



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

CONTENTS

CORPORATE BOARDS	4
<hr/>	
STRUCTURE OF THE GROUP	5
<hr/>	
PRINCIPAL ECONOMIC AND FINANCIAL RESULTS	6
<hr/>	
DIRECTORS' REPORT ON OPERATIONS	
<hr/>	
Introduction	8
Information on operations	11
Group organisation	21
DADA GROUP RECLASSIFIED CONSOLIDATED BALANCE SHEET	29
<hr/>	
DADA GROUP RECLASSIFIED CONSOLIDATED INCOME STATEMENT	30
<hr/>	

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

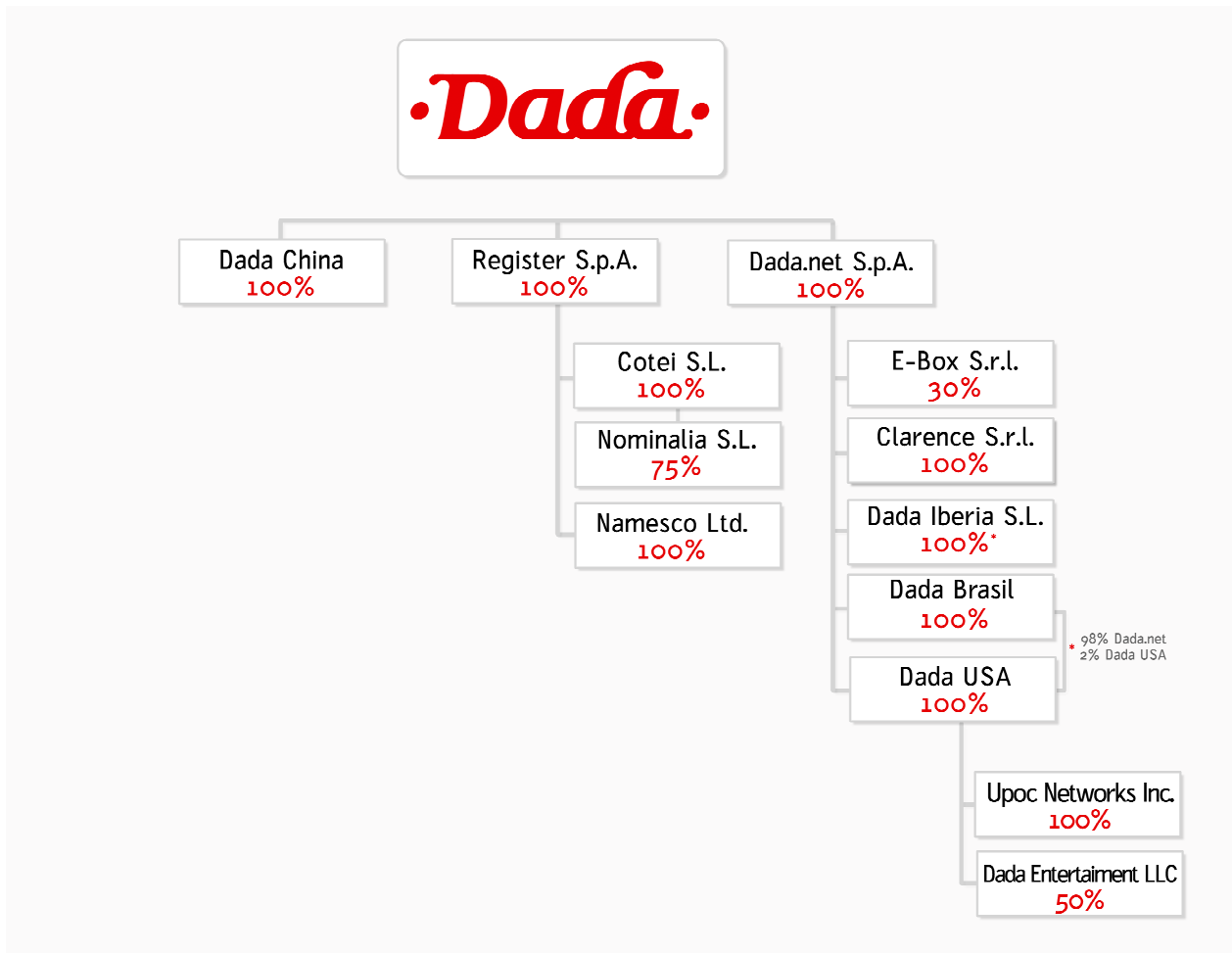
Paolo Barberis	Chairman ¹
Angelo Falchetti	Director ²
Salvatore Amato	Director ^{3,4,5}
Marco Argenti	Director ²
Lorenzo Lepri Pollitzer	Director ²
Raffaello Napoleone	Director ^{3,4}
Barbara Poggiali	Director
Monica Alessandra Possa	Director ⁵
Roberto Ravagnani	Director
Riccardo Stilli	Director
Giorgio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

(millions of Euro)	31/12/2007	31/12/2006
Revenues	43.4	31.3
Ebitda	6.5	4.6
Amortisation & depreciation	-1.8	-1.3
Ebit	4.1	3.2
Group net profit	2.9	3.3

Consolidated Results (12 months)

(millions of Euro)	31/12/2007	31/12/2006
Revenues	158.5	111.4
Ebitda	22.2	15.7
Amortisation & depreciation	-5.4	4.0
Ebit	15.8	10.8
Group pre-tax profit	12.5	12.5

Consolidated balance sheet as at December 31, 2007

(millions of Euro)	31/12/2007	31/12/2006
Net Working Capital	2.7	7.0
Net Capital Employed	87.2	42.8
Shareholders' Equity	70.5	54.3
Short-term net financial position	10.4	11.8
Total net financial position	-16.8	11.5
Number of employees	474	373

INTRODUCTION

The consolidated quarterly report at December 31, 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 web and mobile, and is the parent company of a Group fully dedicated to the development of Net activities and services.

Dada is listed on the Milan Stock Exchange in the STAR segment (DA.MI) and includes the RCS group (which holds approximately 46.9%) among its shareholders, in addition to the management and founding shareholders with approximately 12.4% of the share capital.

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

- focus on the objectives and the development of 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.

The Dada Groups 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 due to 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 Blogio - the most visited Italian vertical blog network.

It is recalled that on July 16, 2007, the creation of the joint venture "Dada Entertainment LLC" by Dada and SONY BMG MUSIC ENTERTAINMENT was announced, which aims to develop a new offer of entertainment services accessible via web and mobile. 50% of Dada Entertainment will be held by Dada USA Inc and the remaining 50% by SONY BMG MUSIC ENTERTAINMENT.

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, 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 December 31, 2007			At September 30, 2007			At March 31, 2007		
	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital	Perc. Held	Period Consol.	Share capital
Values: Euro/ooo									
Dada SpA (FI)	Parent Company	Jan - Dec 2007	2,736	Parent Company	Jan - Sept 2007	2,736	Parent Company	Jan - Mar 2007	2,736
Media Dada Science and Development Co. Ltd (Beijing - CINA)	100.00%	Jan - Dec 2007	759	100.00%	Jan - Sept 2007	759	100.00%	Jan - Mar 2007	759
Register SpA (BG)	100%	Jan - Dec 2007	1913	100%	Jan - Sept 2007	1913	100%	Jan - Mar 2007	1913
- Cotei SL (Barcelona - ES) ind.	100%	Jan - Dec 2007	23	100%	Jan - Sept 2007	23	66.75%	Jan - Mar 2007	23
- Nominalia SL (Barcelona - ES) ind.	75.00%	Jan - Dec 2007	3	75.00%	Jan - Sept 2007	3	75.00%	Jan - Mar 2007	3
- Namesco Limited (Worcester- GB) ind.	100%	July - Dec 2007	-	100%	July - Sept	-	-	-	-
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 - Dec 2007	9933	100.00%	Jan - Sept 2007	9933	100.00%	Jan - Mar 2007	9933
- Clarence S.r.l. (FI) ind.	100.00%	Jan - Dec 2007	21	100.00%	Jan - Sept 2007	21	100.00%	Jan - Mar 2007	21
- Dada USA Inc (NY - USA) ind.**	100.00%	Jan - Dec 2007	-	100.00%	Jan - Sept 2007	-	100.00%	Jan - Mar 2007	-
- Upoc Inc (NY - USA) ind.	100.00%	Jan - Dec 2007	-	100.00%	Jan - Sept 2007	-	100.00%	Jan - Mar 2007	-
- Dada Brasil Serviços de Tecnologia Ltda (SP - BR) ind.	100.00%	Jan - Dec 2007	163	100.00%	Jan - Sept 2007	163	100.00%	Jan - Mar 2007	163
- Tipic Inc (NY - USA) ind. ****	-	-	-	100.00%	Jan - Sept 2007	1	100.00%	Jan - Mar 2007	1
- Dada Iberia SL (Barcelona - ES) ind.	100.00%	Jan - Dec 2007	3	100.00%	Jan - Sept 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.

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

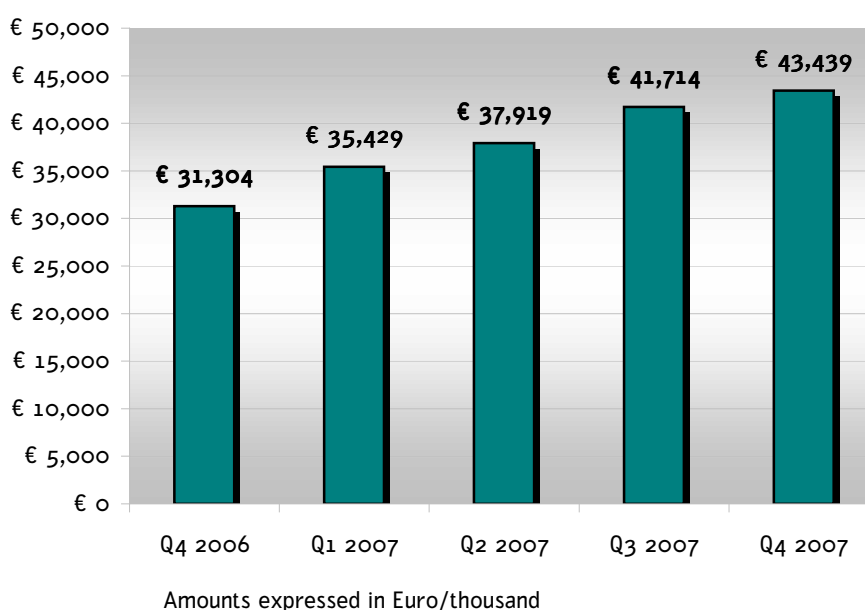
INFORMATION ON OPERATIONS

Dear Shareholders,

In the fourth quarter of 2007, the Dada Group recorded consolidated revenues of Euro 43.4 million, an increase of 39% compared to the fourth quarter of 2006 (Euro 31.3 million) and 5% compared to the third quarter of 2007 (Euro 41.8 million). In 2007, consolidated revenues amounted to Euro 158.5 million compared to Euro 111.4 million in 2006 (growth of 42%).

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

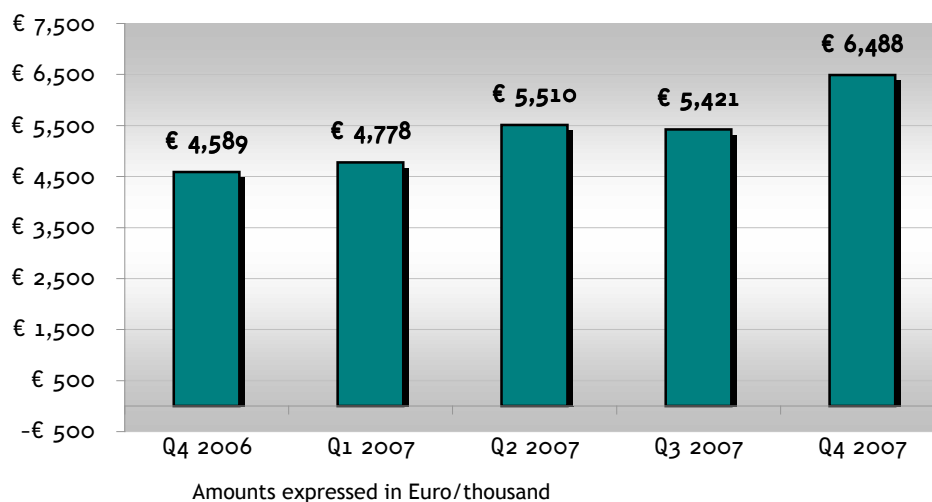
CONSOLIDATED QUARTERLY SALES



The consolidated Ebitda of the Dada Group in the fourth quarter of 2007 amounted to Euro 6.5 million (15% of consolidated sales), an increase of 42% on the fourth quarter of 2006, which amounted to Euro 4.6 million (15% of consolidated sales).

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

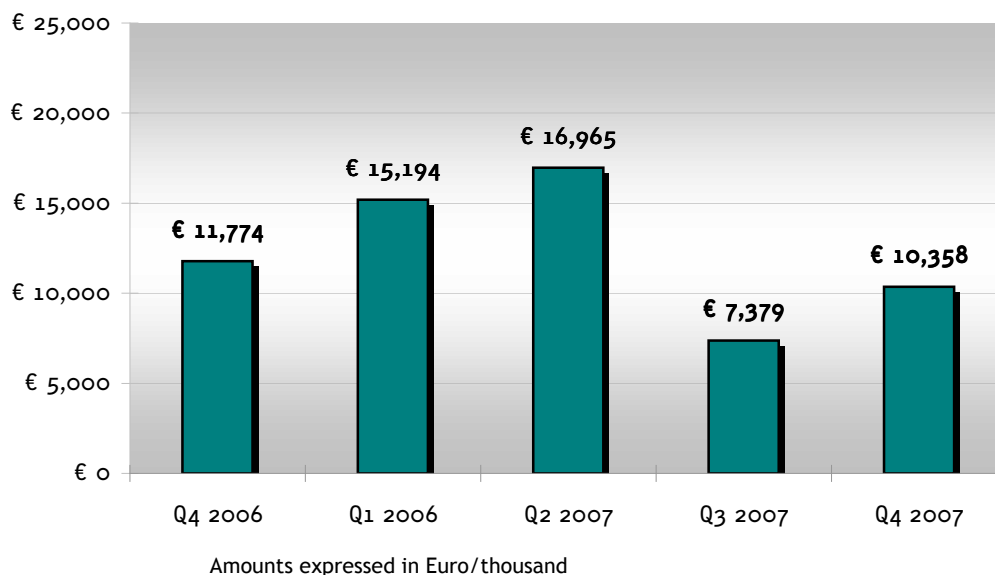
CONSOLIDATED EBITDA



The short-term Consolidated Net Financial Position at December 31, 2007 was a positive amount of Euro 10.4 million, compared to Euro 11.8 million at December 31, 2006. The Total Net Financial Position is a debt position of Euro 16.8 million.

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

SHORT-TERM CONSOLIDATED NFP



Results

A summary is provided below of the results of the Dada Group in the fourth quarter of 2007, compared to the same period in the previous year:

Amounts in Euro/thousand	Dec 31, 07 3 months		Dec 31, 06 3 months	
	Amount	% of total	Amount	% of total
Net Revenues	43,439	100%	31,311	100%
Changes in inventory and internal work	1,698	4%	1,361	4%
Service costs and other operating costs	-32,241	-74%	-23,338	-75%
Personnel costs	-6,408	-15%	-4,745	-15%
	0			
Ebitda*	6,488	15%	4,589	15%
Amortisation & depreciation	-1,819	-4%	-1,309	-4%
Non-recurring income (charges)	-108	0%	58	0%
Revaluations/(Write-downs)	-426	-1%	-174	-1%
Ebit	4,135	10%	3,164	10%

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

Dada Group sales in the fourth quarter of 2007 amounted to Euro 43.4 million compared to Euro 31.3 million in the same period of the previous year and Euro 41.8 million in the third quarter of 2007. The total sales in the year amounted to Euro 158.5 million, an increase of 42% compared to Euro 111.4 million in 2006.

During the year, the consolidation scope changed significantly – for further information, see the table on page 10. The main effects on revenues in the quarter deriving from these changes are commented upon below.

- in the fourth quarter of 2006, Softec S.p.A. was fully consolidated, contributing Euro 0.6 million and the value-added service activities in the United States of Dada Usa Inc had a net effect on revenues of Euro 2.6 million. As described below, these activities were conferred to the Joint Venture Dada Entertainment LLC, incorporated with Sony BMG, whose operations began in 2007. The company was valued in the present financial statements under the equity method;
- in the fourth 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 and assumes 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 fourth quarter 2007 of Euro 26 million, an increase of 11% compared to the same period of 2006 (Euro 23.5 million). The contribution to Group sales fell from 74% in the same period of the previous year to 57%, due to both the change in the consolidation area of the Dada.pro division, which benefited from the sales of the company Namesco Ltd, and from the conferment of the VAS mobile services of the US subsidiary Dada USA to the Joint Venture with Sony Bmg. This is reported in greater detail below.

For the full year, the turnover from the division was Euro 111 million, amounting to 67% of consolidated revenues.

The **Dada.adv Division** contributed Euro 11.6 million to consolidated sales in the quarter (25% of Group sales), compared to Euro 4.4 million in the fourth quarter of 2006 (14% of Group sales), an increase of 166%.

At pro-forma level, sales in the division in the third quarter of 2006 included 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 fourth quarter of 2006. The same considerations apply in relation to the contribution of Namesco Ltd. to the sales of the Dada.pro division and to the conferment of the VAS services in the USA to Dada Entertainment.

For the full year, the turnover from the division was Euro 30.2 million, amounting to 18% of consolidated revenues.

The **Dada.pro Division** contributed Euro 8 million to consolidated sales in the quarter, accounting for 18%, an increase on that of the previous year (12%) and in line with the previous quarter.

The consolidation from July of the English company Namesco Ltd. impacted positively on this growth, contributing approximately Euro 3.5 million to sales in the fourth quarter of 2007.

For the full year, the turnover from the division was Euro 24 million, amounting to 14% of consolidated revenues.

An analysis of the breakdown of consolidated revenues by **geographic area** in the fourth quarter of 2007 shows a growth in international business from 40% in the same period of the previous year to 47%. For the entire year 2007, the contribution of the international business amounted to 47% compared to 39% in the previous year. The growth in the Brazilian and Spanish markets was particularly significant.

The change in the consolidation area also impacted upon this figure, particularly in relation to the conferment of the VAS mobile services in the United States from Dada Usa Inc. to the Joint Venture with Sony BMG, Dada Entertainment LLC, and the acquisition of the English company Namesco.

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

In the fourth quarter of 2007, the consolidated **Ebitda in the quarter of the Dada Group was Euro 6.5 million** (margin of 15% on consolidated sales), compared to Euro 4.6 million in the same period of the previous year (a margin of 15%).

In 2007, the Ebitda was Euro 22.2 million (14% of consolidated sales) compared to Euro 15.7 million (14% of consolidated sales) in the previous year, a growth of 42%.

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

The costs incurred in the quarter for the acquisition of the user base were approximately Euro 5.9 million, while in the previous quarter these costs amounted to Euro 13.8 million and Euro 44.3 million for the full year. The costs in the quarter were affected by the conferment, on the first of October 2007, of the value added services in the American market into the JV Dada Entertainment LLC.

In the fourth quarter of 2006, this cost amounted to Euro 14.3 million and in the entire year 2006 amounted to Euro 50 million. Within the individual cost accounts, personnel costs increased in absolute terms from Euro 4.7 million in the fourth quarter of 2006 to Euro 6.4 million in the fourth quarter of 2007. This increase is entirely related to the increase in the activities of the company and in particular to 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 590 thousand on the Ebitda in the fourth quarter of 2007 compared to the fourth quarter of 2006. However, for the full year, the effect was neutral.

In the fourth quarter of 2007, the **consolidated Ebit was Euro 4.1 million** (10% of consolidated sales), an increase of 31% compared to the fourth quarter of 2006, when it amounted to Euro 3.1 million (10% of consolidated sales).

This includes amortisation and depreciation on tangible and intangible fixed assets totalling Euro 1.8 million, while write-downs and non-recurring charges amounted to Euro 0.4 million.

Depreciation/amortisation increased compared to the previous year (Euro 0.5 million) and to the previous quarter (Euro 0.4 million) due to the investments made in the development of products and capital expenditures.

In 2007, the consolidated Ebit of the Dada Group was Euro 15.8 million, an increase of 47% compared to Euro 10.8 million in 2006.

In the final quarter of 2007, the **consolidated net profit** of the Dada Group was Euro 2.9 million, equal to 7% of consolidated revenues, while in the fourth quarter of 2006 the net profit amounted to Euro 3.1 million (10% of consolidated sales). The previous year was positively impacted by the deferred tax income recorded. The total fiscal charge in the fourth quarter of 2007 was Euro 0.3 million compared to net tax income of Euro 1.3 million in the final quarter of the previous year. This figure represents the net fiscal charge between current taxes and the provisions for deferred tax income.

The Group net profit for 2007 was Euro 12.5 million, in line with the previous year, when it amounted to Euro 12.5 million. The previous year benefited from the deferred tax effect as well as the sale of the shareholding in Planet Com (Euro 2.2 million).

Financial position and balance sheet

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

FINANCIAL POSITION		Dec 31, 07	Dec 31, 06	DIFFERENCE	
				Absolute	percent.
A	Cash	21	49	- 28	-57%
B	Bank and postal deposits	15,640	10,482	5,158	49%
C	Securities held for trading		2,456	- 2,456	-100%
D	Liquidity (A+B+C)	15,661	12,987	2,674	21%
E	Current financial receivables	1,359	-	-	
F	Bank payables – current portion	- 2,377	- 970	- 1,407	145%
G	Current portion of non-current debt	- 4,285	- 243	- 4,042	1663%
H	Current debt (F+G+H)	- 6,662	- 1,213	- 5,449	449%
I	Current net financial position (I-E-D)	10,358	11,774	- 1,416	-12%
J	Bank payables – non-current portion	- 27,114	- 244	-26,870	11012%
K	Other non-current payables	-	-	-	
L	Non-current debt (K+L)	- 27,114	- 244	-27,358	11212%
M	Total net financial position (J+M)	- 16,756	11,530	-28,286	-245%

The short-term Consolidated Net Financial Position at December 31, 2007 was a positive amount of Euro 10.4 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 a net debt of Euro 16.8 million, in comparison to Euro 11.5 million in 2006 and – Euro 18.3 million in the previous quarter.

The cash flow generated in the fourth quarter therefore amounted to Euro 1.6 million (after investments of Euro 2.3 million).

The total net financial position in 2007 was 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 1.7 million).

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

The account current financial receivables include the interest-bearing loan in favour of the Joint Venture Dada Entertainment, incorporated in July and operative from last October.

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 at the end of the first quarter of 2007 had little effect on the net financial position.

The composition of the **net working capital** at December 31, 2007 is shown below:

Amounts in Euro/thousand	Dec 31, 07	Dec 31, 06	DIFFERENCE	
			Absolute	Percent.
Fixed assets (A) (*)	87,195	38,552	48,643	126%
Current assets (B)	82,792	63,475	19,317	30%
Current liabilities (C)	-80,111	-56,518	-23,593	42%
Net working capital (D) = (B)-(C)	2,681	6,957	-4,276	-61%
Employee leaving indemnity provision (E)	-1,528	-1,790	262	-15%
Provision for risks and charges (F)	-1,125	-911	-214	23%
Net capital employed (A+D+E+F)	87,223	42,808	44,415	104%

(*) 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 **Net working capital** at December 31, 2007 amounted to Euro 2.7 million, a significant improvement compared to December 31, 2006, when it amounted to Euro 6.9 million and at September 30, 2007 (Euro 4.4 million).

The net working capital in the quarters is significantly impacted by the expenses incurred by the Group through the launch and support of products in the Dada.net Division and the receipts from the telephonic operators.

It is underlined that the increase in the main working capital accounts, both in the short-term and the long-term, is mainly due to the change in the consolidation area (see that on the Namesco acquisition) and the significant growth of the Group compared to previous periods.

As previously described, this type of activity carried out mainly by the Dada.net Business Unit, 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 period 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 USA Inc and 50% by SONY BMG MUSIC ENTERTAINMENT and will be governed under rules stipulating extensive co-management. The current CEO of Dada USA Inc will act as CEO of the new company. The start date and beginning of operating activities of Dada Entertainment LLC was October of last year.

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 1/4/2006 - 31/3/2007, Namesco recorded revenues of over GBP 8.3 million (approximately Euro 12.2 million) 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 approximately 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 economic benefits of the consolidation of the company were illustrated previously.

The number of employees in the Dada Group at December 31, 2007 was 474, of which 7 Executives, while at December 31, 2006, the number of employees was 373 (of which 7 Executives).

THE ORGANISATIONAL STRUCTURE OF THE DADA GROUP

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 and Namesco.

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.

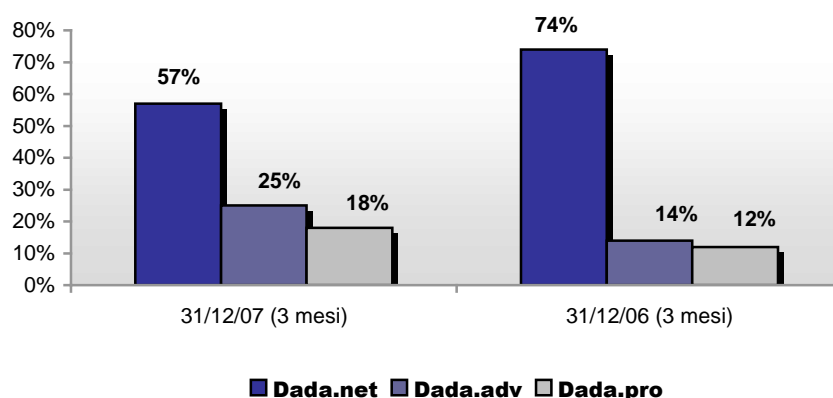
The segment costs and revenues are considered before infra-divisional balances, which are eliminated in the consolidation process (column "adjustments" of the tables).

The secondary segment was determined as two geographic areas.

Breakdown of consolidated sales in the three divisions

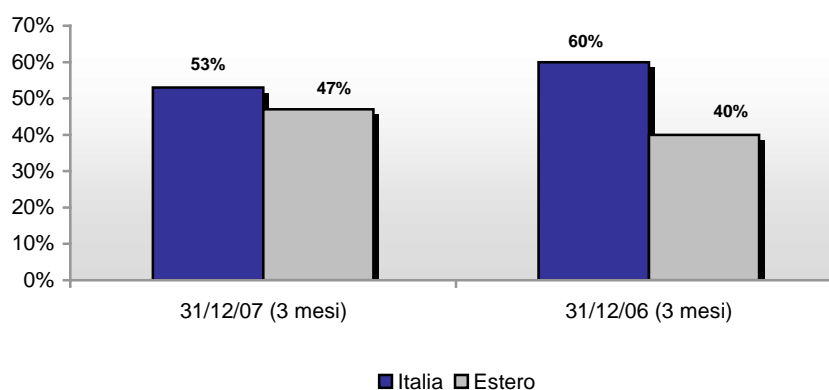
description	31/12/2007 (3 months)		31/12/2006 (3 months)	
	Amount	% of total	Amount	% of total
Dada.net	26,0466	57%	23,558	74%
Dada.adv	11,596	25%	4,359	14%
Dada.pro	7,982	18%	3,773	12%
Inter-divisional revenues	-2,186		-379	
Consolidated Revenues	43,438	100%	31,311	100%

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	31/12/2007 (3 months)		31/12/2006 (3 months)	
	Amount	% of total	Amount	% of total
Revenues Italy	22,853	53%	18,665	60%
Revenues Overseas	20,586	47%	12,646	40%
Consolidated Revenues	43,439	100%	31,311	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 2007, Dada further expanded its offer of products in the Consumer sector, which covers an international market with its Web and Mobile services.

Products

In 2007, there was a strong expansion in the products offered by Dada.net, which now includes, in a single integrated environment, Community, Social Networking, Video, Audio, Blogging and Mobile Entertainment via both the Web and mobile. 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 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.

Dada.net Results

Dada.Net (3 months)						
In Euro thousands	Q4 2007		Q4 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	14,293	55%	12,059	51%	2,234	19%
Revenues - third parties Overseas	11,296	43%	11,452	49%	-156	-1%
Revenues- inter-sector	456	2%	47	0%	409	865%
Net revenues	26,045		23,558		2,487	11%
Increases in internal work	1,253	5%	1,148	5%	105	9%
Services	-19,099	-73%	-18,070	-77%	-1,029	6%
Labour costs	-3,375	-13%	-2,533	-11%	-842	33%
Segment Ebitda	4,824	19%	4,104	17%	721	18%
Amortisation & depreciation	-1,027	-4%	-766	-3%	-261	34%
Segment Ebit	3,798	15%	3,338	14%	460	14%

The Dada.net Division ended the fourth quarter of 2007 with total sales of Euro 26 million, compared to Euro 23.6 million (+11%) in the previous quarter.

Of particular note is the international contribution to revenues in the division, which were 43% in the quarter in spite of the conferment of the services in the American market to the new JV with Sony BMG. In the fourth quarter of 2006, the VAS activities in the US market amounted to Euro 6.9 million.

The sector Ebitda in the quarter amounted to Euro 4.8 million (19% of division sales) compared to Euro 4.1 million (17% of division sales) in the same period of the previous year, an increase of 18%.

The Ebit in the division was Euro 3.8 million (15% of the division sales) after depreciation and amortisation of Euro 1 million. In the fourth quarter of 2006 the Ebit amounted to Euro 3.3 million, after amortisation/depreciation of Euro 0.8 million. Therefore, the period recorded a growth of 14%.

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 growth 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. On an experimental basis, Dada Ad commenced the sale of advertising through the DVB-H mobile television channel.

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.

The MMS ANSA services for clients of Wind complete the range of Dada Ad mobile services.

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 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.

In the fourth quarter of 2007, the advertising network grew strongly, finishing the year with 60 million contactable users worldwide.

An important reorganisation of Dada Adv's activities occurred in the final quarter of 2007, which involved the focussing on advertising products sold on performance, with preference to CPA (cost per acquisition) and CPC (cost per click) contracts, amounting to 60% of the offer, in comparison to the traditional CPM (cost per 1000 impressions), amounting to approximately 40% of the offer and in expansion thanks to the new sales and collection technological platforms at international level.

At a geographic level, 40% of advertising revenues derive from Italy, 40% from the UK and the remaining 20% from Latin America.

Dada.adv Results

Dada.Adv (3 Months)						
In Euro thousands	Q4 2007		Q4 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	5,513	48%	4,241	97%	1,271	30%
Revenues - third parties Overseas	4586	40%	0	0%	4,586	
Revenues- inter-sector	1,498	13%	117	3%	1,380	1177%
Net revenues	11,596		4,359		7,237	166%
Increases in internal work	160	1%	0	0%	160	
Services	-10,850	-94%	-3,387	-78%	-7,463	220%
Labour costs	-716	-6%	-1,029	-24%	313	-30%
Segment Ebitda	190	2%	-57	-1%	247	-434%
Amortisation & depreciation	-66	-1%	-105	-2%	39	-37%
Segment Ebit	124	1%	-162	-4%	287	-177%

The Dada.adv division ended the fourth quarter of 2007 with a turnover of Euro 11.6 million, an increase of 166% compared to the fourth quarter of 2006 which amounted to Euro 4.4 million. 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 fourth 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 in the quarter was Euro 190 thousand compared to Euro -57 thousand in 2006. The above-mentioned change in the consolidation scope resulted in a higher Ebitda in 2006 compared to 2007 of approximately Euro 120 thousand.

The segment Ebit amounted to Euro 124 thousand, compared to Euro -162 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 the Dada Pro services

The acquisition of Namesco Ltd. was the most significant event in the year. 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.

The growth registered in the previous quarters was consolidated in the final quarter of 2007 with the local brands in Italy, Spain and the UK operating at full capacity registering over 60,000 new domains, bringing the Group total to 800,000. In the 3 countries, approximately 18,000 new clients were gained directly through marketing campaigns; in the UK, a launch was made on small local clients, which in the final 2 months of 2007 increased the client portfolio by over 20,000. The number of paying clients therefore rose to over 230,000 in all of Europe.

Operational performance of the Dada Pro services

Dada.Pro (3 Months)						
In Euro thousands	Q4 2007		Q4 2006		Difference	
	Amount	% of total	Amount	% of total	Absolute	%
Revenues- third parties Italy	3,047	38%	2,368	63%	680	29%
Revenues - third parties Overseas	4,703	59%	1,191	32%	3,512	295%
Revenues- inter-sector	232	3%	214	6%	18	8%
Net revenues	7,982		3,773		4,210	112%
Increases in internal work	285	4%	213	6%	72	34%
Services	-4,038	-51%	-1,905	-50%	-2,133	112%
Labour costs	-2,091	-26%	-1,038	-28%	-1,053	101%
Segment Ebitda	2,138	27%	1,043	28%	1,096	105%
Amortisation & depreciation	-516	-6%	-318	-8%	-198	62%
Segment Ebit	1,622	20%	725	19%	897	124%

The sales in the Dada.pro Division in the fourth quarter of 2007 amounted to Euro 8 million, an increase of 112% compared to the same period in the previous year, which amounted to Euro 3.8 million. The change in the consolidation scope due to the acquisition of Namesco aided this growth. The positive effect in the fourth quarter of 2007 compared to the same period in the previous year was Euro 3.4 million.

The sector Ebitda in the quarter amounted to Euro 2.1 million (27% of sector sales), compared to Euro 1 million in the fourth quarter 2006. The effect deriving from the change in the consolidation scope was approximately Euro 0.8 million.

The sector result in the quarter was a profit of Euro 1.6 million (20% of division sales), growth of 124% on the previous quarter. The effect deriving from the change in the consolidation scope was Euro 0.7 million.

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

Florence, February 4, 2008

For the Board of Directors

**WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT December 31,
2007**

Amounts in Euro/thousand	Dec 31, 07	Dec 31, 06	DIFFERENCE	
			Absolute	Percent.
Fixed assets (A) (*)	87,195	38,552	48,643	126%
Current assets (B)	83,042	63,475	19,567	31%
Current liabilities (C)	-80,361	-56,518	-23,843	42%
Net working capital (D) = (B)-(C)	2,681	6,957	-4,276	-61%
Employee leaving indemnity provision (E)	-1,528	-1,790	262	-15%
Provision for risks and charges (F)	-1,125	-911	-214	23%
Net capital employed (A+D+E+F)	87,223	42,808	44,415	104%
Medium-long term payables	-27,114	-244	-26,870	11012%
Shareholders' equity (G)	-70,467	-54,338	-16,129	30%
Short-term bank debt	-6,662	-1,213	-5,449	449%
Short-term financial receivables and securities	1,359	2,456	-1,097	-45%
Cash and cash equivalents	15,661	10,531	5,130	49%
Short-term net financial position	10,358	11,774	-1,416	-12%

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT December 31, 2007

Amounts in Euro/thousand	Dec 31, 07 12 months		Dec 31, 06 12 months	
	Amount	% of total	Amount	% of total
Net Revenues	158,501	100%	111,435	100%
Changes in inventory and internal work	4,363	3%	3,547	3%
Service costs and other operating costs	-116,690	-74%	-84,080	-75%
Personnel costs	-23,977	-15%	-15,190	-14%
Ebitda*	22,197	14%	15,712	14%
Amortisation & depreciation	-5,350	-3%	-3,982	-4%
Non-recurring income (charges)	-359	0%	-272	0%
Revaluations/(Write-downs)	-676	0%	-673	-1%
Ebit	15,812	10%	10,785	10%
Investment income	189	0%	2,767	2%
Share of expenses/(income) from equity valuations	-2,082	-1%	-1,653	-1%
Profit before taxes	13,919	9%	11,899	11%
Income taxes	-1,271	-1%	697	1%
Net profit	12,648	8%	12,596	11%
Minority interest profit	-147	0%	-141	0%
Group net profit	12,501	8%	12,455	11%

* before write-downs and extraordinary items of Euro 1 million

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT December 31, 2007

Amounts in Euro/thousand	Dec 31, 07 3 months		Dec 31, 06 3 months	
	Amount	% of total	Amount	% of total
Net Revenues	43,439	100%	31,311	100%
Changes in inventory and internal work	1,698	4%	1,361	4%
Service costs and other operating costs	-32,241	-74%	-23,338	-75%
Personnel costs	-6,408	-15%	-4,745	-15%
	0			
Ebitda*	6,488	15%	4,589	15%
Amortisation & depreciation	-1,819	-4%	-1,309	-4%
Non-recurring income (charges)	-108	0%	58	0%
Revaluations/(Write-downs)	-426	-1%	-174	-1%
Ebit	4,135	10%	3,164	10%
Investment income	-448	-1%	114	0%
Share of expenses/(income) from equity valuations	-835	-2%	-1247	-4%
Profit before taxes	2,852	7%	2,031	6%
Income taxes	-27	0%	1241	4%
Net profit	2,825	7%	3,272	10%
Minority interest profit	36	0%	-15	0%
Group net profit	2,861	7%	3,257	10%

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