CONSOLIDATED QUARTERLY REPORT OF THE DADA GROUP AS AT DECEMBER 31, 2005

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

Registered Offices: Borgo degli Albizi 12 - Florence
Share Capital Euro 2,692,092.97 fully paid-in
Florence Company Registry Office No. FI017- 68727 - REA 467460
Fiscal code/VAT No. 04628270482

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CORPORATE BOARDS

CORPORATE BOARDS

The corporate boards were appointed by the Shareholders' Meeting on April 11, 2003 for the three-year period 2003-2005.

BOARD OF DIRECTORS

Paolo Barberis	Chairman
Angelo Falchetti	Managing Director
Salvatore Amato	Director [1,2, 3, 5]
Marco Argenti	Director [4]
Giovanni Benedetto	Director [1, 5]
Aldo Bisio	Director [4]
Vittorio Colao	Director [4]
Massimiliano Pellegrini	Director
Barbara Poggiali	Director [2, 3]
Lorenzo Lepri Pollitzer de Pollenghi	Director [2, 3]
Alberto Ronzoni	Director [1,4]
Giorgio Valerio	Director [4]
Pietro Varvello	Director [4]

1 - Member of the Internal Control Committee
2 - Member of the Nominations Committee
3 - Member of the Remuneration Committee
4 - Co-opted by the Board and subsequently appointed by the Shareholders' Meeting of December 30, 2005
5 - Independent director in accordance with the self-governance code for Listed Companies.

The Board of Directors has conferred to the Managing Director powers for the management of the company with limitations on the value of transactions, and this latter has in turn conferred some powers for specific areas with limitations on the value of transactions.

BOARD OF STATUTORY AUDITORS

Alessandro Grimaldi	Chairman of the Board of Statutory Auditors
Pier Angelo Dei	Standing Auditor
Francesca Pirrelli	Standing Auditor [1]
Piero Alonzo	Alternate Auditor
Claudio Pastori	Alternate Auditor [1]

1 Appointed by the Shareholders' Meeting of December 30, 2005 following the passing of the standing auditc Giancarlo Lemmi

INDEPENDENT AUDIT FIRM

Deloitte & Touche S.p.A.

RESULTS OF THE DADA GROUP IN ACCORDANCE WITH IAS/IFRS[1] ACCOUNTING STANDARDS

Consolidated Results (3 months)

(millions of Euro)	31/12/2005	31/12/2004
Revenues	23.5	15.0
Ebitda	3.4	1.7
Depreciation & amortization	-1.0	-1.0
Ebit	1.1	-2.2
Group net result	1.3	-2.6

Consolidated Results (12 months)

(millions of Euro)	31/12/2005	31/12/2004
Revenues	69.8	48.4
Ebitda	12.7	6.1
Depreciation & amortization	-3.3	-3.1
Ebit	8.0	-0.3
Group result	6.7	-2.7

Consolidated balance sheet as at December 31, 2005

(millions of Euro)	31/12/2005	31/12/2004
Net working capital	0.7	0.5
Net Capital employed	17.7	15.9
Shareholders' Equity	39.8	31.1
Short-term net financial position	23.1	18.0
Number of employees	253	229

[1] The comparative data at December 31, 2004 was reclassified and prepared in accordance with international accounting standards.

INTRODUCTION

The consolidated quarterly report at December 31, 2005 was prepared in accordance with the provisions of the International Accounting Standard No. 34 “Interim Reporting” (IAS 34) and, in relation to the accounting principles, in accordance with IAS/IFRS issued by the IASB and standardised by the European Union as per article 81 of the Issuers’ Regulations No. 11971, issued by Consob on May 14, 1999, and subsequent amendments. For comparison purposes the figures for the previous periods were also prepared in accordance with IAS/IFRS.

For a full analysis of the effects deriving from the first application of these standards, reference should be made to Attachment 2 of the half-year report at June 30, 2005 “IFRS/IAS transition to international accounting standards”. This document reports the reconciliation statements on the data in accordance with the Italian and international accounting standards, and the explanatory notes to illustrate the main differences.

It is also noted that the present quarterly report was prepared taking into consideration the current accounting standards at the date of their preparation. It is possible that new versions or interpretations of the IFRS will be issued, with retrospective effect, before the publication of the financial statements relating to the year 2005. These will be the first complete financial statements prepared by the Group in accordance with IFRS. If this occurs, therefore, it is possible that there will be an effect on the data presented in the first IFRS half-year report and in the reconciliation statements prepared in accordance with IFRS 1.

Consolidation principles

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

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

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

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

The minority share interests in the subsidiaries consolidated are recorded separately in the shareholders’ equity. This minority interest is determined based on the percentage held in the fair value of the assets and liabilities recorded at the original acquisition date (see below) and in the changes in shareholders’ equity after this date. After the initial recording, the losses attributable to the minority shareholders exceeding the shareholders’ equity pertaining to them are allocated to the Group shareholders’ equity, except where the minority shareholders have a binding obligation and are capable of making further investments to cover the losses.

With respect to the end of 2004, Dadamobile Inc. is included in the consolidation area. In addition, for the company Ad Maiora, only the income statement was fully consolidated to September 30, 2005, and the valuation of the investment was aligned to the disposal value.

The consolidation scope for the period is shown below:

Consolidation area	At December 31, 2005			At September 30, 2005			At December 31, 2004		
In Euro thousands	Perc. held	Period Consol.	Share capital	Perc. held	Period Consol.	Share capital	Perc. Poss.	Period Consol.	Share capital
Dada SpA (FI)	Parent company	Jan-Dec 2005	2,664	Parent company	Jan-Sept. 2005	2,664	Parent company	Jan-Dec 2004	2,664
Ad Maiora SpA (RM)	60.00%	Jan-Sept. 2005	780	60.00%	Jan-Sept. 2005	780	60.00%	Jan-Dec 2004	780
PlanetCom SpA (MI)	50.00%	Jan-Dec 2005	263	50.00%	Jan-Sept. 2005	263	50.00%	Jan-Dec 2004	263
Register SpA (BG)	97.04%	Jan-Dec 2005	1,913	97.04%	Jan-Sept. 2005	1,913	67.89%	Jan-Dec 2004	1,913
Softec SpA (Pistoia)	50.00%	Jan-Dec 2005	300	50.00%	Jan-Sept. 2005	300	50.00%	Jan-Dec 2004	300
- WebNet S.r.l. (FI) ind	100.00%	Jan-Dec 2005	21	100.00%	Jan-Sept. 2005	21	100.00%	Jan-Dec 2004	21
- Business Engineering Srl (PT) ind.	100.00%	Jan-Dec 2005	21	100.00%	Jan-Sept. 2005	21	95.00%	Jan-Dec 2004	21
DadaMobile S.p.A. (FI)**	100.00%	Jan-Dec 2005	10,433	100.00%	Jan-Sept. 2005	10,433	100.00%	Jan-Dec 2004	10,885
- Clarence S.r.l. (FI) ind.	100.00%	Jan-Dec 2005	21	100.00%	Jan-Sept. 2005	21	100.00%	Jan-Dec 2004	11
- DadaMobile Inc (NY - USA) ind.	100.00%	Feb-Dec 2005		100.00%	Feb-Sept. 2005				

* Company sold on September 30, 2005, only the income statement consolidated for the first nine months of the year.

**Concento S.p.A. changed its name to DadaMobile S.p.A. on February 4, 2005

INFORMATION ON OPERATIONS

Dear Shareholders,

A summary is provided below of the results of the Dada Group in the fourth quarter of 2005, compared to the same period in the previous year:

Reclassified Consolidated Income Statement for the quarter:

Amounts in Euro/thousand	Dec 31 05		Dec 31 04		DIFFERENCE	
	Amount	% of total %	Amount	% of total %	Absolute	percent.
Net Revenues	**23,466**	**100%**	**14,955**	**100%**	**8,511**	**57%**
Changes in inventory & inc. for inter. work capitalised	616	3%	472	3%	144	31%
Service costs and other operating costs	-17,833	-76%	-11,488	-77%	-6,345	55%
Personnel costs	-2,904	-12%	-2,276	-15%	-628	28%
Ebitda	**3,345**	**14%**	**1,663**	**11%**	**1,682**	**101%**
Amortisation & depreciation	-1,048	-4%	-1,008	-7%	-40	4%
Non-recurring income(charges)	-181	-1%	-585	-4%	404	-69%
Provisions and write-downs	-1,009	-4%	-2,307	-15%	1,298	-56%
Ebit	**1,107**	**5%**	**-2,237**	**-15%**	**3,344**	**-**
Investment income	19	0%	246	2%	-227	-92%
Financial income/(charges)	-27	0%	-136	-1%	109	-80%
Pre-tax result	**1,099**	**5%**	**-2,127**	**-14%**	**3,226**	**-**
Income taxes	124	1%	-558	-4%	682	-
Net profit	**1,223**	**5%**	**-2,685**	**-18%**	**3,908**	**-**
Minority interest share	64	0%	72	0%	-8	-11%
Group net profit	**1,287**	**5%**	**-2,613**	**-17%**	**3,900**	**-**

In the fourth quarter of 2005, the DADA Group recorded consolidated revenues of **Euro 23.5 million,** with **an increase of Euro 8.6 million (+57%)** compared to the same period in the previous year, which amounted to Euro 15 million.

For the full year ended **December 31, 2005, the Group turnover** amounted to **Euro 70 million** compared to Euro 48.4 million in 2004, an increase of 45%.

There was a positive contribution to the increase in sales in the fourth quarter of 2005, in addition to the combined effect of operational factors which will be described hereafter, from the definition of revenue recoveries with some telephone operators in part referring to previous quarters of the year, that on a prudent basis were not credited to the income statement given the uncertainty on these items.

These revenue recoveries, which have a limited benefit in terms of gross operating margin, on a pro-forma basis amounted to Euro 1.5 million.

The Breakdown of the sales by sector reports a continuing increase in the contribution of the Consumer Division with 74% of the consolidated revenues in the quarter, an increase compared to the fourth quarter of 2004 and the third quarter of 2005, which accounted for 64% and 66% respectively. In this sector, the DADA Group is positioned as leader in the web and mobile entertainment services, achieving important growth rates both in the number of pay subscribers and the number of products launched.

The Business Division, contributed 18% to the Group turnover, with an increase of 16% compared to the same period of 2004.

The Self Provisioning Division accounted for 8% of consolidated sales and increased its turnover by 19% compared to the fourth quarter of 2004.

For further information on the performance of the divisions, reference should be made to the paragraph relating to the description of the business activities of the Group.

Geographically, the sales are divided 85% on the domestic market and 15% on the foreign market, this latter largely represented by the US market. It is recalled that the internationalisation process, which relates to the Consumer division, commenced in the year just ended.

The consolidated Ebitda for the quarter was Euro 3.4 million, a considerable improvement compared to the previous year which amounted to Euro 1.7 million, thus reporting **growth of 100%.**

In 2005, the Ebitda was Euro 12.7 million (with a percentage margin of 18%), while in 2004 the Ebitda was Euro 6.1 million (a margin of 11%), with an increase of 108%.

In the fourth quarter of 2005, the consolidated Ebit was a profit of Euro 1.1 million (5% of consolidated sales), compared to a loss of Euro 2.2 million in the same period of 2004. **The Ebit for the full year was a profit of Euro 8 million,** compared to a loss of Euro 0.2 million in 2004.

In relation to depreciation and amortisation, it is recalled that the application of the international accounting standards resulted in a valuation of all of the tangible and intangible assets with particular regard to the valuation of goodwill. Relating to this latter, the IAS/IFRS standards established that their value must no longer be amortised, but must be subject to an impairment test on an annual basis.

The consolidated pre-tax profit for the fourth quarter of 2005 was **Euro 1.6 million,** compared to a loss of Euro 2.1 million in the same period in the previous year. Positively impacting on this account is the investment income deriving from the interest matured on securities and the liquidity of the Group, and negatively from financial charges in relation to guarantee/financing operations and bank commissions relating to collection services.

In 2005, this aggregate was a positive amount of Euro 8 million while in the same period in 2004 it amounted to a negative amount of Euro 0.2 million.

The net profit pertaining to the Group in the fourth quarter of 2005 was a **profit of Euro 1.3 million, equal to 5% of consolidated sales,** compared to a loss of Euro 2.6 million in the fourth quarter of 2004. It is recalled that the Group has fiscal losses of over Euro 70 million, of which Euro 46 million may be carried forward indefinitely.

Results of the Parent Company DADA S.p.A.: In 2005, DADA S.p.A. reported a similar performance to that reported at Group level. The total sales amounted to Euro 49.6 million with an increase of 90% compared to 2004. In the fourth quarter alone sales amounted to Euro 16.9 million, a strong increase compared to Euro 8.5 million in the fourth quarter of 2004.

It is recalled that the Parent Company Dada S.p.A. on July 27, 2005 incorporated the 100% subsidiaries Wireless Solutions S.p.A. and Clamm S.r.l., with retrospective accounting effect to the beginning of the year.

The Ebitda was Euro 9.4 million, a considerable improvement compared to the previous year which amounted to Euro 1.4 million. In the fourth quarter of 2005, the Ebitda was Euro 2.6 million compared to Euro 0.6 million in the fourth quarter of 2004.

A summary of the principal consolidated balance sheet accounts of the Dada Group at December 31, 2005 are shown below compared with December 31, 2004:

Reclassified consolidated balance sheet

Amounts in Euro/thousand	Dec 31, 05	Dec 31, 04	DIFFERENCE	
	Amount	Amount	Absolute	percent.
Fixed assets (A) (*)	**19,368**	**17,979**	**1,389**	**8%**
Current assets (B)	33,546	25,952	7,594	29%
Current liabilities C	-32,883	-25,018	-7,865	31%
Net working capital (D) = (B)-(C)	**663**	**934**	**-271**	**-29%**
Employee leaving indemnity provision (E)	-1,495	-1,331	-164	12%
Provision for risks and charges (F)	-836	-1,271	435	-34%
Net capital employed (A+D+E+F)	**17,700**	**16,311**	**1,389**	**9%**
Medium-long term payables	-963	-2,820	1,857	-66%
Shareholders' equity (G)	**-39,791**	**-31,484**	**-8,307**	**26%**
Short-term bank debts	-734	-751	17	-2%
Short-term securities and financial receivables	9,348	9,194	154	2%
Cash and cash equivalent	14,440	9,552	4,888	51%
Short-term net financial position	**23,054**	**17,995**	**5,059**	**28%**

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

The short-term Consolidated Net Financial Position at December 31, 2005 was a **positive amount of Euro 23.1 million**, compared to Euro 18 million at December 31, 2004 and Euro 21.6 million at September 30, 2005. During 2005, there was therefore **an increase in this figure in absolute terms of Euro 5 million**, with an **increase in percentage terms of 29%** on the opening financial position.

The total net financial position (that includes medium/long term sources and uses) amounts to Euro 22.1 million, net of payables to banks and other lenders repayable beyond one year of Euro 927 thousand.

The net working capital records a deterioration compared to June 30, 2005 and compared to December 31, 2004, due to the investments made for the launch of the products in the Consumer Division in some overseas countries.

In relation to this, it is recalled that this type of activity results in a financial management, at least in the initial phase, characterised by important temporary differences between the average period of payments and receipts. As a consequence, it was considered that the increase in the net working capital would continue in the final quarter of 2005.

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

Within the composition of the individual working capital accounts, it is noted that a significant part of the trade receivables are concentrated on a limited number of high credit rating clients. In particular, approximately 50% of the total value of the Group receivables are due from telephone operators which generate the majority of the revenues from payment services in the Consumer Division, that as previously reported, have increased significantly in recent months.

The positive operating cash flow permitted the DADA Group to fully self-finance investment activities in the period.

Also impacting on investment activities were the purchase of tangible fixed assets for the renewal of the technical structure of approximately Euro 300 thousand, and the expenses for the development of new products and services (and other intangible assets) of approximately Euro 700 thousand. The positive cash flow of this aggregate relates to the disposal of financing activities and income from investments.

The final quarter of the year benefited from the receipt of Euro 1.3 million related to the sale of the investment in Ad Malora in November 2005.

THE ORGANISATION STRUCTURE OF THE DADA GROUP

Compared to the disclosure of information in the previous quarters, the on-line revenue advertising and interactive marketing are allocated to the Consumer Division. Consequently the data relating to the previous quarters have been reclassified.

The secondary level is identified as the geographic areas.

Segment results are shown gross of intra-divisional transactions. Furthermore, compared to the Group's consolidated operating result, common costs have not been included. The following tables show the segment consolidated revenue and income statement.

The Business Units[1] of the DADA Group are comprised of the Consumer Division, Business Division and the Self-Provisioning Division.

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

The Consumer Division includes the subsidiary companies Dadamobile S.p.A., Clarence S.r.l., Wireless Solutions S.p.A., and Clamm S.r.l. (these were incorporated into Dada S.p.A, on July 28, 2005) while Softec S.p.A., Planetcom S.p.A and Ad Maoira S.p.A. are part of the Business division.

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

- Revenues from VAS (Value Added Services): this concerns services that are provided against a payment by the final user of a fee that may be for consumption or subscription;

- On-line advertising on own portals, interactive marketing and connectivity.

[1] Primary segment as per IAS 14

The offer of the Consumer Division for the VAS services is characterised by a rich portfolio of digital services and products with “Mobile Entertainment” and “Social Network” added value, accessible via PC (via Internet) and Mobile through: a) SMS short codes on the networks of mobile operators such as TIM, Vodafone, Wind and 3; b) through the new generation micro portal of 3, Vodafone Live! and i-mode and c) landline telephones, through the voice portal in collaboration with Telecom Italia.

In 2005, Dada consolidated its business consumer leadership in Italy and achieved important successes in foreign markets, among which the United States, England and Germany. It also commenced its operations in China and France.

“DADAmobile.com” demonstrated its ability to tap the needs of the Dada target clients with fast growth in subscriptions and downloaded content.

In relation to the international market, there was great success with the launch of the services in the United States, where DADA is present since May 2005 through the subsidiary DADAmobile Inc. The American market, with approximately 200 million subscribers to mobile telephone services, is one of the most important worldwide and DADAmobile, is today active with operators such as Cingular, AT&T, tMobile and Sprint with a very rich package of contents, creating a role of primary importance among the operators in the sector.

The Social Network business, in which Dada is leader with over 2 million users through the portal www.supereva.com, number one service in Italy in the ‘Personals’ category (Nielsen Net Ratings), in 2005 recorded an increase in subscriptions and revenues. Given the high level of integration of the value chain, this business also presents high margins.

In the advertising and Net Marketing area, in 2005 an internal sales agency was incorporated; heralded as the “new creative and technological factory”, it has sole control over supply of space on the DADA network. During the year, although it is a start-up activity, the advertising sales on the DADA Network reached a share of approximately 4% of the entire Italian on-line advertising market. The DADA property is chosen for the strong interactivity of its users and for the high level of proliferation that DADA is capable of offering to investors. Already in the final quarter and in the first months of 2006, there is an increasing tendency in the advertising of products to focus on performance and not only on impression.

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

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

In the development of technological applications related to the Internet, DADA has adopted a unique business model of its kind, the premise of which is the internal development and ownership of the technological platforms and applications that are tested and experimented with and then packaged and offered to large Italian and multinational companies for their e-business projects. This approach permits on the one hand to propose a high quality and flexible offer, and on the other, the achievement of a greater margin compared to the sale of solutions of third parties.

DADA is present on the market as a Net Agency capable of covering the entire cycle of needs of the large brands towards the Internet world, from the registration of the trademarks on all of the domains of the Network, up to ensuring qualified traffic on the portals recently designed and constructed.

The revenue from the Division can be subdivided into the 2 following categories:

web application development services, including CMS and Community platform personalisation and creative development for portals dedicated to on-line marketing.

In this market segment in 2005, over 90 important projects were carried out for large Italian Industrial Groups, including Ferrero, Wind, Barilla, Fiorucci, Vodafone, Tre, Unilever, Gemina, Fininvest, Fondiaria-Sai, Autostrade per l'Italia, RCS and Castorama.

Web Farm services including high performance Housing and Connectivity, provided by the Group's Web Farm complete the business service offer. More than 300 customers use DADA Web Farm services.

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

The year 2005 saw Register.it concentrating on the expansion of its clientele through online marketing campaigns: in the first six months of 2005, over 40,000 new domains were registered (31,000 in 2004) and over 9,200 new clients were acquired (+40% compared to the first half of 2004).

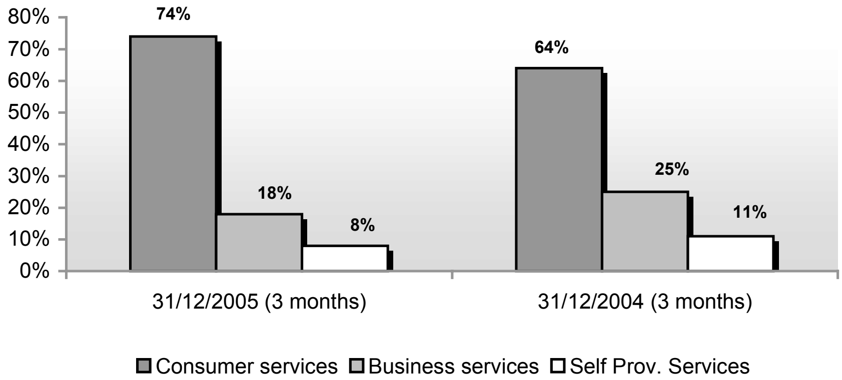
Loyalty of existing clients: over 57,000 domains were renewed, with an average renewal rate of 74%, compared to 68% in 2004.

In 2005, the domain and hosting market in Italy achieved a slight growth compared to 2004, with a much lower number of registrations when compared with the main European markets, which are completely liberalised and which have little or no bureaucracy to overcome, for example in Germany or in the United Kingdom. In Italy, new monthly domain registrations can be estimated between 30,000 and 35,000, while in the UK or Germany they easily surpass the 150,000 mark (Source: analysis Register.it from data by the Authorities).

Break Down of consolidated sales in the three divisions

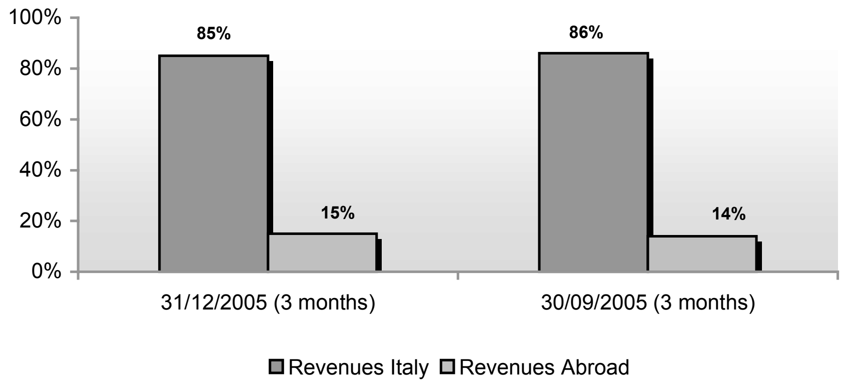
Description	31/12/2005 (3 Months)		31/12/2004 (3 Months)	
	Amount	% on total	Amount	% on total
Consumer Services	17,586	74%	9,567	64%
Business Services	4,249	18%	3,794	25%
Self Provisioning	1,997	8%	1,595	11%
Intra-divisional revenues	-366	-		-
Consolidated Revenues	**23,466**	**100%**	**14,956**	**100%**

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



Break Down of consolidated sales by geographical area

Description	31/12/2005 (3 Months)		30/09/2005 (3 Months)	
	Amount	% on total	Amount	% on total
Revenues Italy	19,976	85%	14,172	86%
Revenues Overseas	3,490	15%	2,272	14%
Consolidated Revenues	**23,466**	**100%**	**16,444**	**100%**



Results of the three divisions in the fourth quarter 2005

31/12/2005 (three months)					
Segment information	Consumer Services	Business Services	Self. Prov. Services	Adjustments	Consolidated
Revenues- third parties Italy	14,013	4,037	1,926		19,976
Revenues- third parties Foreign	3,490	0	0		3,490
Revenues inter-sector	81	212	72	-366	-
Net revenues	**17,585**	**4,249**	**1,997**	**-366**	**23,466**
Increases for fixed assets of internal work	475	43	99		616
Services	-14,339	-2,942	-902	366	-17,818
Personnel costs	-1,337	-902	-562		-2,801
Segment Ebitda	**2,384**	**447**	**632**	**-**	**3,463**
Segment ebitda / Sales	*17%*	*11%*	*33%*		*17%*
Depreciation & amortization	-530	-264	-211		-1,005
Segment Ebit	**1,854**	**184**	**421**	**-**	**2,458**
Segment ebit / Sales	*13%*	*5%*	*22%*		*12%*
		Provisions and write-downs			-1,009
		Corporate depreciation & amortisation			-43
		General expenses not allocated			-299
		Ebit			**1,107**

Consumer Services: the division ended the fourth quarter with total sales of Euro 17.6 million, compared to Euro 11.2 million in the previous quarter and Euro 9.6 million in the fourth quarter of 2004, thus recording percentage increases of 58% and 85% respectively.

In relation to sales in the quarter, it is recalled the comments in the introduction of the present document in relation to revenue recoveries from some telephone operators.

It is underlined, in particular, that in the fourth quarter the international activity saw important increases in turnover, consisting of 21% of the total revenues of the division and approximately 15% of the consolidated net revenues of the Group.

As already described, the increase in turnover is due in particular to the value added payment services via web and mobile.

The Ebitda in the division increased from Euro 0.5 million in the fourth quarter of 2004 (7% of the division sales) to Euro 2.4 million in the fourth quarter of 2005 (14% of the division sales).

The Ebit in the segment was Euro 1.9 million (13% of the division sales) after depreciation and amortisation of Euro 0.5 million. In relation to the depreciation and amortisation the previous considerations made apply in relation to the impact of the international accounting standards.

The contribution of the Consumer Division to the total consolidated results continues to increase, with the turnover in the fourth quarter representing 74% of the consolidated net revenues of the Group while amounting to 69% of the Group Ebitda and 76% of the Group Ebit.

The results in the Consumer Division for the full year 2005 are as follows: Sales Euro 48.4 million, EBITDA of Euro 9.6 million

Business Services: The Business Division ended the fourth quarter of 2005 with a turnover of Euro 4.4 million, an increase of 16% compared to the fourth quarter of 2004, which amounted to Euro 3.8 million.

This increase relates in equal measure to the product lines in the segment.

The Ebitda amounted to Euro 0.6 million (a margin on sales of 11%), an increase compared with the result in the previous year and the third quarter of 2005.

The Ebit amounted to Euro 0.2 million, after amortisation and depreciation of approx. Euro 0.2 million. In the previous year, this amounted to Euro 0.62 million. In relation to depreciation and amortisation, the previous considerations made apply in relation to the impact of the international accounting standards.

Self Provisioning Services: The sales in the Self Provisioning Division in the fourth quarter of 2005 amounted to Euro 2 million, an increase of 24% compared to the previous year which amounted to Euro 1.6 million.

There was a similar increase in margins which amounted to Euro 720 thousand and equal to approximately 40% of the turnover.

The Ebit in the segment was Euro 359 thousand (19% of the division sales) after depreciation and amortisation of Euro 227 thousand. In the fourth quarter of the previous year, the Ebit was Euro 0.3 million. In relation to depreciation and amortisation, the previous considerations made apply in relation to the impact of the international accounting standards.

The Self Provisioning Division also recorded deferred revenues of approx. Euro 3.9 million.

Other Information

In November, the disposal of the investment held in Tuttogratis S.A. (equal to 60% of the share capital) was formalised. The sale was made for a value of Euro 1.3 million, and generated a gain of Euro 470,000.

The number of personnel in the Dada Group at December 31, 2005 was 252, of which four Executives, while at December 31, 2004 the number of personnel was 229.

Outlook

The Board of Directors on December 16, 2005 examined some of the budget data of the Dada group, identifying the budget sales for the year 2006 as between Euro 90 and 95 million (with an increase of between 29% and 36% compared to 2005). The growth guidelines were also outlined which indicate for the three-year period 2006-2008 average annual growth (CAGR) of the Ebitda in the range of 15-20%.

Florence, February 13, 2006

For the Board of Directors

The Chairman Paolo Barberis

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT DECEMBER 31, 2005
PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

ASSETS	31/12/05 (12 months)	31/12/04 (12 months)
Non-current assets		
Goodwill	9,217	6,671
Intangible fixed assets	4,112	4,240
Other assets	3,263	2,371
Equity investments in non-consolidated subsidiaries, associated companies and other companies	15	128
Financial assets	248	577
Deferred tax assets	4,696	4,554
total	**21,551**	**18,541**
Current assets		
Stocks	396	101
Trade receivables	22,598	22,354
Tax receivables and other	8,369	2,934
Financial assets held for trading	9,348	9,194
Cash at bank and in hand	14,440	9,552
total	**55,151**	**44,135**
TOTAL ASSETS	**76,702**	**62,676**

CONSOLIDATED BALANCE SHEET OF THE DADA GROUP AS AT DECEMBER 31, 2005
PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

LIABILITIES AND SHAREHOLDERS’ EQUITY	31/12/05 (12 months)	31/12/04 (12 months)
LIABILITIES AND SHAREHOLDERS’ EQUITY		
Capital and reserves		
Share capital	2,692	2,664
Share premium reserve	28,085	34,015
Treasury reserves		-3,370
Legal reserve	406	406
Other reserves	-6,019	-6,334
Retained earnings/accumulated losses	7,415	4,349
Net profit/(loss) for the period	6,692	-2,725
Total Group shareholders’ equity	**39,271**	**29,005**
Minority interest share	**521**	**2,479**
Total Shareholders’ Equity	**39,792**	**31,484**
Medium/long term liabilities		
Bank loans (beyond one year)	933	2,430
Provisions for risks and charges	836	1,271
Employee leaving indemnity	1,494	1,331
Other payables beyond one year	30	390
total	**3,293**	**5,422**
Current liabilities		
Trade payables	20,544	16,927
Other payables	9,931	6,726
Tax payables	2,408	1,366
Bank overdrafts and loans (within one year)	734	751
total	**33,617**	**25,770**
TOTAL LIABILITIES & SHAREHOLDERS’ EQUITY	**76,702**	**62,676**

CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP AT DECEMBER 31, 2005 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

	31/12/05 (12 months)	31/12/04 (12 months)
Net Revenues	**69,845**	**48,440**
Cost of raw materials and consumables	-536	-148
Changes in inventory and increases for internal work capitalized	1,827	1,430
Service costs and other operating costs	-47,383	-35,618
Personnel costs	-10,957	-8,811
Other operating charges	-188	
Provisions and write downs	-1,261	-2,429
Depreciation & amortisation	-3,306	-3,132
Ebit	**8,041**	**-268**
Investment income	288	430
Other income and financial charges	-302	-406
Financial charges		0
Pre-tax result	**8,027**	**-244**
Income taxes	-1,271	-2,216
Net profit	**6,756**	**-2,460**
Minority interest share	-64	-265
Group net profit	**6,692**	**-2,725**
Basic profit per share	0.423	-0.174
Diluted profit per share	0.411	0.030

CONSOLIDATED INCOME STATEMENT OF THE DADA GROUP FOR THE QUARTER AS AT DECEMBER 31, 2005 PREPARED IN ACCORDANCE WITH IAS/IFRS ACCOUNTING STANDARDS

	31/12/05 (3 months)	31/12/04 (3 months)
Net Revenues	**23,466**	**14,955**
Cost of raw materials and consumables	-444	-23
Changes in inventory and increases for internal work capitalised	616	472
Service costs and other operating costs	-17,569	-12,050
Personnel costs	-2,904	-2,276
Other operating charges	-1	0
Provisions and write downs	-1,009	-2,307
Depreciation & amortisation	-1,048	-1,008
Ebit	**1,107**	**-2,237**
Investment income	19	246
Other income and financial charges	-27	-136
Financial charges		
Pre-tax result	**1,099**	**-2,127**
Income taxes	124	-558
Net profit	**1,223**	**-2,685**
Minority interest share	64	72
Group net profit	**1,287**	**-2,613**
Basic profit per share	0.081	-0.167
Diluted profit per share	0.079	0.030