



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

(Prepared in accordance with IAS/IFRS international accounting standards and in conformity with Regulation no. 11971 of May 14, 1999)

Registered Office: Viale Giovine Italia, 17 - Florence
Share capital Euro 2,736,503.43 fully paid-in
Florence Company Registry Office No. Flo17- 68727 - REA
467460
Fiscal code/VAT No. 04628270482

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CORPORATE BOARDS

The corporate boards were appointed by the Shareholders' Meeting on April 21, 2006 for the three-year period 2006-2008.

BOARD OF DIRECTORS

| | |
|-------------------------|---------------------------|
| Paolo Barberis | Chairman ¹ |
| Angelo Falchetti | Managing Director |
| Salvatore Amato | Director ^{2,3,4} |
| Marco Argenti | Director |
| Lorenzo Lepri Pollitzer | Director |
| Raffaello Napoleone | Director ^{2,3} |
| Barbara Poggiali | Director ⁴ |
| Roberto Ravagnani | Director |
| Alberto Ronzoni | Director |
| Riccardo Stilli | Director |
| Giorgio Valerio | Director |
| Pietro Varvello | Director |
| Danilo Vivarelli | Director ^{2,3,4} |

1 - Chairman with powers to sign, exercisable in the event of the absence or impediment of the other delegated bodies, currently not utilised.

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

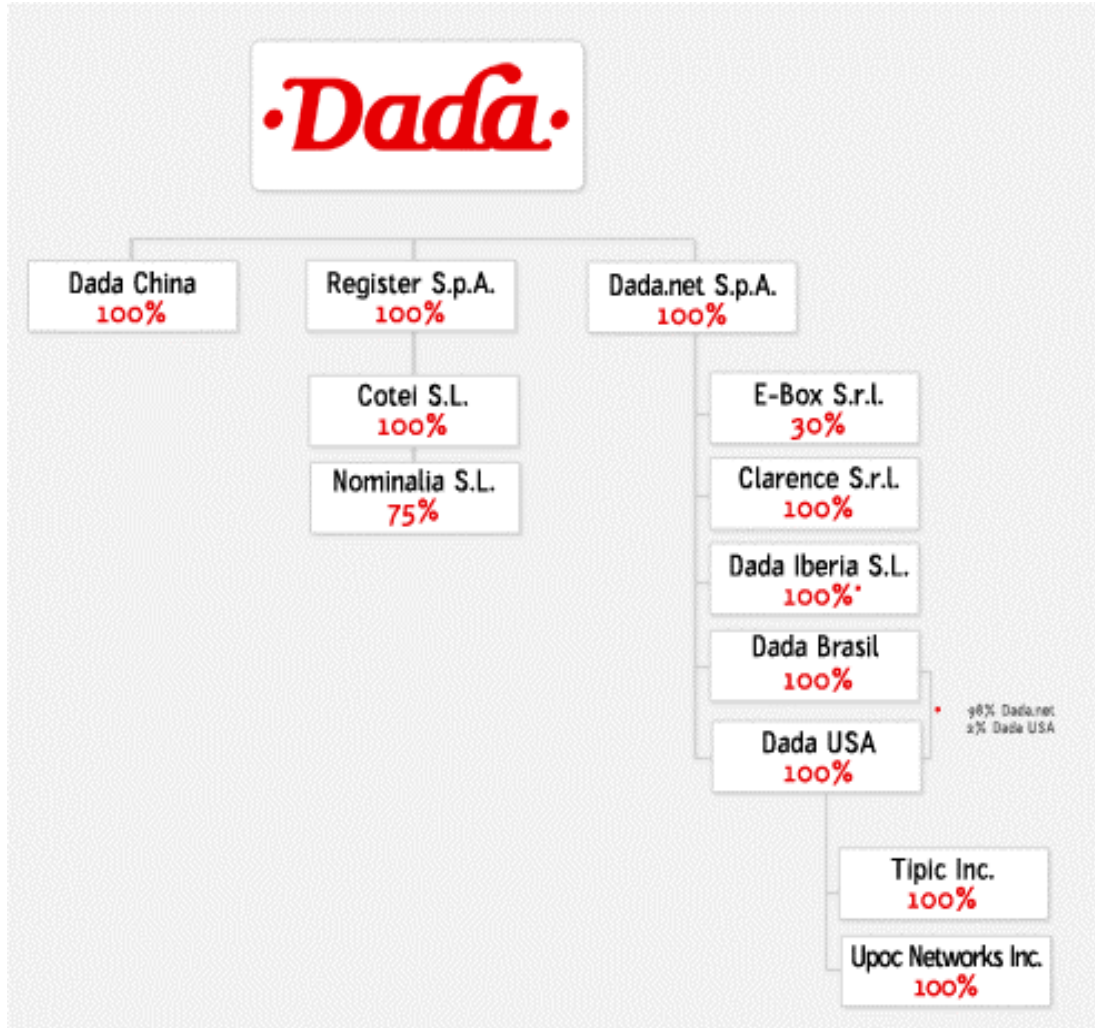
3 - Member of the Internal Control Committee

4 - Member of the Remuneration Committee.

BOARD OF STATUTORY AUDITORS

| | |
|--------------------|--------------------------------------|
| Pier Angelo Dei | Chairman Board of Statutory Auditors |
| Piero Alonzo | Statutory Auditor |
| Massimo Cremona | Statutory Auditor |
| Claudio Pastori | Alternate Auditor |
| Francesca Pirrelli | Alternate Auditor |

STRUCTURE OF THE DADA GROUP



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

Consolidated Results (3 months)

| (millions of Euro) | 30/06/2007 | 30/06/2006 |
|-----------------------------|------------|------------|
| Revenues | 37.9 | 26.1 |
| Ebitda | 5.5 | 3.9 |
| Amortisation & Depreciation | -1.1 | -0.8 |
| Ebit | 4.0 | 2.6 |
| Group net profit | 3.4 | 2.9 |

Consolidated balance sheet as at June 30, 2007

| (millions of Euro) | 30/06/2007 | 31/12/2006 |
|-----------------------------------|------------|------------|
| Net working capital | 3.6 | 7.0 |
| Net capital employed | 46.5 | 42.8 |
| Shareholders' Equity | 63.4 | 54.3 |
| Short-term net financial position | 17.0 | 11.8 |

INTRODUCTION

The consolidated quarterly report at June 30, 2007 was prepared in accordance with the provisions of the International Accounting Standard No. 34 “Interim Reporting” (IAS 34) and, in relation to the accounting principles, in accordance with IAS/IFRS issued by the IASB and standardised by the European Union as per article 81 of the Issuers’ Regulations No. 11971, issued by Consob on May 14, 1999, and subsequent amendments. For comparative purposes, the figures for the previous periods were also prepared in accordance with IAS/IFRS. The following quarterly report has been prepared in accordance with regulation No. 11971 of May 14, 1999.

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

DADA GROUP PROFILE

Dada S.p.A. is the leader in Italy in the community and entertainment sector via web and mobile and is the parent company of a Group fully dedicated to the development of Net activities and services.

Dada is listed on the Milan Stock Exchange in the STAR segment (DA.MI) and includes the RCS group (which holds approximately 44.2%) among its shareholders, in addition to the management and founding shareholders with approximately 14.6% of the share capital.

Dada’s services are provided through the Dada.net community (www.dada.net) and offers its customers a wide range of fee-based community and entertainment products and services to communicate, entertain and educate, and are accessible both via PC and mobile phone (through the SMS/MMS channel and the micro-portals of the main mobile phone operators). With its consumer offer DADA operates, in addition to Italy, in the United States - through the subsidiary Dada USA - and in the UK, German, French, Spanish, Belgium, Austrian, Portuguese, Dutch, Hungarian, Canadian, Chinese, Brazilian and Australian markets.

The offer of professional self-provisioning services (Dada pro) was developed by the subsidiary Register.it S.p.A. (www.register.it), and Nominalia S.L. - the leader in Spain in the same sector.

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 June 30, 2007. Based on the accounting standards applied, the control of a company is defined as when the company has the power to determine the financial and operating policies of a company so as to benefit from its activities.

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

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

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

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

The consolidation scope for the period is shown below:

| Consolidation scope | At June 30, 2007 | | | At March 31, 2007 | | | At June 30, 2006 | | |
|--|-------------------------|-----------------------|----------------------|--------------------------|-----------------------|----------------------|-------------------------|-----------------------|----------------------|
| | Perc. Held | Period Consol. | Share capital | Perc. Held | Period Consol. | Share capital | Perc. Held | Period Consol. | Share capital |
| Values: Euro/ooo | | | | | | | | | |
| Dada SpA (FI) | Parent Company | Jan-June 2007 | 2,714 | Parent Company | Jan-Mar 2007 | 2,714 | Parent Company | Jan-June 2006 | 2,692 |
| PlanetCom SpA (MI)* | - | - | - | - | - | - | 50.00% | Jan-June 2006 | 263 |
| Media Dada Science and Development Co. Ltd (Beijing - CHINA) *** | 100.00% | Jan-June 2007 | 759 | 100.00% | Jan-Mar 2007 | 759 | - | - | - |
| Register SpA (BG) | 100% | Jan-June 2007 | 1913 | 100% | Jan-Mar 2007 | 1913 | 97.04% | Jan-June 2006 | 1,913 |
| - Cotei SL (Barcelona - ES) ind. | 100% | Jan-June 2007 | 23 | 66.75% | Jan-Mar 2007 | 23 | - | - | - |
| - Nominalia SL (Barcelona - ES) ind. | 75.00% | Jan-June 2007 | 3 | 75.00% | Jan-Mar 2007 | 3 | - | - | - |
| Softec SpA (Pistoia)**** | 50.00% | Jan-Mar 2007 | 300 | 50.00% | Jan-Mar 2007 | 300 | 50.00% | Jan-June 2006 | 300 |
| - WebNet S.r.l. (FI) ind**** | 100.00% | Jan-Mar 2007 | 21 | 100.00% | Jan-Mar 2007 | 21 | 100.00% | Jan-June 2006 | 21 |
| - Business Engineering Srl (PT) ind.**** | 100.00% | Jan-Mar 2007 | 21 | 100.00% | Jan-Mar 2007 | 21 | 100.00% | Jan-June 2006 | 21 |
| DadaNet S.p.A. (FI)** | 100.00% | Jan-June 2007 | 9,933 | 100.00% | Jan-Mar 2007 | 9,933 | 100.00% | Jan-June 2006 | 9,933 |
| - Clarence S.r.l. (FI) ind. | 100.00% | Jan-June 2007 | 21 | 100.00% | Jan-Mar 2007 | 21 | 100.00% | Jan-June 2006 | 21 |
| - Dada USA Inc (NY - USA) ind.*** | 100.00% | Jan-June 2007 | | 100.00% | Jan-Mar 2007 | | 100.00% | Feb-June 2006 | |
| - Upoc Inc (NY - USA) ind. | 100.00% | Jan-June 2007 | 17 | 100.00% | Jan-Mar 2007 | 17 | - | - | - |
| - Dada Brasil Serviços de Tecnologia Ltda (SP - BR) ind. | 100.00% | Jan-June 2007 | 163 | 100.00% | Jan-Mar 2007 | 163 | - | - | - |
| - Tipic Inc (NY - USA) ind. | 100.00% | Jan-June 2007 | 1 | 100.00% | Jan-Mar 2007 | 1 | - | - | - |

* Company sold on July 4, 2006

** DadaMobile S.p.A. changed its name to DadaNet S.p.A..

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

*** Company sold and consolidated AT INCOME STATEMENT LEVEL FOR THE FIRST QUARTER OF 2007

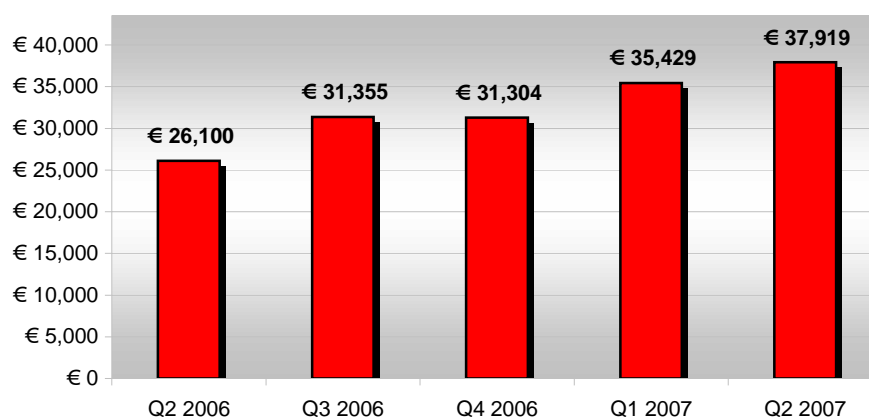
INFORMATION ON OPERATIONS

Dear Shareholders,

In the second quarter of 2007, the DADA Group recorded consolidated revenues of Euro 37.9 million, an increase of 45% compared to revenues of Euro 26.1 million in the second quarter of 2006, and an increase of 7% on revenues of Euro 35.4 million in the first quarter of 2007.

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

CONSOLIDATED QUARTERLY SALES

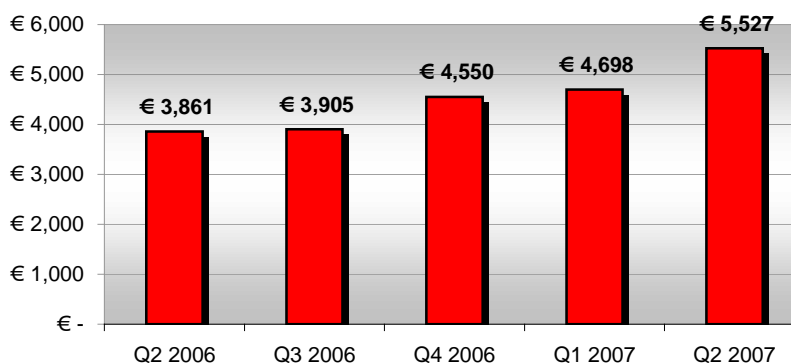


Amounts expressed in Euro/thousand

The consolidated Ebitda of the DADA Group in the second quarter of 2007 amounted to Euro 5.5 million (15% of consolidated sales), an increase of 43% compared with the second quarter of 2006, which amounted to Euro 3.9 million (15% of consolidated sales) and 17% compared to the first quarter of 2007, which amounted to Euro 4.7 million.

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

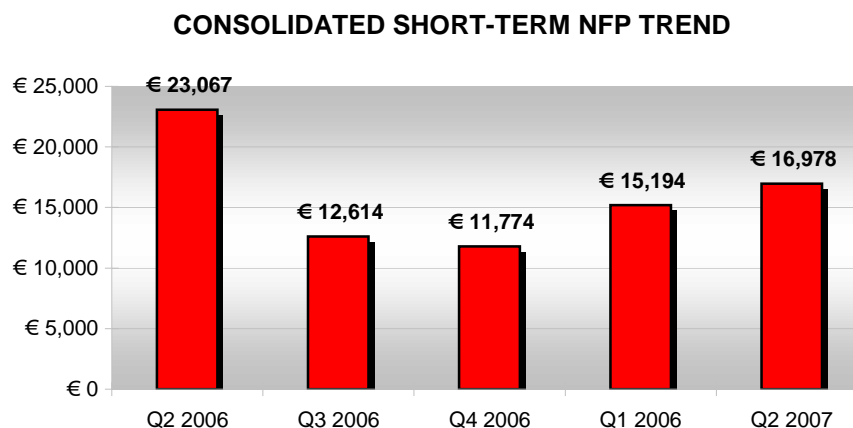
CONSOLIDATED EBITDA TREND



Amounts expressed in Euro/thousand

The short-term Consolidated Net Financial Position at June 30, 2007 was a cash position of Euro 17 million, compared to Euro 11.8 million at December 31, 2006, an increase of Euro 5.2 million.

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



Amounts expressed in Euro/thousand

Results

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

| Amounts in Euro/thousand | June 30, 07 3 months | | June 30, 06 3 months | |
|---|-------------------------|-------------|-------------------------|-------------|
| | Amount | % of total | Amount | % of total |
| Net Revenues | 37,919 | 100% | 26,100 | 100% |
| Changes in inventory and internal work | 908 | 2% | 803 | 3% |
| Service costs and other operating costs | -27,767 | -73% | -19,618 | -75% |
| Personnel costs | -5,533 | -15% | -3,424 | -13% |
| Ebitda* | 5,527 | 15% | 3,861 | 15% |
| Amortisation and depreciation | -1,147 | -3% | -840 | -3% |
| Non-recurring income (charges) | -129 | 0% | 45 | 0% |
| Revaluations/(Write-downs) | -226 | -1% | -424 | -2% |
| Ebit | 4,025 | 11% | 2,642 | 10% |

* before write-downs and extraordinary items of Euro 0.3 million

The DADA Group recorded sales in the second quarter of 2007 of Euro 37.9 million compared to Euro 26.1 million in the same period of the previous year and Euro 35.4 million in the first quarter of 2007. The total sales in the first-half year amounted to Euro 73.2 million, an increase of 50% compared to sales in the first half-year of 2006 of Euro 48.8 million.

In the comparison of the quarters, the following changes in the consolidation area took place:

- in the first half-year of 2006, the company Planet Com S.p.A. (sold in June 2005) was consolidated under the line-by-line method, with a contribution to sales of Euro 3.2 million;
- in the second quarter of 2007, the companies Nominalia SL (purchased in July 2006), Upoc Inc. (purchased in August 2006), Tivic Inc. (purchased in November 2006) and the Company DADA Brasil (operating since December 2006) were consolidated for the full period under the line-by-line method with a total contribution to turnover in the quarter of Euro 4 million.

At divisional level, it is recalled that from the current year the reorganisation structure of the DADA Group was reviewed and now comprises the following divisions: **Dada.net**, **Dada.Adv** and **Dada Pro**.

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

The Self Provisioning Division was renamed DADA Pro.

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

The **Dada.net Division** accounted for 73% of consolidated turnover in the first quarter. This contribution has increased compared to the same period of the previous year, which accounted for 69% of sales, and is in line with the fourth quarter of 2006 and the first quarter of 2006. In this sector, the DADA Group is market leader in entertainment services based on mobile and web platforms, achieving important growth in both the number of fee-based users and the number of products launched.

Compared to the first quarter of 2006, the consolidation area has changed due to the acquisition of the companies Upoc Inc. and Tivic Inc. and to the incorporation of the company Dada Brasil.

The **Dada.Adv Division** accounted for 16% of consolidated sales compared to 23% in the second quarter of 2006 and 14% in the fourth quarter of 2006.

At pro-forma level, it is noted that the division sales in the second quarter of 2006 was impacted by the consolidation of the company Planet Com S.p.A., (which contributed Euro 1.7 million), a company then sold in early July of last year and therefore not part of the consolidation scope in the first quarter of 2007. Moreover, the Company Softec S.p.A. (Euro 950 thousand), which was sold during the quarter, did not contribute to sales in the quarter.

The **Dada Pro Division** accounted for 11% of consolidated sales, increasing compared with the same quarter in the previous year (10%) and the previous quarter (10%).

The geographic breakdown of consolidated revenues of the DADA Group shows a significant increase in international operations, accounting for 42% of the DADA Group consolidated revenues in the second quarter of 2007, compared to 37% in the second quarter of 2006 and 40% in the fourth quarter of 2006.

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

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

The consolidated Ebitda in the quarter was Euro 5.5 million (a margin of 15% on the consolidated turnover), compared to Euro 3.9 million in the same period of the previous year (a margin of 15%).

The Ebitda in the first half-year was Euro 10.3 million, compared to Euro 7.2 million in the first half of 2006, a growth of 43%.

A significant proportion of the service and other operating costs consisted of expenses incurred in the creation and strengthening of the Dada.net Division's subscription user base at both international and national level.

The costs incurred in the quarter for the acquisition of the user base were Euro 12.5 million, while in the second quarter of 2006 these costs amounted to Euro 10 million – an increase of 25%.

Within the individual cost accounts, personnel costs increased in absolute terms from Euro 3.4 million in the second quarter of 2006 to Euro 5.5 million in the first quarter of 2007. This increase is entirely related to the increase in the activities of the company, the growth in the Consumer Division and to the change in the consolidation scope.

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

The change in the consolidation scope previously described had a positive impact of Euro 250 thousand on the Ebitda in the second quarter of 2007 compared to that recorded in the second quarter of 2006.

In the second quarter of 2007, the **consolidated Ebit was Euro 4.1 million** (11% of the consolidated turnover), an increase of 54% compared to Euro 2.6 million in the second quarter of 2006.

The Ebit for the quarter includes amortisation and depreciation on tangible and intangible fixed assets totalling Euro 1 million, while write-downs and non-recurring charges amounted to Euro 0.4 million.

Depreciation/amortisation increased compared to the previous year (Euro 0.8 million) and to the previous quarter due to the investments made in the development of products and capital expenditures.

The change in the consolidation scope, as previously described, resulted in lower amortisation/depreciation at pro-forma level of Euro 0.1 million in 2006.

The Consolidated net profit of the DADA Group at March 31, 2007 was Euro 3.4 million, equal to 9% of consolidated revenues, while in the second quarter of 2006 the net profit amounted to Euro 2.8 million (11% of consolidated revenues). The fiscal charges of the Group impact upon this total.

The Group has matured fiscal losses carried forward from previous years of Euro 62 million, of which Euro 46 million for an unlimited period.

Financial position and balance sheet

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

| FINANCIAL POSITION | | June 30, 07 | Dec 31, 06 | DIFFERENCE | |
|--------------------|---|----------------|----------------|--------------|-------------|
| | | | | Absolute | Percent. |
| A | Cash | 9 | 8 | 1 | 13% |
| B | Bank and postal deposits | 16,421 | 10,523 | 5,898 | 56% |
| C | Securities held for trading | 1,921 | 2,456 | 535 | -22% |
| D | Liquidity (A+B+C) | 18,351 | 12,987 | 5,364 | 41% |
| E | Current financial receivables | | | - | |
| F | Bank payables – current portion | - 1,373 | 970 | 403 | 42% |
| G | Current portion of non-current debt | | 243 | 243 | -100% |
| H | Current debt (F+G) | - 1,373 | - 1,213 | - 160 | 13% |
| I | Current net financial position (D+E+H) | 16,978 | 11,774 | 5,204 | 44% |
| J | Bank payables – non-current portion | | - 244 | 244 | -100% |
| K | Other non-current payables | | | - | |
| L | Non-current debt (J+K) | - | - 244 | - 244 | 100% |
| M | Total net financial position (I+L) | 16,978 | 11,530 | 5,448 | 47% |

The short-term Consolidated Net Financial Position at June 30, 2007 was a positive amount of Euro 17 million, compared to Euro 11.8 million at December 31, 2006 and Euro 23.1 million at June 30, 2006. During the first half, there was therefore an increase in this figure of Euro 5.4 million, an increase of 47% compared to December 31, 2006.

The investment activities included:

- the acquisition of equity investments in the quarter, in particular the first payment for the 30% acquisition of the Company E-Box S.r.l. and the second closing of the Cotei/Nominalia merger, for a total payment of Euro 1.8 million;

- the purchase of tangible fixed assets for the renewal and expansion of the technical structures and for the renovation work of the new offices (for a total amount of Euro 2 million), and the expenses for the development of new products and services (for approximately Euro 1.7 million).

There was a financial contribution in the half year relating to exercise of the second tranche of the 2005 stock option plan. On February 6, 2007, the period closed for the subscription to the share capital increase deliberated by the Board of Directors on June 20, 2005 for the stock option plan for employees of Dada S.p.A. and its subsidiaries. The number of options exercised was 128,594 and the financial contribution was Euro 1.4 million.

The securities are characterised by short-term low risk investments on demand. These securities are measured at market value (fair value), represented by the average quotations obtained from the issuers. These securities were then sold in the period immediately after the end of the quarter.

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

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

The total net financial position (that also includes medium/long term sources and uses) amounted to Euro 17 million, since there are no longer medium-long term payables.

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

| Amounts in Euro/thousand | June 30, 07 | Dec 31, 06 | DIFFERENCE | |
|--|----------------|---------------|---------------|-------------|
| | | | Absolute | Percent. |
| Fixed assets (A) (*) | 45,363 | 38,552 | 6,811 | 18% |
| Current assets (B) | 70,179 | 63,475 | 6,704 | 11% |
| Current liabilities (C) | -66,621 | -56,518 | -10,103 | 18% |
| Net working capital (D) = (B)-(C) | 3,558 | 6,957 | -3,399 | -49% |
| Employee leaving indemnity provision (E) | -1,709 | -1,790 | 81 | -5% |
| Provision for risks and charges (F) | -751 | -911 | 160 | -18% |
| Net capital employed (A+D+E+F) | 46,461 | 42,808 | 3,653 | 9% |

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

The **net working capital** at June 30, 2007 amounted to Euro 3.6 million, a significant increase compared to December 31, 2006, when it amounted to Euro 6.9 million and at March 31, 2007 (Euro 5.4 million)

This increase is significantly impacted by the expenses incurred by the Group through the launch and support of products in the Consumer Division and the receipts from the telephonic operators.

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

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

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

In relation to the purchase of fixed assets and the investments made by the Group, reference should be made to the previous comments in relation to fixed assets and investments.

Other information

The principal extraordinary operations of the DADA Group in the first half-year of 2007 are reported below:

On February 22, Dada.Net S.p.A., a 100% subsidiary of Dada S.p.A., finalised the agreement for the acquisition of 30% of E-Box S.r.l., owner of the Bloggo platform, and signed agreements which allow for the eventual acquisition of 100% of the Company over the next 2 years.

The acquisition of 30% of the share capital of E.Box S.r.l. was for a payment by Dadamobile of Euro 720 thousand from the liquidity of the Group and was paid in two equal tranches, the first paid on the closing and the second one year after the Closing. Simultaneous to the entry in the share capital, Dada was recognised governance rights relating to the nominations on the Board of Directors and control of the Company and the right of veto on important board and shareholder meeting resolutions.

Purchases and sales options were also signed relating to the residual holding of the share capital which may be exercised 2 years from the Closing, subject to certain conditions.

On February 27, 2007 Register.it S.p.A., completed the second tranche of the Cotei/Nominalia operation. This operation involved the acquisition of the remaining 33% of Cotei - thus increasing its stake to 100% of Cotei and therefore 75% of Nominalia - for a payment of Euro 1.3 million of which Euro 650 thousand to be paid immediately and the balance to be paid in 2 equal quarterly instalments.

The number of personnel in the Dada Group at June 30, 2007 was 417 (of which 7 executives), while at December 31, 2006 there were 373 employees (of which 7 executives) and at March 31, 2006 the number was 283 (of which 4 executives).

SEGMENT INFORMATION OF THE GROUP AS PER IAS 14

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

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

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

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

Until December 31, 2006, the Business Units of the Group were comprised of the Consumer Division, the Business Division and the Dada Pro Division.

The change is principally due to the focus on value added services (VAS services) in the Dada.net division, while the advertising services (mobile and web) are attributed to the Dada.Adv Division which also includes the services previously included in the Business Division (Web solutions, mobile and infrastructure). For the Dada Pro Division (previously Self Provisioning), there were no changes compared to the previous year.

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

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

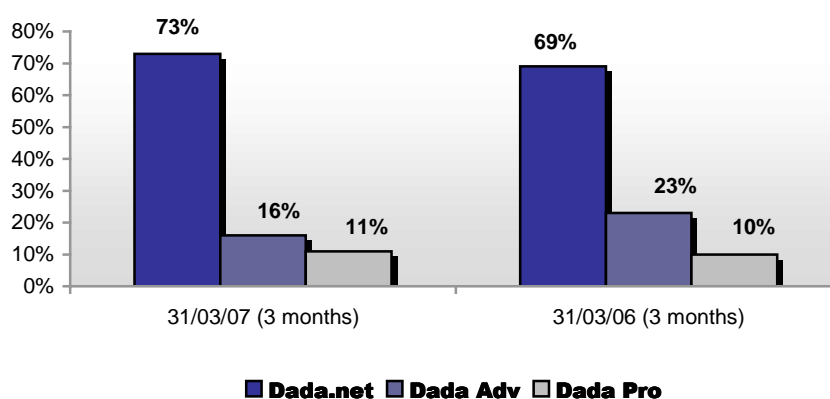
The segment costs and revenues are considered before infra-divisional balances, which are eliminated in the consolidation process (column "adjustments" of the tables).

The secondary segment was determined as two geographic areas.

Breakdown of consolidated sales in the three divisions

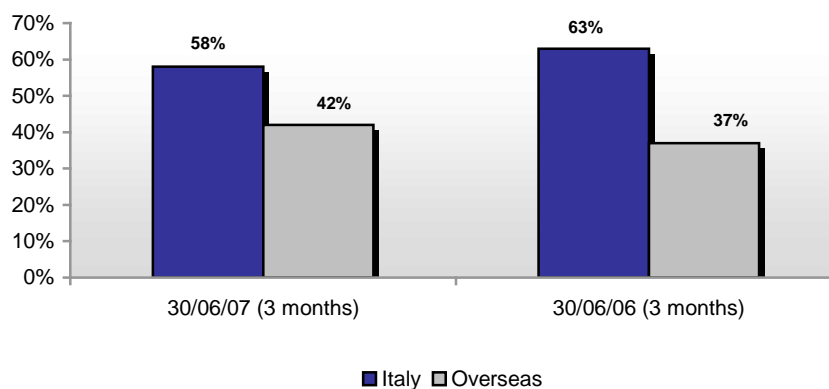
| Description | 30/06/2007 (3 months) | | 30/06/2006 (3 months) | |
|------------------------------|-----------------------|-------------|-----------------------|-------------|
| | Amount | % of total | Amount | % of total |
| Dada.net | 28,608 | 73% | 18,208 | 69% |
| Dada Adv | 6,333 | 16% | 5,943 | 23% |
| Dada.Pro | 4,258 | 11% | 2,144 | 8% |
| Inter-divisional revenues | 1,281 | | 195 | |
| Consolidated Revenues | 37,918 | 100% | 26,100 | 100% |

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



Division of consolidated sales by geographic area

| Description | 30/06/2007 (3 months) | | 30/06/2006 (3 months) | |
|------------------------------|-----------------------|-------------|-----------------------|-------------|
| | Amount | % of total | Amount | % of total |
| Revenues Italy | 22,116 | 58% | 16,557 | 63% |
| Revenues Overseas | 15,802 | 42% | 9,544 | 37% |
| Consolidated Revenues | 37,918 | 100% | 22,669 | 100% |



Dada.net Services

The revenue sources of the Dada.net Division of Dada are shown below:

- Revenues from VAS (Value Added Services): this relates to fee-based services to the final user through consumption or subscription;
- Advertising revenues on the sites of the community.

Operational performance of the Dada.net services

In the second quarter of 2007, Dada further expanded its offer of products in the Consumer sector, which covers an international market with its Web and Mobile services.

Products

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

Internationalisation

In the first half-year of 2007, the turnover from international operations amounted to 59% of revenues in the Consumer Division.

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

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

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

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

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

Italy

In the first half of 2007, Dada confirmed its leadership in the Web and Mobile Community & Entertainment services in the domestic market.

Its presence on the 'decks' of the principal mobile phone operators such as Vodafone Live!, Tim, Pianeta Tre and Imode is an important source of revenues, especially through subscriptions to the DADA.net service.

Dada believes in the potential of this channel, as it forms a part of the mobile internet services now available, and will have an ever-increasing influence on the success of the services offered by Dada, resulting in an increased customer base and in opportunities for use at any time of day.

The closure of agreements for the launch of the Dada.net in 'whitelabel' revenue sharing model is also recalled. Among these was the agreement with the portal Alice, of the Telecom Italia group, for the management of the Mobile Entertainment and Dating sections.

Dada Adv Services

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

From January 1, 2007, the following activities were consolidated within this division:

- Revenues from advertising on the Mobile Channel;
- Revenues from advertising on the Web Channel;
- Revenues from activity solutions.

Operational performance of the Dada.Ad services

Online advertising is in a consolidation phase with growth in investment on the web worldwide and parallel continual innovation of distribution channels and formats. Dada Adv, purchases and sells, web and mobile advertising.

Mobile Advertising

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

The MMS ANSA services for clients of Wind complete the range of Dada Adv mobile services. Dada Adv is now the leading agency in the mobile advertising market.

In June, the agreement with ANSA for the sale of advertising on the Outdoor Television circuit was announced, which increases the possibility of the sale of Dada Adv within the digital television market.

Web Advertising

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

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

Included in this sector is the so-called scalable and repeatable advertising. The first project is the positioning of advertising feeds offered by the Google and Yahoo programmes within Dada portals to high traffic.

Dada Pro

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

Operational performance of the Dada Pro services

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

In the second quarter of 2007, the division recorded growth of 40% compared with the same period of 2006 at parity of consolidation area and of 100% thanks to the contribution of the Spanish business (purchased in August 2006).

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

Within the up-selling of products on the domain (email, hosting and webmarketing), the success of the new solutions launched in Italy in the preceding months continued and in Spain, sales (or renewals) to May of over 24,000 packages were recorded compared to 12,000 in Q2 2006.

SUBSEQUENT EVENTS AFTER THE PERIOD-END

The figures after the end of the quarter confirm the growth in revenue in the first months of 2007. In particular, the growth in international activities continues and whose contribution is expected to increase in the coming quarters.

On July 16, 2007, SONY BMG MUSIC ENTERTAINMENT and Dada announced the launch of a joint venture, which will be called "Dada Entertainment LLC". The mission of the joint venture will be to offer an innovative range of quality entertainment services, both on the Internet and on the mobile phone. The new joint venture products will be sold through the Internet, through "off-deck" distribution channels (external to the WAP portals of the mobile phone operators) and through "on-deck" distributors. 50% of Dada Entertainment LLC will be held by Dada and the remaining 50% by SONY BMG MUSIC ENTERTAINMENT.

Through the new joint venture, initially targeting US customers, SONY BMG and Dada will offer consumers the latest generation of web and mobile entertainment services, which will combine a wide selection of musical content, games, images, mobile phone games, backgrounds, as well as audio and video in integrated format, and will incorporate the extensive experience gained through the community web 2.0 and the social networks. The joint venture will include and will be fuelled by multiple offers directed at consumers by both of the parties; moreover, it will be supported by a wide range of services on the web aimed at promoting the integration of the users and increasing the sense of belonging to a community: for example, the uploading and sharing of photos and videos, getting to know new people, the creation of blogs and general social networking and the publication of user-generated content.

In the financial year 2006, the business generated from the contribution of the assets of the two partners created net revenues of USD 66.5 million and an Ebitda of USD 11.5 million [1]. The JV will be directed by a Board of Directors comprising of an equal amount of representatives from each of the companies. The chairmanship will alternate each year. Dada has the right to

propose the Managing Director of the joint venture, while SONY BMG will nominate the first Finance Director.

The Board will form an internal control committee, which will always be composed of an equal number of members from each company. For the approval of strategic decisions, it will be necessary for unanimity among the board.

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

Founded in 1996, Namesco is the fourth largest company in the United Kingdom and among the top 50 companies in the world in the market of professional Internet services (Source: Netcraft Company Analysis, January 2007). Namesco's registered offices are in Worcester and its offices are in London, employing 59 highly-qualified professionals and managing approximately 265,000 domains for a total portfolio of over 80,000 paying clients.

In 2006/7 (1/4/2006 - 31/3/2007), Namesco registered revenues of over GBP 8.3 million (approximately Euro 12.2 million at the current exchange rate) and an Ebitda of GBP 1.8 million (approximately Euro 2.7 million), amounting to a margin of approximately 22%.

For the year 2007/8, the Company forecasts revenues of GBP 9.8 million (approximately Euro 14.5 million), an Ebitda margin of 29% and a net profit of GBP 1.7 million (approximately Euro 2.5 million).

Florence, July 27, 2007

For the Board of Directors

The Chairman, Paolo Barberis

A handwritten signature in black ink, appearing to be 'P. Barberis', written in a cursive style.

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

| Amounts in Euro/thousand | June 30, 07 | Dec 31, 06 | Change | |
|---|----------------|----------------|---------------|-------------|
| | | | Absolute | Percent. |
| Fixed assets (A) (*) | 45,363 | 38,552 | 6,811 | 18% |
| Current assets (B) | 70,179 | 63,475 | 6,704 | 11% |
| Current liabilities (C) | -66,621 | -56,518 | -10,103 | 18% |
| Net working capital (D) = (B)-(C) | 3,558 | 6,957 | -3,399 | -49% |
| Employee leaving indemnity provision (E) | -1,709 | -1,790 | 81 | -5% |
| Provision for risks and charges (F) | -751 | -911 | 160 | -18% |
| Net capital employed (A+D+E+F) | 46,461 | 42,808 | 3,653 | 9% |
| Medium-long term payables | 0 | -244 | 244 | -100% |
| Shareholders' equity (G) | -63,439 | -54,338 | -9,101 | 17% |
| Short-term bank debt | -1,373 | -1,213 | -160 | 13% |
| Short-term financial receivables and securities | 1,921 | 2,456 | -535 | -22% |
| Cash on hand and in bank | 16,430 | 10,531 | 5,899 | 56% |
| Short-term net financial position | 16,978 | 11,774 | 5,204 | 44% |

CONSOLIDATED RECLASSIFIED INCOME STATEMENT AS AT JUNE 30, 2007

| Amounts in Euro/thousand | June 30, 07 6 months | | June 30, 06 6 months | |
|---|-------------------------|---------------|-------------------------|---------------|
| | Amount | % of total | Amount | % of total |
| Net Revenues | 73,348 | 100% | 48,769 | 100% |
| Changes in inventory and internal work | 1,703 | 2% | 1,499 | 3% |
| Service costs and other operating costs | -53,577 | -73% | -36,363 | -75% |
| Personnel costs | -11,169 | -15% | -6,687 | -14% |
| Ebitda* | 10,305 | 14% | 7,218 | 15% |
| Amortisation & depreciation | -2,110 | -3% | -1,619 | -3% |
| Non-recurring income (charges) | -209 | 0% | -104 | 0% |
| Revaluations/(Write-downs) | -226 | 0% | -434 | -1% |
| Ebit | 7,760 | 11% | 5,061 | 10% |
| Investment income | 640 | 1% | 317 | 1% |
| Financial income and charges | -717 | -1% | -288 | -1% |
| Profit before taxes | 7,683 | 10% | 5,090 | 10% |
| Income taxes | -1,043 | -1% | -470 | -1% |
| Net profit | 6,640 | 9% | 4,620 | 9% |
| Minority interest profit | -123 | 0% | -50 | 0% |
| Group net profit | 6,517 | 9% | 4,570 | 9% |

* before write-downs and extraordinary items of Euro 0.4 million

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AS AT JUNE 30, 2007

| Amounts in Euro/thousand | June 30, 07 3 months | | June 30, 06 3 months | |
|---|-------------------------|-------------|-------------------------|-------------|
| | Amount | % of total | Amount | % of total |
| Net Revenues | 37,919 | 100% | 26,100 | 100% |
| Changes in inventory and internal work | 908 | 2% | 803 | 3% |
| Service costs and other operating costs | -27,767 | -73% | -19,618 | -75% |
| Personnel costs | -5,533 | -15% | -3,424 | -13% |
| Ebitda* | 5,527 | 15% | 3,861 | 15% |
| Amortisation & depreciation | -1,147 | -3% | -840 | -3% |
| Non-recurring income (charges) | -129 | 0% | 45 | 0% |
| Revaluations/(Write-downs) | -226 | -1% | -424 | -2% |
| Ebit | 4,025 | 11% | 2,642 | 10% |
| Investment income | 501 | 1% | 155 | 1% |
| Financial income and charges | -275 | -1% | -128 | 0% |
| Profit before taxes | 4,251 | 11% | 2,669 | 10% |
| Income taxes | -821 | -2% | 235 | 1% |
| Net profit | 3,430 | 9% | 2,904 | 11% |
| Minority interest profit | -28 | 0% | -13 | 0% |
| Group net profit | 3,402 | 9% | 2,891 | 11% |

* before write-downs and extraordinary items of Euro 0.3 million