2006		30/06/2005	
	Amount	% of total	Amount	% of total
Revenues Italy *	32,308	66%	29,740	99%
Revenues Overseas	16,461	34%	194	1%
Consolidated Revenues	**48,769**	**100%**	**29,934**	**100%**

The percentages are calculated based on the sales figures of the three divisions, gross of intra-divisional revenues

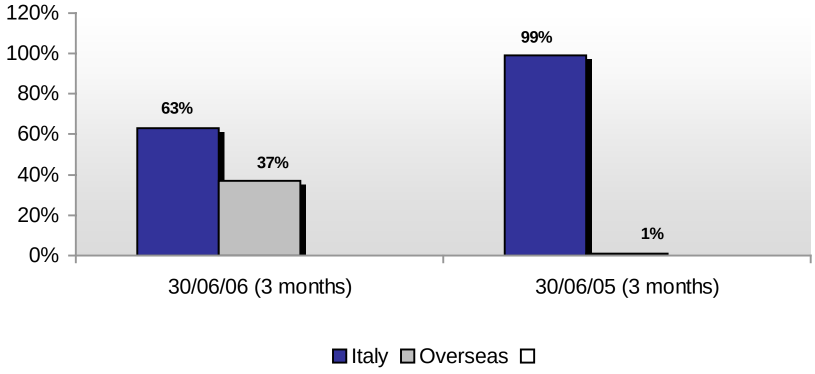


* The figure in 2005 was positively impacted by various contractual recognitions of revenues with a mobile phone operator. At pro-forma level, sales in 2005 would have been lower by Euro 1.4 million with a neutral effect on the Ebitda.

Division of consolidated sales by geographic area

Description	30/06/2006		30/06/2005	
	Amount	% of total	Amount	% of total
Revenues Italy *	16,557	63%	15,240	99%
Revenues Overseas	9,543	37%	173	1%
Consolidated Revenues	**26,100**	**100%**	**15,413**	**100%**

The percentages are calculated based on the sales figures of the three divisions, gross of intra-divisional revenues


120%
100%
80%
60%
40%
20%
0%
63%
37%
99%
1%
30/06/06 (3 months)
30/06/05 (3 months)
Italy
Overseas

Segment Income Statement for the six months to June 30, 2006

30/06/2006					
Segment information	Consumer Services	Business Services	Self Provisioning Services	Adjust.	Consolidated
Revenues- third parties Italy	20,989	7,080	4,239	0	32.308
Revenues - third parties Overseas	16,461				16.461
Revenues- inter-sector	127	302	90	-518	0
Net revenues	**37,577**	**7,381**	**4,329**	**-518**	**48.769**
Increases in internal work	1,172	104	223		1.499
Services	-29,373	-4,829	-2,080	518	-35.763
Labour costs	-3,382	-1,912	-1,110		-6.404
Segment Ebitda	**5,994**	**745**	**1,362**	**0**	**8.101**
Segment ebitda / Sales					
Amortisation & depreciation	-849	-189	-370		-1.408
Segment Ebit	**5,145**	**555**	**992**	**0**	**6.693**
Segment ebit / Sales					

Corporate depreciation & amortisation	-208
General expenses not allocated	-1,424
Ebit	**5,061**
Financing activities	29
Profit before taxes	**5,090**
Income taxes	-470
Group and minority interest result	**4,620**
Minority interest share	-50
Group net profit	**4,570**

Segment Income Statement for the six months to June 30, 2005

30/06/2005					
Segment information	Consumer Services	Business Services	Self Provisioning Services	Adjust.	Consolidated
Revenues- third parties Italy	18,841	7,628	3,271	0	29,740
Revenues - third parties overseas	194				194
Revenues- inter-sector	385	631	114	-1,130	0
Net revenues	**19,420**	**8,259**	**3,385**	**-1,130**	**29,934**
Increases in internal work	468	59	182		709
Services	-13,313	-5,159	-1,277	1,130	-18,619
Labour costs	-2,017	-2,091	-921		-5,029
Segment Ebitda	**4,557**	**1,067**	**1,369**	**0**	**6,993**
Segment ebitda / Sales					
Amortisation & depreciation	-766	-348	-264		-1,377
Segment Ebit	**3,791**	**719**	**1,105**	**0**	**5,616**
Segment ebit / Sales					

Corporate depreciation & amortisation	-49
General expenses not allocated	-976
Ebit	**4,591**
Financing activities	-37
Profit before taxes	**4,554**
Income taxes	-880
Group and minority interest result	**3,674**
Minority interest share	-209
Group net profit	**3,465**

CONSUMER SERVICES

The revenue sources of the ***Consumer Division*** are shown below:

- Revenues from VAS (Value Added Services): this relates to fee-based services to the final user through consumption or subscription;
- On-line advertising revenues on its portals, interactive marketing and connectivity.

Operational Performance

In the second quarter of 2006 Dada confirmed its focus on Consumer services continuing and implementing important new Web and Mobile projects on the domestic and international markets.

Internationalisation

In the second quarter of 2006, the turnover from international operations amounted to 47% of revenues in the Consumer Division, an increase from 39% compared to Q1 2006.

The United States, where the Company operates through its subsidiary Dadamobile Inc., is confirmed as the most important market for Dada at international level.

The DADA.net service, launched in the USA in Q2 2005, recorded sales of Euro 8 million in Q2 2006, 38% of the total revenues in the Consumer Division, an increase of 35% compared to Q1 2006.

Contributing to this increase was the 24.3% increase in investments in the US compared to the final quarter of 2005, in order to acquire new customers through advertising campaigns on the leading websites.

The growth of the US business marked a milestone for Dada in the first quarter of 2006 with the expansion of its Services to over 50 million Verizon (a leading US telephone carrier) customers – thus allowing Dada to reach a catchment area of approximately 150 million US mobile phone users for distribution of its services.

The first quarter saw Dada as the main player in important international events such as the annual “CTIA Wireless 2006” trade fair, held in Las Vegas and organised by the International Cellular Telecommunications Industry Association.

DADA’s participation in the event, which is the main international meeting point for sector operators, is linked to its recent entrance into the Mobile Entertainment Forum, the association which groups together mobile entertainment's largest international players.

The second quarter, as per plan, saw the start-up of the DADA.net business in Spain, Belgium and Austria.

Dada therefore currently offers its value added Services/Products in Italy, the USA, Germany, the UK, France, China, Portugal, Australia, Spain, Belgium and Austria.

Italy

In the second half of 2006, Dada will confirm its leadership in the Web and Mobile Community & Entertainment services in the domestic market.

Its presence on the ‘decks’ of the principal mobile phone operators such as Vodafone Live!, Tim, Pianeta Tre and Imode is an important source of revenues, especially for subscription to the DADA.net service.

Dada believes in the potential of this channel, as it forms a part of the mobile internet services now available, and will have an ever-increasing influence on the success of the services offered by Dada, resulting in an increased customer base and in opportunities for use at any time of day.

Dada.net and Rebranding

The second quarter saw the definitive launch of the single Dada.net (http://it.dada.net/) product which through its Mobile Dada, Love Dada and Life

Dada sections, offers its subscribers an integrated Mobile Entertainment, Dating, Blog and Community environment based on AJAX technology, which, thanks to the complete and transparent integration of the mobile and internet platforms, increases its value and simplifies and maximises its chance of success.

Through Dada.net for instance, you can create a Blog mobile (Mobcast) by simply sending a photo via MMS. The blog is immediately accessible through Web and Mobile and can be sent to your "Social Network" members via an SMS link. It can also be indexed and searched through Tags and votes can be made via web or mobile.

Making new friends, exchanging messages and chatting via Web, SMS and WAP are fully integrated. Finally, you can listen to previews and download thousands of ringtones, realtones, full songs as well as images, backgrounds, Java games and subscribe to information services via SMS and MMS.

Dada.net is based on platforms wholly designed by Dada, through its 10-year experience of the infrastructure and internet and IP-base applications field - one of the Company's principal strengths.

Simultaneous to the launch of the single product, important resources were used by the company: the new Branding strategy.

The branding strategy of Dada was completely reviewed with emphasis on simplicity, convergence and internationalisation.

"Dada.net" is the brand which unifies, characterises and personifies the entire consumer offer, from a single domain access to the community & entertainment universe: love.dada.net, mobi.dada.net, life.dada.net.

Also the new Dada logo - now more lively, attractive, lucid and emotional – marks an important step in the evolution of the company.

Net Marketing

In the Net Marketing sector, DADA is promoting itself 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 sales force and its retailer network, present throughout Italy, DADA plans its campaigns with various offers:

Companies investing on the Net receive an immediate and measurable return from their investment and will make up the largest part of the on-line advertising market, with the remainder from brand awareness. DADA is one of the leading sector players, having created the so-called DADAclick platform, capable of transforming different kinds of on-line traffic into revenue for the client. During the course of this year, DADAclick, set up in December 2005, will focus not only on national campaigns but also on the international market - and the USA in particular.

RCS and Dada collaboration

In the first half of 2006, the "RCS mobile" service, a mobile phone information service and personalised entertainment package ("powered by" Dada), completed a successful initiative which not only won over a very young target, but also an adult user base.

The service consists of the provision of editorial and entertainment content of the RCS Group newspapers and magazines, such as Gazzetta, Corriere, Astra, Novella and Max, in addition to the full provision of mobile entertainment from Dadamobile. Through RCS Mobile, customers can activate information services and receive real-time information on sports, news and lifestyle, download wallpapers and theme ringtones, such as football anthems for top football teams or wallpapers for the most popular footballers or Max Top Models; all this within an all inclusive package.

Consumer Services results

In Euro thousands	First-Half 2006		First-Half 2005		Change	
	Amount	% of total	Amount	% of total	Absolute	%
Consumer Division (6 months)						
Revenues- third parties Italy	20,989	56%	18,841	97%	2,149	11%
Revenues - third parties overseas	16,461	44%	194	1%	16,267	8385%
Revenues- inter-sector	127	0%	385	2%	-259	-67%
Net revenues	**37,577**		**19,420**		**18,157**	**93%**
Increases in internal work	1,172	3%	468	2%	704	151%
Services	-29,373	-78%	-13,313	-69%	-16,059	121%
Labour costs	-3,382	-9%	-2,017	-10%	-1,365	68%
Segment Ebitda	**5,994**	**16%**	**4,557**	**23%**	**1,437**	**32%**
Amortisation & depreciation	-849	-2%	-766	-4%	-84	11%
Segment Ebit	**5,145**	**14%**	**3,791**	**20%**	**1,353**	**36%**

The Division ended the first half of 2006 with sales of Euro 37.6 million compared to Euro 19.4 million in 2005, an increase of 93%.

In the second quarter of 2006 sales amounted to Euro 20.6 million, a growth of +22% compared to the first quarter of Euro 16.9 million and +100% compared to the second quarter of 2005 of Euro 10 million.

It is underlined that in the quarter just ended and in the previous quarters the international activity saw significant increases in turnover, consisting of 44% of the total revenues of the division and 34% of the consolidated net revenues of the Group. In the second quarter these contributions increased to 47% and 37%.

In the same period of the previous year, the contribution of the international operations was marginal as the international expansion was in its start-up phase.

The revenues in Italy in 2005 were positively impacted by various contractual recognitions of revenues with a mobile phone carrier. At pro-forma level, sales in 2005 would have been lower by Euro 1.4 million with a neutral effect on the Ebitda.

Consumer Division - Sales by product

Description	30/06/2006		30/06/2005	
	Amount	%	Amount	%
Value added Mobile and Web Services	34,467	92%	16,750	88%
Net Marketing and on line Advertising	2,491	7%	1,527	8%
Connectivity	492	1%	758	4%

The Ebitda in the quarter was Euro 6 million (16% of sales), compared to Euro 4.5 million in the same period of the previous year. As previously mentioned, the percentage margin should be considered in view of the launch of the international operations, whose full benefits will be seen in the coming quarters.

The Ebitda in the second quarter was Euro 3.5 million (17% of sales), compared to Euro 2.4 million in the same period of the previous year and Euro 2.5 million in the first quarter of 2006.

The personnel costs in the division increased from Euro 2 million in 2005 to Euro 3.4 million in 2006, with a decrease as a percentage on sales.

The Ebit in the segment was Euro 5.1 million (15% of division sales) after amortisation and depreciation of Euro 0.9 million. In the first half of 2005, this amounted to Euro 3.8 million.

The contribution of the Consumer Division to the total consolidated results continues to increase, with the turnover in the second quarter representing 79% of the consolidated net revenues of the Group while amounting to 80% of the Group Ebitda and 75% of the Group Ebit.

Segment investment activities

Investments amounted to Euro 2,610 thousand and amounted for Euro 1.4 million to development costs for new products and processes, and Euro 860 thousand for the purchase of technological assets to support the increased business activities.

The investments in product development relates to the implementation of platforms necessary for the provision of Dadamobile.com and Superava.com VAS services. For further information on these services, reference should be made to the previous section. Capital investments related to servers and networking systems.

BUSINESS SERVICES

The revenue sources of the ***Business Division*** are based on the development of Web and infrastructure projects.

In relation to the technological solutions developed by DADA for business clients, the marked increase in the demand of VAS mobile solutions is noted, or rather platforms that permit companies to offer their base users content, services and applications available through mobile.

In particular, the first quarter of the year saw the completion of an important project for H3G Italia, as evidence of multidisciplinary requested. DADA has manufactured 25 multimedia jukeboxes that will be placed at TRE sales points in Italy. The jukeboxes allow you to record music, video and films on to TRE mobiles, with an innovative system of interconnection and updates, created entirely by DADA. This venture combines mobile solutions, web design and system integration competences, as well as a strong creative flair, giving the consumer easy access to the world of TRE.

Business Services results

Business Division (6 months)						
In Euro thousands	First-Half 2006		First-Half 2005		Change	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	7,080	96%	7,628	92%	-548	-7%
Revenues- inter-sector	302	4%	631	8%	-330	-52%
Net revenues	**7,381**		**8,259**		**-878**	**-11%**
Increases in internal work	104	1%	59	1%	45	76%
Services	-4,829	-65%	-5,159	-62%	330	-6%
Labour costs	-1,912	-26%	-2,091	-25%	180	-9%
Segment Ebitda	**745**	**10%**	**1,067**	**13%**	**-323**	**-30%**

Amortisation & depreciation	-189	-3%	-348	-4%	159	-46%
Segment Ebit	**555**	**8%**	**719**	**9%**	**-164**	**-23%**

The Business Division ended the second quarter of 2006 with a turnover of Euro 3.5 million, a decrease compared to the second quarter of 2005, which amounted to Euro 4.1 million. It is recalled that from the fourth quarter of 2005 the company Ad Maiora S.p.A. was deconsolidated, which had contributed sales of Euro 0.5 thousand in the second quarter of 2005. Therefore, at pro-forma level the sales were in line with the previous year.

The Ebitda was Euro 0.3 million, a decrease compared to the previous year which amounted to Euro 0.6 million and which had benefited from the contribution of the company Ad Malora for Euro 0.2 million. The Ebit amounted to Euro 0.2 million, after amortisation and depreciation of approx. Euro 0.1 million.

SELF PROVISIONING SERVICES

The sources of revenue for the *Self Provisioning Division* result from domain registration, payable e-mail and hosting services - or to be more precise, services with automatic supply and provision methods directed mainly at SME's.

The first half of 2006 was strongly characterised by the introduction at a European level of the registration of the .EU domains. Register.it registered over 25,000 domains for over 10,000 clients in the first three months of activity, in addition to the over 8,000 registration requests received during the 4 month sunrise period. Register.it represents one quarter of the Italian market.

Overall, the second quarter of 2006 was the most active in the recent history of Register.it, amounting to over 90,000 domains between new and renewals and acquiring over 9,000 new clients. It is noted that 9,000 new paying customers were acquired in the first three months of 2006 (approx. 4,300 Q1 2005) partly on account of the interest generated by .EU pre-registrations, and 27,500 new domains were registered (21,000 Q1 2005). Due to existing customer retention incentives, over 39,000 domains were renewed, with an average renewal rate of 75%, compared to 32,000 in Q1 2005 (72.5%).

Results of the Self Provisioning Services

Business Division (6 months)						
In Euro thousands	First-Half 2006		First-Half 2005		Change	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	4,239	98%	3,271	97%	968	30%
Revenues- inter-sector	90	2%	114	3%	-24	-21%
Net revenues	**4,329**		**3,385**		**944**	**28%**
Increases in internal work	223	5%	182	5%	41	23%
Services	-2,080	-48%	-1,277	-38%	-803	63%
Labour costs	-1,110	-26%	-921	-27%	-189	21%
Segment Ebitda	**1,362**	**31%**	**1,369**	**40%**	**-7**	**-1%**
Amortisation & depreciation	-370	-9%	-264	-8%	-106	40%
Segment Ebit	**992**	**23%**	**1,105**	**33%**	**-113**	**-10%**

The sales in the Self Provisioning Division in the first quarter of 2006 amounted to Euro 2.2 million, an increase of 22% compared to the previous year, which amounted to Euro 1.6 million. The .EU domain pre-launch registration phase contributed to the increase.

There was an increase in service costs which had an impact on the margin in the period.

This increase in costs was related to the launch of the .EU domains whose benefits will already be in evidence from the next quarter. This reduction in the margin is to be considered temporary and limited to the period.

The Ebit in the division was Euro 0.4 million (16% of division sales) after depreciation and amortisation of Euro 219 thousand. In the second quarter of the previous year the Ebit was Euro 0.5 million. In relation to amortisation and depreciation, the previous considerations apply in relation to the impact of the international accounting standards.

The Self Provisioning Division also recorded deferred revenues of approx. Euro 5.2 million at June 30, 2006.

Segment investment activities

The main balance sheet captions of the division are commented upon below.

Investments made in the Self Provisioning Division amounted to Euro 1,160 thousand, and concerned the purchase of EDP equipment for a total of Euro 685 thousand and development costs for new products and processes for the supply of domain and hosting services.

This latter spending principally related to the following areas:

Project for the launch of the registration of .EU domains on April 7, 2006. This activity was characterised by the creation of a domain registration platform, interfacing with the EURID Authority through automated API.

Study, creation and realisation of new Hosting Linux and Windows platform. This activity involves the study of a new range of products and bundle introductions, the creation of a hosting platform separated from the domain and the creation of the new advanced management control panel for clients.

Design, graphic creation, development and html programming of the new platform managing the public web site www.register.it .

Florence, September 11, 2006

For the Board of Directors

The Chairman, Paolo Barberis

ATTACHMENT 1

WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT JUNE 30, 2006

(Amounts in Euro/thousand)	June 30, 06	Dec 31, 2005	CHANGE	
			Absolute	Percent.
Fixed assets (A)	**21,013**	**19,704**	**1,309**	**7%**
Current assets (B)	48,309	34,999	13,310	38%
Current liabilities C	-42,987	-34,276	-8,711	25%
Net working capital (D) = (B)-(C)	**5,322**	**723**	**4,599**	**636%**
Employee leaving indemnity provision (E)	-1,664	-1,455	-209	14%
Provision for risks and charges (F)	-789	-836	47	-6%
Net capital employed (A+D+E+F)	**23,882**	**18,136**	**5,746**	**32%**
Medium-long term payables	-704	-964	260	-27%
Shareholders' equity (G)	**-46,245**	**-40,209**	**-6,036**	**15%**
Short-term bank debt	-1,212	-734	-478	65%
Short-term financial receivables and securities	5,502	11,894	-6,392	-54%
Cash and cash equivalents	18,777	11,877	6,900	58%
Short-term net financial position	**23,067**	**23,037**	**30**	**0%**

ATTACHMENT 2

RECLASSIFIED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2006

(Amounts in Euro/thousand)	June 30, 06 6 months		June 30, 05 6 months	
	Amount	% of total	Amount	% of total
Net Revenues	**48,769**	**100%**	**29,934**	**100%**
Changes in inventory and internal work	1,499	3%	709	2%
Service costs and other operating costs	-36,363	-75%	-19,143	-64%
Personnel costs	-6,687	-14%	-5,242	-18%
Ebitda*	**7,218**	**15%**	**6,258**	**21%**
Amortisation & depreciation	-1,619	-3%	-1,427	-5%
Non-recurring income (charges)	-104	0%	-218	-1%
Revaluations/(Write-downs)	-434	-1%	-22	0%
Ebit	**5,061**	**10%**	**4,591**	**15%**
Investment income	317	1%	168	1%
Financial income and charges	-288	-1%	-205	-1%
Profit before taxes	**5,090**	**10%**	**4,554**	**15%**
Income taxes	-470	-1%	-880	-3%
Net profit	**4,620**	**9%**	**3,674**	**12%**
Minority interest profit	-50	0%	-209	-1%
Group net profit	**4,570**	**9%**	**3,465**	**12%**

* after write-downs and extraordinary items of Euro 0.5 million

ATTACHMENT 3

RECLASSIFIED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED JUNE 30, 2006

(Amounts in Euro/thousand)	June 30, 06 3 months		June 30, 05 3 months	
	Amount	% of total	Amount	% of total
Net Revenues	**26,100**	**100%**	**15,413**	**100%**
Changes in inventory and internal work	803	3%	416	3%
Service costs and other operating costs	-19,618	-75%	-9,811	-64%
Personnel costs	-3,424	-13%	-2,724	-18%
Ebitda*	**3,861**	**15%**	**3,294**	**21%**
Amortisation & depreciation	-840	-3%	-748	-5%
Non-recurring income (charges)	45	0%	-150	-1%
Revaluations/(Write-downs)	-424	-2%	-35	0%
Ebit	**2,642**	**10%**	**2,361**	**15%**
Investment income	155	1%	70	0%
Financial income and charges	-128	0%	-116	-1%
Profit before taxes	**2,669**	**10%**	**2,315**	**15%**
Income taxes	235	1%	-478	-3%
Net profit	**2,904**	**11%**	**1,837**	**12%**
Minority interest profit	-13	0%	-74	0%
Group net profit	**2,891**	**11%**	**1,763**	**11%**

* after write-downs and extraordinary items of Euro 0.4 million

HALF-YEAR ACCOUNTS AS AT JUNE 30, 2006 AND TRANSITION TO INTERNATIONAL ACCOUNTING STANDARDS DADA S.P.A.

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

Registered Office: Borgo degli Albizi 12 - Florence
Share capital Euro 2,714,569.86 fully paid-in
Florence Company Registry Office No. FI017- 68727 - REA 467460
Fiscal code/VAT No. 04628270482

The financial statements of the Parent Company, DADA S.p.A., were prepared in accordance with IAS/IFRS.

The complete transition document to the international accounting standards for the Parent Company DADA S.p.A., prepared in accordance with IFRS 1 ("First-time adoption of the International Financial Reporting Standard"), will be subject to a full audit and made available within October 31, 2006.

SUMMARY CONSOLIDATED BALANCE SHEET OF DADA S.p.A. AS AT JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

ASSETS	30/06/06 (6 months)	31/12/05 (12 months)
Non-current assets		
Goodwill	899	899
Intangible fixed assets	3,892	3,193
Other tangible assets	2,423	2,010
Investments in subsidiary companies	22,317	22,342
Financial assets	103	89
Deferred tax assets	4,836	4,506
Total non-current assets	**34,470**	**33,039**
Current assets		
Inventories	150	371
Trade receivables	26,015	19,822
Tax and other receivables	5,103	3,116
Financial assets held for trading	4,925	9,309
Cash and cash equivalents	13,848	11,303
Total current assets	**50,041**	**43,921**
TOTAL ASSETS	**84,511**	**76,960**

SUMMARY CONSOLIDATED BALANCE SHEET OF DADA S.p.A. AS AT JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

SHAREHOLDERS' EQUITY AND LIABILITIES	30/06/06 (6 months)	31/12/05 (12 months)
SHAREHOLDERS' EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	2,715	2,692
Share premium reserve	29,493	28,085
Treasury shares		
Legal reserve	538	406
Other reserves	1,623	-3,622
Retained earnings/accumulated losses	6,077	4,977
Result for the period	3,095	5,955
Total Shareholders' Equity	**43,541**	**38,493**
Medium/long term liabilities		
Bank loans (beyond one year)	131	260
Provisions for risks and charges	673	688
Employee leaving indemnity	915	837
Other payables beyond one year	0	30
Total medium/long liabilities	**1,719**	**1,815**
Current liabilities		
Trade payables	33,433	29,802
Other payables	4,182	5,162
Tax payables	1,387	1,445
Bank overdrafts and loans (within one year)	249	243
Total current liabilities	**39,251**	**36,652**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	**84,511**	**76,960**

SUMMARY CONSOLIDATED INCOME STATEMENT OF DADA S.p.A. FOR THE SIX MONTHS ENDED JUNE 30, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

	30/06/06 (6 months)	30/06/05 (6 months)
Net Revenues	**28,490**	**15,750**
Cost of raw materials and consumables	-17	-11
Changes in inventory and internal work	1,276	491
Service costs and other operating costs	-21,583	-9,885
Personnel costs	-3,872	-2,357
Other operating charges	-31	-46
Provisions & write-downs	-244	-1,160
Amortisation & depreciation	-1,150	-793
Ebit	**2,869**	**1,989**
Investment income	308	154
Financial charges	-94	-65
Profit before taxes	**3,083**	**2,078**
Income taxes	12	-299
Net profit for the period	**3,095**	**1,779**

WORKING CAPITAL AND NET FINANCIAL POSITION OF DADA S.p.A. AS AT JUNE 30, 2006

(Amounts in Euro/thousand)	June 30, 2006	Dec 31, 2005
Fixed assets (A) (*)	**32,227**	**30,998**
Current assets (B)	33,451	25,350
Current liabilities C	-31,428	-27,326
Net working capital (D) = (B)-(C)	**2,023**	**-1,976**
Employee leaving indemnity provision (E)	-915	-837
Provision for risks and charges (F)	-673	-688
Net capital employed (A+D+E+F)	**32,662**	**27,497**
Medium-long term payables	-131	-290
Shareholders' equity (G)	**-43,541**	**-38,493**
Short-term bank debt	-249	-243
Short-term financial receivables and securities	4,981	9,309
Treasury management cash pooling	-7,570	-9,083
Cash and cash equivalents	13,848	11,303
Short-term net financial position	**11,010**	**11,286**

RECLASSIFIED INCOME STATEMENT DADA S.p.A. FOR THE SIX MONTHS ENDED JUNE 30, 2006

(Amounts in Euro/thousand)	June30, 06 6 months		June 30, 05 6 months	
	Amount	% of total %	Amount	% of total %
Net Revenues	**28,490**	**100%**	**15,750**	**100%**
Changes in inventory and internal work	1,276	4%	491	3%
Service costs and other operating costs	-21,655	-76%	-9,795	-62%
Personnel costs	-3,872	-14%	-2,357	-15%
Ebitda	**4,239**	**15%**	**4,089**	**26%**
Amortisation & depreciation	-1,150	-4%	-793	-5%
Non-recurring income (charges)	24	0%	-147	-1%
Revaluations/(Write-downs)	-244	-1%	-1160	-7%
Ebit	**2,869**	**10%**	**1,989**	**13%**
Investment income	308	1%	154	1%
Financial income and charges	-94	0%	-65	0%
Profit before taxes	**3,083**	**11%**	**2,078**	**13%**
Income taxes	12	0%	-299	-2%
Group net profit	**3,095**	**11%**	**1,779**	**11%**

RECONCILIATION STATEMENT OF THE BALANCE SHEET AS AT 01/01/2005

BALANCE SHEET DADA SpA (Amounts in Euro/thousand)	01/01/05 Italian GAAP	Reclass.	Adjust.	01/01/05 IAS/IFRS
ASSETS				
Fixed assets				
Property, plant and equipment	1,323	29		1,352
Goodwill	0			0
Intangible fixed assets	3,347	-29	-1,065	2,253
Equity holdings in subsidiary companies	18,715		1,385	20,100
Equity investments in associate and other companies	128			128
Financial assets	88			88
Deferred tax assets	3,632		391	4,023
Total	27,233	0	712	27,944
Current assets				
Inventories	0			0
Trade receivables	15,982		-97	15,885
Tax and other receivables	552	1,089	-7	1,634
Financial assets held for trading	15,313	-2,021		13,292
Cash and cash equivalents	3,508			3,508
Prepaid and accrued income	1,089	-1,089		0
total	36,444	-2,021	-104	34,320
TOTAL ASSETS	63,677	-2,021	608	62,264
SHAREHOLDERS' EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	2,664			2,664
Share premium reserve	31,994		2,021	34,015
Treasury shares	0		-3,370	-3,370
Legal reserve	406			406
Other reserves	2,021	-2,021		0
IAS reserve	0		-3,778	-3,778
Retained earnings/accumulated losses	0		5,747	5,747
Profit for the period	-6,699			-6,699
Total Shareholders' Equity	30,386	-2,021	620	28,985
Medium/long term liabilities				
Bank loans (beyond one year)	506		5	511
Provisions for risks and charges	1,223			1,223
Employee leaving indemnity	649		-17	632
Other payables beyond one year	390			390
total	2,768	0	-12	2,756
Current liabilities				
Trade payables	27,542			27,542
Other payables	1,595	714		2,309
Tax payables	436			436
Bank overdrafts and loans (within one year)	236			236
Accruals and deferred income	714	-714		0
total	30,523	0	0	30,523
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	63,677	-2,021	608	62,264

RECONCILIATION STATEMENT OF THE BALANCE SHEET AS AT 31/12/05

BALANCE SHEET DADA SpA *(Amounts in Euro/thousand)*	*31/12/05 Italian GAAP*	*Reclass.*	*Adjust.*	*31/12/05 IAS/IFRS*
ASSETS				
Fixed assets				
Property, plant and equipment	1,985	25		2,010
Goodwill	1,648		-749	899
Intangible fixed assets	3,934	-25	-716	3,193
Equity holdings in subsidiary companies	18,719		3,623	22,342
Financial assets	89			89
Deferred tax assets	4,262		244	4,506
Total	30,637	0	2,402	33,039
Current assets				
Inventories	371			371
Trade receivables	19,822			19,822
Tax and other receivables	534	2,582		3,116
Financial assets held for trading	9,309			9,309
Cash and cash equivalents	11,303			11,303
Prepaid and accrued income	2,582	-2,582		0
total	43,921	0	0	43,921
TOTAL ASSETS	74,558	0	2,402	76,960
SHAREHOLDERS' EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	2,692			2,692
Share premium reserve	28,085			28,085
Treasury shares	0			0
Legal reserve	406			406
Other reserves	0			0
IAS reserve	0		-3,622	-3,622
Retained earnings/accumulated losses	0		4,977	4,977
Profit for the period	4,855		1,100	5,955
Total Shareholders' Equity	36,038	0	2,455	38,493
Medium/long term liabilities				
Bank loans (beyond one year)	258		2	260
Provisions for risks and charges	688			688
Employee leaving indemnity	892		-55	837
Other payables beyond one year	30			30
total	1,868	0	-53	1,815
Current liabilities				
Trade payables	29,802			29,802
Other payables	4,341	821		5,162
Tax payables	1,445			1,445
Bank overdrafts and loans (within one year)	243			243
Accruals and deferred income	821	-821		0
total	36,652	0	0	36,652
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	74,558	0	2,402	76,960

RECONCILIATION STATEMENT OF THE BALANCE SHEET AS AT 30/06/05

BALANCE SHEET DADA SpA *(Amounts in Euro/thousand)*	*30/06/05 Italian GAAP*	*Reclass.*	*Adjust.*	*30/06/05 IAS/IFRS*
ASSETS				
Fixed assets				
Property, plant and equipment	1,526	27		1,553
Goodwill	0		0	0
Intangible fixed assets	3,150	-27	-897	2,226
Equity holdings in subsidiary companies	21,401		-1	21,400
Financial assets	88			88
Deferred tax assets	3,632		343	3,975
Total	29,797	0	-555	29,242
Current assets				
Inventories	163			163
Trade receivables	15,652		-72	15,580
Tax and other receivables	471	2,582	-5	3,048
Financial assets held for trading	16,118			16,118
Cash and cash equivalents	5,174			5,174
Prepaid and accrued income	2,515	-2,582		-67
Total	40,093	0	-78	40,016
TOTAL ASSETS	69,890	0	-632	69,258
SHAREHOLDERS' EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	2,692			2,692
Share premium reserve	28,085			28,085
Treasury shares	0			0
Legal reserve	406			406
Other reserves	0			0
IAS reserve	0		-3,778	-3,778
Retained earnings/accumulated losses	0		4,977	4,977
Profit for the period	3,641		-1,862	1,779
Total Shareholders' Equity	34,824	0	-664	34,160
Medium/long term liabilities				
Bank loans (beyond one year)	383		4	387
Provisions for risks and charges	1,014			1,014
Employee leaving indemnity	723		28	751
Other payables beyond one year	210			210
total	2,330	0	31	2,362
Current liabilities				
Trade payables	29,166			29,166
Other payables	1,481	821		2,302
Tax payables	863			863
Bank overdrafts and loans (within one year)	239			239
Accruals and deferred income	987	-821		166
total	32,736	0	0	32,736
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	69,890	0	-632	69,258

RECONCILIATION OF THE INCOME STATEMENT FOR THE SIX MONTHS ENDED 30/06/05

INCOME STATEMENT DADA IAS *(Amounts in Euro/thousand)*	*30/06/05 Italian GAAP*	*IAS1-16 Reclass.*	*IAS 36 Adjust.*	*30/06/05 IAS/IFRS*
Net Revenues	15,750			15,750
Cost of raw materials and consumables	-11			-11
Change in inventory and internal works	491			491
Service costs and other operating costs	-9,784	-67	-35	-9,886
Personnel costs	-2,313		-44	-2,357
Other operating charges	-46			-46
Non-recurring income/(charges)	0			0
Provisions & write-downs	1,384		-2,543	-1,159
Amortisation & depreciation	-996		203	-793
Amortisation of goodwill	-1,183		1,183	0
Ebit	3,292	-67	-1,236	1,989
Investment income	154			154
Financial charges	-66		1	-65
Extraordinary income (charges)	512	67	-579	0
Profit before taxes	3,892	0	-1,814	2,078
Income taxes	-252		-48	-299
Group net profit for the period	*3,640*	*0*	*-1,861*	*1,779*

RECONCILLIATION OF THE BALANCE SHEET AS AT 30/06/06

BALANCE SHEET DADA SpA (Amounts in Euro/thousand)	*30/06/06 Italian GAAP*	*Reclass.*	*Adjust.*	*30/06/06 IAS/IFRS*
ASSETS				
Fixed assets				
Property, plant and equipment	2,401	22		2,423
Goodwill	1,442		-543	899
Intangible fixed assets	4,494	-22	-579	3,892
Equity holdings in subsidiary companies	19,993		2,324	22,317
Financial assets	103			103
Deferred tax assets	4,654		182	4,836
Total	33,087	0	1,383	34,470
Current assets				
Inventories	150			150
Trade receivables	26,015		0	26,015
Tax and other receivables	886	4,160	1	5,047
Financial assets held for trading	4,981			4,981
Cash and cash equivalents	13,848			13,848
Prepaid and accrued income	4,160	-4,160		0
Total	50,040	0	1	50,041
TOTAL ASSETS	83,127	0	1,384	84,511
SHAREHOLDERS' EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	2,715			2,715
Share premium reserve	29,493			29,493
Legal reserve	538			538
Other reserves	4,723			4,723
IAS reserve	0		-3,100	-3,100
Retained earnings/accumulated losses	0		6,077	6,077
Profit for the period	4,586		-1,491	3,095
Total Shareholders’ Equity	42,055	0	1,486	43,541
Medium/long term liabilities				
Bank loans (beyond one year)	130		1	131
Provisions for risks and charges	673			673
Employee leaving indemnity	1,018		-103	915
Other payables beyond one year	0			0
Total	1,821	0	-102	1,719
Current liabilities				
Trade payables	33,433			33,433
Other payables	3,311	821		4,132
Tax payables	1,387			1,387
Bank overdrafts and loans (within one year)	249			249
Accruals and deferred income	871	-821		50
Total	39,251	0	0	39,251
TOTAL SHAREHOLDERS’ EQUITY & LIABILITIES	83,127	0	1,384	84,511

RECONCILIATION OF THE INCOME STATEMENT FOR THE SIX MONTHS ENDED 30/06/06

INCOME STATEMENT DADA IAS *(Amounts in Euro/thousand)*	*31/12/06 Italian GAAP*	*IAS1-16 Reclass.*	*IAS 36 Adjust.*	*31/12/06 IAS/IFRS*
Net Revenues	28,490			28,490
Cost of raw materials and consumables	-17			-17
Change in inventory and internal works	1,276			1,276
Service costs and other operating costs	-21,455	65	-193	-21,583
Personnel costs	-3,581		-291	-3,872
Other operating charges	-31			-31
Non-recurring income/(charges	0			0
Provisions & write-downs	1,036		-1,280	-244
Amortisation & depreciation	-1,484		334	-1,150
Amortisation of goodwill	0		0	0
Ebit	4,234	65	-1,431	2,869
Investment income	308			308
Financial charges	-95		1	-94
Extraordinary income (charges)	65	-65		0
Profit before taxes	4,512	0	-1,430	3,083
Income taxes	74		-62	12
Group net profit for the period	*4,586*	*0*	*-1,492*	*3,095*