



**CONSOLIDATED QUARTERLY REPORT OF  
THE DADA GROUP AS AT DECEMBER 31,  
2006**

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

**Registered Office: Viale Giovine Italia, 17 - 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**



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# 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 <sup>1</sup>
Angelo Falchetti	Managing Director
Salvatore Amato	Director <sup>2,3,4</sup>
Marco Argenti	Director
Lorenzo Lepri Pollitzer	Director
Raffaello Napoleone	Director <sup>2,3</sup>
Barbara Poggiali	Director <sup>4</sup>
Roberto Ravagnani	Director
Alberto Ronzoni	Director
Riccardo Stilli	Director
Giorgio Valerio	Director
Pietro Varvello	Director
Danilo Vivarelli	Director <sup>2,3,4</sup>

1 - Chairman with executive powers

2 - Independent director in accordance with the self-governance code for Listed Companies.

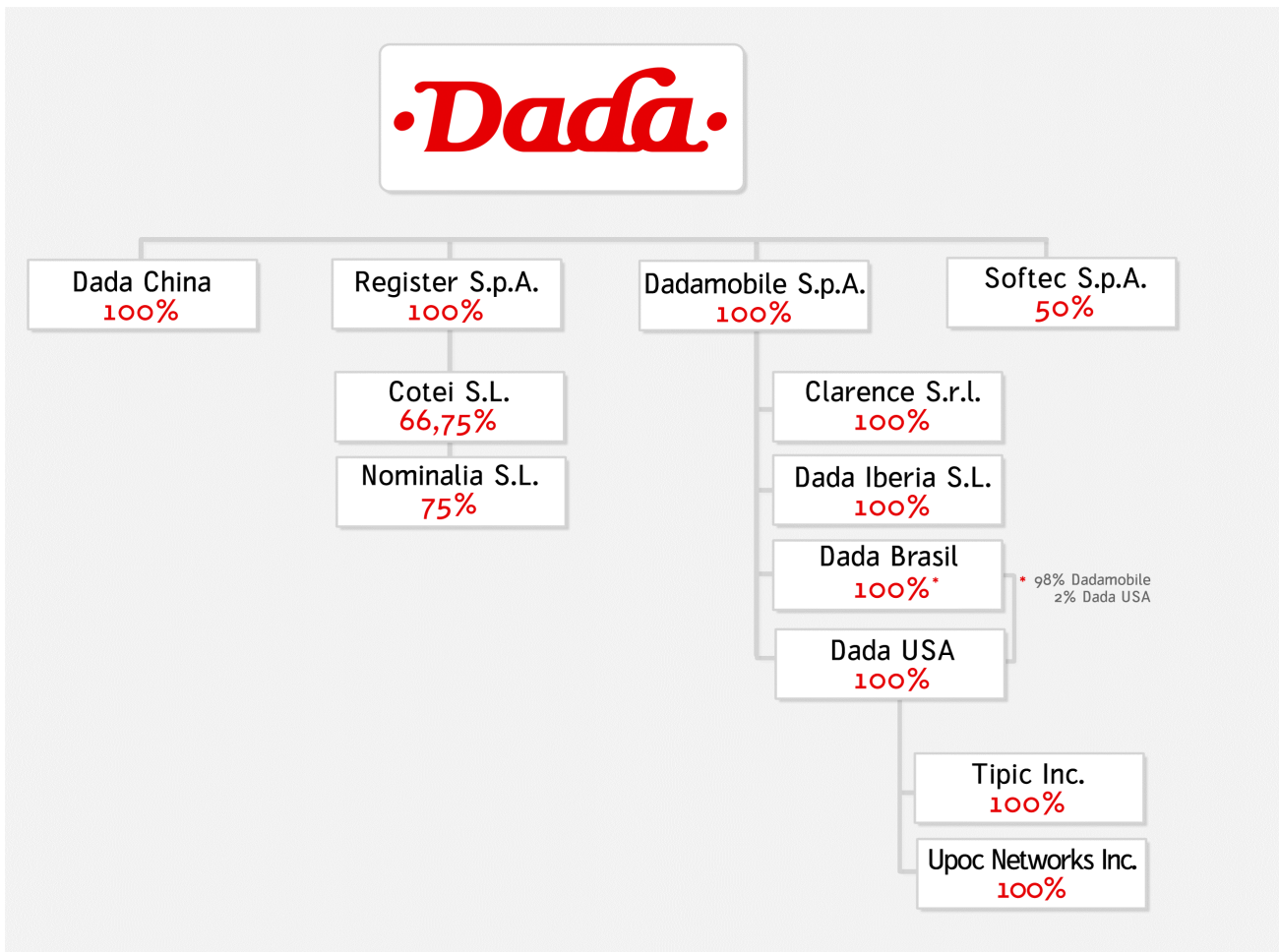
3 - Member of the Internal Control Committee

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

## STRUCTURE OF THE DADA GROUP



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

### Consolidated Results (3 months)

(millions of Euro)	31/12/2006	31/12/2005
Revenues	31.3	23.5
Ebitda	4.6	3.4
Amortisation & depreciation	-1.3	-1.0
Ebit	3.2	1.0
Group net profit	3.3	1.8

### Consolidated Results (9 months)

(millions of Euro)	31/12/2006	31/12/2005
Revenues	111.4	69.9
Ebitda	15.7	12.7
Amortisation & depreciation	-4.0	-3.3
Ebit	10.8	8.0
Group net profit	12.5	7.2

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

### Consolidated Balance Sheet

(millions of Euro)	31/12/2006	30/09/2006	31/12/2005
Net working capital	7.2	8.6	0.7
Net Capital employed	42.9	38.6	18.1
Shareholders' Equity	54.5	50.8	40.2
Short-term net financial position	11.8	12.6	23.0
Total net financial position	12.5	12.2	22.1
Number of employees	373	345	251

## INTRODUCTION

The consolidated quarterly report at December 31, 2006 was prepared in accordance with the provisions of the International Accounting Standard No. 34 "Interim Reporting" (IAS 34) and, in relation to the accounting principles, 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. For comparative purposes, the figures for the previous periods were also prepared in accordance with IAS/IFRS.

It is also noted that the present quarterly report was prepared taking into consideration the current accounting standards at the date of their preparation. It is possible that new versions or interpretations of the IFRS will be issued before the publication of the financial statements for 2006. If this occurs, it is therefore possible that there will be an effect on the data presented in the IFRS half-year report and in the reconciliation schedules prepared in accordance with IFRS 1.

## Consolidation principles

The present quarterly report includes the quarterly results of the Parent Company Dada S.p.A. and of the companies it controls as at December 31, 2005. Based on the accounting standards applied, the control of a company is when the company has the power to determine financial and operating policies of a company so as to benefit 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 consolidation scope of the DADA Group changed as follows:

At December 31, 2005, the company Ad Maiora was included in the consolidation, and subsequently sold in October 2005.

At December 31, 2005, the company Planet Com was included in the consolidation and sold at the beginning of July 2006. This investment was therefore fully consolidated in the income statement for the first six months of the year. The sale of the company generated a gain of Euro 2,246 thousand.

At December 31, 2006, the acquisitions made in the year are included. In particular, the acquisition of Nominalia SL at the beginning of August is fully consolidated in the balance sheet and for the two-month period August -September in the income statement.

The investment in the company Upoc Networks Inc acquired at the end of August is fully consolidated in the balance sheet and in the income statement for the month of September.

The investment in the company Tipic.



The consolidation scope for the period is shown below:

<b>Consolidation scope</b>	<b>At December 31, 2006</b>			<b>At September 30, 2006</b>			<b>At December 31, 2005</b>		
	<b>Perc. Poss.</b>	<b>Period Consol.</b>	<b>Share capital</b>	<b>Perc. Poss.</b>	<b>Period Consol.</b>	<b>Share capital</b>	<b>Perc. Poss.</b>	<b>Period Consol.</b>	<b>Share capital</b>
Values: Euro/000									
Dada SpA (FI)	Parent Company	Jan - Dec 2006	2,714	Parent Company	Jan - Sep 2006	2,714	Parent Company	Jan -Dec 2005	2,692
PlanetCom SpA (MI)*	-	-	-	-	-	-	50.00%	Jan -Dec 2005	263
Media Dada Science and Development Co. Ltd (Beijing - CHINA) ***	100.00%	Dec-Dec 2006	759	-	-	-	-	-	-
Register SpA (BG)	100%	Jan - Dec 2006	1,913	97.04%	Jan - Sep 2006	1,913	97.04%	Jan -Dec 2005	1,913
- Cotei SL (Barcelona - ES) ind.	66.75%	Aug - Dec 2006	23	66.75%	Aug - Sep 2006	23	-	-	-
- Nominalia SL (Barcelona - ES) ind.	75.00%	Aug - Dec 2006	3	75.00%	Aug - Sep 2006	3	-	-	-
Softec SpA (Pistoia)	50.00%	Jan - Dec 2006	300	50.00%	Jan - Sep 2006	300	50.00%	Jan -Dec 2005	300
- WebNet S.r.l. (FI) ind	100.00%	Jan - Dec 2006	21	100.00%	Jan - Sep 2006	21	100.00%	Jan -Dec 2005	21
- Business Engineering Srl (PT) ind.	100.00%	Jan - Dec 2006	21	100.00%	Jan - Sep 2006	21	100.00%	Jan -Dec 2005	21
DadaMobile S.p.A. (FI)**	100.00%	Jan - Dec 2006	9,933	100.00%	Jan - Dec 2006	9,933	100.00%	Jan -Dec 2005	9,933
- Clarence S.r.l. (FI) ind.	100.00%	Jan - Dec 2006	21	100.00%	Jan - Sep 2006	21	100.00%	Jan -Dec 2005	21
- Dada USA Inc (NY - USA) ind.**	100.00%	Jan - Dec 2006		100.00%	Jan - Sep 2006		100.00%	Feb - Dec 2005	
- Upoc Inc (NY - USA) ind.	100.00%	Sep - Dec 2006	17	93.00%	Sep - Sep 2006	17	-	-	-
- Dada Brasil Serviços de Tecnologia Ltda (SP - BR) ind.	100.00%	Dec 2006	163	100.00%	June - Sep 2006	163	-	-	-
- Tipic Inc (NY - USA) ind.	100.00%	Nov - Dec 2006	1	-	-	-	-	-	-

\* Company sold on July 4, 2006, only the income statement consolidated for the first 6 months of the year.

\*\* DadaMobile Inc changed its name to Dada USA Inc.

\*\*\* Non-operating company at December 31, 2006.

## INFORMATION ON OPERATIONS

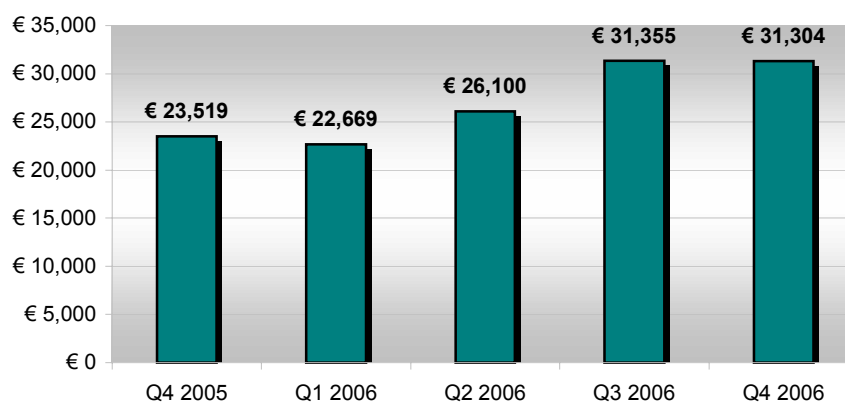
Dear Shareholders,

In the fourth quarter of 2006, consolidated revenues of the DADA Group amounted to Euro 31.3 million, a growth of 33.1% (Euro +7.8 million), compared to the fourth quarter of the previous year (Euro 23.5 million).

In 2006, the Group recorded total revenues of Euro 111.4 million, recording growth of 59.4% compared to the consolidated revenues in the previous year (Euro 69.9 million).

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

### CONSOLIDATED QUARTERLY REVENUES

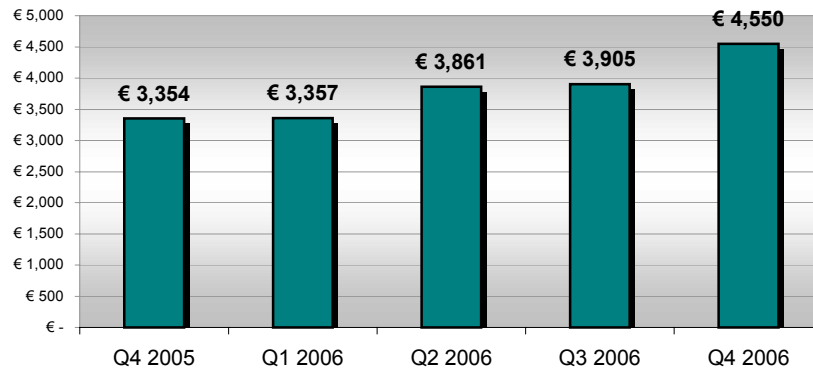


Amounts expressed in Euro/thousand

The consolidated Ebitda of the DADA Group in the fourth quarter of 2006 amounted to Euro 4.6 million (15% of consolidated sales), an increase of 35.7% compared with the fourth quarter of 2005, which amounted to Euro 3.4 million (14% of consolidated sales), and 17.9% compared to the third quarter of 2006, which amounted to Euro 3.9 million.

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

### CONSOLIDATED EBITDA

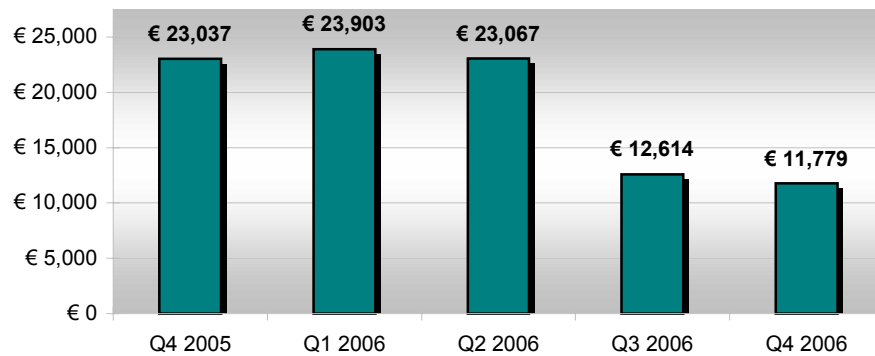


Amounts expressed in Euro/thousand

The short-term Consolidated Net Cash Position at December 31, 2006 was Euro 11.8 million. The cash position was impacted by the Group investment activities as described in detail at page 17.

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

### SHORT-TERM CONSOLIDATED NFP



Amounts expressed in Euro/thousand

## Results

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

(Amounts in Euro/thousands)	Dec 31. 06 3 months		Dec 31,-05 3 months		CHANGE	
	Amount	% of total	Amount	% of total	Amount	% of total
<b>Net Revenues</b>	<b>31,305</b>	<b>100%</b>	<b>23,519</b>	<b>100%</b>	<b>7,786</b>	<b>33%</b>
Changes in inventory and internal work	1,338	4%	618	3%	720	117%
Service costs and other operating costs	-23,274	-74%	-17,970	-76%	-5,304	30%
Personnel costs	-4,783	-15%	-2,813	-12%	-1,970	70%
<b>Ebitda</b>	<b>4,586</b>	<b>15%</b>	<b>3,354</b>	<b>14%</b>	<b>1,232</b>	<b>37%</b>
Amortisation & depreciation	-1,301	-4%	-1,022	-4%	-279	27%
Non-recurring income (charges)	44	0%	-225	-1%	269	-120%
Revaluations/ (Write-downs)	-161	-1%	-1,066	-5%	905	-85%
<b>Ebit</b>	<b>3,168</b>	<b>10%</b>	<b>1,041</b>	<b>4%</b>	<b>2,127</b>	<b>204%</b>

The DADA Group ended the fourth quarter of 2006 with sales of Euro 31.3 million compared to Euro 23.5 million in the same period of the previous year and Euro 31.4 million compared to the third quarter of 2006.

The breakdown of the consolidated sales of the DADA Group by sector shows the continued growth in the contribution of the **Consumer Division** - accounting for 83% of consolidated revenues in the fourth quarter of 2006.

This contribution has increased compared to the same period of the previous year, which accounted for 74% of sales, and is in line with the third quarter of 2006. In this sector, the DADA Group is positioned as market leader in entertainment services, based on mobile and web platforms, achieving important growth in both the number of users paying for the services and the number of products launched.

Impacting upon sales in the period was a change in the consolidation scope following the acquisition of the US Company Upoc Inc. in August 2006.

The **Business Division** accounted for 5% of consolidated sales compared to 18% in the fourth quarter of 2005 and 7% in the third quarter of 2006. At pro-forma level it is noted that the reduction of sales in the division was impacted by the deconsolidation from the third quarter of the company Planet Com S.p.A., which was sold at the beginning of July.

The **Self Provisioning Division** accounted for 12% of consolidated sales, increasing compared with the same quarter in the previous year (10%) and the previous quarter (10%).

Impacting upon sales of the division in the period was a change in the consolidation scope following the acquisition of the Spanish Company Cotei/Nominalia SA in July 2006.

DADA Group full year consolidated revenues amounted to Euro 111.4 million compared to Euro 69.9 million in 2005. The breakdown by sector was as follows:

Consumer Division 80% (67% in 2005), Business Services 10% (23% in 2005) and Self Provisioning Services 10% (10% in 2005).

The geographic breakdown of sales shows a significant increase in international operations, accounting for 40% of the DADA Group consolidated revenues in the fourth quarter, compared to 15% in the fourth quarter of 2005.

For the full year, international sales accounted for 37% of consolidated turnover.

The operations in the United States contributed significantly to this growth, a market in which the DADA Group operates through its subsidiary Dadamobile Inc. In the same period in the previous year, this international expansion was in the start-up phase and therefore the contribution to sales was marginal.

For further information on the performance of the divisions, reference should be made to the paragraph on segment information of the Group.

It is recalled that the consolidation scope in the period changed as follows:

in 2005 the companies Ad Maiora S.p.A. and Planet Com S.p.A. were included for the full twelve months, while in 2006 only Planet Com was included for the first six months. These companies were in fact sold in December 2005 and July 2006 respectively. The total effect at pro-forma level of this change was higher sales in 2005 of Euro 2.8 million for the full year and Euro 1.6 million for the fourth quarter.

In addition, in 2006 the company Nominalia SL (acquired at the end of July) was consolidated for five months, the company UPOC Inc. (acquired at the end of August) was consolidated for four months, the company Tipic Inc. (acquired in October) was consolidated for three months and the company DADA Brasil (Incorporated in July but operative in December) was consolidated for one month with a total contribution in terms of sales of Euro 2.8 million of which Euro 1.9 million in the fourth quarter.

**The consolidated Ebitda in the quarter was Euro 4.6 million** (margin of 15% on consolidated sales), compared to Euro 3.9 million in the same period of the previous year (margin of 14%).

The recovery in consolidated sales margins is due to the benefits from the expenses incurred in previous months to expand the user base.

In fact, a significant proportion of the service and other operating costs consisted of expenses incurred in the creation and strengthening of the Consumer Division's subscription user base at both international and national level.

The costs incurred in the quarter for the acquisition of the user base was Euro 14.3 million, while in the fourth quarter of 2005 these costs amounted to Euro 5.9 million. In the third quarter of 2006, these costs amounted to Euro 14.8 million.

Within the individual cost accounts, personnel costs increased in absolute terms from Euro 2.8 million in the third quarter of 2005 to Euro 4.8 million in the fourth quarter of 2006. This increase is entirely related to the increase in the activities of the company and to the growth in the Consumer Division and from the change in the consolidation scope.

The general and overhead costs are substantially in line with the previous quarters.

The change in the consolidation scope previously described did not have a significant impact on Ebitda in the period.

The quarter just ended did not fully benefit from the effects of the integration of the Companies acquired in the year.

**The consolidated Ebit in the fourth quarter of 2006 was Euro 3.1 million** (12% of consolidated sales), significant growth compared to the third quarter of 2006 (Ebit of Euro 2.6 million), and to the fourth quarter of 2005 (Ebit of Euro 1 million).

The Ebit for the quarter includes amortisation and depreciation on tangible and intangible fixed assets totalling Euro 1.3 million, while write-downs and non-recurring charges were insignificant.

Depreciation/amortisation increased compared to the previous year (Euro 1 million) and to the previous quarter due to the investments made in the development of products and capital expenditures.

In 2006, the Ebit was Euro 10.8 million compared to Euro 8 million in 2005 (increase of 35.37%), after amortisation/depreciation of Euro 4 million and Euro 3.3 million respectively, and non-recurring charges of Euro 0.9 million and Euro 1.5 million respectively. In the fourth quarter of 2006 the provisions and write-downs and other non-recurring charges were much lower compared to the same period in the previous year.

The change in the consolidation scope as previously described resulted in lower amortisation/depreciation at pro-forma level of Euro 0.4 million in 2005.

The Group **net profit in the fourth quarter of 2006 was Euro 3.3 million**, equal to 10.5% of consolidated revenues, compared to Euro 1.8 million in the same period of the previous year (8% of consolidated revenues).

The consolidated net profit for 2006 was Euro 12.5 million (11% of consolidated revenues), compared to Euro 7.2 million in 2005 (10% of consolidated revenues).

Positively impacting on this account is the investment income deriving from the interest matured on securities and the liquidity of the Group, and in particular a gain of approximately Euro 2.3 million on the disposal of Planet Com. The financial result was Euro -0.8 million as a consequence of exchange losses arising from the consolidation of foreign subsidiaries.

Current income taxes for the year amounted to Euro 2.2 million, principally relating to Irap taxes. Deferred tax income was also recorded amounting to Euro 2.9 million - calculated on the temporary timing differences of provisions and write-downs made in previous years, and on part of the fiscal losses carried forward. Therefore, the total fiscal effect for the year was positive for Euro 0.4 million.

The minority interest share has reduced following the acquisition of a further stake in Register.it S.p.A.

The Group has matured fiscal losses carried forward of Euro 68 million, of which Euro 46 million for an unlimited period.

## Financial position and balance sheet

The composition of the net financial position at December 31, 2006 is shown below:

	FINANCIAL POSITION	Dec 31,-06	Dec 31,-05	CHANGE	
				Absolute	Percent.
A	Cash	49	8	41	513%
B	Bank and postal deposits	7,925	11,869	- 3,944	-33%
C	Securities held for trading	5,013	11,894	- 6,881	-58%
D	<b>Liquidity (A+B+C)</b>	<b>12,987</b>	<b>23,771</b>	<b>- 10,784</b>	<b>-45%</b>
E	<b>Current financial receivables</b>			-	
F	Bank payables - current portion	- 953	- 491	- 462	94%
G	Current portion of non-current debt	- 255	- 243	- 12	5%
H	<b>Current debt (F+G+H)</b>	<b>- 1,208</b>	<b>- 734</b>	<b>- 474</b>	<b>65%</b>
I	<b>Current net financial position (I-E-D)</b>	<b>11,779</b>	<b>23,037</b>	<b>- 11,258</b>	<b>-49%</b>
J	Bank payables - non-current portion	- 245	- 964	719	-75%
K	Other non-current payables			-	
L	<b>Non-current debt (K+L)</b>	<b>- 245</b>	<b>- 964</b>	<b>- 1,209</b>	<b>125%</b>
M	<b>Total net financial position (J+M)</b>	<b>11,534</b>	<b>22,073</b>	<b>- 10,539</b>	<b>-48%</b>

The short-term Consolidated Net Financial Position at December 31, 2006 was a positive amount of Euro 11.7 million, compared to Euro 23 million at December 31, 2005 and Euro 12.6 million at September 31, 2006. In 2006, there was therefore a decrease in this figure in absolute terms of Euro 11.3 million. This absorption of the net financial position compared to the previous year is primarily due to the acquisition of the companies Nominalia SL, UPOC Networks Inc, and Tipic Inc., and the completion of the acquisition of the investment in [Register.it](#) S.p.A.

The salient features of these operations are reported below:

Upoc was acquired by Dada Mobile Inc. for a cash payment totalling USD 7 million (equal to approximately Euro 5.5 million), which was paid in one single tranche on the transfer of the shares representing the equivalent of 93% of the ordinary share capital, subsequently increased to 100% following a series of operations undertaken with the execution of the purchase contract signed on August 21, 2006.

The acquisition of Cotei/Nominalia SA provides for the acquisition by Register.it of 100% of the share capital for a total consideration of Euro 5.2 million will be paid in three tranches as follows:

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 for a total payment of Euro 2.6 million paid half in 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 immediately granted Register.it full powers of governance and voting rights on 100% of the share capital of the two Spanish companies.

For the acquisition of **Tipic Inc.**, reference should be made to page 18.

The investment activity also benefited from the receipt of Euro 2.5 million related to the sale of the investment in Planet Com.

Investment activities also related to the purchase of tangible fixed assets for the renewal and expansion of the technical structure of approximately Euro 2 million, and the expenses for the development of new products and services (and other intangible assets) of Euro 3.3 million.

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

In addition, the change in the consolidation scope, therefore with the exclusion of Planet Com, and the inclusion of Nominalia SL and UPOC Inc. of the DADA Group resulted in a contribution to the NFP of Euro 0.3 million.

The total net financial position (which also includes medium/long term sources and uses) amounted to Euro 11.5 million, net of payables to banks and other lenders repayable beyond one year of Euro 0.2 million. This position was Euro 22.1 million at December 31, 2005.

The composition of the net working capital at December 31, 2006 is shown below:

(Amounts in Euro/thousands)	Dec 31, 06	Dec 31,-05	CHANGE	
			Absolute	Percent.
<b>Fixed assets (A) (*)</b>	<b>38,171</b>	<b>19,704</b>	<b>18,467</b>	<b>94%</b>
Current assets (B)	61,675	34,999	26,676	76%
Current liabilities (C)	-54,188	-34,276	-19,912	58%
<b>Net working capital (D) = (B)-(C)</b>	<b>7,487</b>	<b>723</b>	<b>6,764</b>	<b>936%</b>
Employee leaving indemnity provision (E)	-1,821	-1,455	-366	25%
Provision for risks and charges (F)	-911	-836	-75	9%
<b>Net capital employed (A+D+E+F)</b>	<b>42,926</b>	<b>18,136</b>	<b>24,790</b>	<b>137%</b>

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

**The net working capital** at December 31, 2006 amounted to Euro 7.6 million, a significant increase compared to December 31, 2005 (Euro 0.7 million), but a recovery compared to September 30, 2006 (Euro 8.6 million).

This increase is significantly impacted by the expenses incurred by the Group for the launch and support of products in the Consumer Division.

It is underlined that the increase in the main working capital accounts is due to the significant growth of the Group compared to the previous year.

Trade receivables at December 31, 2006 amounted to Euro 61.3 million on consolidated sales for the period of Euro 111.4 million, while at December 31, 2005 trade receivables amounted to Euro 35 million on consolidated sales for the period of Euro 69 million.



As previously described, this type of activity results in a financial management characterised by important temporary differences between the average period of payments to suppliers and collection of trade receivables.

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

Reference should be made to the previous comments in relation to fixed assets and capital investments made by the Group.

## Other Information

The principal extraordinary operations of the DADA Group in the fourth d quarter of 2006 are reported below:

On October 12, DadaMobile Inc., a subsidiary of Dada S.p.A. with head office at New York, completed the acquisition of 100% of the company Tipic Inc.

Tipic, headquartered in New York City, is a leading international player in the Blog Community segment through its brand Splinder ([www.splinder.com](http://www.splinder.com)), undisputed blog leader in Italy and one of the richest resources for user generated content in the Italian market, and Motive ([www.motime.com](http://www.motime.com)), the leading service in the same sector in the American market. Today, Tipic manages approximately 220 thousand active Blogs and has 320 thousand registered users, with an addition of almost 12 thousand users per month. It also has over 5.2 million monthly unique visitors and registers 35 million page views per month.

The acquisition of 100% of the share capital of Tipic Inc. by DADA US Inc. was for a total cash payment of Euro 4.5 million, 35% payable initially and the balance within 12 months. In 2005, Tipic recorded sales of approximately Euro 90 thousand and a break-even net result.

The number of personnel in the Dada Group at December 31, 2006 was 373, of which 7 Executives, while at September 30, 2006 the number of personnel was 225 and at June 30, 2006 the number was 290 (of which 4 executives). These changes were impacted by the change in the consolidation scope. The entry into the consolidation scope of Nominalia SA and of UPOC Inc. resulted in an increase of 67 employees, while the deconsolidation of Planet Com S.p.A. resulted in a decrease of 32 employees.

## 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 Register.it and Cotei/Nominalia SL operate in the Self-Provisioning Segment.

The Consumer Division also includes Dadamobile S.p.A. and Clarence S.r.l, Dada USA Inc, Upoc Inc and Tipic Inc while Softec S.p.A. and Planetcom S.p.A. are part of the Business Division. The company Planet Com S.p.A. was consolidated at income statement level for the first six months of 2006, as the company was sold at the beginning of July.

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

The share of general expenses and 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.

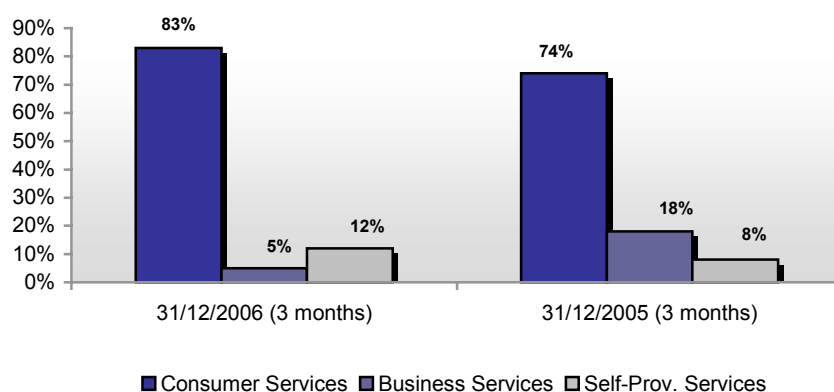
The segment costs and revenues are considered before infra-divisional balances, which are eliminated in the consolidation process (column "adjustments" of the tables).

The secondary segment was determined as two geographic areas.

### Breakdown of consolidated sales in the 3 divisions

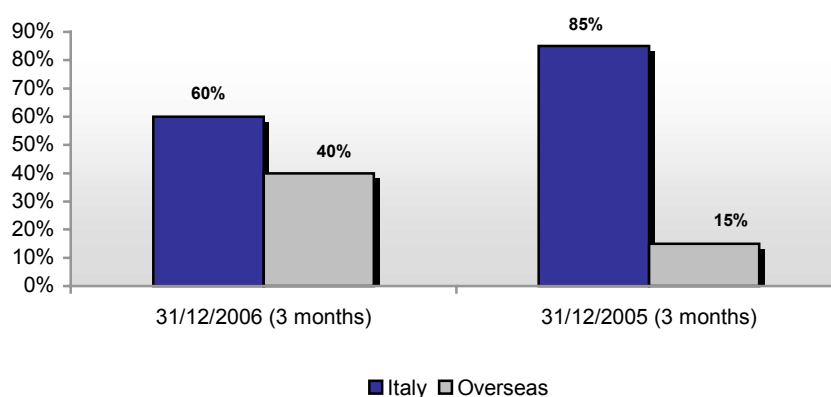
Description	31/12/2006 (3 months)		31/12/2005 (3 months)	
	Amount	% of total	Amount	% of total
Consumer Services	26,399	83%	17,681	74%
Business Services	1,534	5%	4,209	18%
Self Provisioning Services	3,766	12%	1,997	8%
Inter-divisional revenues	394		365	
<b>Consolidated Revenues</b>	<b>31,304</b>	<b>100%</b>	<b>23,523</b>	<b>100%</b>

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



### Division of consolidated sales by geographic area

Description	31/12/2006 ( 3 months)		31/12/2005 (3 months)	
	Amount	% of total	Amount	% of total
Revenues Italy	18,662	60%	20,032	85%
Revenues Overseas	12,643	40%	3,490	15%
<b>Consolidated Revenues</b>	<b>31,304</b>	<b>100%</b>	<b>23,523</b>	<b>100%</b>



## Segment Income Statement at December 31, 2006 (3 months)

31/12/2006 (3 Months)					
Segment information	Consumer Services	Business Services	Self-Prov. Services	Adjust.	Consolidated
Revenues- third parties Italy	14,900	1,401	2,361	0	18,662
Revenues - third parties Overseas	11,452		1,191		12,643
Revenues- inter-sector	47	132	214	-394	0
<b>Net sales</b>	<b>26,399</b>	<b>1,534</b>	<b>3,766</b>	<b>-394</b>	<b>31,304</b>
Increases in internal work	1,148	0	190		1,338
Services	-20,692	-775	-1,868	394	-22,942
Personnel costs	-2,991	-647	-1,013		-4,651
<b>Segment Ebitda</b>	<b>3,864</b>	<b>112</b>	<b>1,074</b>	<b>0</b>	<b>5,050</b>
<i>Segment Ebitda/Sales</i>					
Amortisation & depreciation	-760	-105	-318		-1,183
<b>Segment Ebit</b>	<b>3,104</b>	<b>7</b>	<b>756</b>	<b>0</b>	<b>3,867</b>
<i>Segment Ebit / Sales</i>					
					Corporate depreciation & amortisation -120
					General expenses not allocated -583
					<b>Ebit 3,164</b>
					Financing activities -132
					<b>Profit before taxes 3,032</b>
					Income taxes 1,240
					<b>Group and minority interest result 4,272</b>
					Minority interest share -82
					<b>Group net profit 4,190</b>

### 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 fourth quarter of 2006, Dada confirmed its focus on Consumer services through continuing and implementing important new Web and Mobile projects on the domestic and international markets.

#### Internationalisation

In the fourth quarter of 2006, the turnover from international operations amounted to 43% of revenues in the Consumer Division.

The United States, where the Company operates through its subsidiary Dada USA Inc., continues to be the most important market for Dada at international level, accounting for 27% of Group consolidated turnover in the year.

The international growth was sustained by significant financial investments in order to expand and strengthen its user base, with the relative expenses doubling compared to the same period in 2005.

At the end of the fourth quarter of 2006, DADA was connected with 48 mobile carriers worldwide - permitting the group to offer its services to a significant user base.

The fourth quarter, as per plan, saw the start-up of the DADA.net business in Brazil.

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

### **Italy**

In the fourth of 2006, Dada confirmed 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 half of 2006 saw the definitive launch of the single Dada.net (<http://www.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 and 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: this 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.

### **Online Advertising**

Online advertising is in a consolidation phase with growth in investment on the web worldwide and parallel continual innovation of distribution channels and formats.

Dada Ad, the internal web advertising agency of Dada, operates in these two markets - web advertising and mobile advertising.

#### Mobile Advertising

The Mobile advertising market in Italy in 2006 was estimated at around Euro 18 million, with Dada representing over one third of this market. Market expectations for 2007 are for growth of approximately 60%.

Dada Ad has exclusive management of all of the properties of 3, the leading Italian UMTS carrier. The products offered are SMS profiled, MMS visual, banners and graphic space on the mobile portal Pianeta3 - these products are marketed to a user base of 6.8 million UMTS clients subscribing to H3G services. On an experimental basis, Dada Ad commenced the sale of advertising through the DVB-H mobile television channel in the quarter.

In December 2006, Vodafone Italia offered for tender the exclusive concession of advertising sales on their properties. Dada Ad was the winning bidder. The concession is for a period of 14 months from February 2007. The products covered by the concession are FreetimeSMS, MMSmania and space on the mobile portal VodafoneLive.

Completing the range of Dada Ad mobile services are the MMS ANSA services for clients of Wind. Dada Ad is now the leader in the mobile advertising market.

#### Web Advertising

In the Advertising Web 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:

CPM - with advertising being the driver of the campaign, that is the number of times the advertising message is visited

CPC - where the number of clicks which DADA is able to bring to the client's site through its own platform is the driver.

CPA - where DADA has a full Net Marketing structure operating with a success fee based on defined criteria such as: registered users, purchases made, forms issued, etc.

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 deriving 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 quarter the new offer on the properties of the Dada group were under preparation - a new positioning will see a further drive on advertising revenues also on these channels, which are in strong growth.

#### Scalable Advertising

At the end of 2006, a new group was created dedicated to the study and development of new advertising forms - the so-called scalable and repeatable forms. The first project is the positioning of advertising feeds offered by the Google and Yahoo programmes within Dada portals to high traffic.

The first results of this work will be seen in the first quarter of 2007.

#### Partnership between RCS and Dada

In 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 on Dada.net. 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. In addition to the technological management of all the platform, Dada undertakes customer acquisition for RCS on the Web and Mobile channels through the systems of Dada Ad.

## Consumer Services results

Consumer Division ( 3 months)						
In Euro thousands	4th Qtr. 2006		4th Qtr. 2005		CHANGE	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	14,900	56%	14,110	80%	790	6%
Revenues - third parties Foreign	11,452	43%	3,490	20%	7,962	228%
Revenues- inter-sector	47	0%	81	0%	-34	-42%
<b>Net sales</b>	<b>26,399</b>		<b>17,681</b>		<b>8,718</b>	<b>49%</b>
Increases in internal work	1,148	4%	475	3%	674	142%
Services	-20,692	-78%	-14,359	-81%	-6,333	44%
Personnel costs	-2,991	-11%	-1,271	-7%	-1,720	135%
<b>Segment Ebitda</b>	<b>3,864</b>	<b>15%</b>	<b>2,526</b>	<b>14%</b>	<b>1,338</b>	<b>53%</b>
Amortisation & depreciation	-760	-3%	-504	-3%	-256	51%
<b>Segment Ebit</b>	<b>3,104</b>	<b>12%</b>	<b>2,022</b>	<b>11%</b>	<b>1,082</b>	<b>54%</b>

The Division ended the fourth quarter of 2006 with total sales of Euro 26.4 million, compared to Euro 26.1 million in the previous quarter and Euro 17.7 million in the fourth quarter of 2005 (+49%).

It is underlined that in the quarter just ended and in the previous quarters the international activity saw significant increases in turnover, consisting of 43% of the total revenues of the division and approximately 38% of the consolidated net revenues of the Group.

The Ebitda in the quarter amounted to Euro 3.9 million (15% of sales) compared to Euro 2.5 million (14% of sales) in the same period of the previous year, an increase of 35%. As already commented upon, the margins should be considered in view of the fact that the launch phase of some activities was in the summer.

The Ebit in the division was Euro 3.1 million (12% of the division sales) after depreciation and amortisation of Euro 0.8 million. In the fourth quarter of 2005 the Ebit amounted to Euro 2 million, after amortisation/depreciation of Euro 0.5 million. Therefore, the year recorded a growth of 54%.

The contribution of the Consumer Division to the total consolidated results continues to increase, with the turnover in the fourth quarter representing 83% of the consolidated net revenues of the Group, while amounting to 77% of the Group Ebitda and 75% of the Group Ebit.



## BUSINESS SERVICES

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

- Revenues from development of Web projects;
- Revenues from design and realisation of infrastructures.

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 the 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 (3 months)						
In Euro thousands	4th Qtr. 2006		4th Qtr. 2005		CHANGE	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	1,401	91%	3,997	95%	-2,596	-65%
Revenues- inter-sector	132	9%	212	5%	-80	-38%
<b>Net sales</b>	<b>1,534</b>		<b>4,209</b>		<b>-2,676</b>	<b>-64%</b>
Increases in internal work	0	0%	43	1%	-43	-100%
Services	-775	-51%	-2,922	-69%	2,147	-73%
Personnel costs	-647	-42%	-874	-21%	227	-26%
<b>Segment Ebitda</b>	<b>112</b>	<b>7%</b>	<b>456</b>	<b>11%</b>	<b>-345</b>	<b>-76%</b>
Amortisation & depreciation	-105	-7%	-264	-6%	159	-60%
<b>Segment Ebit</b>	<b>7</b>	<b>0%</b>	<b>192</b>	<b>5%</b>	<b>-186</b>	<b>-97%</b>

The Business Division ended the fourth quarter of 2006 with a turnover of Euro 1.5 million, a decrease compared to the fourth quarter of 2005, which amounted to Euro 4.2 million. It is recalled that the consolidation scope has changed compared to the same period in the previous year following the disposal of the investments in Maiora S.p.A. (sold in October 2005) and Planet Com S.p.A. (sold in July 2006 and

therefore consolidated for the first six months of the year). These companies accounted for sales of Euro 1.6 million in the fourth quarter of 2005.

The Ebitda of Euro 0.1 million decreased compared to the previous year which amounted to Euro 0.5 million.

The segment Ebit was breakeven for the period.

### SELF PROVISIONING SERVICES

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

The final quarter of 2006 saw a consolidation of the growth experienced in the previous quarters principally due to the introduction of the .EU domain. Total domain sales in the quarter (new registrations and renewals) amounted to over 70,000, in Italy and over 35,000 in Spain compared to a combined total of approx. 75,000 in 2005. Over 11,000 new clients were acquired in both markets combined.

Within the up-selling of products on the domain (email and hosting) there was an increase in the new solutions launched in Italy in recent months which resulted in the sale (or renewal) of over 18,000 packages compared to 11,000 in 2005, while in Spain this type of offer will be launched in the second quarter of 2007.

### Results of the Self Provisioning Services

Self Provisioning Services ( 3 Months)						
In Euro thousands	4th Qtr. 2006		4th Qtr. 2005		CHANGE	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	2,361	63%	1,926	96%	435	23%
Revenues- third parties Overseas	1,191					
Revenues- inter-sector	214	6%	72	4%	143	199%
<b>Net sales</b>	<b>3,766</b>		<b>1,997</b>		<b>578</b>	<b>29%</b>
Increases in internal work	190	5%	99	5%	91	92%
Services	-1,868	-50%	-863	-43%	-1,006	117%
Personnel costs	-1,013	-27%	-555	-28%	-458	83%
<b>Segment Ebitda</b>	<b>1,074</b>	<b>29%</b>	<b>679</b>	<b>34%</b>	<b>-795</b>	<b>-117%</b>
Amortisation & depreciation	-318	-8%	-211	-11%	-107	51%
<b>Segment Ebit</b>	<b>756</b>	<b>20%</b>	<b>468</b>	<b>23%</b>	<b>-902</b>	<b>-193%</b>

The sales in the Self Provisioning Division in the fourth quarter of 2006 amounted to Euro 3.8 million, an increase of 89% compared to the previous year, which amounted to Euro 2 million. The .EU domain pre-launch registration phase and the increase in the consolidation scope following the acquisition of the companies Cotei/Nominalia SL contributed to this increase. This company was

acquired at the end of July and was therefore consolidated for two months in the quarter with a contribution to sales of approximately Euro 1.2 million.

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 segment was Euro 1 million (20% of division sales) after depreciation and amortisation of Euro 318 thousand. In the fourth quarter of the previous year, the Ebit was Euro 0.7 million.

The Self Provisioning Division also recorded deferred revenues of approx. Euro 8 million at December 31, 2006.

## SUBSEQUENT EVENTS AFTER THE QUARTER

The figures after the end of the quarter confirm the growth in revenue in 2006. In particular, the growth in international activities continues whose contribution is expected to increase in the coming quarters.

Florence, February 12, 2007

For the Board of Directors

The Chairman, Paolo Barberis

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT DECEMBER 31, 2006 PREPARED  
IN ACCORDANCE WITH IAS/IFRS

ASSETS	31/12/06 (12 months)	31/12/05 (12 months)
<b>Non-current assets</b>		
Goodwill	23,450	9,261
Intangible assets	6,388	4,304
Other tangible assets	4,573	3,229
Equity investments in non-consolidated subsidiaries, associated and other companies	825	15
Financial assets	235	248
Deferred tax assets	7,006	4,829
<b>Total non-current assets</b>	<b>42,477</b>	<b>21,886</b>
<b>Current assets</b>		
Inventories	111	372
Trade receivables	40,609	23,499
Tax and other receivables	16,649	8,946
Financial assets held for trading	5,013	11,894
Cash and cash equivalents	7,974	11,877
<b>Total current assets</b>	<b>70,356</b>	<b>56,588</b>
<b>Non-current assets of discontinued operations</b>		-
<b>TOTAL ASSETS</b>	<b>112,833</b>	<b>78,474</b>

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT DECEMBER 31, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS

SHAREHOLDERS' EQUITY AND LIABILITIES	31/12/06 (12 months)	31/12/05 (12 months)
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<i>Capital and reserves</i>		
Share capital	2,715	2,692
Share premium reserve	29,493	28,085
Treasury shares		
Legal reserve	538	406
Other reserves	-297	-6,065
Retained earnings/accumulated losses	9,844	7,349
Result for the period	12,493	7,222
<b>Total Group Shareholders' Equity</b>	<b>54,786</b>	<b>39,689</b>
<b>Minority interest share</b>	<b>-326</b>	<b>520</b>
<b>Total Shareholders' Equity</b>	<b>54,460</b>	<b>40,209</b>
<i>Medium/long term liabilities</i>		
Bank loans (beyond one year)	245	934
Provisions for risks and charges	911	836
Employee leaving indemnity	1,821	1,455
Other payables beyond one year	0	30
<b>Total medium/long liabilities</b>	<b>2,977</b>	<b>3,255</b>
<i>Current liabilities</i>		
Trade payables	32,668	22,371
Other payables	19,112	9,965
Tax payables	2,408	1,940
Bank overdrafts and loans (within one year)	1,208	734
<b>Total current liabilities</b>	<b>55,396</b>	<b>35,010</b>
<b>Non-current liabilities of discontinued operations</b>	<b>0</b>	<b>0</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>112,833</b>	<b>78,474</b>

**CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP AT DECEMBER 31, 2006 PREPARED IN ACCORDANCE WITH IAS/IFRS**

	<b>31/12/06</b> <b>(12 months)</b>	<b>31/12/05</b> <b>(12 months)</b>
<b>Net Revenues</b>	<b>111,429</b>	<b>69,898</b>
Cost of raw materials and consumables	-56	-49
Changes in inventory and internal work	3,524	1,829
Service costs and other operating costs	-84,144	-48,041
Personnel costs	-15,228	-10,866
Other operating charges	-102	-198
Provisions & write-downs	-660	-1,318
Amortisation & depreciation	-3,974	-3,280
<b>Ebit</b>	<b>10,789</b>	<b>7,975</b>
Investment income	2,847	410
Financial charges	-1,668	-424
<b>Profit before taxes</b>	<b>11,968</b>	<b>7,961</b>
Income taxes	736	-677
<b>Net profit from normal operations</b>	<b>12,704</b>	<b>7,284</b>
Minority interest profit	-211	-62
<b>Group net profit</b>	<b>12,493</b>	<b>7,222</b>
Basic earnings per share	0.789	0.456
Diluted earnings per share	0.768	0.444

WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT DECEMBER 31, 2006

(Amounts in Euro/thousands)	Dec 31, 06	Dec 31, 05
<b>Fixed assets (A) (*)</b>	<b>38,171</b>	<b>19,704</b>
Current assets (B)	61,675	34,999
Current liabilities (C)	-54,188	-34,276
<b>Net working capital (D) = (B)-(C)</b>	<b>7,487</b>	<b>723</b>
Employee leaving indemnity provision (E)	-1,821	-1,455
Provision for risks and charges (F)	-911	-836
<b>Net capital employed (A+D+E+F)</b>	<b>42,926</b>	<b>18,136</b>
Medium-long term payables	-245	-964
<b>Shareholders' equity (G)</b>	<b>-54,460</b>	<b>-40,209</b>
Short-term bank debt	-1,208	-734
Short-term financial receivables and securities	5,013	11,894
Cash and cash equivalents	7,974	11,877
<b>Short-term net financial position</b>	<b>11,779</b>	<b>23,037</b>

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT DECEMBER 31, 2006

(Amounts in Euro/thousands)	Dec 31. 06 12 months		Dec 31, 05 12 months	
	Amount	% of total	Amount	% of total
<b>Net Revenues</b>	<b>111,429</b>	<b>100%</b>	<b>69,898</b>	<b>100%</b>
Changes in inventory and internal work	3,524	3%	1,829	3%
Service costs and other operating costs	-84,016	-75%	-48,139	-69%
Personnel costs	-15,228	-14%	-10,866	-16%
<b>Ebitda</b>	<b>15,709</b>	<b>14%</b>	<b>12,722</b>	<b>18%</b>
Amortisation & depreciation	-3,974	-4%	-3,280	-5%
Non-recurring income (charges)	-286	0%	-149	0%
Revaluations/ (Write-downs)	-660	-1%	-1318	-2%
<b>Ebit</b>	<b>10,789</b>	<b>10%</b>	<b>7,975</b>	<b>11%</b>
Investment income	2,847	3%	410	1%
Financial income and charges	-1,668	-1%	-424	-1%
<b>Profit before taxes</b>	<b>11,968</b>	<b>11%</b>	<b>7,961</b>	<b>11%</b>
Income taxes	736	1%	-677	-1%
<b>Net profit</b>	<b>12,704</b>	<b>11%</b>	<b>7,284</b>	<b>10%</b>
Minority interest profit	-211	0%	-62	0%
<b>Group net profit</b>	<b>12,493</b>	<b>11%</b>	<b>7,222</b>	<b>10%</b>

\* before write-downs and non-recurring charges



RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT DECEMBER 31, 2006

(Amounts in Euro/thousands)	Dec 31, 06 3 months		Dec 31, 05 3 months	
	Amount	% of total	Amount	% of total
<b>Net Revenues</b>	<b>31,305</b>	<b>100%</b>	<b>23,519</b>	<b>100%</b>
Changes in inventory and internal work	1,338	4%	618	3%
Service costs and other operating costs	-23,274	-74%	-17,970	-76%
Personnel costs	-4,783	-15%	-2,813	-12%
<b>Ebitda*</b>	<b>4,586</b>	<b>15%</b>	<b>3,354</b>	<b>14%</b>
Amortisation & depreciation	-1,301	-4%	-1,022	-4%
Non-recurring income (charges)	44	0%	-225	-1%
Revaluations/ (Write-downs)	-161	-1%	-1,066	-5%
<b>Ebit</b>	<b>3,168</b>	<b>10%</b>	<b>1,041</b>	<b>4%</b>
Investment income	194	1%	141	1%
Financial income and charges	-1,262	-4%	-149	-1%
<b>Profit before taxes</b>	<b>2,100</b>	<b>7%</b>	<b>1,033</b>	<b>4%</b>
Income taxes	1,280	4%	718	3%
<b>Net profit</b>	<b>3,380</b>	<b>11%</b>	<b>1,751</b>	<b>7%</b>
Minority interest profit	-85	0%	66	0%
<b>Group net profit</b>	<b>3,295</b>	<b>11%</b>	<b>1,817</b>	<b>8%</b>

\* before write-downs and non-recurring charges

STATEMENT OF CHANGES IN GROUP SHAREHOLDERS' EQUITY FROM 01/01/2004 TO 31/12/2006

Description	Share capital	Share prem.	Legal reserve	Other reserves	Retained earnings	Result for the year	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	0
Purchase of treasury shares				-658			-658
Result at 30/06/04						-2,725	-2,725
<b>Balance at 31/12/2004</b>	<b>2,664</b>	<b>34,015</b>	<b>406</b>	<b>-9,703</b>	<b>4,349</b>	<b>-2,725</b>	<b>29,006</b>
Allocation of results 2004		-6,699			3,975	2,725	0
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
<b>Balance at 31/12/2005</b>	<b>2,692</b>	<b>28,085</b>	<b>406</b>	<b>-6,064</b>	<b>7,349</b>	<b>7,222</b>	<b>39,689</b>
Allocation of results 2005			133	4,734	2,355	-7,222	0
Share capital increase	22	1,408					1,430
Translation difference				-42			-42
Other changes				1,078	140		1,218
Consolidation reserve				-3			-3
Result at 31/12/06						12,493	12,493
<b>Balance at 31/12/2006</b>	<b>2,714</b>	<b>29,493</b>	<b>539</b>	<b>-297</b>	<b>9,844</b>	<b>12,493</b>	<b>54,786</b>