TXT e-solutions: Full Year 2012 with Revenues of € 46.5 million (+16%), Net Income of € 5.1 million and dividend of € 0.40 per share

- *Consolidated Revenues: € 46.5 million, 53% from abroad.*
- *EBITDA: € 5.3 million, from € 4.4 million in 2011 (+21.0%).*
- *EBIT: € 4.2 million (€ 0.9 million in 2011).*
- *Net profit: € 5.1 million.*

Milan – 6 March 2013
The Board of Directors of TXT e-solutions, chaired by Mr Alvise Braga Illa, today approved the consolidated report on operations as at 31 December 2012.

Revenues grew by 15.8%, from € 40.1 million to € 46.5 million. Net of Maple Lake acquisition, consolidated since Q4 2012, revenues grew by 12.5%. Sales of licences and maintenance totalled € 10.3 million, 22% as a percentage of revenues (€ 9.0 million in 2011).

International revenues rose from € 20.6 to € 24.4 million, up 18.4% and 53% as a percentage of total sales. The TXT Perform Division, which provides innovative Integrated Retail Planning software to large Retailers as well as to the Luxury and Fashion industries, contributed the most to this result. Net of Maple Lake acquisition, international revenues grew by 11.8%.

Both business areas made a positive contribution to the growth in group's revenues, with TXT Perform and TXT Next posting an increase of +19.2% (57% of group's revenues) and +11.5% (43% of group's revenues), respectively.

Gross Margin, net of direct costs, rose by 17.1% and grew to 51.9% as a percentage of revenues, compared to 51.4% in 2011, thanks to higher margins from the TXT Perform Division.

EBITDA rose by 21.0% to € 5.3 million, 11.4% as a percentage of revenues. All research and development costs were expensed in 2012 (in 2011, costs of € 1.3 million were capitalised).

Operating profit (EBIT) has provided a reason for satisfaction: it has surged by € 3.3 million to € 4.2 million (€ 0.9 million in 2011). As a percentage of revenues grew from 2.2% to 9.1%.

Net Income from operations amounted to € 4.2 million (9.0% of revenues), compared to € 0.4 million in 2011.

Net Income, after gains of € 0.9 million arising from the Earn-out on the sale of Polymedia, occurred in 2011, amounted to € 5.1 million. In 2011 Net Income was € 14.2 million, including an extraordinary gain for the sale of Polymedia of € 13.8 million.

After the payment for the acquisition of Maple Lake, **Net Available Financial Resources** was € 6.0 million (€ 12.5 million as at 31 December 2011). Consistent with the accounting principle IFRS 3, after the provision of the maximum earn-outs payable, subject to the achievement of set growth and profitability goals through the integrations between Maple Lake and TXT in 2013 and 2014 (€ 2.8 million), the **Net Financial Position** was positive to the tune of € 3.2 million as at 31.12.2012.

Shareholders' Equity as at 31 December 2012 amounted to € 26.2 million, compared to € 20.3 million at 31 December 2011, mainly due to Net Income.

On 28.9.2012 TXT e-Solutions closed the definitive agreement to acquire 100% of **Maple Lake,** a specialist in Fashion Retail Planning. Through this acquisition TXT obtains a direct presence in North America, where it already has several important customers, and Australia. It also strengthens itself in Europe, thus becoming the leading global supplier of innovative Integrated Retail Planning solutions for the Fashion, Luxury and Retail markets.

Because the Maple Lake acquisition extends TXT's geographical presence, the potential target market for TXT Perform will more than triple, to over 1,500 large retailers in North America, Europe and Australia.

Maple Lake brings to TXT approximately 50 new, large retail customers, operating with about 90 international brands, and many well-known names such as Aeropostale, Arcadia Group, Barneys New York, Columbia, Levi's Strauss & Co and Steve Madden. After the acquisition, TXT, which already serves a large number of top brands, such as Louis Vuitton in Luxury and Auchan in global retailing, will have more than 400 Fashion Retail customers, managing well over 100,000 stores and channels worldwide.

The acquisition of Maple Lake entailed a net outlay of € 8.7 million and issued 238,854 new TXT shares to Sellers, as approved by the TXT Shareholders' Meeting held on 6.12.2012.

TXT's strategy is to accelerate the growth in functionality and the geographic reach of the TXT Perform platform, so that it truly becomes the software "brand of brands" for non-food Integrated Retail Planning worldwide. TXT management expects both revenues and operating margins to increase as a result of this strategy and of the transaction, despite a challenging and recessionary economic backdrop in several markets, most notably in Italy.

Alvise Braga Illa, Chairman of TXT Group, stated: "*2012 results underline the major and effective work of TXT, with Net Income from Operations at 9% of revenues, and a further extraordinary profit of € 0,9 million, derived from the exceptional sale of Polymedia. Our international growth and profit targets for the next years are today even more ambitious, despite uncertainty in International markets and Italian recession. Unfortunately, recent events in our home Country further delay the cut and re-qualification of government expenditures, the execution of development policies and the reduction of overheads on employment and on enterprises*".

Q4 2012 Results

The performance for the fourth quarter of 2012 was as follows:

- Net revenues totalled € 12.4 million, up +24.2% compared to Q4 2011, thanks to the sound performance of both TXT Perform (+39.0%) and TXT Next (+7.7%) divisions. Net of Maple Lake acquisition revenues grew by 13.6%.
- Gross operating profit (EBITDA) in the fourth quarter amounted to € 1.0 million, up +41.0% compared to € 0.7 million in the prior-year period. Profit ratio amounted to 7.7%, compared to 6.8% in Q4 2011.
- Operating profit (EBIT) amounted to € 0.6 million, up from loss of € -0.4 million in the prior-year period, thanks to an improved EBIDTA and a decrease in depreciation and amortisation expense.
- Net profit from operations amounted to € 1.1 million, compared with € 0.4 million loss in 2011 and includes the recent benefit of IRAP deductibility from income taxes.
- Net profit for the fourth quarter of 2012 amounted to € 1.5 million (loss of € -2.4 million in Q4 2011).

Significant events after the reporting period and Outlook

The purchase of Treasury Shares has continued according to plans: in 2013, 62,400 ordinary shares have been purchased. As per today, the Company owns a total of 655,900 Treasury Shares, or 11.37% of capital.

Next quarters will be characterized by increasing efforts to penetrate the North American market, leveraging on the fast integration of the products and of TXT's and Maple Lake's teams, on the ongoing growth of the sales team and on the intensification of commercial activities.

Ongoing negotiations for the sale of TXT Perform solutions, if compared to the growth targets, are decent. The order book for licenses, maintenance and services allow envisaging a positive development of the business in the current quarter, despite the difficult and recessive economic environment in several markets, most notably in Italy. The Company believes it will be able to outperform the market, thanks to strategy, innovative products and an international team of specialized consultants.

Dividend

Based on the consolidated results reported, the Board of Directors proposes to the Shareholders' Meeting to distribute a dividend in the amount of € 0,40 for each share outstanding on the ex-dividend date, i.e. on May 27th 2013 (to be paid on May 30th 2013), excluding Treasury Shares. The total amount of dividends will, therefore, be about € 2.1 millions, distributed to an estimated number of about 5.3 million shares outstanding on ex-dividend date.

At current share price, this dividend represents a yield in excess of 4%. As anticipated, this dividend corresponds to about 30% of the Consolidated Net Income from Operations; in addition, the entire amount of € 0,9 million Non Recurring profit of 2012 is being distributed.

The Company, while confirming also for the future such dividend distribution policy, keeps the right to tune it to give priority to business development opportunities. The

Board of Directors confirms the goal to use, in the future, shares for acquisitions in the perimeter of the core business of the Company. Accordingly, the Board of Directors also confirms its proposal to the Shareholder Assembly to keep TXT listed, being convinced that the Stock Market will, as time goes, reward TXT with growing capitalization, in line with international multiples from which it is still far, even at the recent share prices.

The Board of Directors resolved to call for the Shareholders' Meeting at Borsa Italiana, in Milano, Piazza Affari 6, on April 23rd 2013 at 3:00 pm. At the end, at 4:30 pm, TXT management will hold a presentation to Investors and Analysts.

Declaration of the designated officer in charge of drafting the company's accounting documents

The Designated Officer in charge of drafting the company's accounting documents, Paolo Matarazzo, herein declares, pursuant to Article 154-bis, Paragraph 2 of Legislative Decree no. 58 of 24 February 1998, that the accounting information contained in this press release corresponds to the documentary records, books and accounting entries.

The report as at 31 December 2012 will be made available to the general public at the company's offices and via the NIS circuit at Borsa Italiana as well as on the company's website www.txtgroup.com. As from today this press release is available also on the company's website www.txtgroup.com

TXT e-solutions is an international specialist in high-value, strategic software and solutions for large enterprises. The main business areas are: **Integrated & Collaborative Planning Solutions,** with the TXT Perform Division, especially for Luxury, Fashion, Retail and Consumer Goods; **Software for Complex Operations & Manufacturing,** with the TXT Next Division, for Aerospace, Defence, High-Tech and Finance. Listed in the Star Segment of Borsa Italiana (TXT.MI), TXT is based in Milan and has offices in Italy, France, UK, Germany, Spain, Canada and Australia.

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Management Income Statement as at 31.12.2012

€ thousand	2012	%	2011*	%	Var 12/11%
REVENUES	**46.499**	**100,0**	**40.138**	**100,0**	**15,8**
Direct costs	22.351	48,1	19.522	48,6	14,5
GROSS MARGIN	**24.148**	**51,9**	**20.616**	**51,4**	**17,1**
R & D costs	4.091	8,8	2.802	7,0	46,0
Commercial costs	8.976	19,3	7.972	19,9	12,6
G & A costs	5.759	12,4	5.445	13,6	5,8
GROSS OPERATING MARGIN (EBITDA)	**5.322**	**11,4**	**4.397**	**11,0**	**21,0**
Amortization, depreciation	1.077	2,3	3.526	8,8	(69,5)
OPERATING PROFIT (EBIT)	**4.245**	**9,1**	**871**	**2,2**	**387,4**
Financial income (expenditure)	130	0,3	72	0,2	n.m.
PRE-TAX RESULT (EBT)	**4.375**	**9,4**	**943**	**2,3**	**363,9**
Taxes	(176)	(0,4)	(591)	(1,5)	n.m.
NET INCOME FROM OPERATIONS	**4.199**	**9,0**	**352**	**0,9**	**n.m.**
Non recurring profit *	939	2,0	13.832	34,5	n.m.
NET INCOME	**5.138**	**11,0**	**14.184**	**35,3**	**n.m.**

* Results for 2011 have been stated pursuant to IFRS 5, net of discontinued operations. All revenues and costs relating to Polymedia have been reclassified for 2011 as "Non-recurring profit (loss)".

Income statement as at 31.12.2012

Euro	31/12/2012	31/12/2011	Var.	%
Revenues	45.217.346	37.582.327	7.635.019	20,3
Other income	1.281.279	2.555.330	(1.274.051)	(49,9)
Total Revenues and income	46.498.625	40.137.657	6.360.968	15,8
Purchases of materials and services	(12.159.886)	(10.649.831)	(1.510.055)	14,2
Personnel costs	(27.126.310)	(23.360.093)	(3.766.217)	16,1
Other operating costs	(1.890.642)	(1.731.019)	(159.623)	9,2
Amortization and Deopreciation	(1.062.127)	(3.554.044)	2.491.917	(70,1)
Write downs	(14.916)	(1.916.941)	1.902.025	(99,2)
OPERATING RESULT	4.244.744	(1.074.271)	5.319.015	n.m.
Financial income	1.820.679	1.173.117	647.562	55,2
Financial Charges	(1.306.109)	(3.764.519)	2.458.410	(65,3)
Pre-tax result	4.759.314	(3.665.673)	8.424.987	n.m.
Income taxes	(175.698)	(590.705)	415.007	n.m.
Net result current activities	4.583.616	(4.256.378)	8.839.994	n.m.
Net result from divested operations	554.316	18.440.609	(17.886.293)	n.m.
Net Income	5.137.932	14.184.230	(9.046.298)	n.m.
Profit per share (€)	1,03	5,57		
Profit per Share Fully Diluted (€)	0,94	5,35		

Net financial position

€ thousand	31.12.2012 *(a)*	31.12.2011 *(b)*	Var *(a-b)*	30.09.2012
Cash	15.819	14.181	1.638	10.368
Negotiable securites	-	2.220	(2.220)	-
Short term debt	(5.496)	(1.757)	(3.739)	(1.627)
Short term Financial Resources	**10.323**	**14.644**	**(4.321)**	**8.741**
Long term debt	(4.302)	(2.155)	(2.147)	(1.501)
Net Available Financial Resources	**6.021**	**12.489**	**(6.468)**	**7.240**
Financial Debt for Earn-out (IFRS 3)	(2.784)	-	(2.784)	(2.911)
Net Financial Position	**3.237**	**12.489**	**(9.252)**	**4.329**

Consolidated Balance Sheet as at 31.12.2012

BALANCE SHEET: ASSETS				
Amounts in €		31.12.2012	31.12.2011	Variance
NON-CURRENT ASSETS				
Intangible Assets		19.866.254	6.561.373	13.304.881
- Goodwill		15.139.294	4.647.408	10.491.886
- R&D		1.300.004	1.815.941	(515.937)
- Finite life Intangible assets		3.426.956	98.025	3.328.931
Tangible Assets		1.154.282	819.064	335.218
- Buildings, plants and machinery owned		1.121.001	763.176	357.825
- Lease assets		33.281	55.888	(22.607)
Other non-current assets		301.053	96.662	204.391
Deferred Tax Assets		493.907	257.632	236.275
TOTAL NON- RECURRENT ASSETS		**21.815.496**	**7.734.731**	**14.080.765**
CURRENT ASSETS:				
Inventories	*	1.388.486	1.457.481	(68.995)
Trade receivables		17.274.489	12.273.457	5.001.032
Other current assets		2.287.953	2.810.345	(522.392)
Short term financial assets		0	2.031.515	(2.031.515)
Marketable securities		0	188.099	(188.099)
Cash		15.818.812	14.180.963	1.637.849
TOTAL CURRENT ASSETS		**36.769.740**	**32.941.860**	**3.827.880**
TOTAL ASSETS		**58.585.236**	**40.676.591**	**17.908.645**

BALANCE SHEET : LIABILITIES				
Amounts in €		31.12.2012	31.12.2011	Variance
SHAREHOLDERS' EQUITY				
Share capital		2.883.466	1.366.519	1.516.947
Reserves		17.422.630	19.094.980	(1.672.350)
Retained earnings (accumulated losses)		719.785	(14.381.062)	15.100.847
Profit (loss) for the year		5.137.932	14.184.229	(9.046.297)
TOTAL SHAREHOLDERS' EQUITY		**26.163.813**	**20.264.667**	**5.899.146**
NON-CURRENT LIABILITIES				
Non –current financial liabilities		4.301.301	2.154.661	2.146.640
Long-term Earn-out		2.784.284	0	2.784.284
Severance and other personnel liabilities	*	3.326.244	3.169.805	156.439
Deferred tax liabilites		1.269.903	196.687	1.073.216
Provision for risks	*	88.706	45.519	43.187
TOTAL NON-CURRENT LIABILITIES		**11.770.438**	**5.566.672**	**6.203.766**
CURRENT LIABILITIES				
Current financial liabilities		5.496.498	1.756.781	3.739.717
Trade payables		1.799.747	3.087.426	(1.287.679)
Tax payables	*	889.563	376.854	512.709
Other current liabilities	*	12.465.177	9.624.190	2.840.987
TOTAL CURRENT LIABILITIES		**20.650.985**	**14.845.251**	**5.805.734**
TOTAL LIABILITIES		**32.421.423**	**20.411.924**	**12.009.499**
TOTAL EQUITY AND LIABILITIES		**58.585.236**	**40.676.591**	**17.908.645**

* Values at 31.12.2011 has been reclassified consitently with 2012 classification.

Consolidated Statement of Cash Flows as at 31.12.2012

€ thousand	31.12.2012	31.12.2011
Net Income	**5.137**	**14.184**
Non cash costs	103	131
Net interest paid	58	94
Paid taxes	0	981
Amortization, Depreciation & Write-downs	1.077	3.777
Cash flows generated by operations before working capital	**6.375**	**19.167**
Trade recevables	(3.349)	6.934
Inventories and work in progress	69	131
Trade paybles	(2.339)	(964)
Tax payables	1.822	(2.183)
Severnace and other personnel liabilites	199	(830)
Other current assets/liabilities	1.909	(4.351)
Cash flow from operating activities	**4.686**	**17.904**
Investing activities		
Increase in fixed assets :		
- Tangible	(789)	(735)
- Intangible	(33)	(1.424)
- Goodwill acquisition Maple Lake*	(13.988)	
- Financial	-	200
Decrease in fixed assets and other changes	108	4.148
Variance in assets and liabilites from Maple Lake *	12	
Uses of cash in investing activities	**(14.690)**	**2.189**
Financial activities		
Increase/(decrease) financial debts	8.671	(2.062)
(Increase)/decrease financial assets	2.031	(10.292)
Other changes in net equity	(1.042)	(106)
Capital increase	1.712	
Cash flow from financial activities	**11.372**	**(12.460)**
Increase/decrease in liquid bank assets	**1.368**	**7.633**
Cash at beginning of the period	14.369	6.630
Difference in Currency Translation	82	106
Cash at the end of the period	15.819	14.369
	1.368	**7.633**

* Detail flows of cash due to acquisition of Maple Lake	31.12.2012
Trade recevables	(1.652)
Trade paybles	1.051
Other current assets/liabilities	613
Operating activites	**12**
Investing activities	
Increase in fixed assets :	
- Tangible	(278)
- Intangible (Goodwill)	(10.492)
- Intangible (Customer relationship)	(1.474)
- Intangible (Intellectual property software)	(2.022)
Investing activities	**(14.266)**
Total	**(14.254)**

Q4 Management Income Statement as at 31.12.2012

€ thousand	Q4 2012	%	Q4 2011	%	Var. 12/11%
REVENUES	**12.396**	**100,0**	**9.977**	**100,0**	**24,2**
Direct costs	6.256	50,5	4.881	48,9	28,2
GROSS MARGIN	**6.140**	**49,5**	**5.096**	**51,1**	**20,5**
R & D costs	1.160	9,4	994	10,0	16,7
Commercial costs	2.404	19,4	1.935	19,4	24,2
G & A costs	1.616	13,0	1.486	14,9	8,7
GROSS OPERATING PROFIT (EBITDA)	**960**	**7,7**	**681**	**6,8**	**41,0**
Amortization, depreciation	336	2,7	1.043	10,5	(67,8)
OPERATING PROFIT (EBIT)	**624**	**5,0**	**(362)**	**(3,6)**	**n.m.**
Financial income (expenditure)	(111)	(0,9)	(78)	(0,8)	n.m.
PRE-TAX PROFIT (EBT)	**513**	**4,1**	**(440)**	**(4,4)**	**n.m.**
Taxes	609	4,9	88	0,9	n.m.
NET INCOME FROM OPERATIONS	**1.122**	**9,1**	**(352)**	**(3,5)**	**n.m.**
Non recurring result	387	3,1	(2.037)	n.m.	n.m.
NET INCOME	**1.509**	**12,2**	**(2.389)**	**n.m.**	**n.m.**