CDC GROUP

CONSOLIDATED QUARTERLY REPORT
AS OF SEPTEMBER 30, 2003

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1. 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 Legal Representative with responsibility on corporate activities and corporate functions, in order to carry out the corporate business strategy.

Leonardo Pagni is Managing Director with responsibility for the Commercial and Operating Department. He is responsible for Sales, Procurement, Production, Logistics, IT, Strategic Planning and Investor Relations.

Claudio Andolfi is Managing Director with responsibility for the Administration and Staff Department. He is responsible for Finance, Administration and Control, Human Resources, Development New Opening, Legal and Corporate Business, Internal Auditing.

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

2. BUSINESSES AND STRUCTURE OF THE CDC GROUP

BUSINESSES

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 of Italy in terms of sales and brand awareness – serves the consumer and SOHO segments with about 600 outlets. 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 21 proprietary Cash & Carry outlets, to which, in September 2002, it added the 5 Cash & Carry stores managed 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 users and retail chain markets, via its Direct Sales division.
CDC is leader in the government market thanks to the award of the main supplies for the Italian Public Administration:

- November 2001. Agreement with Italia Lavoro for the IT education of the young people of Southern Italy, for a supply of about 60,000 personal computers;
- November 2002. Consip S.p.A. tender to supply PCs to central and local government entities, with a worth of over €30 million;
- June 2003. Consip S.p.A. tender to supply PCs to central and local government entities, with a worth of over €16 million.

In addition to its core IT production and distribution activities, the CDC Group also operates in the Internet market via Interfree, which manages 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
- Business: sale of IT products

Interfree S.r.l.
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

Micronica S.p.A.
Registered Office: Via Calabria, 1 GELLO - 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 Web S.r.l.
Registered Office: Piazza Fermi snc, 56012 Fornacette CALCINAIA (PI)
Member of the Chamber of Commerce of Pisa number 01515060505
Wholly owned
- Business: e-commerce

Pc Stop 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: sale of IT products

The Notary Napoletano as at September, 30 2003, revoked the winding-up state of the company and changed the corporate name from CD Consulting Srl to Pc Stop Srl.

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

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: storage systems and sale of servers

Computer Discount 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 and others financial activities

The company changed the firm name from Sofim Srl to Computer Discount Srl as at 23 April, 2003.

The company Computer Discount S.r.l. controls the following companies:

1) **CD FIRENZE S.r.l.** Registered Office in Firenze Viale Matteotti 9/r, Member of the Chamber of Commerce of Firenze n° 0395091048349670, Tax number and VAT registration number 03950910483, Share Capital €26,000 whose 56% owned by Computer Discount Srl.
2) **CD MILANO S.r.l** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 09194930153, Tax number and VAT registration number 09194930153, Share Capital €20,400 whose 89% owned by Computer Discount Srl.**.**
3) **CD PISA S.r.l.** Registered Office in Pisa Viale Gramsci 13/a, Member of the Chamber of Commerce of Pisa n° 01096500507, Tax number and VAT registration number 01096500507, Share Capital €10,400 whose 100% owned by Computer Discount Srl.

4) **CD GENOVA S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 03097430106, Tax number and VAT registration number 03097430106, Share Capital €41,600 whose 100% owned by Computer Discount Srl.
5) **CD TORINO S.r.l.** Registered Office in Torino Via Lanzo 15, Member of the Chamber of Commerce of Torino n°1421601145660500, Tax number and VAT registration number 01145660500, Share Capital €20,800 whose 100% owned by Computer Discount Srl.
6) **C.V.M. S.r.l.** Registered Office in Bologna Via S. Donato 2/d, Member of the Chamber of Commerce of Bologna n° 03997720374, Tax number and VAT registration number 03997720374, Share Capital €26,000 whose 87% owned by Computer Discount Srl.
7) **CD VERONA S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 01173640507, Tax number and VAT registration number 01173640507, Share Capital €15,600 whose 100% owned by Computer Discount Srl.
8) **CD ROMA S.r.l.** Registered Office in Pontedera (PI), Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 04265461006, Tax number and VAT registration number 04265461006, Share Capital €56,100 whose 100% owned by Computer Discount Srl.
9) **CD BRESCIA S.r.l** Registered Office in Pontedera (PI), Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 03191550171, Tax number and VAT registration number 03191550171, Share Capital €20,800 whose 100% owned by Computer Discount Srl.
10) **CD PESCARA S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 01351540685, Tax number and VAT registration number 01351540685, Share Capital €25,882.84 whose 100% owned by Computer Discount Srl.
11) **CD MILANO 2 S.r.l.** Registered Office in Pontedera (PI), Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 11412800150, Tax number and VAT registration number 11412800150, Share Capital €52,000 whose 95% owned by Computer Discount Srl.
12) **CD MILANO 3 S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 11412780154, Tax number and VAT registration number 02844360962, Share Capital €51,000 whose 100% owned by Computer Discount Srl.
13) **CD MILANO 4 S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 11412790153, Tax number and VAT registration number 11412790153, Share Capital €51,000 whose 100% owned by Computer Discount Srl.
14) **CD MILANO 5 S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 11429220152, Tax number and VAT registration number 11429220152, Share Capital €51,000 whose 100% owned by Computer Discount Srl.
15) **CD ROMA 2 S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 04931601001, Tax number and VAT registration number 04931601001, Share Capital €51,000 whose 99% owned by Computer Discount Srl.
16) **CD NAPOLI 2 S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 06939510639, Tax number and VAT registration number 06939510639, Share Capital €52,000 whose 100% owned by Computer Discount Srl.

17) **CD CAGLIARI S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 02265710927, Tax number and VAT registration number 02265710927, Share Capital €51,645 whose 100% owned by Computer Discount Srl.
18) **SOLUZIONI INFORMATICHE S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 11644770155, Tax number and VAT registration number 11644770155, Share Capital €52,000 whose 51% owned by Computer Discount Srl.
19) **CD MILANO 6 S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 02696400965, Tax number and VAT registration number 02696400965, Share Capital €26,000 whose 99% owned by Computer Discount Srl.
20) **CD AREZZO S.r.l.** Registered Office in Pontedera (PI) Via Calabria 1, Member of the Chamber of Commerce of Pisa n° 01386290512, Tax number and VAT registration number 01386290512, Share Capital €10,200 whose 100% owned by Computer Discount Srl.
21) **CD BARI 2 S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 01570990505, Tax number and VAT registration number 01570990505, Share Capital €50,000 whose 51% owned by Computer Discount Srl.
22) **BELCOR S.r.l.** Registered Office in Pontedera (PI) Via Mazzini 74, Member of the Chamber of Commerce of Pisa n° 13152200153, Tax number and VAT registration number 13152200153, Share Capital €10,200 whose 100% owned by Computer Discount Srl.

3. USEFUL INFORMATION

CDC Point S.p.A.

CDC Point S.p.A.
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Internet Address

http://www.cdc.it
http://www.interfree.it

CLUB interfree
il portale della comunità tecnologica

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

BASIS OF CONSOLIDATION

All the subsidiaries of CDC Point S.p.A. have been consolidated on a line-by-line basis.

The companies listed below, whose accounts are attached herewith, were included in the consolidation scope.

CDC Point S.p.A. – parent company
Micronica S.p.A. - Wholly owned
Cd Web S.p.A. - Wholly owned
Polinet S.r.l. - Wholly owned
Interfree S.r.l. - Wholly owned
Direct S.r.l. - 99% owned
Mactronics Technology S.r.l. - 60% owned
Computer Discount S.r.l. - Wholly owned. The company holds equities in IT retail outlets, affiliated to Computer Discount.
The company changed the corporate name from Sofim Srl to Computer Discount Srl as at 23 April, 2003.
The basis of consolidation includes all the companies owned by Computer Discount Srl.

The company Pc Stop Srl (ex CD Consulting Srl) was not consolidated for the period under review, because it was basically inactive.

The consolidated Quarterly Report as of September 30, 2002 included the company CD Consulting Srl and did not include the company Computer Discount and its subsidiaries as listed in the pages 5, 6 and 7 of this report.

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 “Consolidation differences” and charged to the income statement in accordance with the criteria applied to goodwill.

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

Amounts posted solely for tax purposes are eliminated and financial lease was registered by the financial method of the international accounting principle IAS 17.

Minority interests in the shareholders’ equity of consolidated companies are shown in a specific item.

Minority interests in the income statement is also shown separately. Such minority interests are calculated on the basis of the book value of shareholders’ equity and the results of consolidated companies.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Quarterly Report as of September 30, 2003 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.
Research and development costs are only capitalized if their are due to the production of prototype of new goods whose will be sure the marketing in the future fiscal years.
The amortization of this costs starts when the development process was concluded and its length is of 3 year.
Start-up and development costs are amortized over three and five years, respectively, and the length of the amortization process is of 3 year.
Industrial patents and licenses are amortized over five years.
Advertising costs are fully expensed as incurred, with the exception of those sustained during the start-up phase.
Trademarks are amortized over a period of ten years.
Consolidation difference consisting of the higher value paid for shareholdings acquisition and the length of its amortization is of 10 year at the latest.
Purchased goodwill is amortized if paid and over a period of no more than five years. Assets are written down in order to reflect any permanent 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 Assets section of these Notes.
Assets are written down in order to reflect any permanent 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.
Finance leases are accounted on the basis of finance lease accounting method.

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

Financial fixed assets

Long-term 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 change 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.
Any option to buy shareholdings are entered as financial fixed assets and are valued with the same criteria applicable to such shareholdings; in alternative, if they are not expected to be exercised, such options are expensed out.

Inventories

In the case of the IT distribution business, inventories are recorded at the lower of purchase or production cost, calculated on the basis of the FIFO method, or 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 selling costs. 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 coverage.

Factoring

The factoring of receivables without recourse result in the reversal of the corresponding entries under trade receivables on payment by the factor.

Treasury Shares

Shares were posted at the lower of cost and their average price during the last month. The appropriate value of such assets is reinstated in future periods should the reasons for such write-down cease to apply.

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. Risks giving rise to liabilities that are solely possible are reported in the notes of memorandum account, 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 labour 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 title, which generally coincides with shipment.
The revenues of the sales subject to the approval are recognized at the date of approval.
Service revenues are recognized at the time the service is completed.
Revenues from the sale of advertising space are recognized at the date of publication.

Income taxes
The Group has decided to use the option allowed by section 7 of article 81 of Consob's Rules and Regulations, approved with resolution number 11971 of May 14, 1999, for the compilation of the quarterly and the 6-month report. Consequentially taxes on the results of the period were not calculated nor the effects derived by deferred taxation related to the period.

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.

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 financial income and charges.
The contracts links to specific activities such as public supplies were posted in accordance with the plan of currency funding aiming at balancing the currency transactions with the needs of currency as for amount and expiration.
The interest rate swaps are described in Memorandum Accounts of this report. If they consist of hedging swaps their effects are posted on the income statement among the financial income / expenses, if they consist of non hedging swaps their effects are posted according to a market evaluation at the end of the year (in the event of losses they are posted).

Finance leases
Assets purchased via finance leases are recorded among tangible fixed assets and depreciated over their estimated useful lives, whilst the principal of the debt outstanding with 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 30, 2003.

5. CONSOLIDATED ACCOUNTS OF THE CDC GROUP AND RELATED NOTES

5.1. GROUP OPERATING PERFORMANCE

All the figures in the tables below are in thousands of euros (€) unless otherwise noted.

During the Third Quarter of 2003, the CDC Group earned consolidated revenues of €122 million, growing by more of 50% compared to €80 million in the Third Quarter of 2002.

In the First Nine Months of 2003, the CDC Group achieved **consolidated revenues** of about €392 million, growing over 20% compared to €323 million in the same period of 2002.

This positive performance of revenues was achieved thanks to:

- a strong growth of revenues of Direct Sales division, which operates in the Government and Mass Merchandising markets, from €3 million in the Third Quarter of 2002 to €25 million in the Third Quarter of 2003. In the First Nine Months of 2003, the revenues exceeded €68 million, compared to €5.5 million in the same period of 2002. The growth of revenues of this division contributed to mitigate the seasonality of the IT business, which has in the third quarter the less positive period of the year in terms of profitability;
- revenues of IT Distribution Division growing 30%, generated by the chain of 26 Cash & Carry and the B2B platform, from €41 million in the Third Quarter of 2002 to €53 million in the Third Quarter 2003. In the First Nine Months of 2003, the distribution revenues reached €175 million, growing 7% compared to €164 million of the same period of 2002;
- growth of 17% of revenues of the retail chains (Computer Discount / Consumer Electronics) from €36 million in the Third Quarter of 2002 to €42 million of the Third Quarter 2003. In the First Nine Months of 2003, the total retail revenues reached €141 million decreasing 7% compared to €152 million of the same period of 2002.

In the First Nine Months of 2003, the CDC Group achieved a **Gross margin** of €56.761 million (14.44% of total revenues) whose €17.579 million earned in the Third Quarter. The Gross Margin registered a strong increase compared to the 2002 (€36.525 million in the First Nine Months whose €9.876 million in the Third Quarter). This result, earned in spite of the downturn of the market in the period under review, was achieved thanks to both the focus on own brand products and the consolidation of the sell out margin, equal to about €6 million, 1.5% of revenues of Computer Discount Srl included in the basis of consolidation during the last quarter of 2002.

In line with the trend set in the first half 2003, as of September 30, 2003 the CDC Group achieved a **Gross operating profit (EBITDA)** of €19.870 million (5.06% on total revenues). In the Third Quarter of 2003 CDC earned an EBITDA of €4.916 million (with an higher impact of fixed costs on the revenues of period under review due to the seasonality of the IT business), compared to €1.534 million of the same period of 2002.

After charges for amortization and depreciation of €5.977 million as of September 30, 2003, whose €2.110 million in the Third Quarter, the **operating profit before the amortization of goodwill and the listing costs on the stock exchange (EBITA)** was equal to €13.893 million, whose €2.806 million earned in the Third Quarter.

The **pre-tax result** registered an income of €6.879 million as of September 30, 2003, whose €1.254 million earned in the Third Quarter, in spite of extraordinary expenses for €0.718 million.

The following table shows the reclassified consolidated income statement of the CDC Group, both for the First Nine Months Period as of September 30, 2003 and for the only Third Quarter 2003. The data have been derived from the statutory income statement.

CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER

	Q3 2003		Q3 2002		Change %
Revenues from sales and services	122,412	99.77%	80,205	99.58%	52.62%
Other revenues and income	277	0.23%	336	0.42%	-17.56%
Total Revenues	**122,689**	**100.00%**	**80,541**	**100.00%**	**52.33%**
Cost of raw and ancillary materials and goods for resale	(106,634)	-86.91%	(65,874)	-81.79%	61.88%
Change in inventories of goods for resale	1,524	1.24%	(4,791)	-5.95%	131.81%
Cost of Goods	**(105,110)**	**-85.67%**	**(70,665)**	**-87.74%**	**48.74%**
Gross Margin	**17,579**	**14.33%**	**9,876**	**12.26%**	**78.00%**
Service costs	(6,506)	-5.30%	(4,257)	-5.29%	52.83%
Lease expense	(1,281)	-1.04%	(796)	-0.99%	60.93%
Payroll costs	(4,641)	-3.78%	(3,182)	-3.95%	45.85%
Other operating costs	(235)	-0.19%	(107)	-0.13%	119.63%
Ebitda	**4,916**	**4.01%**	**1,534**	**1.90%**	**220.47%**
Depreciation	(1,645)	-1.34%	(1,815)	-2.25%	-9.37%
Provisions and write-downs	(465)	-0.38%	300	0.37%	-255.00%
Ebita	**2,806**	**2.29%**	**19**	**0.02%**	**14668.42%**
Goodwill amortization and stock market listing costs	(740)	-0.60%	(195)	-0.24%	279.49%

Ebit	**2,066**	**1.68%**	**(176)**	**-0.22%**	**1273.86%**
Financial Income (expense), net	(780)	-0.64%	(1,384)	-1.72%	43.64%
Adjustments to financial fixed assets	141	0.11%	(199)	-0.25%	170.85%
Income (loss) from ordinary activities	**1,427**	**1.16%**	**(1,759)**	**-2.18%**	**181.13%**
Extraordinary income (expense), net	(173)	-0.14%	(353)	-0.44%	50.99%
Income before taxes	**1,254**	**1.02%**	**(2,112)**	**-2.62%**	**159.38%**
Income taxes	0	0.00%	0	0.00%	0.00%
Net result before minority interests	**1,254**	**1.02%**	**(2,112)**	**-2.62%**	**159.38%**
Income (loss) attributable to minority interests	101	0.08%	26	0.03%	288.46%
Consolidated net income	**1,355**	**1.10%**	**(2,086)**	**-2.59%**	**164.96%**

During the First Nine Months of 2003, the CDC Group earned consolidated revenues of €392.978 million, whose €385.112 million derived from the core business of IT production and distribution and €7.866 from Internet business via the subsidiary Interfree.
Consolidated revenues as of September 30, 2002 was equal to €324.354 million, whose €323.352 million related to IT and €1.908 million to Internet.

On a like-for-like basis, considering the IT and Internet revenues and not including the sell out revenues of Computer Discount Srl, the revenues increased by 12%, compared to a decrease of 7.3% of the Pc Italian market (Source: Sirmi, value data, October 2003).

During the First Nine Months of 2003 the Ebitda reached €19.870 million, compared to €8.558 million of the same period of 2002. This result derived for about €16.9 million from the IT area and for about €2.9 million from Internet business.

Also to the positive result in terms of consolidated Ebit contributed the subsidiary Interfree which in the 2002 fiscal year closed the amortization of the start-up costs. The consolidated Ebit was equal to €11.89 million, compared to €2.8 million of 2002 year, and derives for €9.9 million from the core business of IT and for 2.4 million from Internet business.

The pre-tax profit after the minority interests was positive for €7.041 million, compared to a loss of €1.554 million in the same period of 2002. The pre-tax profit of the parent company CDC Point, was equal to €7.037 million.

CONSOLIDATED INCOME STATEMENT FOR THE FIRST NINE MONTHS

	9M to 09/30/03		9M to 09/30/02		Change %
Revenues from sales and services	392,090	99.77%	323,134	99.62%	21.34%
Other revenues and income	888	0.23%	1,220	0.38%	-27.21%
Total Revenues	**392,978**	**100.00%**	**324,354**	**100.00%**	**21.16%**
Cost of raw and ancillary materials and goods for resale	(338,340)	-86.10%	(257,144)	-79.28%	31.58%
Change in inventories of goods for resale	2,123	0.54%	(30,685)	-9.46%	106.92%
Cost of Goods	**(336,217)**	**-85.56%**	**(287,829)**	**-88.74%**	**16.81%**
Gross Margin	**56,761**	**14.44%**	**36,525**	**11.26%**	**55.40%**
Service costs	(17,734)	-4.51%	(14,953)	-4.61%	18.60%
Lease expense	(3,897)	-0.99%	(2,176)	-0.67%	79.09%
Payroll costs	(14,569)	-3.71%	(10,557)	-3.25%	38.00%
Other operating costs	(691)	-0.18%	(281)	-0.09%	145.91%
Ebitda	**19,870**	**5.06%**	**8,558**	**2.64%**	**132.18%**
Depreciation	(4,753)	-1.21%	(5,180)	-1.60%	-8.24%
Provisions and write-downs	(1,224)	-0.31%	(20)	-0.01%	6020.00%
Ebita	**13,893**	**3.54%**	**3,358**	**1.04%**	**313.73%**

Goodwill amortization and stock market listing costs	(2,003)	-0.51%	(546)	-0.17%	266.85%
Ebit	**11,890**	**3.03%**	**2,812**	**0.87%**	**322.83%**
Financial Income (expense), net	(4,365)	-1.11%	(4,135)	-1.27%	-5.56%
Adjustments to financial fixed assets	72	0.02%	(755)	-0.23%	109.54%
Income (loss) from ordinary activities	**7,597**	**1.93%**	**(2,078)**	**-0.64%**	**465.59%**
Extraordinary income (expense), net	(718)	-0.18%	(70)	-0.02%	-925.71%
Income before taxes	**6,879**	**1.75%**	**(2,148)**	**-0.66%**	**420.25%**
Income taxes	0	0.00%	0	0.00%	0.00%
Net result before minority interests	**6,879**	**1.75%**	**(2,148)**	**-0.66%**	**420.25%**
Income (loss) attributable to minority interests	162	0.04%	594	0.18%	-72.73%
Consolidated net income	**7,041**	**1.79%**	**(1,554)**	**-0.48%**	**553.09%**

Revenues from sales and services

Consolidated revenues, net of returns, discounts and allowances, derived almost entirely from sales in Italy.

Business areas	Q3 2003	Q3 2002	Change	9M to 09/30/03	9M to 09/30/02	Change
IT distribution	120,046	80,086	39,960	385,410	323,352	62,058
Internet	2,720	977	1,743	7,866	1,908	5,958

Others revenues and income

Others revenues and income, amounting in the Third Quarter of 2003 to €0.277 million, consisting mainly of rental income, insurance refund and income from the recovery of costs related to sales.

They do not include payments to cover advertising, franchising fees received from new franchisees and contribution for promotions from suppliers, amounting to €9.415 million as of September 30, 2003, which were classified as a reduction of service costs (also including marketing costs).
During the Third Quarter of 2003, such payments for advertising and contributions for promotions from suppliers amounted to €2.831 million.

Period-end bonuses from suppliers and stock protection, amounting to €17.062 million as of September 30, 2003, were classified as reductions of the cost of materials. During the Third Quarter of 2003, such period-end bonuses from suppliers and stock protection amounted to €5.160 million.

Operating costs

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

Operating costs	Q3 2003	Q3 2002	Change	9M to 09/30/03	9M to 09/30/02	Change
Goods for resale	**(106,634)**	**(65,874)**	**(40,760)**	**(338,340)**	**(257,144)**	**(81,196)**
Change in inventories	**1,524**	**(4,791)**	**6,315**	**2,123**	**(30,685)**	**32,808**
Payroll costs	**(4,641)**	**(3,182)**	**(1,459)**	**(14,569)**	**(10,557)**	**(4,012)**
IT Distribution	*(4,527)*	*(3,093)*	*(1,434)*	*(14,203)*	*(10,108)*	*(4,095)*
Internet	*(114)*	*(89)*	*(25)*	*(366)*	*(449)*	*83*
Total service costs	**(6,506)**	**(4,257)**	**(2,249)**	**(17,734)**	**(14,953)**	**(2,781)**
whose: marketing	(1,813)	(594)	(1,219)	(3,311)	(3,073)	(238)
IT Distribution	*(1,799)*	*(619)*	*(1,180)*	*(3,279)*	*(3,046)*	*(233)*
Internet	*(14)*	*25*	*(39)*	*(32)*	*(27)*	*(5)*
whose: transportation and logistics	(1,559)	(1,185)	(374)	(5,265)	(4,531)	(734)
whose: other service costs	(3,134)	(2,478)	(656)	(9,158)	(7,349)	(1,809)
Lease expense	**(1,281)**	**(796)**	**(485)**	**(3,897)**	**(2,176)**	**(1,721)**
Sundry operating costs	**(235)**	**(107)**	**(128)**	**(691)**	**(281)**	**(410)**
Total	**(117,773)**	**(79,007)**	**(38,766)**	**(373,108)**	**(315,796)**	**(57,312)**

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 amounting to €3.311 million and are expressed net of contributions from suppliers and reimbursements received from the distribution chain totalling €9.415 million.

Others service costs primarily regard utilities, external consultants, emoluments paid to corporate officers, in-house and external training, maintenance, fees and porterage.

Payroll costs increases because of the qualitative and quantitative growth of staff. The increase is moreover attributable to the entry in the basis of consolidation of the companies Direct Srl and Mactronics Technology Srl for the entire period (compared respectively to one and four months in the same period of 2002). The payroll costs of Computer Discount Srl and its subsidiaries, which did not included in the basis of consolidation as of September 30, 2002, amounted to €1.845 million.
The following table highlights a breakdown of the average employees by business unit for the Nine Months Period ending September 30, 2003, compared to the same period of 2002.

Employees	09/30/03	06/30/03	09/30/02	Av.ge empl. 01/03-09/30/03
IT Distribution	**576**	**571**	**434**	**571.55**
Managers	13	12	12	12.89

Supervisors	32	29	28	30.22
White-collar	354	379	259	350.55
Blue-collar	169	151	134	167.11
Trainees	8	0	1	10.78
Internet	**12**	**13**	**12**	**11.44**
Managers	0	0	0	0
Supervisors	1	1	1	1
White-collar	11	12	11	10.44
Total	**588**	**584**	**446**	**582.99**

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 only for tax purposes, such as accelerated depreciation and the recalculation of lease transactions according to financial lease accounting.

Allowances for bad debts and write-downs arose mainly from the adjustment to trade and other receivables and allowances for risk. The total of these provision and write-downs amounted to €1.224 million, whose €1.050 million derived from the Parent Company CDC Point S.p.A.

Financial income and expense

Financial income and expense break down as follows:

Financial income (expense)	Q3 2003	9M to 09/30/03	9M to 09/30/02	Change
Interest and other financial income	311	620	174	446
Interest Expense	(785)	(2,460)	(2,120)	(340)
Net foreign currency translation adjustment	283	(300)	(521)	221
Bank Commissions	(88)	(242)	(113)	(129)
Credit cards, POS payments and factoring fees	(501)	(1,730)	(1,555)	(175)
Premiums on options	0	(253)	0	(253)
Total	**(780)**	**(4,365)**	**(4,135)**	**(230)**

Financial income and expenses are mainly attributable to the parent company. The increase in the interest expense was due to the growth of debt caused by losses on sharing of 2002.

Financial position

Net financial position	**09/30/03**	**09/30/02**	**Change**	**06/30/03**
Bank debt falling due within 12 months	(44.495)	(43.957)	(538)	(39.139)
Bank debt falling due after 12 months	0	0	0	0
Cash and cash equivalents	6.711	3.013	3.698	6.155
Total short-term debt	**(37.784)**	**(40.944)**	**3.160**	**(32.984)**
Amounts due to other lenders for leases	**(3.109)**	**(3.585)**	**476**	**(3.127)**
falling due within 12 months	(726)	(788)	62	(722)
falling due after 12 months	(2.383)	(2.797)	414	(2.405)
Factor debt for advance of contracts	**(3.788)**	**0**	**(3.788)**	**(758)**
Medium-term bank debt	**0**	**0**		**(140)**
Total	**(44.681)**	**(44.529)**	**(152)**	**(37.009)**

Net financial position as of September 30, 2003 was substantially in line with the value of the same period of 2002.

Extraordinary items

Extraordinary items recorded a negative balance of €0.718 million mainly consisting of contingent liabilities.

INVESTMENTS

Consolidated investments	**9M to 09/30/03**	**Q3 2003**
Intangible fixed assets	1,005	184
Tangible fixed assets	678	428
Financial assets	36	4
Total	**1,719**	**616**

During the Third Quarter of 2003, the investments net of disinvestments amounted to €0.616 million. During the under review period, there were no significant investment in the intangible, tangible and financial fixed assets.

5.2. PERFORMANCE OF THE IT CORE BUSINESS

During the Third Quarter, the CDC Group has proceeded to distribute IT products in accordance with its multi-channel strategy serving the following markets:

a. the consumer and SOHO segments, where CDC Group is the leader of the Italian market with about 600 outlets bearing the Computer Discount, Compy and Amico trademarks; during the Third Quarter the Group achieved revenues of €44.9 million, with an increase of €6.82 million compared to the same period of 2002;

b. IT resellers, system integrators and other IT sector operators, both through its network of 26 Cash & Carry outlets and via the B2B e-commerce channel; during the Third Quarter the Group achieved revenues of €49.2 million compared to €38.66 million of the same period of 2002;

c. new market segments covering government and large-scale users, served by CDC group from the end of 2002, with revenues of €25.51 million in the Third Quarter of 2003 compared to €2.56 million of the Third Quarter of 2002.

During the Third Quarter of 2003 the CDC Group earned sales revenues of €120.046 million from its core IT business, compared to €80.086 million in the same period of 2002, with a growth of around 50% compared to the downturn of 5.2% of the Italian Pc market (Source: Sirmi, October 2003).

Great improvement of operating result. During the Third Quarter of 2003 the Ebitda reached €4.030 million, which a growth of around 220% compared to the same period of 20002 (€1.260 million).

The Ebitda margin went over 3.3% on the sales revenues, first-rate in the sector. This result was mainly achieved thanks to:

- growth of gross margin from 11.75% in the Third Quarter of 2002 to 12.44% in the under review period, via the greater efficiency of purchase policy and focus on products with an higher margin;
- operating expenses reduction, specially of service costs, that decreased from 5.19% to 4.06% on sales revenues. Also the impact of payroll costs on revenues fell from 3.86% in the Third Quarter of 2002 to 3.77% in the under review period.

Ebit amounted to €1.490 million after goodwill amortization and stock market listing costs of €0.579 million and fixed assets amortization and provision of €1.961 million. In the Third Quarter of 2002 the Ebit amounted to €0.003 million after goodwill amortization and stock market listing costs of €0.195 million and fixed assets amortization and provision of €1.062 million.

Hereafter the reclassified consolidated income statement of the IT business area (IT production and distribution), for the Third Quarter of 2003, compared to the same period of 2002, prepared in a concise form, before the shareholding depreciation and the adjustment of consolidation.

CONSOLIDATED INCOME STATEMENT FOR THE IT BUSINESS IN THE THIRD QUARTER

	Q3 2003		Q3 2002		Change %
Revenues from sales and services	119,750	99.75%	79,724	99.55%	50.21%
Other revenues and income	296	0.25%	362	0.45%	-18.23%
Total Revenues	**120,046**	**100.00%**	**80,086**	**100.00%**	**49.90%**

Cost of raw and ancillary materials and goods for resale	(106,635)	-88.83%	(65,886)	-82.27%	61.85%
Change in inventories of goods for resale	1,525	1.27%	(4,791)	-5.98%	131.83%
Cost of Goods	**(105,110)**	**-87.56%**	**(70,677)**	**-88.25%**	**48.72%**
Gross Margin	**14,936**	**12.44%**	**9,409**	**11.75%**	**58.74%**
Service costs	(4,879)	-4.06%	(4,157)	-5.19%	17.37%
Lease expense	(1,272)	-1.06%	(795)	-0.99%	60.00%
Payroll costs	(4,527)	-3.77%	(3,093)	-3.86%	46.36%
Other operating costs	(228)	-0.19%	(104)	-0.13%	119.23%
Ebitda	**4,030**	**3.36%**	**1,260**	**1.57%**	**219.84%**
Depreciation	(1,496)	-1.25%	(1,362)	-1.70%	9.84%
Provisions and write-downs	(465)	-0.39%	300	0.37%	-255.00%
Ebita	**2,069**	**1.72%**	**198**	**0.25%**	**944.95%**
Goodwill amortization and stock market listing costs	(579)	-0.48%	(195)	-0.24%	196.92%
Ebit	**1,490**	**1.24%**	**3**	**0.00%**	**49566.67%**
Financial Income (expense), net	(772)	-0.64%	(1,363)	-1.70%	43.36%
Income (loss) from ordinary activities	**718**	**0.60%**	**(1,360)**	**-1.70%**	**152.79%**
Extraordinary income (expense), net	(186)	-0.15%	(282)	-0.35%	34.04%
Income before taxes	**532**	**0.44%**	**(1,642)**	**-2.05%**	**132.40%**

During the First Nine Months of 2003, consolidated revenues, net of returns, discounts and allowances, deriving almost entirely from sales in Italy, amounted of €384.459 million compared to €322.091 million of the same period of 2002, with a growth of 19.36%.

Sale revenues	9M to 09/30/03	9M to 09/30/02	Change
Retail	150,413	160,298	(9,885)
Distribution	164,596	155,698	8,898
Government and large-scale users	68,898	5,538	63,360
Other sale revenues	552	557	(5)
Total	**384,459**	**322,091**	**62,368**

Retail revenues was achieved via Computer Discount, Compy and Amico channels, with a decrease of around 6% compared to the same period of 2002 due to the downturn of the whole retail market.

Distribution revenues was achieved through Cash & Carry and e-commerce B2B channels, with a growth of 5.7% compared to the First Nine Months of 2002.
Direct sales channels registered an increase of more than 1000%.

The CDC Group continued to develop its selling network both with Computer Discount, Compy and Amico trademarks and with its Cash & Carry.

CHANGES IN THE SELLING NETWORK	9M to 09/30/03	9M to 09/30/02
Cash & Carry	26	24
Computer Discount	244	250
IT Corner (Compy)	237	180
Amico	119	125
Total	**626**	**579**

Others revenues and income, amounting to €0.951 million, including €0.173 million of rental income, €0.249 million of insurance refund and €0.529 million of income from the other recovery.

Period-end bonuses from suppliers and stock protection, amounting to €17.06 million as of September 30, 2003, were classified as reductions of the cost of materials.

Service costs increased mainly from the change of basis of consolidation. Marketing costs are expressed net of contributions from suppliers and reimbursements totalling €9.415 million (€7.601 million as of September 30, 2002). Maintenance costs increased from €1.268 million as of September 30, 2002 to €1.696 as of September 30, 2003. The growth derived almost entirely (€0.333 million) from the consolidation of Computer Discount Srl and its subsidiaries. Transfer costs increased of €0.734 million due to the growth of trading volume. The other service costs consisting of consulting and third services (€0.574 million), compensation to directors and auditors (€1.977 million), insurance premiums (€0.435 million) and subcontractors (0.708 million). The other service costs, amounting to €2.604 million, including supervision services, cleaning expenses, travelling expenses and other ones.

Service costs	Q3 2003	Q3 2002	Change	9M to 09/30/03	9M to 09/30/02	Change
Marketing costs	704	675	29	247	2,719	(2,472)
Maintenance and utilities	564	490	74	1,696	1,268	428
Transfer costs	1,559	1,187	372	5,265	4,531	734
Other service costs	2,052	1,805	247	6,298	5,684	614
Total	**4,879**	**4,157**	**722**	**13,506**	**14,202**	**(696)**

The **amortization costs** including both the amortization of trademark CDC Point S.p.A. (bought from the parent company CDC S.r.l. for €12.911 thousand in the 2002 Fiscal Year) for a share of €0.968 million and the amortization of the intangible and tangible fixed assets useful to the activity.

Allowances for bad debts and write-downs arose mainly from the adjustment to trade and other receivables and allowances for risk. The total of these provision and write-downs amounted to €1.224 million, whose €1.050 million derived from the Parent Company CDC Point S.p.A.

Goodwill amortization and stock market listing costs as of September 30, 2003, amounted to €1.520 million, due to:

a.	goodwill Mactronics Technology	€ 0.043 million
b.	goodwill Computer Discount Srl (ex Sofim)	€ 0.835 million
c.	goodwill Armonia Computers	€ 0.144 million
d.	stock market listing costs	€ 0.498 million

The low increase of the **financial expenses** was mainly attributable to the higher commission paid both of the bank and of the factoring companies due to of higher amount of receivables.

Hereafter the reclassified consolidated income statement of the IT business area (IT production and distribution), for the Third Quarter of 2003, compared to the same period of 2002, prepared in a concise form, before the shareholding depreciation and the adjustment of consolidation.

CONSOLIDATED INCOME STATEMENT FOR THE IT BUSINESS IN THE FIRST NINE MONTHS

	9M to 09/30/03		9M to 09/30/02		Change %
Revenues from sales and services	384,459	99.75%	322,091	99.61%	19.36%
Other revenues and income	951	0.25%	1,261	0.39%	-24.58%

Total Revenues	**385,410**	**100.00%**	**323,352**	**100.00%**	**19.19%**
Cost of raw and ancillary materials and goods for resale	(338,337)	-87.79%	(257,146)	-79.53%	31.57%
Change in inventories of goods for resale	2,123	0.55%	(30,685)	-9.49%	106.92%
Cost of Goods	**(336,214)**	**-87.24%**	**(287,831)**	**-89.01%**	**16.81%**
Gross Margin	**49,196**	**12.76%**	**35,521**	**10.99%**	**38.50%**
Service costs	(13,506)	-3.50%	(14,202)	-4.39%	-4.90%
Lease expense	(3,866)	-1.00%	(2,130)	-0.66%	81.50%
Payroll costs	(14,203)	-3.69%	(10,108)	-3.13%	40.51%
Other operating costs	(677)	-0.18%	(272)	-0.08%	148.90%
Ebitda	**16,944**	**4.40%**	**8,809**	**2.72%**	**92.35%**
Depreciation	(4,362)	-1.13%	(3,837)	-1.19%	13.68%
Provisions and write-downs	(1,124)	-0.29%	(20)	-0.01%	5520.00%
Ebita	**11,458**	**2.97%**	**4,952**	**1.53%**	**131.38%**
Goodwill amortization and stock market listing costs	(1,520)	-0.39%	(546)	-0.17%	178.39%
Ebit	**9,938**	**2.58%**	**4,406**	**1.36%**	**125.56%**
Financial Income (expense), net	(4,345)	-1.13%	(4,076)	-1.26%	-6.60%
Income (loss) from ordinary activities	**5,593**	**1.45%**	**330**	**0.10%**	**1594.85%**
Extraordinary income (expense), net	(682)	-0.18%	(102)	-0.03%	-568.63%
Income before taxes	**4,911**	**1.27%**	**228**	**0.07%**	**2053.95%**

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 600 outlets operating under the Computer Discount, Compy and Amico trademarks and 21 cash and carry stores distributing to resellers, who are also served by the B2B e-commerce platform, www.cdcpoint.it.
Since the end of 2002 Fiscal Year, CDC Point S.p.A. has made a successful move into the government, large-scale user and retail chain markets.
The Company closed the period ending as of September 30, 2003 with sales revenues of €386.050 million (€321.331 million in the same period of 2002), Ebitda of €14.195 million (€7.868 million in the 2002), Ebit of €10.967 million (€4.835 million in the 2002) and a pre-tax profit of €7.037 million (in the same period of 2002 the profit was €0.976 million).

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 €2.552 million, whilst logistics generated income of €3.214 million and other services €0.710 million.
The Nine Months to September 30, 2003 closed with a pre-tax profit of €0.366 million.

CD Web S.p.A.

The company operates in the field of e-commerce, 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, 2003 closed with a pre-tax loss of €0.007 million.

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, 2003 closed with a pre-tax loss of €0.069 million.

Interfree S.r.l.

The company Interfree Srl, representing the business area of Internet Service Provider and Portal business area, is wholly owned by CDC Point SpA. During the under review period the company was consolidated its structure after the reorganization process ended in the 20002 Fiscal Year. The revenues mainly derived from revenue sharing recognized of telephone companies (Telecom SpA, Wind SpA and Albacom SpA) due to the traffic generated as Internet Service Provider.
The Nine Months to September 30, 2003 closed with a pre-tax profit of €2.381 million.

Computer Discount S.r.l.

The company holds equities in IT retail outlets, affiliated to Computer Discount.
The companies owned by Computer Discount Srl generated revenues of €31.06 million in the First Nine Months of 2003.
The Nine Months to September 30, 2003 closed with a pre-tax loss of €0.961 million.

Mactronics Technology S.r.l.

Mactronics Technology S.r.l. offers storage and server services. It manages the storage unit of Mactronics Data Systems S.r.l.
The Nine Months to September 30, 2003 closed with a loss of €0.195 million.

Direct S.r.l.

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 Milano, Padova, Reggio Emilia, Sassari, Firenze, Perugia. Operations began on September 1, 2002.

The Nine Months to September 30, 2003 closed with a profit of €0.061 million.

ASSOCIATED COMPANIES

Equity investments in associated companies consist only of CDC Point S.p.A.'s legally required investment in the Conai Consortium, totaling €0.5 thousand.

RELATED COMPANIES

Related-party transactions are solely of a commercial nature and take place at arm's length.

The table below summarizes the credit and debit positions, as well as the revenues and costs, arising from transactions with related parties as of the September 30, 2003.
The most significant of such transactions were:

		CDC		
(000's of €)	**Receivables**	**Payables**	**Revenues**	**Costs**
CDC S.r.l.	1	0	1	0
Parent company	**1**	**0**	**1**	**0**
Wal S.p.A. (selling out)	0	0	0	0
CD Napoli S.r.l.	211	0	873	12
Cd Pistoia S.r.l.	0	0	0	0
Cd Salerno S.r.l.	88	0	373	5
Associated companies	**299**	**0**	**1,246**	**17**
Imo 1 Srl	0	0	0	172
Semata Srl (selling out)	0	0	0	0
Gap S.r.l.	0	1	16	18
Related parties	**0**	**1**	**16**	**190**

7. OTHER INFORMATION

RESEARCH AND DEVELOPMENT

The Group did not carry out research and development of any significance during the Third Quarter of 2003.

OWN SHARES

As of September 30, 2003, CDC Point S.p.A. held of 121,002 its own shares, including 101,657 acquired during 2001, and 19,345 during 2002, in order to stabilize the stock market price, in accordance with the resolution passed by the General Shareholders' Meeting of April 29, 2002.
As of September 30, 2003 such shares were posted at the lower of cost and their average value during the last month (€7.24), recording a revaluation of €0.072 million.
The relevant equity reserve was added to via the transfer of the same 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 October 2003 the Board of Directors approved the Business Plan for 2004-2006 which mainly based on:

- growth of Group's market shares in the MicroIT Italian market (hardware + software) from 7.9% of 2003 to 10.9% of 2006, thanks to both the increase of the market shares in the SoHo and Corporate segments and the consolidation of leadership in the Consumer and Government segments;
- higher focus on the sales of own brand products and business solutions;
- to create value for the shareholders, with an increase of net consolidated profit from €10 million of forecast 2003 (target today confirmed) to €18.6 million of 2006.

SUBSEQUENT EVENTS

Was not registered important subsequent events as of September 30, 2003

The Chairman of the Board
Giuseppe Diomelli