



ANNUAL REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

Pursuant to TUF article 123-bis

(Traditional governance model)

Issuer: **CAD IT S.p.A.**

Web site: **www.cadit.it**

Accounting period: **year 2011**

Report approval date: **March 13th, 2012**

INDEX

1. ISSUER INFORMATION.....	3
2. OWNERSHIP STRUCTURE.....	4
3. COMPLIANCE	6
4. BOARD OF DIRECTORS	7
5. PROCESSING OF CORPORATE INFORMATION.....	15
6. BOARD OF DIRECTOR COMMITTEES.....	15
7. NOMINATING AND REMUNERATION COMMITTEE	16
8. DIRECTOR REMUNERATION	17
9. INTERNAL CONTROL COMMITTEE	18
10. INTERNAL CONTROL SYSTEM	20
11. DIRECTOR INTERESTS AND RELATED-PARTY TRANSACTIONS.....	25
12. APPOINTMENT OF THE BOARD OF AUDITORS	27
13. AUDITORS.....	28
14. INVESTOR RELATIONS.....	29
15. SHAREHOLDERS' MEETINGS	30
16. FURTHER CORPORATE GOVERNANCE PRATICES	32
17. CHANGES SINCE THE CLOSURE OF THE 2011 FINANCIAL PERIOD.....	32

1. ISSUER INFORMATION

The CAD IT S.p.A. (hereinafter referred to as the "**Company**") corporate governance system consists of a set of rules and procedures on which the management and control structure of the Company and of the Group are based.

In order to constantly guarantee the transparency of its activities, the Company has, in fact, progressively implemented and adapted an articulated set of rules of conduct related to both its internal organisational structure and third party relationships, which complies with the best and latest corporate governance solutions and with the Corporate Governance Code.

In keeping with the comments of the Corporate Governance Committee for listed companies promoted by the Italian Stock Exchange, the Company truly believes that the primary goal of its governance system should be the maximisation of shareholder value, which is to be achieved by implementing an efficient structure on the one hand, while still being receptive to the needs of a changing market on the other. The Company believes that the weighted alignment of the internal corporate governance structures to those suggested by the Corporate Governance Code and to those identified as best practices, represents a valuable opportunity to enhance and guarantee its reliability towards the market.

Therefore, the Company has voluntarily adopted the Corporate Governance Code for listed companies, acknowledging, in its By-laws, the rules suggested within for a correct corporate governance and it has also adopted the Code of Ethics and Organisational Model in accordance with Legislative Decree 231/2001 and subsequent amendments.

In compliance with the By-laws, the Company adopts the traditional governance control model which comprises the following bodies:

- the Shareholders' Meeting;
- the Board of Directors;
- the Board of Auditors;
- the Auditing Firm.

The Shareholders' Meeting is the body whose decisions express the will of the Shareholders.

The Shareholders' Meeting approves financial statements, appoints the Board of Directors, the Board of Auditors, the Auditing Firm, determines Director and Auditor remunerations and amends the By-laws.

The Board of Directors defines the strategic plans of the Company and of the Group and is responsible for governing its management. It therefore has the widest power to perform all acts, including acts of disposal, as deemed necessary for the achievement of Company objectives, with the exception of those which, by law, are the exclusive competence of the Shareholders' Meeting.

The Board of Auditors assesses compliance with the law and the By-laws and possesses management control functions. In particular, the Board of Auditors monitors compliance with the principles of good administration, the adequacy of the Company's organisational structure, the correctness of transactions made with related parties and the appropriateness of the instructions issued to the subsidiaries with respect to the mandatory disclosure of inside information to the market.

The Auditing Firm checks that the accounts are correctly kept and that management events are correctly reported in the accounting records. It also verifies that the financial statements and the consolidated financial statements correspond to the accounting records and to the investigations performed.

The Board of Directors, defining the relative composition and responsibilities, has established the following Committees:

- the Nominating and Remuneration Committee;
- the Internal Control Committee.

The Company's mission is to support customers in the design and implementation of strategic changes by providing ideas, expertise and advanced technology and by delivering quick, tangible and measurable results. The Company intends to pursue its mission by maintaining and developing a relationship of trust with its employees, its customers and the institutions. Indeed, it is well aware that trust encourages customer loyalty, attracts the most qualified human resources, favours supplier credibility, reliability towards creditors and the development of a sense of confidence in the State and Institutions.

2. OWNERSHIP STRUCTURE (Pursuant to TUF article 123-bis)

Update at 31/12/2011

a) Share capital structure (pursuant to TUF article 123-bis, § 1, letter a))

The share capital is divided into 8.980.000 ordinary shares at a nominal value of Euro 0.52 each (see table 1).

The Company has not issued other securities that would confer the right to apply for new shares.

The Company has not provided for share-based incentive plans.

b) Restrictions on security transfer (pursuant to TUF article 123-bis, § 1, letter b))

The Company has not imposed any restriction on the transfer of securities.

c) Significant holdings in share capital (pursuant to TUF article 123-bis, § 1, letter c))

See table 1.

d) Securities conferring special rights (pursuant to TUF article 123-bis, § 1, letter d))

No shares granting special rights of control have been issued.

e) Employee share scheme: mechanism for exercising voting rights (pursuant to TUF article 123-bis, § 1, letter e))

There are no mechanisms for exercising the right to vote in the case of employee share ownership if the right to vote is not exercised by them directly.

f) Restriction of voting rights (pursuant to TUF article 123-bis, § 1, letter f))

There are no restrictions on voting rights.

g) Agreements between shareholders (pursuant to TUF article 123-bis, § 1, letter g))

The Company is not aware of any agreements between shareholders.

h) Change of control clauses (pursuant to TUF article 123-bis, § 1, letter h)) and By-law provisions regarding Takeover Bids (pursuant to TUF articles 104, § 1-ter and 104-bis, § 1)

The Company and its subsidiaries have not signed any significant agreements that would come into effect, be modified or terminated in the event of any changes in the contractor's controlling bodies.

The Company By-laws:

- do not derogate from the “passivity rule” provisions provided for by TUF article 104, paragraphs 1 and 2;
- do not enforce the rules of neutralisation provided for by TUF article 104-bis, paragraphs 2 and 3.

i) Delegated powers regarding share capital increases and authorisations for the purchase of own shares (pursuant to TUF article 123-bis, § 1, letter m))

The Company Board of Directors, pursuant to Civil Code article 2443, is not authorised to increase the share capital or to issue participative financial instruments.

The Company Shareholders' Meeting has not granted any authorisation to acquire own shares pursuant to Civil Code Article 2357 and subsequent articles.

I) Management and coordination activities (pursuant to Civil Code article 2497 and subsequent articles,)

The Company is not under the management and coordination of other entities pursuant to Civil Code article 2497 and subsequent articles.

The following should also be noted:

- the information required by TUF article 123-bis, first paragraph, letter i) ("*agreements between companies and directors, members of the control body or supervisory council which envisage indemnities in the event of resignation or dismissal without just cause, or if their employment contract should terminate as the result of a takeover bid*") is illustrated in the section of this Report on Director remunerations and in the Remuneration Report issued under TUF article 123-ter (Section 8);

- the information required by TUF article 123-bis, first paragraph, letter l) ("*rules applying to the appointment and replacement of directors and members of the control body or supervisory council, and to amendments to the articles of association if different from those applied as a supplementary measure*") is illustrated in the section of this Report dedicated to the Board of Directors (Section 4.1).

3. COMPLIANCE

The Company has adopted the Corporate Governance Code proposed by the Italian Stock Exchange, available on the latter's website at www.borsaitaliana.it.

In December 2011, the Italian Stock Exchange's Committee for Corporate Governance published a new edition of their Corporate Governance Code, after having made some significant innovations to the previous edition of 2006, without, however, making any changes to the remuneration regulations, which had already been updated in 2010.

The changes made to the Code were approved in December 2011 and Issuers are encouraged to apply them by the end of the financial year beginning in 2012, notifying the market of their application in their corporate governance report to be published during the following financial year.

The Company has begun to adjust its procedures and behaviour in order to apply the principles and recommendations of the Corporate Governance Code, as later outlined in this Report.

Companies with shares listed on regulated markets are now required to submit a remuneration report, which includes the content provided for by the CONSOB Issuers Regulation, at the Shareholders' Meeting summoned for the approval of the financial statements. In order to avoid any unnecessary duplication of information, please refer to the Remuneration Report pursuant to TUF article 123-ter, which is available to the public together with this Report.

The Company and its subsidiaries are not subject to the provisions of non-Italian laws that might affect its corporate governance system.

4. BOARD OF DIRECTORS

4.1. APPOINTMENT AND REPLACEMENT (pursuant to TUF article 123-bis, § 1, letter I))

Article 17 of the Company By-laws foresees that: "*Directors are appointed by the ordinary Shareholders' Meeting on the submission of candidate lists by the shareholders themselves, in which the candidates are listed in a sequential order. Only the shareholders who, either alone or together with other shareholders, represent at least one fortieth of the share capital, or any such other maximum percentage required by law, have the right to submit lists. Each shareholder may submit, or contribute to the submission of, only one list and each candidate may appear on one list only, otherwise he/she will be considered ineligible. Candidates who (in the absence of any other grounds for ineligibility or disqualification) do not satisfy the legal requirements established by law or by-laws, cannot be included in lists.*

The number of candidates on each list shall not exceed the maximum number of directors stated above; a minimum number of these candidates, in accordance with the minimum as may be provided for by law, must be in possession of the independence requirements provided for therein.

The lists of candidates must be deposited at the registered office within the twenty-fifth day preceding the date of the Shareholders' Meeting which will decide on the appointment of the members of the Board of Directors. The Company must make the lists available to the public at the registered office, on the website and in any other way prescribed by the laws in force, without delay and at least twenty-one days before the date of the Shareholders' Meeting. On being deposited, the lists must be accompanied by:

A) comprehensive information on the personal and professional qualifications of the candidates, with details of their eligibility as independent;

B) a statement in which each candidate accepts the nomination and attests, under his own responsibility, that there are no grounds for ineligibility or incompatibility as provided for by law and that he/she is in possession of all other legal requirements;

C) a copy of the certificates issued by authorised brokers stating the ownership -at the time of depositing the list at the company - of the number of shares required to file the lists. Broker certification proving the ownership of the number of shares required to submit lists can also be produced subsequent to list deposit within the deadline at which the Company is obliged to publish all the lists.

Any lists or individual nominations presented without observing all of the above provisions, except those to be done by the company, will be disregarded. Moreover, any lists which do not show the minimum number of votes required by law will not be considered. All persons entitled to vote may vote for one list only.

Directorship election shall proceed as follows:

A) the established number of directors, except for the minimum reserved in accordance with minority laws, shall be elected from the list that obtained the most votes on the basis of the sequential order in which they appear on such list;

B) all the other directors shall be elected from the list that obtained the second highest number of votes on the basis of the sequential order in which they appear on such list, which is not connected in any way, either directly or indirectly, with the list referred to in point A).

If, after voting as indicated above, the required number of independent directors has not been elected, the last non-independent candidate/s in progressive order on the list that obtained the most votes shall be excluded and replaced by the next independent candidate/s, on the basis of the progressive order, who was/were not elected from the list or the lists that has/have obtained the highest number of votes.

In the event of a repeated tie between several lists, an equal number of directors will be drawn from each, again on the basis of the progressive order. Where a single list is submitted or voted, all directors will be taken from that list.

The candidate whose name appears first on the list that obtained the highest number of votes will be the Chairman of the Board."

Furthermore, article 16 of the Company By-laws also states that *"an appropriate number of directors, not less than that prescribed by law, must meet the independence requirements established by the law or by codes of behaviour issued by the market regulatory societies that manage the markets where the financial instruments issued by the company are traded."*

Succession plans

The Company has not adopted succession plans for executive directors in accordance with criterion 5.C.2 of the Corporate Governance Code.

Article 18 of the Company By-laws foresees that, if one or more directors can no longer, for whatever reason, continue to fulfil their role during the financial year, they will be replaced in accordance with Civil Code Article 2386.

4.2 COMPOSITION (pursuant to TUF article 123-bis, § 2, letter d))

Pursuant to article 15 of the By-laws, the Company is managed by a Board of Directors composed of a minimum of five to a maximum of fourteen members, including non-shareholders, appointed by the Shareholders' Meeting, which also decides the number of directors (see table 2).

The current Board of Directors of the Company will remain in office until the Shareholders' Meeting summoned to approve the 2011 financial statements.

On April 29th 2009, the Company Shareholders' Meeting determined that the Board of Directors would be composed of eight members, four of which would be executive directors, two non-executive directors and two independent. The Board of Directors was appointed as a result of voting on two lists submitted by Company shareholders, namely

Giampietro Magnani and Maurizio Rizzoli. The list submitted by Giampietro Magnani included Giuseppe Dal Cortivo, Giampietro Magnani, Luigi Zanella, Paolo Dal Cortivo, Matthias Sohler and Lamberto Lambertini (independent) as candidates for the office of directors. The list submitted by Maurizio Rizzoli included Maurizio Rizzoli and Francesco Rossi (independent) as candidates for the office of directors.

Those elected were Giuseppe Dal Cortivo, as Chairman, Giampietro Magnani, Luigi Zanella, Paolo Dal Cortivo, Matthias Sohler, Maurizio Rizzoli, Lamberto Lambertini and Francesco Rossi. The first list obtained 73.75% of the votes compared to the voting capital and the second list received the remaining 26.25%.

The non-executive director Matthias Sohler resigned on February 23rd 2011. On March 11th 2011, the Board of Directors, pursuant to Civil Code art. 2386, appointed the Administrator Jörg Karsten Brand by co-optation, a decision which was later confirmed at the Shareholders' Meeting on April 27th 2011.

Maximum number of offices held in other companies

The Board of Directors has not defined any general criteria on the maximum number of offices held as directors and auditors in other companies that might be considered compatible with the effective performance of their Directorship, in the belief that this evaluation rests, first of all, with the shareholders when appointing the Directors and, subsequently, with the individual Director, upon acceptance of the office.

Currently, the four executive members (Giuseppe Dal Cortivo, Paolo Dal Cortivo, Giampietro Magnani and Luigi Zanella), the two non-executive members (Maurizio Rizzoli and Jörg Karsten Brand) and the independent Directors (Lamberto Lambertini and Francesco Rossi) do not hold positions as directors or auditors in other companies listed on regulated markets or of any significant interest.

4.3. ROLE OF THE BOARD OF DIRECTORS (pursuant to TUF article 123-bis, § 2, letter d))

Board of Director functions

Article 19 of the Company By-laws foresees that the Board of Directors is invested with full powers for the ordinary and extraordinary administration of the Company, without limitation, with the only exception of those powers reserved by law to the Shareholders' Meeting.

The above-mentioned article 19 also foresees that, in addition to matters that cannot be delegated according to the law, the following powers fall within the exclusive jurisdiction of the Board of Directors:

- a) the review and approval of the strategic, operational and financial plans of the Company and of the Group of which the Company is the parent, as well as the Company's corporate governance system and Group structure;*
- b) the purchase, sale, exchange and transfer of real estate and real estate rights and the creation of security interests on real estate;*

- c) *the setting up of new subsidiaries; the hiring, purchase or sale of holdings in companies; the purchase, sale, exchange and transfer of the entire Company business or Company branches;*
- d) *the purchase, sale, exchange and transfer, and any other acquisition or disposition of assets, rights and services, as well as obligations, commitments and responsibilities of any kind, whose amount is, individually or jointly with other connected operations, in excess of Euro 4,000,000/00, including amendments to such agreements, contracts, operations, commitments or assumptions of liability resulting in economic effects of an amount greater than the above-mentioned value;*
- e) *the appointment of general managers, authorisations for the transfer of their general power of attorney and determination of their remuneration;*
- f) *the issuing of guarantees and bonds of any kind to amounts exceeding Euro 2,000,000/00 for each individual act and to any amount, if in the interest of parties other than the Company and its subsidiaries;*
- g) *the review and prior approval of Company and subsidiary transactions, where such transactions have a significant strategic, economic, or financial relevance for the Company, paying attention to situations in which one or more Directors have a personal interest or third party interest and to those transactions with related parties, establishing the general criteria for identifying significant transactions;*
- h) *the verification of the adequacy of the organisational, administrative and accounting structure of the Company and its strategic subsidiaries established by the Executive Directors, with particular reference to the internal control system and to the management of conflicts of interest.*

Meetings

The Directors receive all the documentation on the topics to be discussed at the Board of Directors in good time except in cases of emergency or when particular confidentiality is required. In these circumstances, an exhaustive discussion of the topics is ensured.

During the 2011 financial year, the Board of Directors met four times. The average duration of each Board of Director meeting was approximately two hours.

In particular, the Board of Directors evaluated the adequacy of the organisational, administrative and accounting structure of the Company and of the Group. After consulting the Internal Control Committee and the Internal Audit function, the Board decided that the series of organisational structures and procedures, implemented by the Company itself, results in an appropriate process for identifying and monitoring risks and is tailored to the Company's specific characteristics.

The Internal Audit function, as planned in the annual audit plan approved by the Board of Directors, performed specific actions on the processes and activities considered most at risk on the basis of a risk assessment activity. These efforts resulted in positive

evaluations on the adequacy of the internal control system and also highlighted useful recommendations and corrective actions for its improvement.

Considering the "size" of the business, the Board of Directors believes that there are no subsidiaries of such strategic importance that would require the Company to assess their organisational, administrative and accounting structure.

In any case, the Internal Audit function systematically performs activities aimed at verifying the adequacy of the subsidiaries' internal control systems.

Upon approval of the annual financial statements of the half-yearly report and of the interim management reports, the Board of Directors rated the overall operating performance, based on the information and the documents submitted by the delegated bodies and by comparing planned and achieved results.

On April 29th 2009, in compliance with article 20 of the By-laws, the Board of Directors appointed Alberto Miazzi as its secretary.

The Board of Director meetings were attended, upon invitation from the Chairman, by Maria Rosa Mazzi as the Manager charged with preparing the Company's financial reports, Daniele Mozzo as the Group's Administration and Finance Manager, Giulia Dal Cortivo as head of the Group's legal department, in order to provide the necessary details regarding the items on the agenda of the various meetings. When necessary, an interpreter for one of the Directors participated at the meetings and he/she was bound to compliance with the Company's procedures relating to internal dealing and the handling of confidential information. He/she was also enrolled in the register of persons with access to such information.

Four meetings have been scheduled for the current financial year. For details on scheduled meetings, please consult the 2012 Calendar of Events as published on the Company website at: <http://www.cadit.it>.

Director remunerations

Executive Director remunerations were determined at the Shareholders' Meeting of April 29th 2009, which set a fixed annual remuneration for each Executive Director, an attendance token for each meeting attended by the Director and a variable annual gross amount in relation to the achievement of corporate targets that are defined by the Nominating and Remuneration Committee.

The Nominating and Remuneration Committee has defined the criteria that determines the amount of this variable remuneration for the 2011 financial year.

The remuneration paid to the Directors is also indicated in the Report on their remuneration.

Transactions with significant strategic, economic and financial relevance

Pursuant to Article 19 of the Company By-laws, transactions with significant strategic, economic and financial relevance shall be the responsibility of the Board of Directors.

Assessment on the size, composition and function of the Board of Directors and its Committees

During the 2011 financial year, the Board of Directors assessed its own size, composition and function and that of its committees by mean of specific criteria developed by the Board of Directors itself and by its independent components.

The main analysis profiles were: the adequacy of the number of components and of the composition, the role of independent Directors, the organisation of meetings; decision making and the relative reporting, the responsibilities and matters reserved to the Board of Directors; the regulation of related party transactions; the management of confidential and privileged information; the process for defining, approving and the subsequent monitoring of the budget and of the multi-annual plan; the role, duty and function of Board of Director Committees; information flows between the Board of Directors and the Management.

The analysis highlighted the importance of the work carried out by the various Committees, which makes Board of Director decision-making easier and leads to more efficient information flows between the Board of Directors and the Executive Directors.

Exceptions to the non-competition provision

The Shareholders' Meeting has not authorised, in a general and preventive way, exceptions to the non-competition provision set forth by Civil Code Article 2390.

4.4. DELEGATED BODIES

Executive Directors

On April 29th 2009, the Board of Directors appointed Giampietro Magnani, Luigi Zanella and Paolo Dal Cortivo as Executive Directors, giving each of them all the powers of ordinary administration, including the right of disposal on bank accounts, to the extent of credit granted, to a maximum amount of Euro 2,000,000/00 for each transaction with the authority to act alone, and up to a maximum amount of Euro 4,000,000/00 with the joint signature of another Executive Director. The Directors Giampietro Magnani and Luigi Zanella were also conferred the powers and the right to purchase and/or dispose of registered tangible assets, with the exception of boats and aircrafts of any kind, on sole signing authority.

Paolo Dal Cortivo was also given the power to represent the Company in its dealings with institutional investors and shareholders and with the Italian Stock Exchange and CONSOB, providing them with all communications and information that are

compulsory under the applicable laws and/or under the rules of international best practice, in compliance with such rules and with the Company's internal procedures.

Chairman

On April 29th 2009, the Company Board of Directors appointed, for the same duration as the position of Director, Giuseppe Dal Cortivo as Chairman of the Board of Directors, granting him all the powers of ordinary and extraordinary administration, except those reserved by law to the Shareholders' Meeting or to the Board of Directors and those reserved to the exclusive jurisdiction of the Board of Directors, as listed in article 19 of the By-laws.

Pursuant to article 22 of the By-laws, the Chairman is the Company's Legal Representative and as such, has the power of signature both in front of third parties and in court and the authority to promote judicial and administrative actions at all levels of jurisdiction, including judgments for judicial review and revision.

Since he plays a key role in the development of business strategies, the Chairman also received managerial powers.

The Chairman of the Company Board of Directors is the top person in charge of management. He is not the controlling shareholder of the Company.

Executive Committee

The Board of Directors has not established any Executive Committee.

Reporting to the Board of Directors

As set forth by the Company By-laws, the delegated bodies report to the Board of Directors on the activities performed while exercising their powers every three months at least.

4.5. OTHER EXECUTIVE DIRECTORS

In addition to those identified in the preceding paragraph, no other Director within the Board is to be considered as executive under the criteria specified in the Corporate Governance Code.

Director awareness of the Company business and its dynamics

The Directors' awareness of the Company business and its dynamics is constantly assured by their participation at Board of Director and Committee Meetings, as well as by the continuous cross reporting between the Directors themselves on the activities and their foreseeable development.

4.6. INDEPENDENT DIRECTORS

The Board of Directors assessed the existence of the independence requirements provided for by the Corporate Governance Code for each independent Director at the first opportunity following their appointment and the persistence of such requirements by means of the signing of an annual declaration of independence by each independent director.

The criteria adopted for the independence assessment of the non-executive Directors are those indicated by the Corporate Governance Code.

The Board of Auditors positively verified the correct application during the 2011 financial year of the criteria and procedures adopted by the Board of Directors to assess the independence of its members, communicating the outcome of their monitoring in its report to the Shareholders' Meeting.

Below is an excerpt from the Board of Auditors' report to the 2011 Shareholders' Meeting: *"the Company's subscription to the Corporate Governance Code prepared by the Committee for Corporate Governance and promoted by the Italian Stock Exchange and the methods for the implementation of corporate governance rules, are discussed in the Board of Directors' annual report. We acknowledge that the Company has taken steps to ensure the effective independence of the independent directors (...)"*

During 2011, no specific meeting between independent Directors was necessary, as they met regularly during Committee meetings (Internal Control Committee and Nominating and Remuneration Committee) formed by two independent Directors and by the non-executive Director Maurizio Rizzoli.

4.7. LEAD INDEPENDENT DIRECTOR

On April 29th 2009, the Board of Directors appointed the independent Director, Professor Francesco Rossi, as "Lead Independent Director" in order to give further prominence to the role of the independent directors in terms of contributing with their skills and expertise to Board of Directors activities.

During the 2011 financial year, the Lead Independent Director acted as the reference and coordination point for the needs and contributions of non-executive and independent Directors, as well as for the identification of topics to be submitted to the Board of Directors.

5. PROCESSING OF CORPORATE INFORMATION

On May 12th 2006, the Board of Directors approved the Procedure for the management and processing of confidential information. This procedure was subsequently revised by the Board of Directors on November 13th 2007, on May 14th 2010 and again on March 13th 2011.

This Procedure was prepared with the aim of regulating the management and handling of confidential information and its communication to the public, in accordance with Legislative Decree no. 58 of 24/02/1998 and later modifications and integrations adopted by CONSOB, and with the Rules of the Markets organised and managed by Borsa Italiana.

The Procedure applies to the management and handling of Company and Company subsidiaries confidential information.

The Procedure is available in the "Investor Relations" section of the Company website at: <http://www.cadit.it>.

With reference to the requirement for issuers of listed securities, subjects in a control relationship with them and any person acting in their name or on their behalf, to establish and maintain a register of people who have access to the confidential information referred to in Legislative Decree no. 58 of 24/02/1998 and later modifications and integrations and adopted by the CONSOB Issuers Regulation, the Board of Directors voted to set up such a register and, on August 11th 2006, approved the procedure for establishing and updating the register of persons with access to privileged information.

Such procedure was subsequently revised by the Board of Directors on November 13th 2007 and again on March 26th 2008.

6. BOARD OF DIRECTOR COMMITTEES (pursuant to TUF article 123-bis, § 2, letter d))

On April 29th 2009, the Board of Directors set up, within the Board itself, the following Committees, in accordance with Corporate Governance Code recommendations:

- Nominating and Remuneration Committee;
- Internal Control Committee.

The Committees are composed as follows:

- the Nominating and Remuneration Committee is made up of two independent Directors, Francesco Rossi and Lamberto Lambertini and one non-executive Director, Maurizio Rizzoli;
- the Internal Control Committee is made up of two independent Directors, Francesco Rossi and Lamberto Lambertini and one non-executive Director, Maurizio Rizzoli.

The Committees have an advisory and consultative function and assist the Board of Directors in activities regarding matters of respective competence, acting in accordance with Corporate Governance Code indications.

The Company has not established other committees with advisory and consultative functions other than those covered by the Corporate Governance Code.

7. NOMINATING AND REMUNERATION COMMITTEE

In the 2011 financial year, the Nominating and Remuneration Committee was composed of three members, all non-executive Directors, the majority of whom are independent. Committee members had the consistent knowledge and experience in accounting and finance deemed appropriate by the Board of Directors at the time of appointment.

No persons other than members of the Committee took part in its meetings.

For anything not listed in this section, please refer to the Remuneration Report, which constitutes an integral and essential part of this Report, as specified in section 8.

Functions of the Nominating and Remuneration Committee

In the 2011 financial year, the Nominating and Remuneration Committee had the following functions to:

- a) propose candidates to the Board of Directors for the position of Director in the case provided for in Civil Code Article 2386 should it become necessary to replace an independent Director;
- b) indicate candidates for the position of independent Director to be submitted to the Company Shareholders' Meeting, taking into account any recommendations from the shareholders;
- c) advise the Board of Directors on its dimension and composition and, if necessary, on the professional figures whose presence within the Board of Directors is deemed to be appropriate;
- d) submit proposals to the Board of Directors for the remuneration of Executive Directors and of Directors with special responsibilities and monitor the implementation of Board of Directors decisions;
- e) perform a periodical review of the criteria adopted for the remuneration of key managers, monitoring their implementation based on information provided by the Executive Directors and to submit relative recommendations to the Board of Directors.

No Director referred to in point d) above attended Nominating and Remuneration Committee meetings concerning proposals about his own remuneration to the Board of Directors.

The Board of Directors has not assigned additional functions to the Nominating and Remuneration Committee other than those provided for by the Corporate Governance Code.

Nominating and Remuneration Committee Meetings

Information regarding the number of meetings held during the financial year and the effective participation of each component at the meetings held are shown in table 2 of this Report.

At least one meeting is planned for the current financial year.

In the 2011 financial year, the Nominating and Remuneration Committee met twice: once on March 11th 2011 where it voted in favour of the appointment, pursuant to Civil Code article 2386, of Jörg Karsten Brand and again on November 11th 2011 to evaluate the criteria adopted for the remuneration of key managers, formulate proposals to the Board of Directors and determine the targets for the 2011 financial year, the fulfilment of which would lead to awarding the Executive Directors with the variable part of their remuneration.

In performing its functions, the Nominating and Remuneration Committee was able to access all the necessary information and business functions required to perform its tasks as well as to use external consultants, under the terms set by the Board of Directors.

The minutes of the Nominating and Remuneration Committee meetings have been duly recorded.

Nominating and Remuneration Committee budget

On April 29th 2009, the Board of Directors set the Committee's budget for external consultancies at Euro 5,000/00 per semester.

8. DIRECTOR REMUNERATION

With regard to the implementation of article 6 "Compensation of Directors" of the Corporate Governance Code, it is hereby notified that, following the entry into force of the Regulations provided by paragraphs 7 and 8 of TUF article 123-ter and in accordance with article 2 of Legislative Decree 259/2010 (which, in fact, states that such report is to be submitted to the Shareholders' Meeting summoned to approve the financial statements in the financial year following the financial year in which the above-mentioned CONSOB Regulations enter into force), the Remuneration Report deliberated by the Board of Directors on March 13th 2012, on proposal of the Nominating and Remuneration Committee, will be submitted to the shareholders at the Shareholders' Meeting scheduled for April 27th 2012, published simultaneously with this Report and made available on the Company website at: <http://www.cadit.it> within the timeframe provided for by the law.

Moreover, the aforementioned Remuneration Report, in attachment to this Report, is therefore an integral and substantial part of the latter.

As a consequence of the above, please note that all information in this section, although not expressly provided below, can be found in the attachment.

Executive Director remuneration

The remuneration of the Company's Executive Directors includes a fixed component, an attendance token for each meeting they attend and a variable component, subject to the achievement of predetermined targets.

The Company has not provided for any stock-based incentive plan in favour of Executive Directors.

The Nominating and Remuneration Committee has set the criteria for the allocation of the above-mentioned variable component for the 2011 financial year.

Non-executive Director remuneration

The remuneration of non-executive Directors is not significantly connected to the economic results achieved by the Company.

Non-executive Directors are not subject to share-based incentive plans.

No stock-based incentive plans have been set for the non-executive Directors.

The remuneration of non-executive Directors includes a fixed component and an attendance token for each Board meeting they attend.

In accordance with CONSOB Communication no. DEM/11012984 dated 24/02/2011, please also note that:

- no agreements providing compensation in the event of resignation or dismissal/revocation without just cause or if employment relations should cease as a result of a takeover bid have been concluded between the Issuer and the Directors in accordance with TUF article 123-bis, paragraph 1 letter. i).

The remuneration received by the Directors for the 2011 financial year is outlined in detail in the Remuneration Report.

9. INTERNAL CONTROL COMMITTEE

On April 29th 2009, the Board of Directors set up an Internal Control Committee. The Internal Control Committee is composed of three members, the majority of which are independent Directors.

Each member of the Internal Control Committee had the experience in accounting and financial matters deemed appropriate by the Board of Directors at the time of his appointment.

Internal Control Committee functions

The Internal Control Committee assists the Board of Directors in carrying out its tasks relating to internal control, as prescribed by the Corporate Governance Code.

During the 2011 financial year, the Internal Control Committee functions were as follows:

- a) to assess, together with the Manager charged with preparing the Company's financial reports and the external Auditors, the correct application of the accounting principles and, in the case of groups, their consistency in the preparation of consolidated financial statements;
- b) to give advice, upon request of the Executive Director in charge, on specific aspects regarding the identification of corporate risks and the planning, realisation and operation of the internal control system;
- c) to review the work plan prepared by the Person responsible for Internal Control as well as the periodic reports he/she had drafted;
- d) to evaluate the drafted work plan for the review and the results contained in the report and any suggestion letters;
- e) to monitor the effectiveness of the auditing process;
- f) to report to the Board of Directors at least once each semester, at the time of financial statement and half-yearly report approvals, on the activities performed and the adequacy of the internal control system.

The Internal Control Committee can also cover the functions of the Committee provided for by article 7 of CONSOB Resolution 17221/2010, as amended by CONSOB Resolution 17389/2010, regarding the approval of transactions with related parties.

The Internal Control Committee carries out consultative and advisory activities aimed at adopting the Company's corporate governance rules.

In performing its functions, the Internal Control Committee has the right to access all the necessary information and business functions required for carrying out its tasks as well as to use external consultants, under the terms set by the Board of Directors.

Internal Control Committee Meetings

Information regarding the number of meetings held during the financial year and the effective participation of each component at these meetings is shown in table 2 of this Report.

Four meetings have been scheduled for the current financial year.

In the 2011 financial year, the Internal Control Committee met four times with an average meeting duration of about one hour.

Depending on the items on the agenda, persons who were not members of the Committee, on invitation from the Committee itself, also took part in the meetings.

In the 2011 financial year, the Internal Control Committee did not receive assistance from external consultants and the Chairman of the Board of Auditors was always present at the meetings.

In the 2011 financial year, the Internal Control Committee also examined changes made to the Organisation Model and the auditing reports prepared by the internal audit.

The Committee was informed about the most relevant issues regarding the Company

and its Group, for instance: the provision of intercompany performances and services and related contracts; the appointment, by the Chairman of the Company as the owner of Company data processing, of some persons in charge of processing personal data, pursuant to article 29 of Legislative Decree 193/2006; the granting of the role of "Internal Control and Auditing Committee" to the Board of Auditors.

The Committee assessed the reports prepared by the Internal Audit function.

The Committee monitored the efficiency of the account auditing process and the related work plan, as suggested by the Corporate Governance Code, through the exchange of information with the auditor and the Board of Auditors.

The Internal Control Committee also met with the Board of Auditors about the results presented by the auditor with regard to the report on key matters arising from the statutory audit.

The Committee reported its activities as a Supervisory Board to the Board of Directors and to the Board of Auditors every six months at the same time as the annual and half-yearly financial report approvals.

Lastly, the Committee examined the merger of the subsidiaries SGM S.r.l., Bit Groove S.r.l. and NetBureau S.r.l. into the subsidiary CAD S.r.l.

The minutes of the Internal Control Committee meetings have been duly recorded.

Internal Control Committee budget

On April 29th 2009, the Board of Directors set the Committee's budget for external consultancies at Euro 5,000/00 per semester.

10. INTERNAL CONTROL SYSTEM

The Board of Directors, with the assistance of the Internal Control Committee, has identified guidelines for the internal control system, which foresee the periodical analysis of the major corporate risks and the evaluation of the adequacy, efficiency and actual operation of the internal control system itself.

The Company has an internal control system made up of a set of rules, procedures and organisational structures, which, through an appropriate identification process, aims at managing and monitoring the main risks that could threaten the achievement of corporate targets and a healthy and correct Company management.

This system concerns the entire company, involving different parties who are assigned specific roles and responsibilities.

The Company considers and defines the internal control system as *"the set of rules, procedures and organisational structures, intended to provide, through an appropriate identifying process, for the management and monitoring of the main risks that could threaten the achievement of corporate targets and the correct Company management, which is coherent with the identified targets"*.

The risk management and internal control systems relating to the financial reporting process is a constitutive element of a broader internal control system. This sub-system is

also aimed at ensuring the reliability, accuracy, consistency and timeliness of the Company's and its Group's financial reporting.

In the planning, implementation, monitoring and updating of the system outlined so far, the Company has taken the "COSO Report", internationally regarded as best practice, as a reference model.

In order to ensure the effective implementation of the system and a high level of reliability of the information, several corporate procedures have been introduced and formalised, including administrative and accounting procedures, and others are being developed.

With particular reference to the articulation and to the operating procedures that characterise the functioning of the risk management and internal control systems relating to financial reporting process, it is hereby clarified that:

- risk identification on financial reporting was carried out during the wider risk assessment process for the identification of risks that may affect the achievement of the targets set by the corporate processes; risk assessment is updated annually upon approval of the Internal Audit plan;
- inherent risk assessment is performed with quality criteria designed to estimate the probability of event occurrence and their impact on the pursuit of corporate targets;
- first and second level risk management controls are performed. The first level controls are included in the operating processes themselves and can therefore also be performed for each single subsidiary. The second level controls, however, satisfy the criteria of segregation of duties. For instance, the latter include those checks executed by the Manager charged with preparing the Company's financial reports;
- the assessment of controls against identified risks is performed by means of Internal Audit activities and, where appropriate, may result in the identification of compensatory controls, corrective actions or improvement plans.

The results of monitoring activities are periodically submitted to the Company's top management, to the Executive Director responsible for the functioning of the Internal Control System and to the Internal Control Committee, which, in turn, reports to the Board of Directors and to the Board of Auditors.

In the 2011 financial year, the Board of Directors assessed the adequacy, efficiency and effectiveness of the Internal Control System based on the information and evidence collected with the support of the investigative work carried out by the Internal Control Committee and the contribution of the Person responsible for internal control itself.

Based on the analysis performed, the Board of Directors believes that the current internal control system generally allows for the achievement of the corporate targets.

10.1. EXECUTIVE DIRECTOR RESPONSIBLE FOR INTERNAL CONTROL

The Board of Directors has appointed the Executive Director Giampietro Magnani to supervise the functioning of the internal control system.

He has identified the main corporate risks (strategic, operational, financial and compliance), taking into account the characteristics of the Company's and its

subsidiaries' activities, and he has periodically submitted them for Board of Director assessment.

In particular:

- he has implemented the guidelines established by the Board of Directors, by planning, creating and managing the internal control system and by constantly checking its adequacy, effectiveness and efficiency;
- he has adapted this system to any changes in operating conditions and to the legislative and regulatory landscape;
- during year 2009, he proposed the appointment and remuneration of the Person in charge of internal control to the Board of Directors.

10.2. PERSON IN CHARGE OF INTERNAL CONTROL AND INTERNAL AUDIT

On April 29th 2009, the Board of Directors, as recommended by the Corporate Governance Code, appointed Michele Miazzi as the Person in charge of internal control, in consideration of his specific skills and knowledge of the Company and Group structure.

The nomination was proposed by Giampietro Magnani, Executive Director responsible for supervising the functioning of the internal control system, on the advice of the Internal Control Committee. The Board of Directors approved Mr. Miazzi's appointment and determined his remuneration.

The Person responsible for Internal Control is not in charge of any operational department and is not under the supervision of any operational department manager, including the administration and finance department.

The Person responsible for Internal Control is under the authority of the Board of Directors and reports the performance of his actions to the Internal Control Committee and to the Executive Directors in charge of the internal control system.

In the 2011 financial year, the Person responsible for Internal Control:

- had direct access to all useful information for the performance of his office;
- reported his work to the Internal Control Committee and to the Board of Auditors during the regular meetings of these bodies and through regular reports relating to specific audits he had performed;
- also reported his work to the Executive Director responsible for supervising the functioning of the internal control system.

In particular, the Person responsible for internal control verified the operation and suitability of the internal control and risk management system. In order to do so, he reported to the Internal Control Committee and to the Board of Auditors on the identification and risk assessment activities performed and on the plan drafted for monitoring said risks.

In particular, he:

- drafted the audit plan, based on a process of analysis and prioritisation of key risks, which the Board of Directors approved;
- periodically prepared reports containing adequate information on his work and an evaluation of the suitability of the internal control and risk management system;
- submitted the above-mentioned reports the Executive Director responsible for the supervising the functioning of the internal control system, to the Internal Control Committee and to the Chairman of the Board of Auditors.

The Company has not set aside a budget for the Person responsible for internal control, but, if necessary, he may make a request to the Board of Directors for prior authorisation for expenditures (e.g. for the use of external specialist advice).

In the 2011 financial year, the Person responsible for internal control did not request any authorisation for expenditures.

The Company has also set up an the Internal Audit function, which is carried out by the Person responsible for internal control.

10.3. ORGANISATION MODEL pursuant to Legislative Decree 231/2001

On November 10th 2006, the Board of Directors approved the Organisation and Management Model (including specific procedures for financial resource management) pursuant to Legislative Decree n. 231/2001, aimed at the prevention of the crimes outlined by the same Decree. The last update of the Model was carried out on August 26th 2011 in compliance with changes in legislation and case law. The variations introduced over the course of the years have led to:

- the implementation of a Health and Safety at Work Management System (together with its manual and procedures) in accordance with the UNI / INAIL guidelines, which represents a best practice standard for compliance with the provisions of Legislative Decree n. 81/2008;
- the implementation of new procedures introduced with the aim to constantly improve corporate organisation and to prevent the crimes outlined in Legislative Decree 231/2001 from being committed;
- a more detailed formulation of the tasks and activities of the Supervisory Board;
- the introduction, within the section on the identification of areas at risk of crime, of specific provisions for:
 - protection of copyright;
 - protection in relation to crimes of instrument or trademark forgery as well as in relation to offences against industry and commerce;
 - concessional and public financing;
 - protection in relation to organised crime.

The Model, adopted after a detailed analysis of the corporate activities and aimed at identifying potential risk areas, is a set of general principles, rules of conduct, monitoring tools, administrative procedures, training and information programmes and a

disciplinary system, designed to prevent, as far as possible, any crimes from being committed.

On November 10th 2006, the Board of Directors, pursuant to the provisions of the Decree, established, within the same deliberation, the Supervisory Board, declaring it to be the Internal Audit Committee, deeming it as the most suitable body for carrying out the required activities and in consideration of the requirements of autonomy, independence, professionalism and continuity of the actions necessary to perform such a function.

The Supervisory Board is, therefore, a collegial body composed of three members, including two independent Directors and one non-executive Director.

The Board of Directors is responsible for the appointing and possible revocation (for good cause) of the Supervisory Board as well as for determining its annual compensation.

Its term of office is the same as that of the Internal Control Committee.

The Model is published on the Company website.

10.4. AUDITING FIRM

On April 29th 2006, the Company Shareholders' Meeting appointed the auditing firm BDO S.p.A. for the initial period of six financial years, as originally prescribed by law. On April 30th 2007, the Shareholders' Meeting extended the assignment to nine financial years. The office will therefore terminate on the date that the Shareholders' Meeting approves the financial year to be closed on December 31st 2014.

10.5. MANAGER CHARGED WITH PREPARING THE COMPANY'S FINANCIAL REPORTS

The Manager charged with preparing the Company's financial reports, Maria Rosa Mazzi, was appointed on April 29th 2009 and is the Manager responsible for the Group Financial Statements and Control department.

Article 25 of the By-laws foresees that the Company Board of Directors, on prior mandatory opinion of the Board of Auditors, shall appoint the Manager charged with preparing the Company's financial reports from among those employees or partners with a minimum of two years' experience in a suitable position at the administrative and/or finance department of the Company, or of other companies, determining his/her remuneration and granting him/her with adequate powers and resources to perform the duties assigned by law.

This Manager can be revoked by the Board of Directors, on prior mandatory opinion of the Board of Auditors.

This Manager has access to a budget of Euro 5,000/00 per semester and he/she is invested with all the appropriate powers to exercise his/her functions.

11. DIRECTOR INTERESTS AND RELATED-PARTY TRANSACTIONS

Following the provisions issued by CONSOB with resolution no. 17221 dated 12/03/2010 and with resolution no. 17389 dated 23/06/2010, on November 12th 2010, the Board of Directors adopted a new procedure regarding transactions with related parties which substituted the previous version adopted by Board of Director deliberation on September 25th 2007.

The Procedure for carrying out transactions with related parties was drafted with the aim of regulating the way in which Company transactions with related parties is executed, whether directly or through subsidiaries, in order to ensure the substantial or procedural transparency and accuracy of such transactions, in compliance with the Corporate Governance Code and the law.

The procedure requires that, whatever their relevance, transactions with related parties are to be approved by the Board of Directors or by the Executive Director, who, depending on the case, has the competence to do so on the basis of the powers conferred to him/her by the Board of Directors.

It is understood that the Executive Director, if deemed necessary, can, in any case, submit the transactions of his competence for Board of Directors approval.

Prior to the approval of a transaction, the Board of Directors or the Executive Director are required to ask a committee (hereinafter, "Committee"), which may even be set up for the purpose, for a reasoned and non-binding opinion. The Committee shall be composed exclusively of non-related and non-executive Directors with a majority of independent Directors.

The functions conferred to the Committee may be carried out by the Company's Internal Control Committee, provided that the latter is formed in accordance with the requirements set forth in applicable laws and regulations.

Specifically, "significant transactions with related parties" are:

a) transactions in which at least one of the following relevance indexes, applicable depending on the specific transaction, is greater than 5%:

- **equivalent-value relevance ratio:** the ratio between the equivalent transaction and the net equity as per the most recently published (consolidated if applicable) balance sheet or, if greater, the Company's capitalization at the end of the last trading day included in the period covered by the most recently published periodical accounting document (half-year or year-end financial reports or of interim management reports).

Should the economic conditions of the transaction not be determined, the equivalent value of the transaction is:

- i) for the cash components, the amount paid to or by the contractual counterparty;
- ii) for the component in financial instruments, the fair value determined at the date of the transaction, in accordance with international accounting standards adopted by (EC) Regulation no. 1606/2002;
- iii) for funding transactions or granting of guarantees, the maximum amount payable.

If the economic conditions of the transaction depend, in whole or in part, on magnitudes not yet known, the equivalent value of the transaction is the maximum receivable or payable value under the agreement.

- **Asset relevance ratio:** the ratio between the total assets of the entity in the transaction and the total assets of the Company. Data to be used shall be obtained from the Company's most recently published balance sheet (consolidated if applicable); where possible, similar data should be used for determining the total assets of the entity involved in the transaction.

For transactions involving the acquisition and sale of shares in companies that have an impact on the area of consolidation, the value of the numerator is the total assets of the investee, regardless of the percentage of capital to be disposed of.

For transactions of acquisition and divestment of holdings in companies that have no effect on the consolidation perimeter, the value of the numerator is:

- (i) in the case of acquisitions, the equivalent value of the transaction plus the liabilities of the acquired company if undertaken by the purchaser;
- (ii) in the case of divestments, the price of the transferred business.

For transactions involving the acquisition or disposal of other assets (other than the purchase of stakes), the value of the numerator is:

- (i) in the case of acquisitions, the greater of the consideration and the carrying amount to be attributed to the asset;
- (ii) in the case of disposals, the book value of the asset.

- **Liabilities relevance ratio:** ratio between the total liabilities of the acquired entity and the total assets of the Company. Data to be used must be taken from the Company's most recently published balance sheet (consolidated if applicable); where possible, similar data should be used for determining the total liabilities of the company or company division acquired.

b) transactions with the listed parent company or with entities related to the latter which are related with the Company, where at least one of the above-mentioned relevance ratio is over the 2.5% threshold;

c) transactions with related parties that may affect the managerial autonomy of the Company (including those relating to an intangible activities) or which, however, concern activities or assets of strategic importance to the Company, if at least one of the indexes is higher, respectively, than 5% for cases referred to in letter a) above and higher than 2.5% for cases referred to in letter b) above.

The Procedure is available in the Investor Relations section of the Company website at: <http://www.cadit.it>.

With regard to related party transactions, it is hereby specified that on April 27th 2011, the Company Shareholders' Meeting introduced a new article in its By-laws entitled "Article 31 - Related party transactions", in order to enable the Company to adopt internal procedures that may provide for the exclusion, to this regard, of urgent transactions, within the limit of the law, even if said transactions are the competence of the Shareholders' Meeting.

In the event that a Director has a personal interest, even potential or indirect, in the object of a deliberation, he/she is required to inform the Board of Directors of the existence and the circumstances of such interest so that, if necessary, he/she does not take part in its deliberation.

There have been no such situations to date.

In the 2011 financial year, the subsidiaries SGM S.r.l., Bit Groove S.r.l. and NetBureau S.r.l. merged into the subsidiary CAD S.r.l., with effect as of January 1st 2012.

Since it was a merger between subsidiaries entirely owned by CAD IT S.p.A. (already covered, therefore, within the scope of consolidation) and where no significant interests from other related parties appear to exist, the merger was excluded from the scope of application of the above-mentioned Procedure for carrying out transactions with related parties, as provided for by article 8 letter g) of the same Procedure and by articles 13 and 14 of CONSOB Regulation no. 17221 of March 12th 2010 and subsequent amendments and integrations.

12. APPOINTMENT OF THE BOARD OF AUDITORS

Article 24 of the Company's By-laws foresees that the Board of Auditors is composed of three standing members and two alternative members to be appointed by the Shareholders' Meeting *"by using lists of candidates submitted by the shareholders, in which the candidates are listed in a sequential order"*.

Lists are made up of two sections: one for candidates to the office of standing Auditor and the other for candidates to the office of alternative Auditor.

Only the shareholders who, either alone or together with other shareholders, are in possession of at least 2.5 % of shares with voting rights in the ordinary Shareholders' Meeting or any other maximum percentage required by law or regulation, have the right to submit lists.

Any one shareholder, as well as the shareholders belonging to the same group, cannot submit, even through a third party or a trust company, more than one list or vote for different lists. Each candidate may appear on one list only, otherwise he/she will be considered as ineligible.

Candidates who hold Auditor positions in five other listed companies (the Company, its parent company and the subsidiaries excluded) or who do not meet the requirements of integrity and professionalism established by law, cannot be included on any list.

The limits that the law may provide for on the number of offices will, if necessary, be applied in their minimum dimension.

Auditors can be re-elected. The lists must be deposited at the registered office within the twenty-fifth day preceding the date of the Shareholders' Meeting that has been summoned to appoint them, either in a first or single session, and this will be reported in the notice of summons. The Company will make the lists available to the public at the registered office, on the website and in any other way prescribed by the laws in force, without delay and at least twenty one days before the date of the Shareholders' Meeting. At the moment of depositing, the lists must be accompanied by:

- *comprehensive information on the candidate's personal and professional qualifications, skills and experience, together with evidence of any management and control positions held in other companies;*
- *a statement in which each candidate accepts the nomination and attests, under his/her own responsibility, that there are no grounds for ineligibility or incompatibility and that he/she is in possession of the requirements set forth by the law or the By-laws with regard to the respective offices;*
- *a copy of certificates, issued by authorised brokers, stating the ownership - at the time of depositing the list at the Company - of the number of shares required to do so. Such broker certification testifying the ownership of the number of shares required to submit lists, can also be produced subsequent to filing provided that it is within the Company's deadline for list publication.*

Any lists presented without observing all of the above provisions will be disregarded. The lists, together with the information on the candidates, are promptly published on the Company website.

Auditor election shall proceed as follows:

- *two standing members and one alternative member shall be elected from the list that obtained the most votes on the basis of the sequential order in which they appear on the sections of such list;*
- *the remaining standing member, who will be the chairman of the Board of Auditors, and the other alternative member, shall be elected from any second list that obtained the highest number of votes at the Shareholders' Meeting, in the order in which they appear in sections of the list.*

The Chairman of the Board of Auditors, if not reserved by law for Auditors elected by minority, will be appointed by the Shareholders' Meeting from among the standing members.

If an Auditor does not possess the requirements outlined by the law and in the By-laws, he or she shall forfeit office.

If the need to substitute an Auditor arises, he or she will be replaced by the alternate Auditor from the same list.

The appointment of Auditors to be integrated into the Board of Auditors, pursuant to Civil Code article 2401, is a Shareholders' Meeting decision to be made in accordance with the majorities prescribed by law. The additional Auditor will be elected from the persons indicated by the same shareholders who submitted the list that included the retiring Auditor. If this is not possible, the Shareholders' Meeting shall proceed to the substitution in accordance with the majority required by law”.

13. AUDITORS **(pursuant to TUF article 123-bis, § 2, letter d))**

The Company Board of Auditors is composed as indicated in table 3.

The current Board of Auditors will remain in office until the date of the Shareholders' Meeting summoned to approve the 2011 financial statements.

On April 29th 2009, the Company Shareholders' Meeting appointed the Board of Auditors as a result of the vote of two lists submitted by the Company shareholders, Giampietro Magnani and Maurizio Rizzoli. The list submitted by Giampietro Magnani nominated Renato Tengattini and Gian Paolo Ranocchi for the office of Standing Auditor and Luca Signorini for the office of Alternative Auditor. The list submitted by Maurizio Rizzoli nominated Riccardo Ferrari for the office of Standing Auditor and Giannicola Cusumano for the office of Alternative Auditor. Those elected were Riccardo Ferrari, as Chairman of the Board of Auditors and Standing Auditor, Renato Tengattini and Gian Paolo Ranocchi as Standing Auditors and Luca Signorini and Giannicola Cusumano as Alternative Auditors. The first list has obtained 73.75% of the votes compared to the voting capital while the second list received the remaining 26.25%.

The Board of Auditors met 7 times during year 2011 and there were no changes in the its composition at the end of that financial year. The average duration of Board of Auditor meetings was about three hours. The Board Auditors plans its meeting periodically throughout the year. The Board has already met once in the 2012 financial period.

The Board of Auditors assessed the independence of its members at the first opportunity after their appointment and, during the financial year, it also assessed the persistence of such independence requirements by applying the criteria set by the Corporate Governance Code to this regard.

Should an Auditor demonstrate to have a personal interest, even potential or indirect, in a Company transaction, he/she is required to immediately and exhaustively inform the other Auditors and the Chairman of the Board of Director of the nature, terms, origin and extent of his/her interest.

The Board of Auditors monitored the independence of the Auditors, ensuring compliance with legislation. A representative from the Auditing Firm is regularly invited to the meetings of the Board of Auditors in order to report on the outcome of any checks carried out.

The Board of Auditors is constantly in close contact with both the Internal Audit function, given that the Person in charge is involved in the Board's meetings, and the Internal Control Committee, whose meetings are attended by the Chairman of the Board of Auditors.

For this reason, we hereby note that, as a result of Legislative Decree no. 39 of 27/01/2010, which implements EU Directive 2006/43/EC on statutory audits of annual and corporate accounts, the Board of Auditors was also granted the role of "Internal Control and Auditing Committee".

14. INVESTOR RELATIONS

The Company endeavours to provide all relevant information and documentation to shareholders in good time. The documentation relating to corporate governance,

institutional information and periodical and extraordinary economic and financial information are all available on the Company website (www.cadit.it).

In fact, the Company promptly informs shareholders and potential shareholders of any action or decision that may have a relevant impact on their investment and it publishes every press release and pay notice related to the exercise of any right connected to issued securities, as well as any documents relating to Shareholders' Meetings or made available to the public on its website.

The aim of such is to inform shareholders and investors of every issue on which they are invited to comment.

The Company also arranges conference calls with financial analysts and institutional investors, allowing the press to attend such events.

On April 29th 2009, the Board of Directors appointed the executive Director Paolo Dal Cortivo as the Company's representative for shareholder relations.

The Company has also established the Investor Relations function for managing relationships with shareholders.

15. SHAREHOLDERS' MEETINGS (pursuant to TUF article 123-bis, § 2, letter c))

The articles in the Company By-laws that govern Shareholders' Meetings are reported below.

Art. 6) The Shareholders' Meeting, regularly established according to law, represents all the shareholders, and its resolutions, taken in accordance with the law and these By-laws, are binding for all shareholders even if absent or dissenting.

Art. 7) The Shareholders' Meeting is called by the Board of Directors, or by the Board of Auditors, if prescribed by law, within the terms established by current regulations. The Board of Directors summonses the Shareholders' Meeting at the request of shareholders in accordance with the laws in force. The Meeting can also be summoned by the Board at the request of shareholders representing at least one twentieth of the share capital, subject to the provisions of Civil Code article 2367, last paragraph, or by the Board of Auditors or by at least 2 (two) members of the latter. The Shareholders' Meeting may be also summoned to meet anywhere in the Nation outside the registered office.

The ordinary Shareholders' Meeting must be called at least once a year within 120 days after the closing of the financial year or within 180 days after the aforementioned closure, whenever the company is required to prepare the consolidated financial statements or whenever particular necessities concerning the structure and purpose of the company arise.

The Shareholders' Meeting is also summoned, in both ordinary and extraordinary sessions, whenever the Board of Directors deems it necessary and in all cases prescribed by law.

The summons notice may indicate a single call or it can include a first, second and, with regard to extraordinary meetings, even a third call.

The meeting is called by means of a summons notice, stating the day, place and time of the meeting, the list of topics to be discussed and any other information required by the laws in force. The notice is to be published on the Company website as well as in all other ways provided for by the laws in force. The same summons notice will specify the date, place and time of any further call following the first one. The notice may specify a maximum of one further date for extraordinary Meetings to be held after the second summons date.

Art. 8) Shareholders who, also jointly with other shareholders, represent at least one fortieth of the share capital, may request, in accordance with the regulations in force, the integration of an additional item on the agenda.

Requests to amend the agenda shall be described in a report to be deposited in accordance with the terms and modalities provided for by the laws in force.

Additions to the agenda are notified in the same manner prescribed for the publication of the summons notice and within the terms set forth by laws in force.

Art. 9) Every shareholder is entitled to one vote per each share held.

Article 10 of the By-laws foresees that only persons in possession of the right to vote who submit the appropriate certification issued by an authorised broker in accordance with the terms and modalities established by the laws in force, will be able to attend the Shareholders' Meeting.

To date, the Company has not provided for any specific measure to reduce the restrictions and requirements relating to Shareholders' Meeting participation and for shareholders' rights to exercise their vote.

On June 29th 2000, the Company Shareholders' Meeting approved the Rules for Shareholders' Meetings which were updated on April 27th 2011 and published in the Investor Relations section of the Company website at <http://www.cadit.it>.

Article 16 of the Company Rules for Shareholders' Meetings foresees that: *“persons entitled to attend the meeting, the Directors and the Auditors have the right to speak on each of the topics under discussion and to make suggestions to their regard.*

Those persons entitled to attend the Meeting and who intend to speak, must ask the Chairman after the related item on the agenda has been read and before the discussion on such item has been closed.

The request must be made by a show of hands, unless the Chairman has decided to proceed through written requests. In the case of a show of hands, the Chairman will

give the floor to those who raised their hand first. Should this prove impossible to determine, the Chairman will give the floor in the order he himself unquestionably establishes. If the procedure is by written requests, the Chairman will give the floor following the alphabetical order of the applicants.”

In the 2011 financial year, the Shareholders’ Meeting took place on April 27th 2011.

The items on the Agenda were as follows:

- approval of the financial statements at December 31st 2010, together with the Boards of Director, the Auditing Firm and the Board of Auditor reports and any related and consequential deliberation;
- appointment of a Director pursuant to Civil Code article 2386;
- Rules for Shareholders’ Meetings: proposed change to articles 2, 4, 8, 14, 17 and 19; related and consequential deliberations.

During the Meeting, the Board of Directors reported on planned and undertaken activities and did its best to ensure that the shareholders received adequate information to allow them to take informed decisions at the Shareholders’ Meeting.

In the 2011 financial year, the market capitalisation of Company shares decreased by about 22%.

The Company By-laws adopt the minimum percentages required by the laws in force to exercise rights and prerogatives set to protect minorities.

16. FURTHER CORPORATE GOVERNANCE PRACTICES (pursuant to TUF article 123-bis, § 2, letter a))

As explained in section 10.3 of this Report, on November 10th 2006, the Company adopted the Organisation and Management Model pursuant to Legislative Decree 231/2001, which has since been updated. The last update was on August 28th 2011.

17. CHANGES SINCE THE CLOSURE OF THE 2011 FINANCIAL PERIOD

No changes to the corporate governance structure have occurred since the closure of the 2011 financial period.

TABLE 1: OWNERSHIP STRUCTURE

SHARE CAPITAL STRUCTURE				
	No. of shares	% of the share cap.	Listed (which segment) / not listed	Rights and obligations
Ordinary shares	8,980,000	100	STAR	Shares are freely transferable and each share gives the right to one vote. The shareholders may exercise their social property rights assigned to them by law, respecting the legal limits set.
Shares with limited voting rights	///	///	///	///
Shares without voting rights	///	///	///	///

OTHER FINANCIAL INSTRUMENTS <i>(attributing the right to subscribe newly issued shares)</i>				
	Listed (which segment) / not listed	No. of issued instruments	Category of shares servicing the conversion /financial year	No. of shares servicing the conversion /financial year
Convertible bonds	///	///	///	///
Warrant	///	///	///	///

RELEVANT SHAREHOLDINGS*			
Shareholder	Direct shareholder	% of the ordinary share capital	% of the voting share capital
RIGHI MARINA	Yes	15.9431	15.9431
DAL CORTIVO GIUSEPPE	Yes	10.7311	10.7311
MORBI CARMEN	Yes	4.2426	4.2426
LANZA LILIANA	Yes	4.1301	4.1301
MAGNANI GIAMPIETRO	Yes	10.6919	10.6919
BELLONI LAURA	Yes	4.1301	4.1301
ZANELLA LUIGI	Yes	10.6068	10.6068
XCHANGING BV LLC	Yes	10.00	10.00
SOFYL S.r.l.	Yes	2.3664	2.3664
LAZARD FRERES GESTION	Yes	2.0045	2.0045

* Updated on December 31st, 2011

TABLE 2: STRUCTURE OF BOARD OF DIRECTORS AND ITS COMMITTEES

Board of Directors											Internal Control Committee		Remun. Committee		Nominating Committee (if any)		Executive Committee (if any)		Other Committees (if any)	
Office	Members	In office since	In office until	List (M/m)	Exec.	Non exec.	Indep. For Code	Ind. For TU F	(%) **	Number of other offices ***	****	**	*** *	**	****	**	****	**	****	**
Chairman	Giuseppe Dal Cortivo	29-04-09	Close of 2011	M	X				100											
Executive Director	Giampietro Magnani	29-04-09	Close of 2011	M	X				100											
Executive Director	Luigi Zanella	29-04-09	Close of 2011	M	X				100											
Executive Director	Paolo Dal Cortivo	29-04-09	Close of 2011	M	X				75											
Non-executive Director	Maurizio Rizzoli	29-04-09	Close of 2011	m		X			100		X	100		100	X	100				
Non-executive Director	Jörg Karsten Brand	11-03-11	Close of 2011	Elected by Co-optation					67											
Non-executive Director	Lamberto Lambertini	29-04-09	Close of 2011	M			X	X	75		X	75	X	100	X	100				
Lead Independent Director	Francesco Rossi	29-04-09	Close of 2011	m			X	X	75	3	X	75	X	100	X	100				

-----DIRECTORS LEAVING OFFICE DURING REFERENCE PERIOD-----

Non-executive Director	Matthias Sohler	29-04-09	23-02-11	M		X			///											
Quorum for presenting lists for last appointment: 1/40 of the share capital																				
No. of meetings held in reference period						<i>BoD: 4</i>			<i>ICC: 4</i>			<i>RC: 2</i>		<i>NC: 2</i>		<i>EC: ///</i>		<i>Other: ///</i>		

NOTE

- *Elected from Majority (M) or minority (m) list.
- ** Attendance (%) at BoD and committee meetings (# of meetings actually attended out of total meetings held during period in office).
- ***Number of directorships or auditorships held in other companies listed in regulated markets, included foreign markets, financial companies, banks or insurance companies or companies of relevant size.
- ****"X" = Committee Membership

NB: PLEASE SEE CVs ATTACHED TO THE DIRECTORS' REPORT WITH THE LIST OF OFFICES HELD IN OTHER COMPANIES. ATTACHED ARE ALSO THE INDEPENDENCE STATEMENTS OF BOTH INDEPENDENT DIRECTORS. NONE OF THE OTHER DIRECTORS CURRENTLY HOLD OFFICES IN OTHER COMPANIES

TABLE 3: STRUCTURE OF THE BOARD OF AUDITORS

Board of Auditors							
Office	Members	In office since	In office until	List (M/m)*	Independence as per Code	** (%)	Number of other offices ***
Chairman	Riccardo Ferrari	29-04-2009	Close of 2011	m	X	100	
Standing Auditor	Gian Paolo Ranocchi	29-04-2009	Close of 2011	M	X	100	
Standing Auditor	Renato Tengattini	29-04-2009	Close of 2011	M	X	100	
Alternative Auditor	Luca Signorini	29-04-2009	Close of 2011	M	X	///	
Alternative Auditor (**)	Giannicola Cusumano	29-04-2009	Close of 2011	m	X	///	
-----AUDITORS LEAVING OFFICE DURING REFERENCE PERIOD -----							
Quorum for presenting lists for last appointment: 2.5% of the share capital							
No. of meetings held in reference period: 7							

NOTE

(**) In charge since Shareholder Meeting resolution of 29/04/2009

* Elected from majority list (M) or minority list (m).

** Attendance (%) at Board of Auditor meetings (# of meetings actually attended out of total meetings held during period in office).

*** Number of directorships or auditorships relevant pursuant to TUF article 148 bis. Pursuant to CONSOB Issuers Regulations article 144-quinquiesdecies, the complete list of such offices is attached to the supervisory report, drafted in accordance with TUF article 153, §1.

ATTACHMENT

CURRICULUM VITAE: CAD IT S.p.A. DIRECTORS

GIUSEPPE DAL CORTIVO

Personal data

Born in Verona on 25/07/1945, he graduated in economics and business studies in 1972 at Verona University.

Professional position

Since 1980 he has been part of Cad S.r.l. and, in 1987, he founded CAD IT S.p.A. (former Proga S.r.l.) together with Luigi Zanella, Giampietro Magnani and Maurizio Rizzoli, as well as some of their relatives, with the aim of extending the software activities traditionally addressed to company businesses into the credit sector.

He currently holds the Chairmanship of the Board of Directors of CAD IT S.p.A., besides being a member of the Board of Directors of some subsidiaries.

Together with the other members of the Board of Directors, he defines the corporate strategy.

He is in charge of the “software for financial instrument back office” department and, in particular, he is the department’s Production Manager. He is also in charge of the Organisation Office, of the Sales Office and responsible for managing in Banking Division customers in relation to financial instruments.

Together with another Executive Director, he also manages the internal research and development team.

Previously held positions/offices

1967 – 1980: he worked for Cassa di Risparmio di Verona, where he specialised in information technology and finance.

GIAMPIETRO MAGNANI

Personal Data

Born in Caprino Veronese (VR) on 10/11/1944.

Professional position

In 1987 he founded CAD IT S.p.A. (former Proga S.r.l.) together with Luigi Zanella, Giuseppe Dal Cortivo and Maurizio Rizzoli, as well as some of their relatives, with the aim of extending the software activities traditionally addressed to company businesses into the credit sector.

Due to his technical and computing skills, gained through several years of working in the banking business (1970 - 1981 Cassa di Risparmio di Verona), he is now in charge of the technological evolution of CAD IT Group software products.

He is currently in charge of the “Software for Services” department and of the “Integrated IT Systems for Banks” department. He manages the production, organisation, marketing and customer management functions of these departments and, together with another Executive Director, he also manages the internal research and development team.

Lastly, he also covers the role of Person in charge of the entire Industry Division.

He is an Executive Director of CAD IT S.p.A. and he is a Member of the Board of Directors of some subsidiaries.

Previously held positions/offices

1967 – 1970: analyst programmer at Associazione Nazionale Allevatori di Razza Bruna.

LUIGI ZANELLA

Personal data

Born in Legnago (VR) on 19/01/1947.

Professional position

After specialising in the design of information systems for banks and industry, in 1982, he acquired a relevant shareholding in CAD S.r.l. becoming one of its key persons.

In 1987 he founded CAD IT S.p.A. (former Proga S.r.l.) together with Giampietro Magnani, Giuseppe Dal Cortivo and Maurizio Rizzoli, as well as some of their relatives, with the aim of extending the software activities traditionally addressed to company businesses into the credit sector.

Currently, besides being an Executive Director of CAD IT S.p.A. and of some subsidiaries, he manages the Group’s internal organisation activities. In particular, he is in charge of the management and control function, the human resources management, the administration and finance department, the logistics department, the purchasing department and internal security.

Previously held positions/offices

1966 – 1969: analyst programmer at Milan and Bologna divisions of Consorzio Nazionale Esattori.

1969 – 1982: analyst programmer for the Centro Elettronico of the Cassa di Risparmio di Verona.

PAOLO DAL CORTIVO

Personal data

Born in Verona on 06/12/1972, he graduated in economics and business in 1997 at the Trento University.

Professional position

Currently, besides being an Executive Director of CAD IT S.p.A., he also manages the Group's business development activities.

After the Company's listing on the Italian Stock Exchange on 26/10/2000, he is also the Company's "Investor Relations" Manager, due to the skills gained before and during the listing process, with particular attention to institutional and non-institutional relationships, financial analysts and the press.

Previously held positions/offices

1997 – 1999: collaboration with CAD IT S.p.A. for the development and design of a computer procedure for the management of SICAV "corresponding bank" and "dealing bank" problems, with reference to Italian banks.

In 1999 he was nominated as Chairman of 4 Emme Informatica S.r.l. in Lodi, a company that provides software development services and banking advice.

January 1999 – March 2000: collaboration with CAD IT S.p.A. for the design of the "complete IT system for banks (SIBAC)" with particular reference to the securities area.

During 2000 he oversaw, together with other members of the Board of Directors, CAD IT S.p.A.'s listing in the Italian Stock Exchange, following every phase of the process.

In January 2001 he was nominated Chairman of the Board of Directors of SGM S.r.l. in Padua, a software house specialised in the production of management systems for enterprises and software solutions integrating wireless technology to the network.

MAURIZIO RIZZOLI

Personal data

Born in Verona on 19/06/1946, he graduated in engineering at Padua University.

Professional position

Since 1987 he has been a shareholder in CAD IT S.p.A. (former Proga S.r.l.) and he is currently a Member of the Board of Directors.

Since the origins of the Group, he has overseen the industry sector becoming a specialist in the design of solutions for the administrative and production management areas, with particular reference to engineering firms.

He has recently specialised in the creation of information systems for Public Administration.

Previously held positions/offices

Before establishing CAD S.r.l., he operated in the banking sector as an analyst programmer, gaining vast experience with large-scale systems.

MATTHIAS SOHLER

Personal Data

Born in Lorrach (Germany) on 22/01/1969, he graduated at the Mannheim University of business administrative A-Level in Germany in 1992

Professional position

Since 01/2009 European Head of Financial Services for Xchanging Transaction Bank GmbH, Frankfurt am Main.

Since 01/2009 Member of the Executive Committee at Xchanging plc, London.

Previously held positions/offices

6-10/1990	National Bank Atlanta, Credit department/Corporate Finance
1-3/1991	Deutsche Hypothekenbank Frankfurt
8-10/1991	Dresdener Bank New York, Corporate Finance
7/1992 – 3/1996	DMC Dresdner Management Consult, Frankfurt/ Dresdner Bank concern General Manager of internal consulting - HR responsibility for 20 employees - Turnover 10 Mio. DM - Set up and head of In-house Consulting Dresdener Bank, Retail / Corporate Banking Dresdener Bank - Strategic consultancy Corporate Banking Dresdner Bank - Advisor for small/medium enterprises of Corporate Banking
4/1996	Heyde AG, Bad Nauheim Managing Director banking - turnover 12 Mio. DM - managerial responsibility for 40 employees in Germany - set up service offering for bank and insurances
1/1997	Heyde + Partner GmbH

1-12/1997	<p>Managing Director financial services</p> <ul style="list-style-type: none"> - coordination and preparation of the IPO of the Heyde AG - acquisition of companies for the extension of the national and international product and service offer for banks and insurances - turnover 50 Mio. DM - managerial responsibility for 120 employees in Germany
1/1998	Board member of Heyde AG
9/1998	<p>IPO Heyde AG</p> <ul style="list-style-type: none"> - turnover 100 Mio. DM - managerial responsibility for 270 employees in Europe
1-12/1998	<p>Responsible for:</p> <ul style="list-style-type: none"> - division banking and insurances with 140 Mio. DM revenue 6 countries with 600 employees
1999	<p>Strategic positioning Heyde Group as Full service provider</p> <p>Internationalisation of the performance of the Heyde Group</p> <ul style="list-style-type: none"> - turnover 180 Mio. DM - managerial responsibility for 900 employees worldwide
2000	<p>Responsible for:</p> <ul style="list-style-type: none"> - Group strategy and marketing - Integration of the acquired companies of the banking and insurance division in the Heyde Group - Set up the produced "Elaxy AG" factory
Since 1/2001	<p>General Manager DAB bank AG</p> <p>Responsibility:</p> <ul style="list-style-type: none"> - IT-Production - IT-Application Development - Security services - Head of the integration team of Selftrade S.A. - Country responsibility in DAB Board for France
3/2001 – 12/2002	<p>Member of the Board Selftrade S.A., Paris</p> <p>Responsibility:</p> <ul style="list-style-type: none"> - IT-Production - IT-Application Development - Head of integration team
4/2002 – 12/2004	<p>Member of the Board DAB bank AG, Munich</p> <p>Responsibility:</p> <ul style="list-style-type: none"> - IT-Production - IT-Application Development - Security services
10/2002 – 2/2005	<p>direktanlage.at AG, Salzburg</p> <p>Member of the Supervisory Board</p>
3/2005 – 12/2005	<p>Bayerische Hypo- und Vereinsbank AG, Munich</p> <p>Executive divisional board member</p> <p>Head of the Corporate Operations department and IT with 2000 Employees and key activities:</p> <ul style="list-style-type: none"> - IT-factory - IT-Application Development - Cost management of HVB Group
1/2006 – 12/2008	<p>Bayerische Hypo- und VereinsbankAG, Munich</p> <p>Member of the Board</p> <p>Chief Operating Officer</p> <p>Responsibility for 7000 employees</p>
10/2007 – 12/2008	<p>Member of the Chief Operating Officer Committee</p> <p>Deputy COO UnicreditGroup</p> <p>Responsibility for 15000 employees:</p> <ul style="list-style-type: none"> - Information Technology - Back Office - Real Estate - Logistic & Facility - Purchasing - Cost management
Since 01/2009	<p>Xchanging Transaction Bank GmbH, Frankfurt am Main</p> <p>European Head of Financial Services</p>
Since 01/2009	<p>Xchanging plc, London</p> <p>Member of the Executive Board</p>

Additional skills

10/1991	Aptitude test as trainer – instructor IHK Mannheim
10/1994	Graduate School of Business Administration Zürich, Switzerland
	Management training: Lean management

1999 – 2001	Supervisory Board Member and launcher of the online bank of the German savings bank group pulsiv.com (today s-broker)
1999 – 2001	Supervisory Board Member Tantus plc
1999 – 2001	Supervisory Board Member Consulting Partner GmbH
2000	Head of Supervisory Board di elaxy.com
4/2000	Member of the Investment Committee Value Partner GmbH
5/2005	Head of Supervisory Board HVB Information Services GmbH
2/2006 – 12/2006	Head of Supervisory Board HVB Payments & Services GmbH
3/2006 – 12/2007	Supervisory Board Member Financial Market Service GmbH
4/2006	Supervisory Board Member HVB Immobilien AG
4/2006	Head of Supervisory Board HVB Secur GmbH
5/2006	Supervisory Board Member DAB bank AG
4/2007	Member of Board of Directors UniCredit Real Estate S.p.A.
10/2007	Member of Board of Directors i-Faber S.p.A.

JOERG KARSTEN BRAND

Personal data

Born in Saarbruecken (Germany) on 23/05/1969, he graduated in 1990 as “Bankkaufmann” at Berufsschule Weidenstieg, Hamburg, Germany and in 1994 as “Bankfachwirt”, majoring in Finance & Accounting, Economics and Law at Bankakademie, Hamburg, Germany and in 2001 obtained a Master of Science Degree in Finance at the London Business School, London, United kingdom.

Professional position

January 2011 to present	XCHANGING Continental Europe, Frankfurt
	BaFin-approved Managing Director (‘Geschäftsführer’) of Xchanging Transaction Bank GmbH
	BaFin-approved Managing Director (‘Geschäftsführer’) of Fondsdepot Bank GmbH
	Managing Director of Xchanging ETB GmbH
	Managing Director of Xchanging GmbH
	Managing Director of Xchanging Italy S.r.l.
	Member of the Shareholder Committee of Xchanging etb GmbH
	Member of the Shareholder Committee of Fondsdepot Bank GmbH
	Member of the Shareholder Committee of Kedrios S.p.A.
	<input type="checkbox"/> Director (CEO and CFO) for Xchanging Continental Europe
	<input type="checkbox"/> Responsible for all operations including balance sheet preparation and management of the external year-end audit for all operations of Xchanging Central Europe

Previously held positions/offices

August 2009 - December 2010	XCHANGING PLC, London Group Corporate Development Director
	<input type="checkbox"/> Lead Investor Relations for Xchanging PLC group
	<input type="checkbox"/> Manage relationships with and presented to research analysts and existing and potential investors
	<input type="checkbox"/> Responsible for consensus modelling and forecasts
	<input type="checkbox"/> Conducted ‘beauty parade’ to appoint stock brokers
	<input type="checkbox"/> Managed the RfP process to retain Investor Relations consultancy
	<input type="checkbox"/> Shape and validate potential Enterprise Partnerships and major outsourcing deals
	<input type="checkbox"/> Responsible for the commercial viability of the business case
	<input type="checkbox"/> Work with Legal to develop the commercial terms and negotiate the agreements forming the contract
	<input type="checkbox"/> Enforce the rigorous business development process
	<input type="checkbox"/> Support the Group CFO in all commercial activities at group level
	<input type="checkbox"/> Evaluate the performance of existing Enterprise Partnerships over their lifecycle to document value delivered to partners and to Xchanging
	<input type="checkbox"/> Manage and re-negotiate existing contracts (where necessary)
	<input type="checkbox"/> Own and managed the acquisition and commercial processes for the Xchanging group
	<input type="checkbox"/> Developed defence strategy including the identification of ‘white knights’
	<input type="checkbox"/> Provide input into M&A strategy and direction
	<input type="checkbox"/> Prepare acquisition pipeline to support Xchanging group strategy
	<input type="checkbox"/> Evaluate all major business development opportunities

- Provide strategic support to the Xchanging PLC Board regarding value drivers and ensure these are captured in the company strategy
 - Advise on capital structure
 - Manage relationships at all levels with potential equity capital providers, providing input into financing strategy and optimal balance sheet structure
 - Model company performance and determine valuation parameters
 - Liaise with external bodies concerning equity pricing
 - Support Treasury in the development of cash flow and funding models
- September 2004 -
July 2009
- XCHANGING Continental Europe, Frankfurt
BaFin-approved Managing Director ('Geschäftsführer') of Xchanging Transaction Bank GmbH responsible for Finance, Quality, Audit, HR and Service (since 11/07)
- Finance and Commercial Director for Xchanging Continental Europe (01/09 – 08/09)
 - Responsible for balance sheet preparation and management of the external year-end audit (PWC)
 - Prepared extensive financial reporting to Group CFO
 - Owned and managed the acquisition and commercial processes at sector level
 - Negotiated the acquisition of Fonds Service Bank (approx. 450,000 retail investment accounts) from DAB for approximately € 20 million
 - Negotiated and implemented the acquisition of Fondsdepot Bank GmbH from Allianz Global Investors (8-year BPO partnership with a total contract value of approximately € 400 million)
 - Head of Service for Xchanging Continental Europe (01/05 – 12/08)
 - Strategic development of existing customer relationships at senior management level
 - Created substantial growth in selling services to existing customers
- August 2002 -
August 2004
- Xchanging Limited, London
Business Development Manager
- Co-Founder of Xchanging, Germany
 - Developed 'go-to-market strategy' for the German market
 - Negotiated take-over of "European transaction bank" from Deutsche Bank AG (12-year BPO partnership with a total contract value of approx. € 2 billion)
- July 2001 -
July 2002
- DEUTSCHE BANK, London
Corporate Finance / Mergers and Acquisitions
- FSA-approved "Securities and Financial Derivatives Representative"
 - Advised corporations on mergers & acquisitions and capital structure
 - Prepared financial models for merger effects and company valuation including LBO analyses
 - Deal experience: Acquisition of Innogy Plc by RWE AG for approx. Euro 8.5 billion (Joint defence & sell-side advisor), Acquisition of National Car Parks by Cinven and Royal Bank Private Equity for approx. Euro 1.3 billion (Sole buy-side advisor), Acquisition of Youngs Bluecrest Seafood by CapVest for approx. Euro 200 million (Sole sell-side advisor)
- June 1999 -
July 2000
- DRESDNER KLEINWORT BENSON, Buenos Aires, Argentina
Regional Manager Global Finance
- Originated, structured and distributed debt and bond products (incl. credit analyses) for corporations and banks in Argentina, Chile, Peru, Bolivia and Uruguay.
 - Advised companies on the arrangement of financing packages in the areas of acquisition finance & project finance including different tax optimisation structures
 - Transactions executed included: Advisor for ENAP (Chile) on the targeted acquisition of Petrolera San Jorge (Argentina), Perez Companc (Argentina) US\$ 300m Syndicated Loan, Telefónica de Argentina US\$ 400m FRN, Telefónica del Peru US\$ 200m FRN
- December 1998 -
June 1999
- DRESDNER KLEINWORT BENSON NORTH AMERICA LLC, New York, USA
Manager Global Finance
- Placed various funds - related to Latin America - among German institutional investors
 - Analysed the credit of privately placed debt of U.S. corporations

October 1997 - December 1998	DRESDNER BANK LUXEMBOURG S.A., Luxembourg, Luxembourg Assistant Vice President <input type="checkbox"/> Structured, distributed and executed syndicated loans for corporations / banks in Latin America
June 1994 - September 1997	DRESDNER BANK LATEINAMERIKA AG, Buenos Aires, Argentina Assistant Representative <input type="checkbox"/> Acted as Sales and Relationship Manager for financial institutions and corporations <input type="checkbox"/> Negotiated and re-structured troubled and non-performing loans
October 1991 - May 1994	DRESDNER BANK LATEINAMERIKA AG, Hamburg, Germany <input type="checkbox"/> Rotative trainee program concentrated on the Corporate & Correspondent Banking area. Subjects comprised: credit analysis & administration & relationship management
September 1990 - September 1991	Military Service (1. Panzerartilleriebatallion 177), Hamburg, Germany
August 1988 - July 1990	DRESDNER BANK LATEINAMERIKA AG, Hamburg, Germany <input type="checkbox"/> Apprenticeship program, graduated as "Bankkaufmann"

FRANCESCO ROSSI (Independent)

Personal data

Born in Giovo (TN) on 26/06/1947, he graduated in Economics and Business in 1971 at Padua University.

Professional position

Principal of the Faculty of Economics at Verona University in 1997-2000, 2000-2003 and since 2006.

Full Professor in the Faculty of Economics at Verona University, scientific and disciplinary field SECS-S/06 "Mathematical methods of economy and actuarial and financial sciences", and professor of "Mathematics for Economic-Financial Decisions", "The management of share portfolios" on Faculty of Economics degree courses. He also teaches on Master and research doctorate courses.

Other current positions/offices

Member of the Board of Directors of: Duomo UniOne Assicurazioni S.p.A., Aletti Gestielle SGR S.p.A. (independent), CAD IT S.p.A. (independent) and Fondazione CUOA.

Previously held positions/offices

Member of the Board of Directors of Aletti Gestielle Alternative SGR S.p.A. (2010)

Member of the Board of Directors of Aletti Private Equity SGR S.p.A. (2003-2009)

Principal of the "Mathematics Institute" of the Faculty of Economics at Verona University (1993-1999);

Principal of the "IT and Automatic Calculation Centre" at Verona University (1990-1999);

Professor of "Mathematics for Economic and Financial Applications" at Luigi Bocconi Business University in Milan (1994-1999);

Professor of "The Mathematical Theory of Financial Portfolios" at Trieste University (1996);

Professor of "General Mathematics" at "Cà Foscari" University in Venice (1990-1993);

Associate Professor of "Operative Research" at Verona University (1985-1990);

Statistics assistant at Padua and Verona Universities (1973-1984, period in which he was also professor for the teaching of "Statistics and Operative Research");

Consultant and employee at Montefibre in Milan (1971-1972)

LAMBERTO LAMBERTINI (Independent)

Personal data

Born in Bologna, on 03/06/1949.

Professional position

Lawyer with experience in corporate and commercial law;

Enrolled in the "Lawyer's Bar" since 1977;

Enrolled in the "Albo dei patrocinanti in Cassazione ed abilitati al patrocinio dinanzi alle giurisdizioni superiori" since 1991;

Member of the Board of Directors of CAD IT S.p.A.

Previously held positions/offices

Head editor of the "Rivista degli Avvocati Italiani" journal (1991-1996);

National Vice secretary of "Federavvocati" (1991-1992);



Chairman of the “Consiglio dell’Ordine degli Avvocati di Verona” (1996-1998 and 1998-2000);
Member of the Board of Directors of the “Fondazione Arena di Verona” (1999-2006);
Guarantor for Verona Municipality (2001-2005);
He collaborated in the teaching of business law at the Faculty of Law at Verona University;
Coordinator of civil law teaching and professor of business law at the legal professions specialization school set by Trento and Verona Universities (2001- 2007);
Chairman of the Supervisory Board of Aluminium Trevisan Cometal S.p.A. (2008-2009)
Chairman of the “District Commission” at the “Venice Court of Appeal” for the lawyer state exam (2009-2010);
Member of the editorial committee of the “Rivista di Giurisprudenza ed economia d’azienda” journal;
Chairman of the shareholders’ meeting of the “Società Letteraria di Verona”.

CURRICULUM VITAE: CAD IT S.p.A. AUDITORS

RICCARDO FERRARI

Personal data

Born in Rome on 30/12/1954

Professional position:

Head of “CFC PROFESSIONISTI ASSOCIATI - studio professionale associato” in Verona

Chairman of Board of Auditors offices

CAD IT S.p.A.

Eurofin S.r.l.

Food Machinery M.V. S.p.A. in liquidazione

Standing Auditor offices

Compar S.p.A.

Elle Immobiliare S.p.A.

Ferro S.p.A.

Gruppo Centro Nord S.p.A.

Idromec S.p.A.

Immobiliare Caselle S.p.A.

Immobiliare Cinquerre S.p.A.

Impresa Edile Lonardi S.p.A.

Muraro S.p.A.

Officina Meccanica F.lli Tabarelli S.p.A.

Officine Crestani S.p.A.

Pakelo Motor Oil S.r.l.

Panfin S.r.l.

Rossetto Group S.p.A.

Non-corporate organizations offices

Head of the “Accademia Filarmonica di Verona”

Counsellor for “Amici di Castelvecchio e dei civici musei di Verona”

GIAN PAOLO RANOCCHI

Personal data

Born in Verona on 07/04/1961

Professional position

Partner at “Studio Fermi Commercialisti Associati” in Verona.

Chairman of Board of Auditors offices

Gemma S.P.A.

Sat S.p.a

CAD S.r.l.

E.B.I Group S.R.L.

Cisalпина Finanziaria S.r.l.

Centro San Floriano S.r.l.

Standing Auditor offices

CAD IT S.p.A.

Banca della Valpolicella Credito Cooperativo di Marano – soc. cooperativa

Gamma Ufficio S.p.A.

Corte Giara S.r.l.



Rotomec S.p.A.
Stocchero Attilio E.C. S.r.l.
Premium wine Selection P.W.S. S.r.l.
Industrialtechnics S.r.l.
Società Agricola Luna Sicana S.r.l.
Bignami S.p.A.

Chairman of Board of Directors offices
Fario S.r.l.

Director offices
C.M.R. Service S.r.l.
Asp Holding S.r.l.
Van Paoluk S.r.l.

RENATO TENGATTINI

Personal data
Born in Paratico (BS) on 06/01/1956

Professional position
Member of "Studio Associato Campedelli" in Verona.

Standing Auditor offices
CAD IT S.p.A.
Konus Italia Group S.p.A.
Zucchelli Forni S.p.A.
Ingessil S.r.l.
Corte Giara S.r.l.
Zanetti S.r.l.
I.Var. Industry S.r.l.
Gierrebi S.r.l.
Car Due S.p.A.
Mondial Forni S.p.A.
Antica Bottega del Vino S.r.l.

Chairman of Board of Director offices
Paluani S.p.A.

Director offices
Immobiliare Berardi S.p.A.

External auditor offices:
Accademia C.B. Cignaroli