



CONSOLIDATED QUARTERLY REPORT OF THE DADA GROUP AS AT SEPTEMBER 30, 2007

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

Registered Office: Viale Giovane Italia, 17 -Florence
Share capital Euro 2,736,503.43 fully paid-in
Florence Company Registry Office No. Flo17- 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

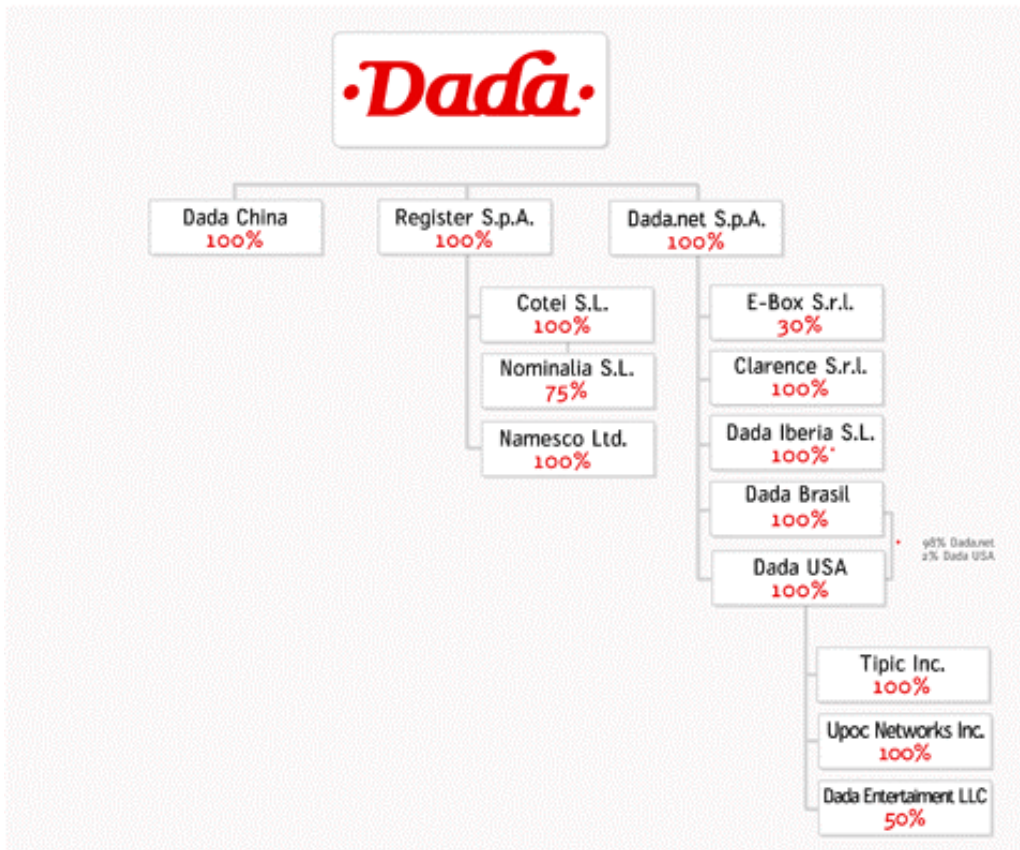
Paolo Barberis	Chairman ¹
Angelo Falchetti	Director ²
Salvatore Amato	Director ^{3,4,5}
Marco Argenti	Director ²
Lorenzo Lepri Pollitzer	Director ²
Raffaello Napoleone	Director ^{3,4}
Barbara Poggiali	Director
Monica Alessandra Possa	Director ⁵
Roberto Ravagnani	Director
Riccardo Stilli	Director
Giorgio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

- 1 - Chairman with signatory powers for all operational areas of the Company.
- 2 - Director with signatory powers in some operational areas of the Company.
- 3 - Independent director in accordance with the self-governance code for Listed Companies.
- 4 - Member of the Internal Control Committee
- 5 - Member of the Remuneration Committee.

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



Dada Entertainment LLC began operating activities in October.

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

Consolidated Results (3 months) as at September 30, 2007

(millions of Euro)	30/09/2007	30/09/2006
Revenues	41.7	31.4
Ebitda	5.4	3.9
Amortisation & depreciation	-1.4	-1.1
Ebit	3.9	2.6
Group net profit	3.1	4.6

Consolidated Results (9 months) as at September 30, 2007

(millions of Euro)	30/09/2007	30/09/2006
Revenues	115.1	80.1
Ebitda	15.7	11.1
Amortisation & depreciation	-3.5	-2.7
Ebit	11.7	7.6
Group net profit	9.6	9.2

Consolidated balance sheet as at September 30, 2007

(millions of Euro)	30/09/2007	31/12/2006
Net Working Capital	4.4	7.0
Net Capital Employed	85.3	42.8
Shareholders' Equity	67.0	54.3
Short-term net financial position	7.4	11.8
Total net financial position	-18.3	11.5
Number of employees	479	373

INTRODUCTION

The consolidated quarterly report at September 30, 2007 was prepared in accordance with 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 approved 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. The following quarterly report has been prepared in accordance with Regulation No. 11971 of May 14, 1999.

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 the quarter. If this occurs, it is therefore possible that there will be an effect on the data presented in the IFRS third quarter report and in the reconciliation schedules prepared in accordance with IFRS 1.

DADA GROUP PROFILE

Dada S.p.A. is an international leader in the community and entertainment sector via the 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 at August 31, 2007 holds approximately 46.1%) among its shareholders, in addition to the management and founding shareholders with approximately 12.4% of the share capital.

In the first 9 months of 2007, the Dada Group continued the implementation of the strategic guidelines:

- focus placed on the three business areas: Dada.net for consumer business, Dada.adv for online and mobile advertising, and Dada.pro for professional business services;
- increased investment in the development of new products aimed at further expanding on international markets including through the acquisition of other companies.

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

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

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

Dada.pro includes the activities of Register.it S.p.A., consolidated leader in the registration of internet domains and the management of the online presence of individuals and businesses, which in 2006 acquired Nominalia S.L. and in July 2007 Namesco Ltd., leaders respectively in Spain and in the UK in the same sector of domains and hosting.

The Dada Group includes Upoc Networks - a provider of added value web and mobile phone services in the US, Tipic Inc. - an international leader in the blog and social networking sector with the Splinder and Motime brands, and Bloglo - the most visited vertical blog network nationally.

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 September 30, 2007. 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 consolidation scope for the period is shown below:

<i>Consolidation scope</i>	At September 30, 2007			At June 30, 2007			At March 31, 2007		
Values: Euro/ooo	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital
Dada SpA (FI)	Parent Company	Jan-Sept. 2007	2,736	Parent Company	Jan-June 2007	2,736	Parent Company	Jan-Mar 2007	2,736
Media Dada Science and Development Co. Ltd (Beijing - CHINA)	100.00%	Jan-Sept. 2007	759	100.00%	Jan-June 2007	759	100.00%	Jan-Mar 2007	759
Register SpA (BG)	100%	Jan-Sept. 2007	1913	100%	Jan-June 2007	1913	100%	Jan-Mar 2007	1913
- Cotei SL (Barcelona - ES) ind.	100%	Jan-Sept. 2007	23	100%	Jan-June 2007	23	66.75%	Jan-Mar 2007	23
- Nominalia SL (Barcelona - ES) ind.	75.00%	Jan-Sept. 2007	3	75.00%	Jan-June 2007	3	75.00%	Jan-Mar 2007	3
- Namesco Limited (Worcester-GB) ind.	100%	Sept - Sept 2007	-	-	-	-	-	-	-
Softec SpA (Pistoia)***	50.00%	Jan-Mar 2007	300	50.00%	Jan-Mar 2007	300	50.00%	Jan-Mar 2007	300
- WebNet S.r.l. (FI) ind***	100.00%	Jan-Mar 2007	21	100.00%	Jan-Mar 2007	21	100.00%	Jan-Mar 2007	21
- Business Engineering Srl (PT) ind.***	100.00%	Jan-Mar 2007	21	100.00%	Jan-Mar 2007	21	100.00%	Jan-Mar 2007	21
Dada.net S.p.A. (FI)*	100.00%	Jan-Sept. 2007	9933	100.00%	Jan-June 2007	9933	100.00%	Jan-Mar 2007	9933
- Clarence S.r.l. (FI) ind.	100.00%	Jan-Sept. 2007	21	100.00%	Jan-June 2007	21	100.00%	Jan-Mar 2007	21
- Dada USA Inc (NY - USA) ind.**	100.00%	Jan-Sept. 2007	-	100.00%	Jan-June 2007	-	100.00%	Jan-Mar 2007	-
- Upoc Inc (NY - USA) ind.	100.00%	Jan-Sept. 2007	-	100.00%	Jan-June 2007	-	100.00%	Jan-Mar 2007	-
- Dada Brasil Serviços de Tecnologia Ltda (SP - BR) ind.	100.00%	Jan-Sept. 2007	163	100.00%	Jan-June 2007	163	100.00%	Jan-Mar 2007	163
- Tipic Inc (NY - USA) ind.	100.00%	Jan-Sept. 2007	1	100.00%	Jan-June 2007	1	100.00%	Jan-Mar 2007	1
- Dada Iberia SL (Barcelona - ES) ind.	100.00%	Jun-Sept 2007	3	100.00%	June - June 2007	3	-	-	-

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

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

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

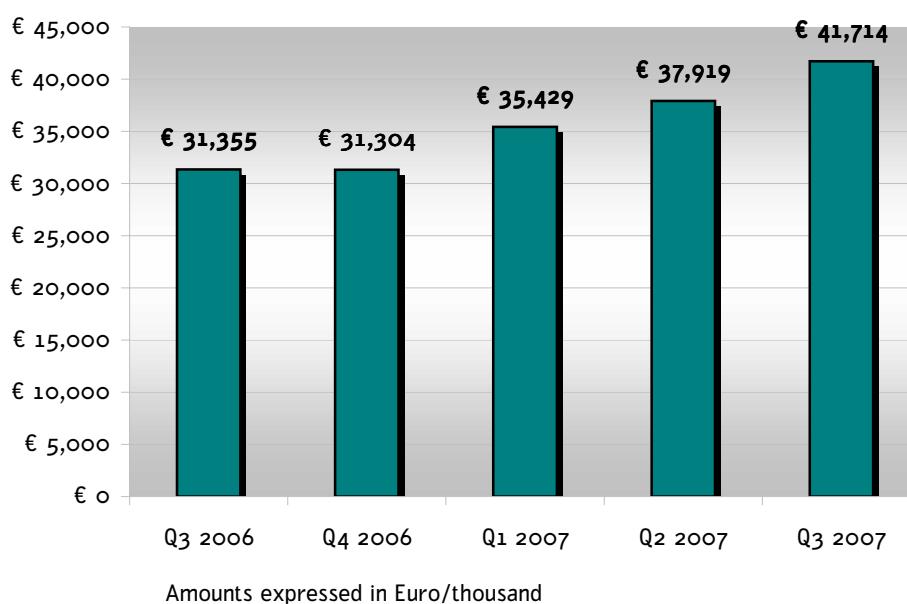
INFORMATION ON OPERATIONS

Dear Shareholders,

In the third quarter of 2007, the Dada Group recorded consolidated revenues of Euro 41.7 million, an increase of 33% compared to revenues of Euro 31.4 million in the third quarter of 2006, and an increase of 10% on revenues of Euro 38.0 million in the second quarter of 2007. In the first 9 months of 2007, consolidated revenues amounted to Euro 115 million compared to Euro 80.1 million in 2006.

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

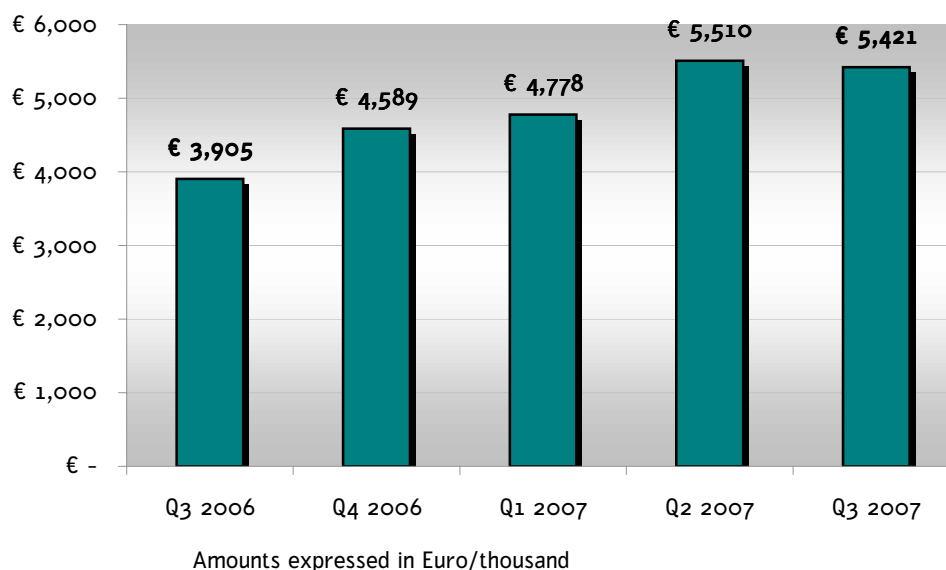
QUARTERLY CONSOLIDATED REVENUES



The consolidated Ebitda of the Dada Group in the third quarter of 2007 amounted to Euro 5.4 million (13% of consolidated sales), an increase of 39% on the third quarter of 2006, which amounted to Euro 3.9 million (12.5% of consolidated sales).

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

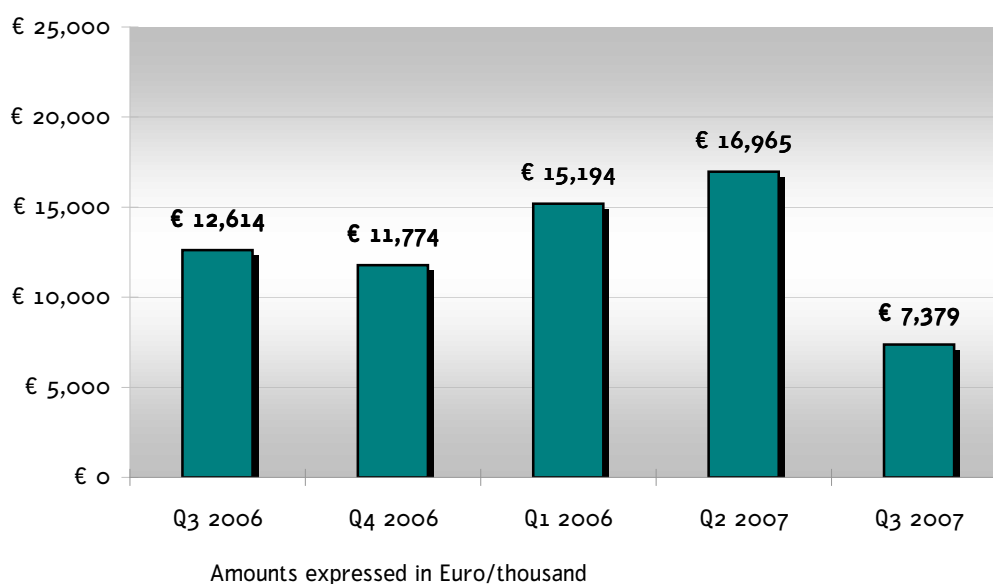
QUARTERLY CONSOLIDATED EBITDA



The short-term Consolidated Net Financial Position at September 30, 2007 was a positive amount of Euro 7.4 million, compared to Euro 11.8 million at December 31, 2006. The Total Net Financial Position is a debt position of Euro 18.3 million.

The graph below shows the changes in the short-term net financial position:

CONSOLIDATED SHORT-TERM NFP



Results

An analysis of the principal economic results of the Dada Group in the third quarter of 2007 is provided below, together with a comparison with the previous year:

Amounts in Euro/thousand	Sep 30, 07 3 months		Sep 30, 06 3 months	
	Amount	% of total	Amount	% of total
Net Revenues	41,714	100.00%	31,355	100.00%
Changes in inventory and internal work	962	2.31%	687	2.19%
Service costs and other operating costs	-30,854	-73.97%	-24,379	-77.75%
Personnel costs	-6,401	-15.34%	-3,758	-11.99%
Ebitda*	5,421	13.00%	3,905	12.45%
Amortisation & depreciation	-1,421	-3.41%	-1,054	-3.36%
Non-recurring income (charges)	-40	-0.10%	-226	-0.72%
Revaluations/(Write-downs)	-25	-0.06%	-65	-0.21%
Ebit	3,935	9.43%	2,560	8.16%

Dada Group sales in the third quarter of 2007 amounted to Euro 41.7 million compared to Euro 31.4 million in the same period of the previous year and Euro 38.0 million in the second quarter of 2007. The total sales in the first nine months of the year amounted to Euro 115.1 million, an increase of 44% compared to sales in the first nine months of 2006 of Euro 80.1 million.

The following changes in the consolidation scope took place:

- in the third quarter of 2006, the Company Softec S.p.A. was fully consolidated, contributing Euro 0.6 million.
- in the third quarter of 2007, the Company Namesco Ltd. was fully consolidated with a total contribution of Euro 3.4 million.

At divisional level, it is recalled that from the current year the organisational structure of the Dada Group was reviewed and now comprises the following divisions: **Dada.net**, **Dada.adv** and **Dada.pro**.

As described in greater detail in the section "Segment Information", the principle change is the creation of the Dada.adv Division which comprises the provision, purchase and sale of advertising on the web and mobile phone for the entire group, as well as the revenue sources of the preceding Business Division.

The Self Provisioning Division was renamed Dada.pro.

The breakdown of consolidated revenues of the Dada Group by sector of activity reports:

The **Dada.net Division** contributed consolidated sales in the third quarter 2007 of Euro 30.1 million (69% of Group sales) with an increase of 27% compared to the same period of 2006 (Euro 23.8 million). This is a small decrease on the contribution of the same period of the previous year, (75%), consequent of the change in the consolidation area of the Dada.pro division which benefited from the sales of the company Namesco Ltd.

The **Dada.adv Division** contributed Euro 5.8 million to consolidated sales in the period (13% of Group sales), compared to Euro 4.7 million in the third quarter of 2006 (15% of Group sales), an increase of 23%.

At pro-forma level, sales in the division in the third quarter of 2006 were impacted by the consolidation of the company Softec S.p.A. (contribution of Euro 0.6 million), which was sold in May 2007, and therefore not present in the third quarter. The same considerations exist in relation to the contribution of Namesco Ltd. on the sales of the Dada.pro division.

The **Dada.pro Division** accounted for 18% of consolidated sales, contributing Euro 7.8 million, an increase both on the previous quarter (10%) and on the same quarter in the previous year (11%).

The consolidation from July of the English company Namesco Ltd. impacted positively on this growth, contributing approximately Euro 3.4 million to sales in the third quarter of 2007.

The **geographic breakdown** of consolidated revenues in the third quarter of the Dada Group shows a significant increase in international operations, accounting for 49% compared to 46% in the third quarter of 2006. In the first 9 months of 2007, the contribution of the overseas sector was 46% compared to 39% in the same period of 2006.

The operations in the United States contributed significantly to this growth, a market in which the Dada Group operates through its subsidiary Dada USA Inc. - which also operates in the Brazilian and Spanish markets.

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

The consolidated Ebitda in the quarter was Euro 5.4 million (margin of 13% on consolidated sales), compared to Euro 3.9 million in the same period of the previous year (margin of 12.5%).

In the first 9 months, the Ebitda was Euro 15.7 million (14% of consolidated sales) compared to Euro 11.1 million (10% of consolidated sales) in the first nine months of 2006, a growth of 41%.

In a similar manner to the preceding quarters, a significant proportion of the service and other operating costs consisted of expenses incurred in the creation and strengthening of the Dada.net Division's subscription user base at both international and national level.

The costs incurred in the quarter for the acquisition of the user base were Euro 13.8 million, while in the previous quarter these costs amounted to Euro 12.5 million and Euro 38.9 million for the full nine months. In 2006, these costs amounted to Euro 14.6 million for the third quarter and Euro 35 million for the first nine months.

Within the individual cost accounts, personnel costs increased in absolute terms from Euro 3.8 million in the third quarter of 2006 to Euro 6.4 million in the third quarter of 2007. This increase is entirely related to the increase in the activities of the company, the growth in the Consumer Division and to the change in the consolidation scope (higher costs of approximately Euro 300 thousand).

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

The change in the consolidation scope previously described had a positive impact of Euro 900 thousand on the Ebitda in the third quarter of 2007 compared to the third quarter of 2006.

In the third quarter of 2007, the **consolidated Ebit** was Euro 3.9 million (9.4% of consolidated sales), an increase of 54% compared to Euro 2.6 million in the third quarter of 2006 (8.2% of consolidated sales).

This includes amortisation and depreciation on tangible and intangible fixed assets totalling Euro 1.4 million, while write-downs and non-recurring charges amounted to Euro 0.4 million.

Depreciation/amortisation increased compared to the previous year (Euro 1 million) and to the previous quarter (Euro 1.1 million) due to the investments made in the development of products and capital expenditures.

In the third quarter of 2007, the **consolidated net profit** of the Dada Group was Euro 3.1 million, equal to 7% of consolidated revenues, while in the third quarter of 2006 the net profit amounted to Euro 4.6 million (15% of consolidated sales). The previous year included the gain from the sale of Planet Com of Euro 2.2 million.

The total fiscal charge in the third quarter of 2007 was Euro 0.2 million compared to Euro 0.1 million in the previous year. This figure represents the net fiscal charge between current taxes and the provisions for deferred tax income.

The Group net profit in the first nine months of 2007 was Euro 9.6 million, while in the same period of 2006 it amounted to Euro 9.2 million.

Financial position and balance sheet

The composition of the net financial position at September 30, 2007 is shown below in comparison with December 31, 2006:

FINANCIAL POSITION		Sep 30, 07	Dec 31, 06	Difference	
				Absolute	Percent.
A	Cash	210	49	161	329%
B	Bank and postal deposits	13,035	10,482	2,553	24%
C	Securities held for trading	15	2,456	- 2,441	-99%
D	Liquidity (A+B+C)	13,260	12,987	273	2%
E	Current financial receivables				
F	Bank payables – current portion	- 1,466	- 958	- 508	53%
G	Current portion of non-current debt	- 4,415	- 255	- 4,160	1631%
H	Current debt (F+G+H)	- 5,881	- 1,213	- 4,668	385%
I	Current net financial position (I-E-D)	7,379	11,774	- 4,395	-37%
J	Bank payables – non-current portion	- 25,714	- 244	-25,470	10439%
K	Other non-current payables				
L	Non-current debt (K+L)	- 25,714	- 244	-25,958	10639%
M	Total net financial position (J+M)	- 18,335	11,530	-29,865	-259%

The short-term Consolidated Net Financial Position at September 30, 2007 was a positive amount of Euro 7.4 million, compared to Euro 11.8 million at December 31, 2006 and Euro 17 million at June 30, 2007. The total net financial position, which includes loans repayable beyond one year, was net debt of Euro 18.3 million. This figure is strongly impacted by the acquisition in July of the company Namesco Ltd. For details of the operations, reference should be made to that reported below. The total value of the acquisition was Euro 36.4 million, of which Euro 6.4 million financed through the utilisation of Group liquidity, and Euro 30 million through a medium term loan of 7 years repayable semi-annually, obtained from a primary Credit Institution.

The short-term portion of the loan was included in the account “current portion of non-current debt” in the previous table.

The investment activities in the quarter include the purchase of tangible fixed assets for the renewal and expansion of the technological structures and for the renovation work at the new offices (for a total of approx. Euro 0.5 million), and the expenses for the development of new products and services of the Dada.net and Dada.pro divisions (for approximately Euro 1 million).

The investments in Securities held for trading at December 31, 2006 were fully disposed of in the period.

In addition, the change in the consolidation scope, therefore with the exclusion of Softec and the inclusion of Namesco from the Dada Group consolidation, resulted in an improvement in the NFP of Euro 0.5 million.

The sale of the holding in Softec had little effect on the net financial position.

The composition of the **net working capital** at September 30, 2007 is shown below:

Amounts in Euro/thousand	Sep 30, 07	Dec 31, 06	Difference	
			Absolute	Percent.
Fixed assets (A) (*)	83,274	38,552	44,722	116%
Current assets (B)	76,298	63,475	12,823	20%
Current liabilities (C)	-71,911	-56,518	-15,393	27%
Net working capital (D) = (B)-(C)	4,387	6,957	-2,570	-37%
Employee leaving indemnity provision (E)	-1,519	-1,790	271	-15%
Provision for risks and charges (F)	-797	-911	114	-13%
Net capital employed (A+D+E+F)	85,345	42,808	42,537	99%

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

Following the acquisition of Namesco Ltd, the **fixed assets** increased significantly by Euro 36.4 million with a consequent increase in the account “goodwill”. For the other fixed assets increases, reference should be made to that previously reported. The changes in the consolidation scope (acquisition of Namesco) resulted in an increase in the account of approximately Euro 0.9 million.

The **Net working capital** at September 30, 2007 amounted to Euro 4.4 million, a significant improvement compared to December 31, 2006, when it amounted to Euro 6.9 million and at June 30, 2007 (Euro 4.9 million).

Working capital is impacted by the expenses incurred by the Group for the launch and support of products in the Dada.net Division and the collection period from the telephone carriers.

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

As previously described, this type of activity results in a financial management characterised by significant 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 carriers, directly or through affiliates, and from which a large part of the sales are generated for fee-based services of the Dada.net division, that as previously reported have increased significantly in recent months.

Other information

The principal extraordinary operations of the DADA Group in the third quarter of 2007 are reported below:

September 12, 2007 – the joint venture between Dada and SONY BMG MUSIC ENTERTAINMENT to create the company “Dada Entertainment LLC” was completed, following the agreement reached and communicated to the market on July 16 and will offer to consumers a new and innovative range of entertainment services via web and mobile phone.

Initially targeting US customers, the services of Dada Entertainment LLC will combine a wide selection of musical content, ringtones, images, video games, mobile phone games, backgrounds, audio files and video in integrated format and will incorporate the extensive experience gained through the community web 2.0 and the social networks. In particular, Dada will provide access to its proprietary technological and billing platforms while SONY BMG will make its complete catalogue of musical and video content available to customers of the JV and promote its services through their multiple distribution channels, including their web properties and video network, cd production, media-buying, third-party media and sales point networks.

50% of Dada Entertainment LLC is held by Dada and 50% by SONY BMG MUSIC ENTERTAINMENT and will be governed under rules stipulating extensive co-management. The current CEO of Dada USA Inc, Massimiliano Pellegrini, will act as CEO of the new company. The agreement start date and beginning of operating activities of Dada Entertainment LLC is October 1 next.

On July 18, 2007 Dada, through the subsidiary Register.it S.p.A., purchased 100% of the share capital of the English company Namesco Ltd. for a total cash payment of GBP 24.5 million (approximately Euro 36.2 million), fully paid at closing. The financing of the purchase is comprised in part by Register.it liquidity and the remainder by a medium/long-term bank loan of Euro 30 million, guaranteed by the parent company Dada S.p.A..

Founded in 1996, Namesco is the fourth largest company in the United Kingdom and among the top 50 companies in the world in the market of professional Internet services (Source: Netcraft Company Analysis, January 2007). Namesco’s registered office is at Worcester and its headquarters in London, employing 59 highly-qualified professionals and managing approximately 265,000 domains for a total portfolio of over 80,000 paying clients. Agreements with the main Registries all over the world allow Namesco to offer registration and management of domains and Internet professional services to both its business and consumer clients in more than 100 different countries.

In the year 2006/7 (1/4/2006 - 31/3/2007), Namesco recorded revenues of over GBP 8.3 million (approximately Euro 12.2 million at current exchange rates) and an EBITDA of GBP 1.8 million (approximately Euro 2.7 million), with a margin of approximately 22%. For the year 2007/8, the Company forecasts revenues of GBP 9.8 million (approximately Euro 14.5 million), an Ebitda margin of 29% and a net profit of GBP 1.7 million (approximately Euro 2.5 million).

The number of employees in the Dada Group at September 30, 2007 was 479, of which 7 Executives, while at December 31, 2006 the number of employees was 373 (of which 7 Executives).

SEGMENT INFORMATION OF THE GROUP AS PER IAS 14

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

From the present year, the Group organisation structure changed and therefore the Business Units are comprised of the **Dada.net Division**, the **Dada.adv Division** and the **Dada.pro Division**.

The Dada.net division is operated by the Parent Company and by Dada.net S.p.A., the Division Dada.adv is operated by Dada S.p.A. while the Dada.pro division is operated by the subsidiaries Register.it S.p.A. and Cotei/Nominalia SL.

All of the subsidiary companies of Dada.net S.p.A. operate in the Dada.net Division - Clarence S.r.l., Dada USA Inc, Upoc Inc, Tipic Inc, Dada Iberia, Dada Brasil and Dada China, while Softec S.p.A. (a consolidated company at income statement level for the first three months of 2007) operated in the Dada adv Division.

Until December 31, 2006, the Business Units of the Group comprised of the Consumer Division, the Business Division and the Self Provisioning Division.

The change is principally due to the focus on value added services (VAS services) in the Dada.net division, while the advertising services (mobile and web) are attributed to the Dada.adv Division which also includes the services previously included in the Business Division (Web solutions, mobile and infrastructure). The consolidation area of the Dada.pro division (previously Self Provisioning) was expanded with the entry of Namesco Ltd. With regard to this, reference should be made to the preceding paragraph.

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

The share of general expenses and overhead amortisation and depreciation is not allocated to the individual divisions, but only allocated at consolidated level ("corporate depreciation and amortisation" and "general expenses not allocated" accounts). In addition, write-downs, extraordinary items and income taxes are not included in the divisional results.

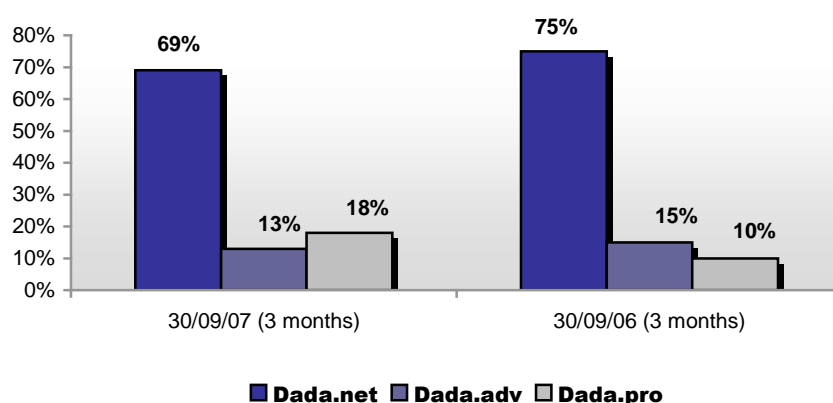
The segment costs and revenues are considered before infra-divisional balances, which are eliminated in the consolidation process (column "adjustments" of the tables).

The secondary segment was determined as two geographic areas.

Breakdown of consolidated sales in the three divisions

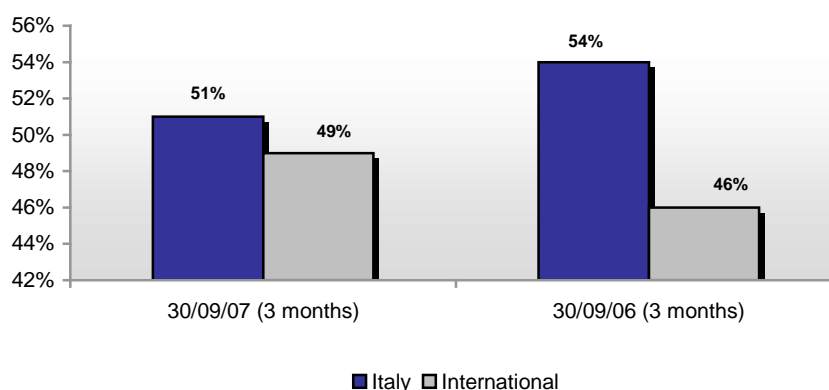
Description	30/09/2007 (3 months)		30/09/2006 (3 months)	
	Amount	% of total	Amount	% of total
Dada.net	30,092	69%	23,803	75%
Dada.adv	5,788	13%	4,706	15%
Dada.pro	7,677	18%	3,050	10%
Inter-divisional revenues	-1,844		-204	
Consolidated Revenues	41,713	100%	31,355	100%

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	30/09/2007 (3 months)		30/09/2006 (3 months)	
	Amount	% of total	Amount	% of total
Revenues Italy	21,193	51%	16,877	54%
Revenues Overseas	20,520	49%	14,478	46%
Consolidated Revenues	41,713	100%	31,355	100%



Dada.net Services

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

Operational performance of Dada.net services

In the first nine months of 2007, in the Consumer division, Dada further expanded both the product range and the international coverage of its web and mobile services.

Products

The first nine months of 2007 saw strong expansion in the Dada.net products, which now includes, within a single integrated solution, features of Community, Social Networking, Video, Audio, Blogging and Mobile Entertainment via both Web and PC. In particular, the launch of the community advertising programme 'friend\$' is noted : this programme, in collaboration with Google, permits users to share the advertising revenues generated from their own personal web pages and content, creating a strong incentive for activity in the community, and to invite friends, with the generation of a high level of traffic.

Internationalisation

In the first nine months of 2007, the turnover from international operations amounted to 59% of revenues in the Consumer Division.

The most important overseas countries by revenues are the United States, Spain, Brazil, Australia and Germany.

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

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

At the end of the third quarter of 2007, DADA was connected with multiple mobile carriers worldwide – permitting the group to offer its services to a significant user base.

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

Italy

In 2007, 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 through subscriptions to the Dada.net service.

Results

Dada.net (3 months)						
In Euro thousands	Q3 2007		Q3 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	14,191	47%	10,088	42%	4,103	41%
Revenues - third parties Overseas	15,294	51%	13,690	58%	1,604	12%
Revenues- inter-sector	607	2%	24	0%	582	2402%
Net revenues	30,092		23,802		6,289	26%
Increases in internal work	691	2%	597	3%	94	16%
Services	-23,778	-79%	-19,349	-81%	-4,429	23%
Personnel costs	-3,436	-11%	-1,935	-8%	-1,502	78%
Segment Ebitda	3,569	12%	3,115	13%	453	15%
Amortisation & depreciation	-714	-2%	-656	-3%	-59	9%
Segment Ebit	2,855	9%	2,459	10%	394	16%

The Dada.net Division ended the third quarter of 2007 with total sales of Euro 30.1 million, compared to Euro 23.4 million (+28%) in the third quarter of 2006. In the first nine months, the division recorded revenues of Euro 85 million compared to Euro 57 million in the same period of 2006 (+49%).

Of particular note is the international contribution to revenues in the division, which were 54% in the third quarter compared to 50% in the third quarter of 2006.

The sector Ebitda in the quarter amounted to Euro 3.6 million (12% of division sales) compared to Euro 3.1 million (13% of division sales) in the same period of the previous year, an increase of 15%. The Ebitda in the first nine months was Euro 12 million, an increase of 44.6% compared to Euro 8.3 million in 2006. As already commented upon, the margins should be considered in view of the fact that the launch phase of some activities was carried out overseas.

The Ebit in the division was Euro 2.8 million (9% of the division sales) after depreciation and amortisation of Euro 0.7 million. In the third quarter of 2006 the Ebit amounted to Euro 2.5 million, after amortisation/depreciation of Euro 0.6 million. Therefore, the period recorded a growth of 16%.

Dada.adv Services

Dada.adv is the internal division of Dada dedicated to the advertising market.

From January 1, 2007, the following activities were consolidated within this division: revenues from advertising on the mobile Channel; revenues from advertising on the web channel; revenues from activity solutions.

Operational performance of Dada.adv services

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.adv, purchases and sells, web and mobile advertising.

Mobile Advertising

Dada Ad has exclusive management of all of the properties of 3 (H3G), the leading Italian UMTS carrier. The products offered are SMS profiled, MMS visual, banners and graphic space on the mobile portal Pianeta3 – these products are marketed to a user base of 6.8 million UMTS clients subscribing to H3G services. From March 2007, Dada is also the exclusive agency for the Vodafone Italia channels. The products covered by the concession are FreetimeSMS, MMSmania and space on the mobile portal VodafoneLive.

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

Web Advertising

In the Advertising Web sector, Dada.adv is positioned as a partner capable of directing Internet traffic towards business activity sites or portals that can thus increase earnings from their own models. Through its technological platforms and sales networks, Dada.adv plans its campaigns in each country with various offers.

Dada.adv in this sector is among the leaders working in close collaboration with the large search engines such as Google, Yahoo and MSN. The work of Dada.adv is therefore capable of transforming different kinds of on-line traffic into revenue for the client.

Results

In Euro thousands	Dada.adv (3 months)					
	Q3 2007		Q3 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	4,035	70%	4,533	96%	-499	-11%
Revenues - third parties Overseas	660					
Revenues- inter-sector	1,094	19%	173	4%	920	531%
Net revenues	5,789		4,706		422	9%
Increases in internal work	0	0%	0	0%	0	
Services	-4,678	-81%	-3,347	-71%	-1,331	40%
Personnel costs	-863	-15%	-813	-17%	-50	6%
Segment Ebitda	248	4%	546	12%	-959	-176%
Amortisation & depreciation	-55	-1%	-95	-2%	40	-42%
Segment Ebit	193	3%	452	10%	-919	-204%

The Dada.adv division ended the third quarter of 2007 with a turnover of Euro 5.8 million, an increase of 9% compared to the third quarter of 2006 which amounted to Euro 4.7 million. The division turnover for the first 9 months of 2007 amounted to Euro 18.6 million compared to Euro 16.4 million in 2006 (+13%).

It is noted that in 2007, a strong focus was placed on the online advertising sector by the division, while in the previous year a large contribution came from the business sector.

It is recalled that the consolidation scope has changed compared to the same period in the previous year following the disposal of the investment in Softec S.p.A., sold in the first part of 2007 and therefore not consolidated for the third quarter of 2007. In the same period of the previous year, this company contributed Euro 0.6 million to the turnover of the division.

The Ebitda for the quarter was Euro 246 thousand, compared to Euro 546 thousand in 2006, due to the higher management costs on the start-up of some Division activities. The above-mentioned change in the consolidation scope resulted in a higher Ebitda in 2006 compared to 2007 of approximately Euro 200 thousand.

The segment Ebit amounted to Euro 193 thousand, compared to Euro 452 thousand in the previous year.

Dada.pro

The sources of revenue for the Dada.pro Division are 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.

Operational performance of Dada.pro services

The acquisition of Namesco Ltd. was the most significant event in the quarter. The acquisition took place in July 2007. For further information, reference should be made to that previously reported.

During 2007, the growth already seen in 2006 was further consolidated, driven by, in addition to registrations and renewal of domains, an increase in the sales of upselling email and hosting products.

In the first nine months of 2007, the division recorded growth of 40% compared with the same period of 2006 on like-for-like consolidation area and of 100% thanks to the contribution of the Spanish business (purchased in August 2006).

Total domain sales in the quarter (new registrations and renewals) amounted to over 81,000 in Italy and over 30,000 in Spain, with 12,000 new clients acquired within the two markets and a strong start to the marketing campaign in Spain.

Results

In Euro thousands	Dada.pro					
	Q3 2007		Q3 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	2,968	39%	2,255	74%	3,169	141%
Revenues - third parties Overseas	4,556	59%	788	26%		
Revenues- inter-sector	143	2%	7	0%	137	2071%
Net revenues	7,677		3,050		3,306	108%
Increases in internal work	270	4%	90	3%	180	200%
Services	-3,806	-50%	-1,470	-48%	-2,336	159%
Personnel costs	-1,844	-24%	-841	-28%	-1,003	119%
Segment Ebitda	2,297	30%	829	27%	148	18%
Amortisation & depreciation	-495	-6%	-200	-7%	-295	147%
Segment Ebit	1,802	23%	629	21%	-147	-23%

The sales in the Dada.pro Division in the third quarter of 2007 amounted to Euro 7.7 million, an increase of 108% compared to the same period in the previous year, which amounted to Euro 3.1 million. In the entire period, the division sales amounted to Euro 15.9 million, compared to Euro 7.4 million in 2006, an increase of 114%. This growth was affected by the change in the consolidation scope. In fact, at pro-forma level the company Namesco Ltd, acquired in July, was fully consolidated in the third quarter of 2007. The positive effect in the third quarter of 2007 compared to the same period in the previous year was Euro 3.4 million. In the first nine month period of 2007, consideration should be taken of the acquisition of Nominalia. This company was acquired at the end of July 2006 and was therefore consolidated for the first nine months of 2007 and for just three months of 2006. The effect was higher turnover of Euro 6.2 million in the nine month period.

The sector Ebitda in the quarter amounted to Euro 2.3 million (30% of sector sales), compared to Euro 0.8 million in the third quarter 2006. The effect deriving from the change in the consolidation scope was approximately Euro 1 million.

The sector result in the quarter was a profit of Euro 1.8 million (23% of division sales), growth of 91% on the previous quarter. The effect deriving from the change in the consolidation scope was Euro 0.8 million.

The Dada.pro division's contribution to consolidated turnover also grew from 10% in the third quarter of 2006 to 18% in 2007.

Florence, November 8, 2007

For the Board of Directors

The Chairman, Paolo Barberis

**WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT
SEPTEMBER 30, 2007**

Amounts in Euro/thousand	Sep 30, 07	Dec 31, 06	Difference	
			Absolute	Percent.
Fixed assets (A) (*)	83,274	38,552	44,722	116%
Current assets (B)	76,298	63,475	12,823	20%
Current liabilities (C)	-71,911	-56,518	-15,393	27%
Net working capital (D) = (B)-(C)	4,387	6,957	-2,570	-37%
Employee leaving indemnity provision (E)	-1,519	-1,790	271	-15%
Provision for risks and charges (F)	-797	-911	114	-13%
Net capital employed (A+D+E+F)	85,345	42,808	42,537	99%
Medium-long term payables	-25,714	-244	-25,470	10439%
Shareholders' equity (G)	-67,010	-54,338	-12,672	23%
Short-term bank debt	-5,881	-1,213	-4,668	385%
Short-term financial receivables and securities	15	2,456	-2,441	-99%
Cash and cash equivalents	13,245	10,531	2,714	26%
Short-term net financial position	7,379	11,774	-4,395	-37%

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT SEPTEMBER 30, 2007

Amounts in Euro/thousand	Sep 30, 07 9 months		Sep 30, 06 9 months	
	Amount	% of total	Amount	% of total
Net Revenues	115,062	100%	80,124	100%
Changes in inventory and internal work	2,665	2%	2,186	2%
Service costs and other operating costs	-84,449	-73%	-60,742	-53%
Personnel costs	-17,569	-15%	-10,445	-9%
Ebitda*	15,709	14%	11,123	10%
Amortisation & depreciation	-3,531	-3%	-2,673	-2%
Non-recurring income (charges)	-251	0%	-330	0%
Revaluations/(Write-downs)	-250	0%	-499	0%
Ebit	11,677	10%	7,621	7%
Investment income	637	1%	2,653	2%
Financial income and charges	-1,247	-1%	-406	0%
Profit before taxes	11,067	10%	9,868	9%
Income taxes	-1,244	-1%	-544	0%
Net profit	9,823	9%	9,324	8%
Minority interest profit	-183	0%	-126	0%
Group net profit	9,640	8%	9,198	8%

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

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT SEPTEMBER 30, 2007

Amounts in Euro/thousand	Sep 30, 07 3 months		Sep 30, 06 3 months	
	Amount	% of total	Amount	% of total
Net Revenues	41,714	100.00%	31,355	100.00%
Changes in inventory and internal work	962	2.31%	687	2.19%
Service costs and other operating costs	-30,854	-73.97%	-24,379	-77.75%
Personnel costs	-6,401	-15.34%	-3,758	-11.99%
Ebitda*	5,421	13.00%	3,905	12.45%
Amortisation & depreciation	-1,421	-3.41%	-1,054	-3.36%
Non-recurring income (charges)	-40	-0.10%	-226	-0.72%
Revaluations/(Write-downs)	-25	-0.06%	-65	-0.21%
Ebit	3,935	9.43%	2,560	8.16%
Investment income	70	0.17%	2,336	7.45%
Financial income and charges	-621	-1.49%	-118	-0.38%
Profit before taxes	3,384	8.11%	4,778	15.24%
Income taxes	-201	-0.48%	-74	-0.24%
Net profit	3,183	7.63%	4,704	15.00%
Minority interest profit	-60	-0.14%	-76	-0.24%
Group net profit	3,123	7.49%	4,628	14.76%

* before write-downs and extraordinary items of Euro 0.1 million