



Group strategies and forecast 2011

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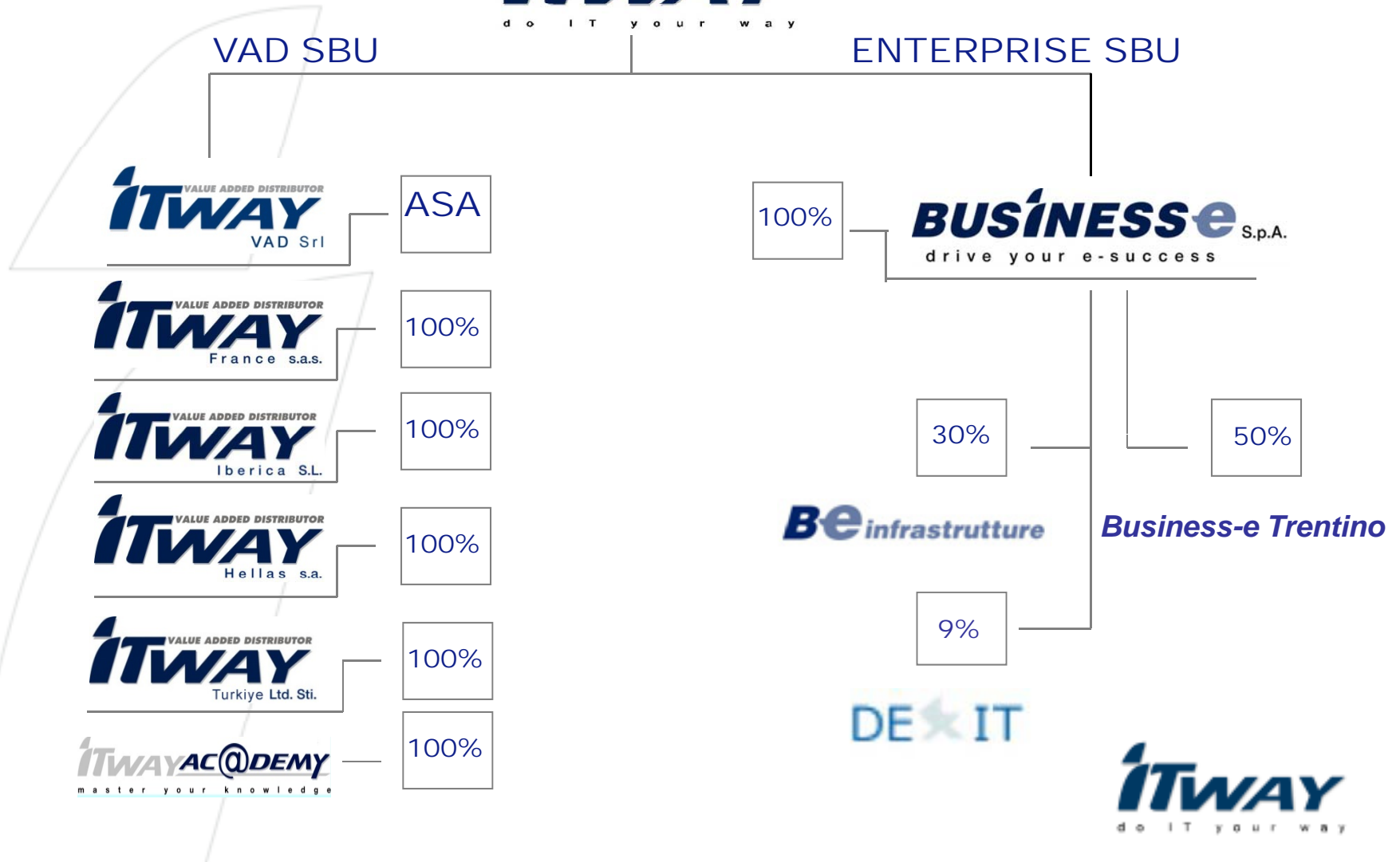
Agenda

- **Itway Group**

- Strategies
- Financials
- Annexes



The Group





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Business Plan for the period 2010-11/2012-13

The Board of Directors approved the Business Plan which will lay down the Group's objectives for the next three years of:

- 1) reinforcing the Group's role as a point of reference on its market segments;
- 2) improving EBITDA, both in absolute terms and by increasing margins on total revenues.

Based upon the assumptions adopted, in financial year 2012-13, the Company expects to achieve an EBITDA (Gross Operating Margin) ranging between Euro 2,8 million and Euro 3,5 million and a positive result of operations ranging between Euro 400 thousand and Euro 800 thousand.



The main general assumptions concerning the relevant economic context underlying the Plan are the following:

- 1) expected average annual growth in consumption in the relevant sector in the range of 10-13%;
- 2) growth in GNP starting from 2011;
- 3) interest rates expected to rise;
- 4) taxes on the basis of the expected tax rates for each country in which the Group operates.

The main discretionary assumptions underlying the Plan, taking into account a number of management initiatives are: with regard to Value Added Distribution by the Group

- ✓ development of the division focused on cloud computing services, also through strategic agreements with an important vendor;
- ✓ segmentation of the market and development and fine-tuning of services in the more profitable and strategic market segments;



- ✓ focus on product lines which generate greater value added;
- ✓ lower incidence of general and administrative costs.

As regards consultancy services provided by the Group to corporate clients:

- ✓ expansion and consolidation of skills and expertise in certain business lines offered and development of technical skills related to cloud computing services;
- ✓ outsourcing of services generating lower value added;
- ✓ promotion of loyalty on the part of strategic clients and expansion and diversification of client base;
- ✓ Territorial drill down in more focused regions of digital development (Trentino,).



Capital increase

Itway S.p.A. on April 20, 2011, concluded the capital increase transaction approved by the Board of Directors on February 2, 2011, in accordance with the mandate granted to it by the Extraordinary Shareholders' Meeting on January 27, 2011. As a result of this transaction No. 3,487,976 new shares were subscribed, for a total value of Euro 6,627 thousand, of which Euro 1,744 thousand are to increase in social capital and Euro 4,883 thousand as a share premium. The capital increase was paid up on April 8, 2011. To the date of the current report, therefore, the social capital is comprised of 7,905,318 shares for a total value of Euro 3,952,659 and Net Equity approximately amounts to Euro 26 million.



Strategic agreements:

- ✓ **November 2009:** signed, through the subsidiary Itway VAD, two new agreements in the storage and information security market: the first agreement with **Hitachi Data Systems (HDS)** world player in software and company data storage services. This agreement is valid for Italy and the other countries where the Group operates: Spain, Portugal, Greece and Turkey. The second agreement, signed with **Trend Micro**, implies distribution of technologies for corporate content security in Turkey;
- ✓ **April 2010:** signed an agreement with **Microsoft**, worldwide leader in software, services and Internet technologies. This agreement allows Itway to consolidate its presence in virtualization sector;



Strategic agreements:

- ✓ **May 2010:** signed exclusive agreement for Italy with **CTERA Networks**, a company that operates in the hybrid cloud storage and data protection;
- ✓ **November 2010:** signed an agreement, as first Tier, with **IBM** for distribution of both Hardware and Software products, pooling skills of IBM and Itway to accelerate diffusion of Migration Factory program launched by IBM;
- ✓ **December 2010:** reached an exclusive distribution agreement with the dutch **CORDYS**, “emergent” company in the CLOUD COMPUTING market, with a suite of PaaS products (Platform Application As a Service);
- ✓ **December 2010:** Itway extends the agreement with the distributor **SOURCEFIRE**, a company working in the field of IT security, becoming the distributor for Italy, as well as in France;



Strategic agreements:

- ✓ **January 2011:** Itway Hellas become exclusive distributor for Greece of **Check Point** and **Websense**. Since these agreements are expected significant increases in business volumes and profitability of this subsidiary;
- ✓ **February 2011:** signed an agreement with the French manufacturer UCOPIA, value-added distributor of security solutions and network infrastructure that can ensure access and mobility management on wireless communications and wired;
- ✓ **March 2011:** Business and **Agency for the dissemination of technologies for Innovation (Ministry of Public Administration and Innovation)** have signed an agreement for the creation of a Centre of expertise on secure multi-channel systems. The center will be organized at the University of Roma 3 with the goal of innovative integration of existing resources to make available a multi-channel reliable communication between public administrations and citizens;



Strategic agreements:

- ✓ **May 2011:** Itway strengthens its partnership with the Israeli multinational **Check Point Software**. The agreement sets down joint plans to develop programs and initiative in area of cyber security, with the objective to grow in the Southern Europe countries where Itway operates (France, Spain, Portugal, Italy, Greece and Turkey);
- ✓ **June 2011:** signed a commercial agreement for the distribution of the Open Source solutions born through the collaboration between **Red Hat Inc.**, worldwide supplier leader in the open source solutions, and **Acronis**, leader in the production of solutions for backup, restoration and security of physical, virtual and cloud environments;
- ✓ **July 2011:** Itway joined, through its subsidiary Business-e, at the “Italian Energywise Alliance”, an initiative sponsored by Cisco Italy. Italian Energywise Alliance, which brings together 16 companies and research centers of the Italian electronics and computer science, involves the development of a “single platform power management”, able to offer energy managers and companies in the industry all the tools needed to measure the correlation data, the forecast consumption, billing and purchasing energy.



Strategy: *Strategy for VAD SBU*

- To consolidate the market leadership in current offering:
 - ✓ Security management;
 - ✓ Virtualization;
 - ✓ Cloud computing;
 - ✓ Convergence (VoIP, ...);
 - ✓ RDBMS;
 - ✓ Application Access Management;
 - ✓ Internetworking;
 - ✓ Other solutions.
- To expande offering to SMB and SOHO;
- To improve organizational efficiency and effectiveness in internal processes;
- To increase customer base in all the countries where the Group operates;
- To define a new catalogue of courses to widen the Itway Academy offer.



Strategy: *Strategy for Enterprise SBU*

- To consolidate organizational and functional synergies, to increase scale of operations and to maximize results of each segment of activity;
- To consolidate strategic partnerships and to define new ones:
 - involvement in complex and strategic and high value contracts;
 - territorial diversification of opportunities (Mediterranean Area);
 - participate in the reconstruction of the digital infrastructure of Libya.
- Improvement in:
 - ✓ Operating efficiency;
 - ✓ Selling process (reorganization of processes: from scouting to delivery);
 - ✓ Personnel management (detailed scheduling, ready to engage);
 - ✓ Focus on services and consultancy sales;
 - ✓ Diversification in industries;
 - ✓ Penetration in territories high focused in digital development.



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Financials: *Preliminary Statement*

In the following slides it will be illustrated the financial data of the Itway Group relating to the period ended June 30, 2011, 2010 and 2009 (first nine months of the fiscal year from October 1st to September 30th).

On July 26, 2011 the Extraordinary Shareholders' Meeting of Itway approved a change to the company's fiscal year from 30 September to 31 December. The first fiscal year after the current one scheduled to close on 30 September 2011 will have a term of only 3 months (1^o October - 31 December 2011) and the following fiscal years, starting with the 2012 fiscal year starting on 1 January 2012, will be standard twelve-month fiscal years.



Financials: *consolidated profit & loss*

€/thousand	Nine months to June 30,			
	2009	2010	2011	Var % 2011 vs 2010
Sales	82.686	87.078	83.144	- 4,5%
EBITDA	1.520	718	1.144	+ 59,3%
EBIT	819	(40)	387	+ 1.067,5%
EBT	(186)	(741)	(451)	+ 39,1%



Financials: *profit & loss SBU VAD*

€/thousand	Nine months to June 30,			
	2009	2010	2011	Var % 2011 vs 2010
Sales	67.830	72.355	71.055	-1,8%
EBITDA	1.235	657	1.139	+ 73,4%
EBIT	744	95	567	+ 496,8%
EBT	16	(440)	(78)	+ 82,3%



Financials: *profit & loss SBU Enterprise*

.€/thousand	Nine months to June 30,			
	2009	2010	2011	Var % 2011 vs 2010
Sales	14.856	14.723	12.089	- 17,9%
EBITDA	285	61	5	- 91,8%
EBIT	75	(135)	(180)	- 33,3%
EBT	(202)	(301)	(373)	- 23,9%



Financials: *Net financial position*

€/thousand	30/06/11	30/09/10	30/09/09	30/06/08
Cash and cash equivalent	4.746	4.654	2.756	5.075
Current financial liabilities	(26.756)	(24.198)	(19.723)	(13.967)
Net current financial position	(22.010)	(19.544)	(16.967)	(8.892)
Non-current financial liabilities	(2.595)	(2.663)	(2.495)	-
Net financial position	(24.605)	(22.207)	(19.462)	(8.892)



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Who we are

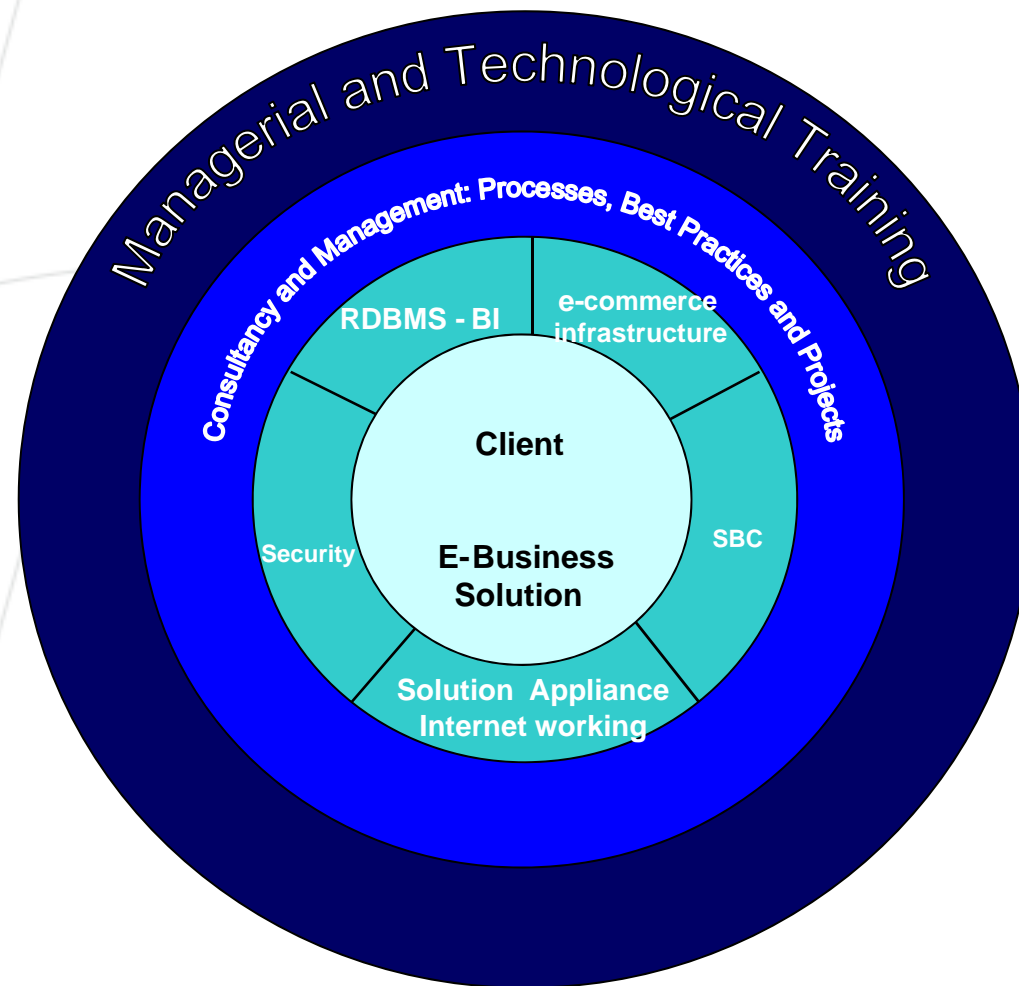
Itway is a group of leading companies in the supply and licensing of technologies for e-business solutions, able to offer concrete and highly affordable solutions to its partners. Itway bases its offer on a precise strategy:

- ✓ To offer *best of breed* technologies to the market;
- ✓ To train, to follow and to support its partners in a highly qualified way;
- ✓ To utilize best knowledge and most advanced available instruments;
- ✓ To build an integrated offer together with our partners on every bid.



Who we are:

The integrated approach of the Group





Who we are:

SBU VAD, a model of value

- Value Added Distributor which provides complex software, supplying consultancy and training.
- Model of Business recognized as one of the most innovative at European level by operators and by independent research firm.
- Focus on distribution of software addressed to realization of e-business solutions.
- Irreplaceable link between vendors and VARs, SI e Telcos, in the chain of value of distribution.
- Dynamic structure able to concentrate itself on markets with the higher growth rates.
- Infomediary, “Distrigator” and indispensable partner for VARs, SI and Telcos.



Who we are: *our main Vendors*





Who we are:

SBU Enterprise

- Consultancy and production of solutions and software for e-business:
 - creation of internet portals to manage activities b2b, CRM, Call Center e Wireless Application, Datawarehouse;
 - Supply of outsourcing services, knowledge management and EDI.
- Solutions with Sun, HP and IBM products;
- Sale and integration of products and services to centralize applications, particularly in the Cloud Computing world;
- Sale and integration of products and services of logic security of information systems;
- Services of design, realization and maintenance of solutions based upon Internet, Intranet and Extranet;
- Security and served based computing consultancy.



Who we are: *Events and acknowledge*

- **May 2002:** Itway Group guaranteed Nato-Russia summit from hacker attacks;
- **December 2002:** Itway included in best 40 European companies ranking for growing rate;
- **October 2003:** Itway Group provided IT security for meeting of European leaders in Rome;
- **April 2004:** Itway S.p.A. shares are admitted in TechStar segment of Italian Stock Exchange;
- **October 2004:** Itway Group provided IT security for meeting of signature of European Constitution in Rome;
- **October 2004:** Itway included in the best 100 European companies ranking for growth rate;
- **October 2005:** Itway included in the best 500 (221°) European companies ranking for growth rate;
- **July 2009:** Itway Group provided IT security for the annual summit meeting of the G8 heads of Government.





Thank you for attention