



INDEX OF CONTENTS

- 1. BUSINESSES AND STRUCTURE OF THE CDC GROUP**
- 2. COMPOSITION OF CORPORATE BODIES**
- 3. USEFUL INFORMATION**
- 4. BASIS OF CONSOLIDATION, ACCOUNTING PRINCIPLES AND POLICIES, METHOD OF CONSOLIDATION**
- 5. CONSOLIDATED ACCOUNTS OF THE CDC GROUP AND RELATED NOTES**
 - 5.1. GROUP OPERATING PERFORMANCE**
 - 5.2. OPERATING PERFORMANCE OF THE CORE IT BUSINESS**
- 6. INFORMATION ON GROUP COMPANIES**
- 7. OTHER INFORMATION**



1. BUSINESSES AND STRUCTURE OF THE CDC GROUP

ACTIVITIES

CDC Point S.p.A., which has been listed on the Italian Stock Exchange's *Nuovo Mercato* since July 2000, is Italy's leading producer and distributor of IT products.

Its retail distribution network – the largest in Italy in terms of sales and brand awareness – serves the consumer and SOHO segments with more than 550 outlets as of September 30, 2002. The above outlets are organized into three distinct chains operating under the Computer Discount, Compy and Amico trademarks.

The Group also controls a network of 19 proprietary Cash & Carry outlets, to which, in September 2002, it added the 5 Cash & Carry stores operated by the subsidiary, Direct. These outlets distribute to over 25,000 specialist IT resellers. The IT distribution market for dealers and VARs is also served by the B2B e-commerce platform, www.cdcpoint.it.

As of 2001 CDC also serves the government, large-scale user and retail chain markets, via its Large Account division.

In November 2001 CDC was awarded a contract by Italia Lavoro in relation to the IT courses for young people in southern Italy. This involved the supply of 60,000 personal computers.

In November 2002, moreover, CDC won a contract from Consip SpA to supply PCs to central and local government agencies. The contract, which is worth over €30 million, will enable CDC to become a privileged partner for Italy's public administration.

In addition to its core IT production and distribution activities, the CDC Group also operates in the Internet market via Interfree, which operates the Group's portal and ISP services.

GROUP STRUCTURE

CDC Point S.p.A.

Registered Office: Via Tosco Romagnola, 61 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01250630504

Parent Company and Operating holding company

- Business: sale of IT products

Micronica S.p.A.

Registered Office: Via Calabria, 1 GELLO di PONTEDERA (PI)

Member of the Chamber of Commerce of Pisa number 01144430509

Wholly owned

- Business: production of personal computers and management of the Group's logistics platform

Cd Consulting S.r.l.

Registered Office: Piazza Fermi snc, 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01341600508

Wholly owned

- Business: consultancy and assistance in the fields of management control, data processing, financial management, etc.



Cd Web S.p.A.

Registered Office: Piazza Fermi snc, 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01515060505

Wholly owned

- Business: e-commerce

Polinet S.r.l.

Registered Office: Piazza Fermi snc, 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01515070504

Wholly owned

- Business: real estate

Interfree S.p.A.

Registered Office: Piazza Fermi snc, 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01499020509

Wholly owned

- Business: Internet Service Provider

Direct S.r.l.

Registered Office: Via Mazzini, 74 56025 PONTEDERA (PI)

Member of the Chamber of Commerce of Pisa number 01459540504

99% owned

- Business: distribution of IT products

Mactronics Technology S.r.l.

Registered Office: Via Tosco-Romagnola, 61 56012 Fornacette CALCINAIA (PI)

Member of the Chamber of Commerce of Pisa number 01622090502

60% owned

- Business: design and marketing of storage systems

Sofim S.r.l.

Registered Office: Via Mazzini, 74 56025 PONTEDERA (PI)

Member of the Chamber of Commerce of Pisa number 01125180503

Wholly owned

- Business: holding company. The company holds equity in specialist IT retail outlets, affiliated to Computer Discount



2. COMPOSITION OF CORPORATE BODIES

BOARD OF DIRECTORS

Name and surname	Position	Duration of appointment
Giuseppe Diomelli	Chairman	Approval of 2004 accounts
Leonardo Pagni	Managing Director	Approval of 2004 accounts
Claudio Andolfi	Managing Director	Approval of 2004 accounts
Alessandro Barberis	Director	Approval of 2004 accounts
Enrico Barachini	Director	Approval of 2004 accounts

Giuseppe Diomelli is Chairman and Managing Director with responsibility for the Commercial Department. He is responsible for procurement, sales, and relations with government, financial institutions and shareholders.

Leonardo Pagni is Managing Director with responsibility for Strategy and Operations. He is responsible for Human Resources and Organization, Production, Logistics, IT, Strategic Planning and Investor Relations.

Claudio Andolfi is Managing Director with responsibility for Administration, Finance and Control.

Alessandro Barberis and Enrico Barachini are Independent Directors.

Enrico Barachini, as Chairman, and Claudio Andolfi are members of the Internal Audit Committee.

Alessandro Barberis, as Chairman, Enrico Barachini and Leonardo Pagni are members of the Remuneration Committee.

BOARD OF STATUTORY AUDITORS

Name and surname	Position	Duration of appointment
Carlo Bossi	Chairman	Approval of 2004 accounts
Daniela Carli	Statutory Auditor	Approval of 2004 accounts
Alberto Lang	Statutory Auditor	Approval of 2004 accounts
Enzo Polidori	Alternate Auditor	Approval of 2004 accounts
Enrico Fabbri	Alternate Auditor	Approval of 2004 accounts



3. USEFUL INFORMATION

CDC Point S.p.A.

CDC Point S.p.A.

Via Tosco Romagnola 61

56012 Fornacette (PI)

Registered in the Companies' Registry of Pisa number 01250630504

Tel: +39 0587 2882

Fax: +39 0587 288514

Investor relations

investorrelations@cdcpoint.it

Internet Address

<http://www.cdc.it>

<http://www.interfree.it>





4. BASIS OF CONSOLIDATION, ACCOUNTING PRINCIPLES AND POLICIES, METHOD OF CONSOLIDATION

BASIS OF CONSOLIDATION

All the subsidiaries of the Parent Company, Cdc Point S.p.A., have been consolidated on a line-by-line basis.

The following companies were therefore consolidated:

Cdc Point S.p.A., Parent Company.

Micronica S.p.A., wholly owned

Cd Consulting S.r.l., wholly owned.

Cd Web S.p.A., wholly owned.

Polinet S.r.l., wholly owned.

Interfree S.p.A., wholly owned.

Direct S.r.l., 99% owned.

Mactronics Technology S.r.l., 60% owned.

Sofim S.r.l. was not consolidated, as the acquisition of the holding by CDC Point S.p.A., formalised on July 31, 2002, was subject to approval from the Antitrust Authority, pursuant to art. 16 of Law no. 278/90. Such approval had yet to be communicated on the date of preparation of this quarterly report. Moreover, as CDC has only recently acquired control of Sofim S.r.l., it was not possible to obtain the necessary accounting information from the 22 subsidiaries and 3 associated companies of Sofim S.r.l. within the required deadline. CDC is currently organizing the procedures and personnel in order to include the companies owned by Sofim S.r.l. in the Group's consolidated financial statements as of 12.31.2002.

The consolidated income statement for the three months ended September 30, 2001 included **Policom S.p.A.**, a telecommunications company sold during 2001.

CONSOLIDATION PRINCIPLES

The assets and liabilities of consolidated companies are posted in accordance with the line-by-line method, eliminating the book value of consolidated equity investments against the related shareholders' equity.

The difference between the purchase cost of the consolidated equity investments and the corresponding interest in shareholders' equity is posted to the various assets and liabilities on the basis of values current at the time of the purchase, or to the item, "Goodwill arising from consolidation" and posted to the income statement in accordance with the criteria applied to goodwill.

Profits and losses deriving from intercompany trading, if not yet realized on third-party transactions, are eliminated, if significant, as are intercompany accounts receivable and payable, revenues and costs, guarantees, commitments and risks.

Amounts posted solely for tax purposes are eliminated.

Minority interest in the shareholders' equity of consolidated companies is shown in a specific item.



Minority interest in the net result is also shown separately. Such minority interest is calculated on the basis of the book value of shareholders' equity and the operating results of consolidated companies.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the quarterly accounts as of March 31, 2002 comply with the laws related to such financial statements.

Intangible fixed assets

Such assets are recorded at purchase or production cost, including any incidental expenses, and amortized over their estimated useful lives.

Start-up and development costs are amortized over three and five years (start-up costs over three years).

Industrial patents and licenses are amortized over five years.

Advertising costs are fully expensed as incurred, with the exception of those incurred during the start-up phase.

Trademarks are amortized over a period of ten years.

Purchased goodwill is amortized over a period of no more than ten years.

Assets are written down in order to reflect any other than temporary impairments in value, independent of accumulated amortization; the appropriate value of such assets, adjusted solely to take account of accumulated amortization, is reinstated in future periods should the reasons for such write-down cease to apply.

Tangible fixed assets

Such assets are recorded at purchase or production cost. The stated cost includes incidental expenses and the direct and indirect costs that may be reasonably attributed to the asset concerned.

Tangible fixed assets are depreciated on a straight-line basis by applying the economic and technical rates shown in the section of these Notes dealing with assets.

Assets are written down in order to reflect any other than temporary impairment in value, independent of accumulated depreciation; the appropriate value of such assets, adjusted solely to take account of accumulated depreciation, is reinstated in future periods should the reasons for such write-down cease to apply.

Financial leases are accounted for on the basis of financial lease accounting.

Ordinary maintenance costs are expensed as incurred. Improvements are capitalized and depreciated on the basis of the residual useful life of the asset to which they relate.

Non-current financial assets

Non-current accounts receivable are recorded at their estimated realizable value.

Equity investments in unconsolidated subsidiaries and in associated companies are valued in accordance with the equity method, after deducting any dividends and applying the adjustments required by consolidation principles. The purchase or subscription cost is therefore adjusted in order to reflect any movements in the shareholders' equity of such companies since the acquisition of the investment.

The Parent Company's share of net income or losses realized by subsidiaries or associated companies is thus posted to the income statement for the period.

Equity investments in other companies are valued at cost.

Inventories

In the case of IT distribution, inventories are recorded at the lower of purchase or production cost, calculated on the basis of the FIFO method, and their estimated realizable value, calculated on the basis of market prices. Cost is determined on the same basis as used for fixed assets; the estimated realizable value is calculated taking into account any production costs still to be incurred and direct



costs of sale. Obsolete and slow-moving stocks are written down on the basis of their estimated useful lives or realizable values.

Accounts receivable

Accounts receivable are recorded at their estimated realizable value via the posting of provisions for doubtful accounts. Such provisions are calculated on the basis of an evaluation of recoverability, carried out via analysis of individual accounts and of the overall risk associated with accounts receivable, taking account of any existing guarantees and insurance cover.

Factoring

The factoring of receivables without recourse result in the reversal of the corresponding entries under trade receivables on payment by the factor. Should the factor be requested to pay advances, such amounts are posted to “Amounts payable to other lenders” without reversing the account receivable.

Accruals and deferrals

These are recorded on an accruals basis.

Allowances for risks and charges

Allowances for risks and charges represent provisions for liabilities or losses that are either likely or certain to be incurred but uncertain as to the amount or as to the date on which they will arise. The provisions reflect the best possible estimate of such liabilities based on the information available at year end. Risks giving rise to liabilities that are solely possible are reported in the Notes, without any provisions being made.

Provisions for employee severance indemnities

Provisions for employee severance indemnities represent the accrued liability to employees in accordance with established legislation, collective labor contracts and company agreements. Such provisions are subject to revaluation on the basis of indexes.

Accounts payable

Accounts payable are recorded at their nominal value.

Revenue recognition

Sales revenues are recognized on transfer of ownership, which generally coincides with shipment. Service revenues are recognized at the time the service is completed.

Income taxes

Income taxes are calculated on the basis of taxable income estimated in compliance with established legislation, taking account of any allowable deductions and tax credits due. Deferred tax assets and liabilities, deriving from temporary differences between the carrying value of an asset or liability and its tax base, are also recognized. Deferred tax assets are only recognized where there is reasonable certainty that they will be recovered and taking into account the estimated tax rate to which the Company will be liable in future years. The tax benefit deriving from the carry forward of tax losses is posted in the accounts where there is reasonable certainty that it will be realized, and in any event from the year in which the Company effectively benefits.

Capital grants

Capital grants are posted to deferred income until title to such grants is reasonably certain. They are posted to the income statement over the useful life of the asset to which they refer.

Foreign currency translation

Accounts receivable and payable originally denominated in foreign currency are translated into euros on the basis of historical exchange rates. Foreign currency translation gains or losses realized on



collection of foreign currency accounts receivable and payment of foreign currency accounts payable are posted to the income statement, having taken account of the existing allowance for exchange rate movements.

Should the period-end conversion of foreign currency accounts receivable and payable, falling due within 12 months, at period-end exchange rates, having taken account of the relevant hedging contracts, give rise to a net loss, such loss is ascertained and posted to the income statement for the period, with a contra-entry in the appropriate allowance for exchange rate movements. If, on the other hand, a net gain emerges, such gain is deferred.

Derivatives

Such instruments are posted to the memorandum accounts at their nominal value, based on the forward price, with the exception of options, which are posted to accounts receivable. The gains and losses resulting from the application of period-end exchange rates to forward currency agreements, where there is a net exposure not related to specific transactions, are reflected in the allowance for exchange rate movements.

Currency options are posted to accounts receivable and valued at the lower of cost and market value at the end of the period.

Interest rate swaps, if used to hedge the interest rate risk associated with the Company's debt, are described in the notes to commitments and risks, whilst the related effects are posted to the income statements matched with the relevant interest expense. Such swaps not held for hedging purposes are valued on the basis of market prices at the end of the period, and any resulting loss recorded in the accounts.

Finance leases

Assets purchased via financial leases are recorded among tangible fixed assets and depreciated over their estimated useful lives, whilst the capital amount due to the leasing company is included among amounts payable to other lenders. Depreciation and interest expense is thus posted to the income statement.

Risks, commitments and guarantees

Contract commitments and guarantees are recorded in the memorandum accounts at the value shown in the relevant contracts.

Exceptions pursuant to section 4 of art. 2423

It was not necessary to apply any such exceptions in the preparation of the attached accounts.

No changes were made to the accounting policies applied.

ESTIMATION CRITERIA

The main items subject to estimates regard a portion of the bonuses and contributions from suppliers. These are based on the achievement of certain qualitative and quantitative targets over the period, for which, at the current time, there is reasonable certainty that they will be met. The portion recognized for the third quarter derives from the activities carried out to September 31, 2002.



5. CONSOLIDATED ACCOUNTS OF THE CDC GROUP AND RELATED NOTES

5.1. GROUP OPERATING PERFORMANCE

All the amounts shown in the following schedules are expressed in thousands of euros (€) unless otherwise indicated.

During the third quarter of 2002, the CDC Group earned consolidated revenues of €80.541 million, of which €80.086 million derived from IT distribution, representing around 99% of Group revenues. During the same period in 2001, the CDC Group earned consolidated revenues of €90.450 million, of which €87.257 derived from the core IT business and €3.611 million from the telecommunications business sold off in 2001. The remaining portion of earnings was generated by Interfree.

In line with the trend set in the first three months of the year, CDC reported positive Ebitda in the third quarter of 2002.

Consolidated Ebitda amounted to €1.534 million, compared with a loss of €0.037 million for the third quarter of 2001. This improvement was achieved thanks to:

- a) withdrawal of the telecommunications business unit from the basis of consolidation, which generated operating losses of €1.204 million in the third quarter of 2001;
- b) firmer Ebitda for the core IT business, amounting to €1.260 million in the third quarter of 2002, which was slightly down in absolute terms on the €1.368 million achieved during the same period of 2001, but slightly up in terms of the Ebitda margin;
- c) the return on operating income of the Interfree business unit, which generated Ebitda of around €0.270 million, against losses of €0.150 million reported for the third quarter of 2001.

The consolidated Ebitda margin, amounting to 1.9% (against 2.64% during the first nine months of the year), was in line with budget projections for 2002. This result was achieved in spite of the customary fall-off in revenues from sales during the third quarter, which is the least favorable period of the year in terms of profitability, when around 15% of yearly earnings are achieved.

After charges for amortization and depreciation of €1.515 million (including around €0.45 million regarding the Internet business unit), Ebita amounted to €0.019 million, compared with a net loss of €2.604 million in 2001 (of which €2.493 million in the third quarter of 2001 related to the telecommunications business unit).

The pre-tax result registered a loss of €2.086 million, which was an improvement on the loss of €2.446 million reported in the third quarter of 2001, included:

- a) net financial expense totaling €1.384 million, an increase with respect to the €0.756 million in the third quarter of 2001;
- b) non-recurring charges of €0.43 million consisting of:
 - €300 thousand of restructuring costs for Test S.p.A., which is leased by the CDC Group as of September 2002;
 - around €130 thousand relating to the write-down of the value of own shares to bring the book value into line with market prices.

The following schedule shows the reclassified consolidated income statement of the CDC Group for the quarter in question. This has been derived from the statutory income statement.



GRUPPO CDC – Consolidated quarterly report as of September 30, 2002

CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER OF 2002

	3 months to 09/30/02		3 months to 09/30/01		Change
Revenues from sales and services	80,205	99.58%	90,057	99.57%	-10.9%
Other revenues and income	336	0.42%	393	0.43%	-14.5%
Total revenues	80,541	100.00%	90,450	100.00%	-11.0%
Cost of raw and ancillary materials and goods for resale	(65,874)	-81.79%	(82,685)	-91.41%	-20.3%
Change in inventories of goods for resale	(4,791)	-5.95%	3,985	4.41%	-220.2%
Cost of materials and goods	(70,665)	-87.74%	(78,700)	-87.01%	-10.2%
Trading surplus	9,876	12.26%	11,750	12.99%	-16.0%
Service costs	(4,257)	-5.29%	(7,218)	-7.98%	-41.0%
Lease expense	(796)	-0.99%	(656)	-0.73%	21.4%
Payroll costs	(3,182)	-3.95%	(3,824)	-4.23%	-16.8%
Other operating costs	(107)	-0.13%	(89)	-0.10%	20.5%
Ebitda	1,534	1.90%	(37)	-0.04%	4283.4%
Amortization and depreciation	(1,815)	-2.25%	(2,494)	-2.76%	27.2%
Provisions and write-downs	300	0.37%	(73)	-0.08%	509.1%
Ebita	19	0.02%	(2,604)	-2.88%	100.7%
Amortization of goodwill and cost of public offering	(195)	-0.24%	(160)	-0.18%	21.9%
Ebit	(176)	-0.22%	(2,764)	-3.06%	93.6%
Financial income (expense), net	(1,384)	-1.72%	(858)	-0.95%	61.3%
Adjustments to equity investments	(199)	-0.25%	-	0.00%	N.S.
Income (loss) from ordinary activities	(1,759)	-2.18%	(3,621)	-4.00%	51.4%
Extraordinary income (expense), net	(353)	-0.44%	231	0.26%	-252.9%
Income (loss) before minority interest	(2,112)	-2.62%	(3,391)	-3.75%	37.7%
Minority interest	26	0.03%	945	1.04%	-97.2%
Consolidated pre-tax income (loss) attributable to the Group	(2,086)	-2.59%	(2,446)	-2.70%	14.7%

During the first nine months of 2002, the CDC Group earned consolidated revenues of €324.354 million, of which €323.352 million derived from the core business of IT production and distribution and €1.908 million from Internet business via the subsidiary Interfree.

Consolidated revenues as of September 30, 2001 totaled €346.773 million, of which €337.936 million related to IT, €5.393 million to Internet and € 9.751 million to the telecommunications business.

On a like-for-like basis, sales revenues from IT and Internet decreased by around 5%, compared with a sharp downturn in the Italian PC market, which fell by more than 10% during the same period (source: Sirmi and IDC, 2002).



During the first nine months of 2002, CDC reported positive Ebitda, which improved considerably compared with the previous year to €8.558 million. This represents a margin of 2.64%, against a loss of €3.309 million in the same period of 2001, of which €5.704 million was due to the telecommunications business.

Ebit also turned in a positive result, amounting to €2.812 million, despite including losses of around €1.5 million made by Interfree, which were almost entirely incurred during the first half of the year.

After amortization and depreciation and net financial expense of €4.135 million, a pre-tax loss of €1.554 million was reported, which is substantial improvement on the loss of €15.799 million reported at September 30, 2001. This included €6.558 million incurred by the telecommunications business and €5.718 million by the publishing business, both of which were sold off during the second half of 2001.

The following schedule shows the reclassified consolidated income statement of the CDC Group for the nine months to 09.30.2002. This has been derived from the statutory income statement.

CONSOLIDATED INCOME STATEMENT FOR THE FIRST NINE MONTHS OF 2002

	9 months to 09/30/02		9 months to 09/30/01		Change
Revenues from sales and services	323,134	99.62%	345,366	99.59%	-6.4%
Other revenues and income	1,220	0.38%	1,407	0.41%	-13.3%
Total revenues	324,354	100.00%	346,773	100.00%	-6.5%
Cost of raw and ancillary materials and goods for resale	(257,144)	-79.28%	(295,578)	-85.24%	-13.0%
Change in inventories of goods for resale	(30,685)	-9.46%	(11,546)	-3.33%	165.8%
Cost of materials and goods	(287,829)	-88.74%	(307,123)	-88.57%	-6.3%
Trading surplus	36,525	11.26%	39,650	11.43%	-7.9%
Service costs	(14,953)	-4.61%	(27,775)	-8.01%	-46.2%
Lease expense	(2,176)	-0.67%	(2,064)	-0.60%	5.4%
Payroll costs	(10,557)	-3.25%	(12,575)	-3.63%	-16.0%
Other operating costs	(281)	-0.09%	(545)	-0.16%	-48.4%
Ebitda	8,558	2.64%	(3,309)	-0.95%	358.6%
Amortization and depreciation	(5,180)	-1.60%	(7,134)	-2.06%	-27.4%
Provisions and write-downs	(20)	-0.01%	(114)	-0.03%	-82.5%
Ebita	3,358	1.04%	(10,557)	-3.04%	131.8%
Amortization of goodwill and cost of public offering	(546)	-0.17%	(479)	-0.14%	14.0%
Ebit	2,812	0.87%	(11,036)	-3.40%	125.5%
Financial income (expense), net	(4,135)	-1.27%	(2,016)	-0.58%	105.1%
Adjustments to equity investments	(755)	-0.23%	(5,822)	-1.68%	-87.0%
Income (loss) from ordinary activities	(2,078)	-0.64%	(18,874)	-5.44%	89.0%
Extraordinary income (expense), net	(70)	-0.02%	(516)	-0.15%	-86.4%



Income (loss) before minority interest	(2,148)	-0.66%	(19,390)	-5.59%	88.9%
Minority interest	594	0.18%	3,590	1.04%	-83.5%
Consolidated pre-tax income (loss) attributable to the Group	(1,554)	-0.48%	(15,799)	-4.56%	90.2%

Revenues from sales and services

Consolidated sales revenues, including other revenues and income - net of returns, discounts and credit notes and before the elimination of intercompany transactions - are broken down below by area of business.

Areas of business	3 months to 09/30/02	3 months to 09/30/01	Change	9 months to 09/30/02	3 months to 09/30/01	Change
IT distribution	80,086	87,257	-7,171	323,352	337,936	-14,584
Internet	977	1,737	-760	1,908	5,393	-3,485
Fixed telephony	-	3,611	-3,611	-	9,751	-9,751
Publishing	-	-	-	-	-	-

Other revenues and income

Other revenues and income, amounting to €336 thousand in the third quarter of 2002, consisted mainly of rental income and income from the recovery of costs relating to retail credit sales.

They do not include payments to cover advertising, franchising fees received from new franchisees and contributions for promotions from suppliers, amounting to €7.601 thousand at September 30, 2002, which were classified as a reduction of service costs (also including marketing costs).

During the third quarter the year, such payments for advertising and contributions for promotions from suppliers amounted to €1.940 thousand.

Period-end bonuses from suppliers and stock protection, totaling €10.645 thousand at September 30, 2002 were classified as reductions of the cost of materials. During the third quarter of the year, such period-end bonuses from suppliers and stock protection amounted to €2.828 thousand.

Operating costs

The following table shows the principal Group operating costs, broken down by business unit:

Operating costs	Q3 2002	Q3 2001	Change	9M to 09/30/02	9M to 09/30/01	Change
Goods for resale	(65,874)	(82,685)	16,811	(257,144)	(295,578)	38,434
Change in inventories	(4,791)	3,985	(8,776)	(30,685)	(11,546)	(19,139)
Payroll costs	(3,182)	(3,824)	642	(10,557)	(12,575)	2,018
<i>IT distribution</i>	<i>(3,093)</i>	<i>(2,938)</i>	<i>(155)</i>	<i>(10,108)</i>	<i>(9,342)</i>	<i>(766)</i>
<i>Internet</i>	<i>(89)</i>	<i>(329)</i>	<i>240</i>	<i>(449)</i>	<i>(963)</i>	<i>514</i>



<i>Telecommunications</i>	-	(556)	556	-	(2,270)	2,270
		0	0			0
Total service costs	(4,257)	(7,218)	2,961	(14,953)	(27,775)	12,822
of which: marketing	(594)	(115)	(479)	(3,073)	(3,973)	900
<i>IT distribution</i>	(619)	(115)	(504)	(3,046)	(3,123)	77
<i>Internet</i>	25	-	25	(27)	(310)	283
<i>Telecommunications</i>	-	-	-	-	(540)	540
of which: transport and logistics	(1,185)	(1,705)	520	(4,531)	(6,562)	2,031
of which: other service costs	(2,478)	(5,398)	2,920	(7,349)	(17,240)	9,891
Lease expense	(796)	(656)	(140)	(2,176)	(2,064)	(112)
Sundry operating costs	(107)	(89)	(18)	(281)	(545)	264
Total	(79,007)	(90,487)	11,480	(315,796)	(350,083)	34,287

The amount referring to the **change in inventories** essentially relates to the Parent Company CDC Point S.p.A., which is involved in the IT core business.

Marketing costs at September 30, 2002 amount to €3,073 thousand and are expressed net of contributions from suppliers and reimbursements received from the distribution chain totaling €7,601 thousand.

Other service costs primarily regard utilities, external consultants, emoluments paid to corporate officers, in-house and external training, maintenance, fees and portorage. At September 30, 2001, this item also included telecommunications service costs (rental of modem ports, rental of interconnection circuits, backbone and telephone lines).

Payroll costs at September 30, 2002 decreased by €2,018 thousand with respect to the same period in 2001, due to:

- a slight rise in payroll costs in the IT distribution business from €9,342 thousand at 09.30.2001 to €10,108 thousand at September 30, 2002. This rise mainly relates to an increase in the headcount (of around 30 members of staff) resulting from inclusion of Test S.p.A, Armonia Computers and Mactronics Technology in the basis of consolidation;
- a decrease in payroll costs in the Internet business, which fell from €963 thousand in 2001 to €449 thousand at September 30, 2002, following a reduction in the headcount from 28 to 12. In the third quarter of 2002, payroll costs in this business fell to €89 thousand, compared with €329 thousand in the third quarter of 2001;
- the absence of payroll costs in the telecommunications business which, at September 30, 2001, totaled €2,270 thousand.

The following table shows a breakdown of the average headcount by business unit for the periods ending September 30, 2001, June 30, 2002 and September 30, 2002.

HEADCOUNT	09/30/02	06/30/02	09/30/01
IT distribution			
<i>Managers</i>	12	11	10
<i>Supervisors</i>	28	22	20
<i>White-collar</i>	259	245	189
<i>Blue-collar</i>	134	122	192
<i>Trainees</i>	1		7



TOTAL	434	400	418
Internet business			
<i>Managers</i>			0
<i>Supervisors</i>	1		1
<i>White-collar</i>	11	11	27
TOTAL	12	11	28
Telecommunications			
<i>Managers</i>	-	-	2
<i>Supervisors</i>	-	-	8
<i>White-collar</i>	-	-	33
TOTAL	-	-	43
GROUP TOTAL	446	411	489

Amortization, depreciation and write-downs

In addition to the charges relating to individual companies, **amortization and depreciation** also include consolidation adjustments resulting from the elimination of entries posted solely for tax purposes, such as accelerated depreciation and the recalculation of lease transactions according to financial lease accounting.

Provisions and write-downs include the adjustment of the value of own shares held as of September 30, 2002, as described in the relevant paragraph.

Financial income and expense

Net **financial expense** amounted to €1,384 thousand in the period under review.

Financial income (expense)	Q3 2002	Q3 2001	Change	9M to 09/30/02	9M to 09/30/01	Change
Interest income	33	136	(103)	174	291	(117)
Interest expense	(794)	(286)	(508)	(2.120)	(1.345)	(775)
Net foreign currency translation adjustments	7	(105)	112	(521)	(33)	(488)
Bank commissions	78	(4)	82	(113)	(115)	2
Credit card, POS and factoring fees	(708)	(212)	(496)	(1.555)	(815)	(740)
Total	(1,384)	(470)	0	(4,135)	(2,016)	(2,119)

Financial income and expense at September 30, 2002 generated costs of €4,135 thousand compared with €2,016 thousand during the first nine months of 2001. This increase in costs is due, among other factors, to losses in foreign currency translation of €488 thousand, commissions on credit cards and factoring fees of €740 thousand.

Analysis of net debt

In the following table net debt for the periods ending September 30, 2002, September 30, 2001 and June 30, 2002 is analyzed.



GRUPPO CDC – Consolidated quarterly report as of September 30, 2002

Analysis of net debt	09/30/02	09/30/01	Change	06/30/02
Bank debt falling due within 12 months	(43,957)	(40,175)	(3,782)	(43,168)
Bank debt falling due after 12 months			-	
Cash and cash equivalents	3,013	4,472	(1,459)	2,704
Total short-term debt	(40,944)	(35,703)	(5,241)	(40,464)
Amounts due to other lenders for leases:				
falling due within 12 months	(788)	-	(788)	(788)
falling due after 12 months	(2,797)	(3,924)	1,127	(2,989)
Total amounts due to other lenders for leases	(3,585)	(3,924)	339	(3,777)
Total net debt	(44,529)	(39,627)	(4,902)	(44,241)

Total net debt, including amounts due to other lenders for leases, amounts to €44,529 thousand and is mainly unchanged with respect to June 30, 2002.

Extraordinary items

Extraordinary items recorded a negative balance of €353 thousand for the third quarter of 2002, mainly consisting of restructuring charges incurred by Test S.p.A., as of September 2002 leased by the subsidiary, Direct S.r.l.

NET INVESTMENT

Consolidated investment	30-set-02	31.12.2001	First 9M 2002	3Q 2002
Intangible fixed assets	23,024	25,562	(2,538)	1,945
Tangible fixed assets	34,641	34,099	542	442
Financial assets	8,678	1,888	6,790	7,155
Total	66,343	61,549	4,794	9,542

Investment net of disinvestment during the third quarter of 2002 amounted to €9,542 thousand, and was primarily carried out by the Parent Company, CDC Point S.p.A.

Such investment mainly regarded financial assets as follows:

- €8,500 thousand regards the acquisition price of 100% of the share capital of Sofim S.r.l., a company that will be included in the basis of consolidation during the last quarter of 2002;
- disinvestment of €1,505 thousand regarding the sale of the equity investment held in the Upside I fund.



5.2. PERFORMANCE OF THE CORE IT BUSINESS

During the third quarter of the year, the Group has proceeded to distribute IT products in accordance with its multi-channel strategy serving the following markets:

- a. the consumer and SOHO segment, where CDC is the Italian market leader with over 550 outlets bearing the Computer Discount, Compy and Amico trademarks;
- b. IT resellers, system integrators and other IT sector operators, both through its network of 24 cash and carry outlets and via the B2B e-commerce channel. The five cash and carry outlets managed by Direct as a result of management of the Test business unit were only consolidated in September and earned revenues of around €1.5 million;
- c. new market segments covering government and large-scale users, served by the CDC Group from the end of the previous year, earned revenues of €5,536 million during the period, with an additional €14,022 thousand deriving from the Italia Lavoro program, distributed through the retail network and partly marketed through B2B distribution channels. In November the Company won an important contract with the Treasury Ministry to supply over 30,000 personal computers to the Italian government agencies. This contract confirms the reliability of the Group's strategy aimed at greater coverage of the small- and medium-size company and government segments, and also compensates for the slowdown in demand in the consumer and SOHO segments, where CDC is traditionally a market leader.

During the third quarter of 2002 the CDC Group earned sales revenues of €80.086 million from its core IT business, compared with €87.257 million in the same period of 2001, a decrease of around 8%. However, this downturn is less than the computer market in general, which was down by around 10% during the same period according to the research institutes, Sirmi and IDC.

Despite the recession affecting the computer market, CDC consolidated its trading margin during the third quarter of the year, which rose from €8.370 million in the third quarter of 2001 (9.59% of total sales) to €9.409 million in the same period of 2002 (11.75% of sales revenues), in line with 2002 budget projections.

Ebitda reached €1.260 million, compared with €1.368 million in the third quarter of 2001.

Ebit amounted to €3 thousand compared with €313 thousand in the third quarter of 2001. The decrease was primarily due to an increase of around €200 thousand in amortization and depreciation.

Net financial expense rose to €1.363 million in the third quarter of 2002 from €0.894 million in the same period of 2001, and extraordinary expense, totaling around €300 thousand, resulted in a net loss for the period of €1.616 compared with a loss of €315 thousand in the same period of 2001.



The following schedule shows the reclassified income statement for the core IT business, before write-downs of equity investments, for the period under consideration:

CONSOLIDATED INCOME STATEMENT FOR THE IT BUSINESS IN THE THIRD QUARTER OF 2002

	3 months to 09/30/02		3 months to 09/30/01		Change
Revenues from sales and services	79,724	99.55%	87,257	100.00%	-8.63%
Other revenues and income	362	0.45%	-	0.00%	N.S.
Total revenues	80,086	100.00%	87,257	100.00%	-8.22%
Cost of raw and ancillary materials and goods for resale	(65,886)	-82.27%	(78,887)	-90.41%	-16.48%
Change in inventories of goods for resale	(4,791)	-5.98%	-	0.00%	N.S.
Cost of materials and goods	(70,677)	-88.25%	(78,887)	-90.41%	-10.41%
Trading surplus	9,409	11.75%	8,370	9.59%	12.41%
Total operating costs	(8,149)	-10.18%	(7,002)	-8.02%	16.38%
Ebitda	1,260	1.573%	1,368	1.568%	-7.89%
Amortization and depreciation	(1,362)	-1.70%	(895)	-1.03%	52.18%
Provisions and write-downs	300	0.37%	-	0.00%	N.S.
Ebita	198	0.25%	473	0.54%	-58.14%
Amortization of goodwill and cost of public offering	(195)	-0.24%	(160)	-0.18%	21.88%
Ebit	3	0.00%	313	0.36%	-99.04%
Financial income (expense), net	(1,363)	-1.70%	(894)	-1.02%	52.46%
Income (loss) from ordinary activities	(1,360)	-1.70%	(581)	-0.67%	-134.08%
Extraordinary income (expense), net	(282)	-0.35%	266	0.30%	-206.02%
Pre-tax income (loss)	(1,642)	-2.05%	(315)	-0.36%	-421.27%
Minority interest	26	0.03%	-	0.00%	N.S.
Consolidated pre-tax income (loss) attributable to the Group	(1,616)	-2.02%	(315)	-0.36%	-413.02%

During the first nine months of the year, sales revenues totaled €323.352 million compared with €337,936 million in the same period of 2001, down 4.3%.

This decrease in turnover was due to a sharp downturn in the computer market, estimated at around 10% by Sirmi and IDC.

The trading margin was up by 21.3%, rising to €35.521 million in the third quarter of 2002 from €29.281 million in the first nine months of 2001, thanks to greater concentration on commercial brands and categories of goods with higher margins.



Ebitda, which consolidated its growth trend during the period, amounted to €8.809 million (2.72% of sales revenues) compared with €3.554 million in 2001 (1.05% of sales revenues), an increase in absolute terms of 147.9%.

Even more significant is the recovery of profitability registered by Ebit, which amounted to €4.406 million (1.26% of sales revenues) at 09.30.2002, compared with operating income of €0.647 million at 09.30.2001, an increase in absolute terms of 581%.

CDC reported pre-tax income of €254 as of September 30, 2002, against losses of €1,284 million during the same period in the previous year, despite:

- greater financial expense which rose to €4.076 million from €1.878 million in 2001;
- extraordinary expense of around €300 thousand relating to the restructuring of the business unit leased from Test S.p.A. as of the beginning of September 2002.

The following schedule shows the reclassified income statement for the core IT business, before write-downs of equity investments, for the nine months to 09.30.2002:

CONSOLIDATED INCOME STATEMENT FOR THE IT BUSINESS FOR THE FIRST NINE MONTHS OF 2002

	9 months to 09/30/02		9 months to 09/30/01		Change
Revenues from sales and services	322,091	99.61%	337,936	100.00%	-4.7%
Other revenues and income	1,261	0.39%	-	0.00%	
Total revenues	323,352	100.00%	337,936	100.00%	-4.3%
Cost of raw and ancillary materials and goods for resale	(257,146)	-79.53%	(308,655)	-91.34%	-16.7%
Change in inventories of goods for resale	(30,685)	-9.49%	-	0.00%	N.S.
Cost of materials and goods	(287,831)	-89.01%	(308,655)	-91.34%	-6.7%
Trading surplus	35,521	10.99%	29,281	8.66%	21.3%
Total operating costs	(26,712)	-8.26%	(25,727)	-7.61%	3.8%
Ebitda	8,809	2.72%	3,554	1.05%	147.9%
Amortization and depreciation	(3,837)	-1.19%	(2,428)	-0.72%	58.0%
Provisions and write-downs	(20)	-0.01%	-	0.00%	N.S.
Ebita	4,952	1.53%	1,126	0.33%	339.8%
Amortization of goodwill and cost of public offering	(546)	-0.17%	(479)	-0.14%	14.0%
Ebit	4,406	1.36%	647	0.19%	581.0%
Financial income (expense), net	(4,076)	-1.26%	(1,878)	-0.56%	117.0%
Income (loss) from ordinary activities	330	0.10%	(1,231)	-0.36%	126.8%
Extraordinary income (expense), net	(102)	-0.03%	(53)	-0.02%	92.5%
Pre-tax income (loss)	228	0.07%	(1,284)	-0.38%	117.8%
Minority interest	26	0.01%	-	0.00%	N.S.
Consolidated pre-tax income (loss) attributable to the Group	254	0.08%	(1,284)	-0.38%	119.8%



During the third quarter of 2002 the Group proceeded with its strategy to refocus on the core IT business launched at the end of 2001, via acquisitions and agreements with companies operating in the IT sector.

Acquisizione del controllo di Mactronics Technology

On May 21 CDC S.p.A. acquired 51% of Mactronics Technology, a storage and server provider. Mactronics Technology operates the storage and server unit of Mactronics Data Systems S.r.l., an independent company engaged in the Italian storage market, with sales of over €3.5 million in 2001 and excellent growth potential.

The cost of the acquisition was €250 thousand. Following approval from the Antitrust Authority, the transaction was completed at the end of July 2002, with a capital increase of €100 thousand fully subscribed by CDC S.p.A., which thus raised its stake in Mactronics Technology to 60%. The remaining 40% continues to be owned by the previous owner, who boasts unequalled experience in the data storage market.

Agreement with Test Spa

On June 13, 2002, through its Direct S.r.l. subsidiary, CDC Point S.p.A. acquired the Italian commercial operations of Test S.p.A., a company engaging in the IT Distribution market. With total 2001 sales of over €30 million in Italy, Test S.p.A. owns a sales network made up of 6 cash & carry for the distribution of microIT products to resellers in Milan, Padua, Reggio Emilia, Sassari, Florence, Perugia, besides a network of more than 50 computer shops with an affiliation to the Mamabit name.

The transaction was completed on receipt of Antitrust Authority approval on August 6, 2002.

Direct S.r.l., a subsidiary of CDC, takes over Test's Italian operations through a 6-year leasing contract. The transaction calls for a payment of an annual rental of €420 thousand. At the same time, Direct has acquired a call option, at a price of €420 thousand, on 100% of the leased division. The option may be exercised at any time during the lease period and the price in order to acquire ownership at the end of the 6-year period has been set at €2.5 million, of which 50% may be paid in the form of CDC Spa shares. As agreed by the parties, the lease runs from September 1, 2002.

Acquisizione Sofim Srl

On July 31 CDC acquired 100% of Sofim Srl, a company that controls 40 of the main stores in the Computer Discount chain operated by the CDC Group. The transaction, which is subject to Antitrust Authority investigation, was carried out at a cost of €8.5 million. The Computer Discount stores controlled by Sofim generated sales of €60 million in 2001. The acquisition of Sofim is in line with CDC S.p.A.'s business strategy, aimed at consolidating a part of the value chain that is currently outside of the listed company. Sofim Srl will be consolidated from the fourth quarter of 2002.

The sales network again expanded its presence throughout the country during the quarter, under the Computer Discount, Compy and Amico trademarks, and via its own cash and carry outlets.

Changes in the sales network	09/30/02	09/30/01
Cash and carry	24	18
Computer Discount	250	236*
IT corner (Consumer electronics)	180	164
Amico	125	85
Total	579	503

Other revenues and income do not include payments to cover advertising, franchising fees received from new franchisees and contributions for promotions from suppliers, amounting to €7,601 thousand at September 30, 2002, which were classified as a reduction of service costs (also including marketing costs).

During the third quarter the year, such payments for advertising and contributions for promotions from suppliers amounted to €1,940 thousand.

Period-end bonuses from suppliers and stock protection, totaling €10,645 thousand for the nine months to September 30, 2002, were classified as reductions of the cost of materials. Period-end bonuses from suppliers and stock protection during the third quarter of 2002 amounted to €2,828 thousand.

Charges for amortization and depreciation include amortization of the CDC Point S.p.A. trademark (acquired in 1999 from the Parent Company, CDC S.r.l., for €12,911 thousand, the price being based on a specially commissioned export appraisal), totaling €968 thousand for the nine months to September 30, 2002, including €323 thousand for the third quarter.

Amortization of goodwill and the cost of the public offering amounted to €546 thousand for the nine months to September 30, 2002, including €49 thousand regarding the goodwill attributed to Armonia Computers acquired during the first half of 2002.

Extraordinary items for the nine months to September 30 report a negative balance of €102 thousand, including €53 thousand for the third quarter. Charges of around €300 thousand to cover the restructuring carried out by Test S.p.A., as of September 2002 leased by the subsidiary, Direct S.r.l., were incurred during the third quarter. The restructuring has led to a reduction in the headcount from 45 to approximately 25.



6. INFORMATION ON GROUP COMPANIES

PARENT COMPANY

CDC Point S.p.A.

The Company is the Italian market leader in the production and distribution of IT products for the consumer and SOHO markets.

Revenues are earned through its retail distribution network of over 530 outlets operating under the Computer Discount, Compy and Amico trademarks and 18 cash and carry stores distributing to resellers, who are also served by the B2B e-commerce platform, www.cdcpoint.it.

The Group has recently made a successful move into the government, large-scale user and retail chain markets.

The Company closed the period with sales revenues of €321,331 thousand (2001: €337,926 thousand), Ebit of €4,835 thousand (2001: €240 thousand) and a pre-tax loss of €908 thousand (in 2001 the loss was €15,665 thousand).

SUBSIDIARIES

Micronica S.p.A.

The company carries out the assembly of personal computers on behalf of the Parent Company, CDC Point S.p.A., for whom it also provides logistics services.

Revenues from the assembly business amounted to €1,486 thousand, whilst logistics generated income of €2,732 thousand and other services €412 thousand, including €64 thousand from labeling services supplied to the Parent Company.

The company's headcount numbers 145, a reduction of 29 with respect to December 31, 2001.

The nine months to September 30, 2002 closed with a pre-tax loss of €59 thousand.

CD Consulting S.r.l.

The company carries out auditing activities for the Computer Discount stores and cash and carry outlets, and data processing for a number of Computer Discount outlets and other smaller Group companies.

The company's headcount as of March 31, 2002 was 7 and was unchanged with respect to December 31, 2001.

The nine months to September 30, 2002 closed with pre-tax income of €39 thousand.

CD Web S.p.A.

The company operates in the field of ecommerce, using Interfree as its internet portal and the Computer Discount network for the distribution of its products. It is wholly owned by CDC Point S.p.A.

The company does not have any personnel.

The nine months to September 30, 2002 closed with a pre-tax loss of €6 thousand.

Polinet S.r.l.

The company purchased an office building in Milan from Gruppo Editoriale Futura S.p.A. in 2001. This was then rented to the vendor on a 6-year renewable lease at a rental of €129 thousand for the first year from October 1, 2001 to September 30, 2002. This figure is due to increase over subsequent years.

The nine months to September 30, 2002 closed with a pre-tax loss of €17 thousand.



Interfree S.p.A.

In December 2001 Upside I acquired 100% of Policom Spa and 49% of Interfree Spa from CDC Spa, with the parties giving a commitment to subsequently spin off Interfree Spa into two business divisions– portal management and internet dial up. The first was to remain under the control of CDC Spa and the second was to be taken over by Upside I. At the same time CDC Spa signed an exclusive commercial agreement with the Upside I Group covering the sale of telecommunications and IT connectivity products and services.

During the first half of 2002, it became apparent that the Upside I Group was not capable of proceeding with the telecommunications project, and in July an agreement was signed by CDC Spa and Interfree Spa, on the one hand, and Upside I and Policom Spa, on the other, that led to CDC's acquisition of 49% of Interfree Spa at a price of €1.5 million, and the concomitant sale of Upside I's entire holding, equal to 20% of the share capital owned by CDC Spa.

The planned spin-off was therefore abandoned and CDC regained full control of Interfree Spa.

Thanks to the renewed consolidation of Interfree's dial-up revenues, during the second half of 2002 the Internet company aims to achieve a pre-tax result at break even, after having reported positive Ebitda of €270 thousand from the third quarter of 2002.

The nine months to September 30, 2002 closed with a loss of €1,620 thousand.

Mactronics Technology

Mactronics Technology S.r.l. offers storage and server services. It manages the storage unit of Mactronics Data Systems S.r.l.. The company began operating in August 2002.

The nine months to September 30, 2002 closed with a loss of €53 thousand.

Direct srl

Direct Srl manages the commercial activities of Test Spa, an IT distribution company, via a lease agreement. The sales network includes 5 cash & carry outlets, which distribute microIT products to resellers in Milan, Padua, Reggio Emilia, Sassari, Florence, Perugia. Operations began on September 1, 2002.

The nine months to September 30, 2002 closed with a loss of €453 thousand.

ASSOCIATED COMPANIES AND OTHER BUSINESSES

Equity investments in associated and other companies consist of:

- a) the equity investment in SIT S.r.l., totaling €77 thousand. The company develops financial software.
- b) CDC Point S.p.A.'s legally required investment in the Conai Consortium, totaling €0.5 thousand.

RELATED PARTY TRANSACTIONS

The most significant transactions regard trading with Computer Discount outlets, which operate independently, linked to CDC Point S.p.A. by a franchising contract, but whose shareholder structure includes CDC Point S.p.A.'s major shareholders.

The above transactions resulted in revenues of €6,544 thousand and costs of €192 thousand during the period. Accounts receivable totaled €6,331 thousand as of September 30, 2002, whilst accounts payable stood at €25,821 thousand.



7. OTHER INFORMATION

RESEARCH AND DEVELOPMENT

The Group did not carry out research and development of any significance during the first quarter of 2002.

OWN SHARES

As of September 30, 2002, CDC Point S.p.A. holds 118,252 of its own shares, including 101,657 purchased during May and June 2001 in order to stabilize the stock market price, in accordance with the resolution passed by the General Meeting of shareholders of March 8, 2000.

A total of 7,103 shares with an average value of €7.261 were purchase during the third quarter, in accordance with the plan to stabilize the stock market price approved by the General Meeting of shareholders of April 29, 2002.

As of September 30, 2002, 118,252 shares were posted at their average value for the period July – September, equal to €7.1425. This involved a further write-down of €137 thousand with respect to June 30, 2002.

The relevant equity reserve was added to via the transfer of a corresponding amount from the share premium reserve.

OPERATING OUTLOOK

The Group's future development aims to reinforce its position as the leading distributor of IT products.

In November 2002 the Board of Directors approved the business plan for 2003 – 2005, which foresees growth in the Group's market shares in the small and medium-sized company and government segments.

The plan aims to create value via improvements in operating profitability and net income, and a reduction in net debt.

The Internet business will see a return to operating profitability thanks to the consolidation of the revenues generated by internet dial-up services provided to the historical customers of Interfree, which was reacquired in August 2002 in agreement with Upside I.

SIGNIFICANT SUBSEQUENT EVENTS

In November the Company won an important contract from the Treasury Ministry to supply over 30 thousand personal computers to Italian government agencies.

This contract confirms the reliability of the Group's strategy aimed at greater coverage of the small- and medium-size company and government segments, and also compensates for the slowdown in demand in the consumer and SOHO segments, where CDC is traditionally a market leader.

The Chairman of the Board of Directors
Giuseppe Diomelli