

**TXT e-solutions: Shareholders' Meeting
approves 2016 financial statements**

Net profit € 5.6 million (+43%), EBITDA € 8.2 million (+39%)

Dividend € 0.30 per share (+20%)

Revenues Q1 2017 € 18.0 million (+25%).

Milan, 21 April 2017

The Shareholders' Meeting of TXT e-solutions, the global leader for End-to-End Business Software for Fashion, Luxury and Specialty Retailers and the Software specialist for Complex Operations & Manufacturing for Aerospace, High-Tech and Finance, held an ordinary session today at the Milan Triennale, rather than at the Italian Stock Exchange as in the past, under the chairmanship of Alvisè Braga IIIa:

- it examined and approved the draft financial statements as at 31 December 2016. The consolidated net profit for 2016 amounted to € 5.6 million (+43.4% compared to 2015). Consolidated Revenues were € 69.2 million, +12.4% compared to 2015. EBITDA amounted to € 8.2 million, +38.8% compared to 2015. The Net Financial Position as at 31 December 2016 was positive at € 5.4 million;
- it approved the distribution of a dividend of € 0.30 (compared to € 0.25 in 2016) for each outstanding share, excluding treasury shares, and with payment from 17 May 2017, record date 16 May 2017 and ex-dividend date 15 May 2017. Total dividends will therefore amount to approximately € 3.5 million, paid to approximately 11.7 million shares;
- it approved the Directors' Remuneration Report;
- it renewed the authorisation to purchase treasury shares for a period of 18 months up to 20% of the share capital. At the current date, the Company has 1,354,133 treasury shares, equal to 10.41% of the shares issued, purchased at an average price of € 2.44 per share;
- it appointed the members of the Board of Directors and Board of Statutory Auditors, who will hold office for three years until approval of the financial statements for the year ending 31 December 2019, along with their relative remuneration.

The Board of Directors will comprise 7 directors: Alvisè Braga IIIa, Marco Edoardo Guida, Stefania Saviolo (independent), Fabienne Anne Dejean Schwalbe (independent) and Paolo Matarazzo belonging to the majority list and Andrea Casanova and Teresa Cristiana Naddeo (independent) belonging to the minority list.

- it elected the Board of Statutory Auditors, comprising the following individuals: Mario Basilico (Chairman) and Massimiliano Alberto Tonarini (alternate auditor), belonging to the minority list, and Luisa Cameretti (standing auditor), Giampaolo Vianello (standing

auditor), Laura Grimi (alternate auditor) and Pietro Antonio Grignani (alternate auditor), belonging to the majority list.

The curricula of the newly-appointed directors and statutory auditors are available on the Company's web site at www.txtgroup.com, "Investor Relations" section.

Innovation on Augmented Reality and on TXT Retail and Next products

At the end of the meeting, the company presented to investors and financial analysts the recent performance of both divisions and the Group's new innovation plans, particularly with regard to Augmented Reality.

The presentation for the TXT Retail Division included the transformation potential of TXT solutions for the Omnichannel requirements of large international retailers, the uniqueness of TXT end-to-end solutions, the advantages of project acceleration thanks to the AgileFit method, the new Cloud-based Managed Services and SaaS solutions of Merchandise Lifecycle Management, and the potential of the new in-memory technology, progressively applied to all TXT modules.

The presentation for the TXT Next Division covered the long-term growth prospects in the aeronautics market, the opportunities offered by the large, qualified customer portfolio acquired with Pace GmbH, and the possibility to proceed with further acquisitions in order to strengthen its know-how, technological expertise and software.

Research and Development at TXT Next obtained extremely interesting results in the application of new Augmented Reality techniques in the aeronautics sector, with contracts by a large US company to design the cabins of their top aircraft. In the TXT Retail Division, we are also adopting these new techniques in our products for the fashion sector, with new visual applications on tablets and smart phones for Collection Lifecycle Management.

The Triennale of Milan and TXT e-solutions have signed a collaboration agreement with duration of three years (2017-2019). This partnership includes the establishment of an OpenDesignLab for Augmented Reality, a laboratory of ideas on technological innovation applied to design and to the performing arts, and OpenDesignDay, a series of meetings between those who operate in the fields of innovation and culture of projects in companies, start-ups and innovation, design and communication centres.

The presentation used during the meeting is available at:
<http://www.txtgroup.com/investors/financial-presentations/>

Satisfactory growth in revenues, licences and subscriptions in the first three months of 2017

During first quarter 2017, TXT e-solutions expects revenues of approximately € 18.0 million, up 25% compared to € 14.4 million in first quarter 2016, due to the contribution of Pace GmbH (€ 1.9 million), acquired and consolidated starting from 1 April 2016, and to organic growth of 12%. The TXT Retail Division, End-to-End software specialist in Luxury and Fashion, had revenues of € 9.0 million, up 14% compared to € 7.9 million in Q1 2016. Revenues of the TXT Next Division, software specialist in the Aerospace, High-Tech and Finance sectors, were € 9.0 million, up 39% compared to Q1 2016 (€ 6.5 million),

with € 1.9 million from the contribution by Pace and € 0.6 million attributable to organic growth (+9%).

Revenues from software for licences, subscriptions and maintenance in Q1 2017 were € 4.3 million, up 40% compared to first quarter 2016 (+19% organic growth), while revenues from services were € 13.7 million, up 21% compared to Q1 2016 (+10% organic growth).

EBITDA is expected to show limited growth in the first quarter, following major investments in research and development and in the commercial segment during the quarter.

The net financial position, equal to € 5.4 million as at 31 December 2016, increased to € 8.8 million as at 31 March 2017, due to the positive cash flow generated in the quarter.

The report on operations for the quarter will be submitted for approval by the Company's Board of Directors on 8 May 2017 (in advance compared to the preliminary scheduled date of 11 May).

The first quarter closed with significant growth in orders from licences and subscriptions compared to 2016. In particular, with regard to TXT Retail, we highlight a major US order by The Finish Line (USA), sports footwear and athletic wear retailer with 600 owned stores, 600 points of sale in Macy's department stores and three specialised web sites. Just as important is the acquisition of another leading retailer with operations based in Hong Kong, which consolidates our growth in Asia. In Europe, s.Oliver (D), German brand and retailer, selected our Supply Chain Collaboration solution in subscription version, while we added a third customer in Russia.

All regions - North America, Asia Pacific, Europe & Emerging Markets - and all products contributed significantly to revenues from licences in the first quarter. The events Thinking Retail Amsterdam (23 March) and Thinking Retail New York (27 April) are in constant growth compared to past years, and are showing a strong interest in the new In-Memory and Visual Planning functions introduced with TXTRetail 8.

Chairman Alvisé Braga Illa commented: *"Results in the USA are finally starting to reward the uniqueness of our offer and our innovative end-to-end vision of business processes in retail. The fact that the commercial pipeline in North America is showing clear growth compared to one year ago is an important sign: TXT Retail is starting to be recognised as a transformational partner even by the traditional major department stores, which are those most impacted by the changes underway."*

Starting from today, this press release is also available on the Company's web site 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 Retail 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. TXT is listed on the Italian Stock Market (STAR segment, TXT.MI). TXT is based in Milan and has offices in Australia, Canada, France, Germany, Hong Kong, Italy, Singapore, Spain, Switzerland, United Kingdom and United States.

For additional information:

TXT e-solutions SpA

Paolo Matarazzo

CFO

Tel. +39 2 25771.355

paolo.matarazzo@txtgroup.com