TXT e-solutions OUTPERFORM

Price (Eu): 8.13

Target Price (Eu): 11.50

SECTOR: Industrials

Jacopo Tagliaferri +39-02-77115.230
e-mail: jacopo.tagliaferri@intermonte.it

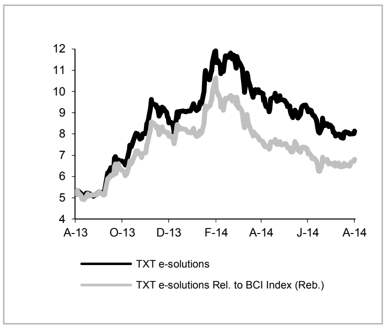
Upgrading To Outperform On Valuation and Fundamentals

- **Quarterly results beat our estimate due to one-off gain.** In 2Q14, TXT's revenues came to Eu15.0mn, up 14.8% YoY. Net of Eu1.5mn of non-recurring income related to the acquisition of Maple Lake, growth would have been 3.3% (compared to +5.9% in 1Q14), below our forecast. EBITDA stood at Eu2.5mn in 2Q14. Net of Eu1.1mn in non-recurring income, EBITDA would have been down 16.3% YoY and the margin on sales down 370bps to 9.4% due to higher R&D and commercial investments. Net profit increased by 46.7% YoY to Eu1.7mn, beating our estimate by 38.0%. Net cash went down from Eu11.3mn as at March 2014 to Eu6.6mn as at June 2014 due to the dividend payment (Eu2.6mn) and bonuses paid to employees (Eu2.2mn).
- **Key business facts.** In 1H, TXT's Perform division posted 8.1% YoY growth in revenues, while the Next division showed a 0.1% decline; the sale of licences and maintenance contracts went up +1.6% YoY. Finally, international revenues went up by 23.5% YoY, reaching 58% of total revenues. TXT Perform gained important new customers, including Otto (D), La Halle (F), The White Company (UK), Pandora (DK) and Krones (D), as well as important extensions of licences to existing customers, including Damartex (F), Dior (F), Starboard Cruise Services (USA), Cotton On (AUS), Lindex (FIN), and Greencore (UK).
- **Cautious company outlook, estimates broadly unchanged.** The company stated that: "*Ongoing negotiations for the sale of TXT Perform solutions are decent but with high uncertainty about the timing of customers' decision which may influence revenues from licenses. The order book for services has a good visibility and allow envisaging a development of the profitability of the business in 3Q14 in line with 3Q13*". We have left our FY14 estimates broadly unchanged, but we now include the non-recurring income reported in 1H14. In the second half of the year, we expect TXT to post revenues of Eu26.5mn and EBITDA of Eu3.1mn, broadly in line with the performance achieved in 2H13. Looking forward, we forecast that TXT's revenues will increase to Eu65.3mn in FY16, posting a 2013-16 CAGR of 7.5%, driven by TXT Perform. EBITDA is expected to increase faster than revenues; margins should improve by 250bps to 14.7% from FY13 to FY16, benefiting from a more profitable revenue mix (where licences and maintenance will have greater weight) and some economies of scale. The net cash position is expected to reach Eu16.4mn at the end of 2016.
- **Upgrade to OUTPERFORM, target price cut to Eu11.5.** We are upgrading our recommendation to OUTPERFORM based on both appealing multiples (following the share price decline of some 30% since we downgraded the stock to Neutral last March) and fundamental grounds (even if the 2Q performance was to some extent subdued). We appreciate TXT Perform's focus on luxury, fashion and specialist retail sectors, which will provide significant and sustainable growth opportunities. We also like TXT Next's ability to generate constant, stable revenues and positive cashflow. A cash-positive balance sheet grants room to ensure high shareholder remuneration and/or to pursue further external growth opportunities. Our target price has been lowered to Eu11.5 per share.

Key Figures	2012A	2013A	2014E	2015E	2016E
Sales (Eu mn)	46	53	55	60	65
Ebitda (Eu mn)	5	6	7	8	9
Net profit (Eu mn)	5	5	5	6	7
EPS - New (Eu)	0.887	0.393	0.431	0.487	0.550
EPS - Old (Eu)	0.887	0.393	0.431	0.501	0.562
DPS (Eu)	0.201	0.249	0.268	0.303	0.342

Ratios & Multiples	2012A	2013A	2014E	2015E	2016E
P/E	9.2	20.7	18.9	16.7	14.8
Div. Yield	2.5%	3.1%	3.3%	3.7%	4.2%
EV/Ebitda	16.9	11.9	10.1	8.6	7.1
ROCE	30.7%	25.2%	30.5%	35.9%	41.9%

TXT e-solutions - 12m Performance



Eu/USD: 1.35 2014; 1.30 2015

RATING: from NEUTRAL to OUTPERFORM
TARGET PRICE (Eu): from 12.00 to 11.50

Change in EPS est:	2014E	2015E
	0.0%	-2.8%

STOCK DATA

Reuters code:	TXTS.MI
Bloomberg code:	TXT IM

Performance	1m	3m	12m
Absolute	-3.3%	-15.1%	56.0%
Relative	2.8%	-9.2%	36.7%
12 months H/L:			11.91/5.07

SHAREHOLDER DATA

No. of Ord. shares (mn):	12
Total No. of shares (mn):	12
Mkt Cap Ord (Eu mn):	96
Total Mkt Cap (Eu mn):	96
Mkt Float - ord (Eu mn):	42
Mkt Float (in %):	*43.6%*
Main shareholder:	
E-Business Consulting	26.4%

BALANCE SHEET DATA	2014
Book value (Eu mn):	30
BVPS (Eu):	2.57
P/BV:	3.2
Net Financial Position (Eu mn):	11
Enterprise value (Eu mn):	72

Please see important disclaimer on the last page of this report

TXT e-solutions - *KEY FIGURES*		2012A	2013A	2014E	2015E	2016E
	Fiscal year end	12/12/2012	12/12/2013	12/12/2014	12/12/2015	12/12/2016
PROFIT & LOSS (Eu mn)	Sales	46	53	55	60	65
	EBITDA	5	6	7	8	9
	EBIT	4	5	6	7	8
	Financial income (charges)	0	(0)	0	0	0
	Associates & Others	0	0	0	0	0
	Pre-tax profit (Loss)	5	5	6	7	9
	Taxes	(0)	0	(1)	(1)	(2)
	Tax rate (%)	3.8%	-2.7%	15.0%	20.0%	25.0%
	Minorities & discontinue activities	1	0	0	0	0
	Net profit	5	5	5	6	7
	Total extraordinary items	0	0	0	0	0
	Ebitda excl. extraordinary items	5	6	7	8	9
	Ebit excl. extraordinary items	4	5	6	7	8
	Net profit restated	4	5	5	6	7
PER SHARE DATA (Eu)	Total shares out (mn) - average fd	12	12	12	12	12
	EPS stated fd	0.423	0.393	0.431	0.487	0.550
	EPS restated fd	0.887	0.393	0.431	0.487	0.550
	BVPS fd	5.197	2.363	2.574	2.823	3.106
	Dividend per share (ord)	0.201	0.249	0.268	0.303	0.342
	Dividend per share (sav)	0.000	0.000	0.000	0.000	0.000
	Dividend pay out ratio (%)	42.1%	56.0%	55.0%	55.0%	55.0%
CASH FLOW (Eu mn)	Gross cash flow	5	5	6	7	8
	Change in NWC	(2)	0	(1)	(1)	(1)
	Capital expenditure	(1)	(0)	(1)	(1)	(1)
	Other cash items	1	0	(0)	0	0
	Free cash flow (FCF)	4	5	5	5	6
	Acquisitions, divestments & others	(11)	0	0	0	0
	Dividend	0	(2)	(3)	(3)	(3)
	Equity financing/Buy-back	0	(1)	0	0	0
	Change in Net Financial Position	(6)	3	3	3	3
BALANCE SHEET (Eu mn)	Total fixed assets	19	18	17	17	17
	Net working capital	5	5	5	7	8
	Long term liabilities	(3)	(3)	(3)	(4)	(4)
	Net capital employed	20	19	19	20	20
	Net financial position	6	9	11	14	16
	Group equity	26	28	30	33	37
	Minorities	0	0	0	0	0
	Net equity	26	28	30	33	37
ENTERPRISE VALUE (Eu mn)	Average mkt cap - current	96	96	96	96	96
	Adjustments (associate & minorities)	0	13	13	13	13
	Net financial position	6	9	11	14	16
	Enterprise value	90	75	72	69	67
RATIOS(%)	EBITDA margin*	11.4%	11.9%	12.8%	13.4%	14.4%
	EBIT margin*	9.2%	9.4%	10.6%	11.6%	12.8%
	Gearing - Debt/equity	-23.1%	-30.7%	-36.7%	-41.1%	-44.7%
	Interest cover on EBIT	nm	11.4	nm	nm	nm
	Debt/Ebitda	nm	nm	nm	nm	nm
	ROCE*	30.7%	25.2%	30.5%	35.9%	41.9%
	ROE*	21.6%	17.2%	17.5%	18.0%	18.6%
	EV/CE	6.5	3.8	3.7	3.6	3.3
	EV/Sales	1.9	1.4	1.3	1.1	1.0
	EV/Ebit	21.1	15.0	12.2	9.9	8.0
	Free Cash Flow Yield	4.2%	6.4%	6.2%	6.4%	7.1%
GROWTH RATES (%)	Sales	15.8%	13.0%	5.5%	9.1%	7.9%
	EBITDA*	114.5%	17.7%	13.3%	14.1%	15.9%
	EBIT*	nm	16.0%	18.9%	18.7%	19.8%
	Net profit	-64.8%	-7.1%	9.7%	13.0%	13.1%
	EPS restated	nm	-55.8%	9.7%	12.9%	13.1%

** Excluding extraordinary items*

Source: Intermonte SIM estimates

Results

TXT - Quarterly results

(Eu mn)	2Q13A	2Q14A	YoY	2Q14E	A vs E	1H13A	1H14A	YoY	2013A	2014E	YoY
Total revenues	**13.1**	**15.0**	14.8%	**13.9**	**7.7%**	**26.3**	**29.0**	10.3%	**52.6**	**55.4**	5.5%
YoY growth	*10.2%*	*14.8%*		*6.6%*		*12.0%*	*10.3%*		*13.0%*	*5.5%*	
Gross Profit	**6.9**	**8.1**	17.2%	**7.5**	**8.1%**	**13.9**	**15.5**	11.8%	**27.7**	**30.4**	9.6%
gross margin	*53.1%*	*54.2%*		*54.0%*		*52.8%*	*53.5%*		*52.7%*	*54.8%*	
EBITDA IFRS	**1.7**	**2.5**	49.0%	**1.7**	**49.5%**	**3.1**	**4.0**	28.2%	**6.3**	**7.1**	13.3%
EBITDA margin	*13.1%*	*20.0%*		*12.2%*		*12.4%*	*15.7%*		*12.2%*	*13.7%*	
Depreciation and amortization	(0.3)	(0.3)		(0.3)		(0.6)	(0.6)		(1.3)	(1.2)	
on revenues	-2.5%	-2.2%		-2.1%		-2.4%	-2.2%		2.5%	2.3%	
EBIT IFRS	**1.4**	**2.2**	59.5%	**1.4**	**56.9%**	**2.5**	**3.4**	34.4%	**5.0**	**5.9**	18.9%
EBIT margin	*10.6%*	*17.4%*		*10.0%*		*9.9%*	*13.2%*		*9.6%*	*11.4%*	
Financial income and charges	(0.1)	(0.1)		(0.0)		(0.1)	(0.1)		(0.4)	0.1	
Pre-tax profit	**1.3**	**2.1**	65.5%	**1.4**	**56.5%**	**2.4**	**3.3**	35.3%	**4.5**	**6.0**	32.6%
									0.0%	*0.0%*	
Income taxes	(0.1)	(0.5)		(0.1)		(0.3)	(0.6)		0.1	(0.9)	
tax rate	*-11.5%*	*-21.5%*		*-11.0%*		*-12.4%*	*-18.6%*		*2.7%*	*-15.0%*	
Profit from discontinued operations	0.0	0.0		0.0		0.0	0.0		0.0	0.0	
Net profit	**1.1**	**1.7**	46.7%	**1.2**	**38.0%**	**2.1**	**2.7**	25.9%	**4.6**	**5.1**	9.7%
YoY growth	*-13.4%*	*46.7%*		*16.5%*		*-27.1%*	*25.9%*		*-7.1%*	*9.7%*	

Source: Company data (A) and Intermonte SIM estimates (E)

Estimates

TXT - Change in estimates

(Eu mn)	2014E	2015E	2016E
Total revenues new	**55.4**	**60.5**	**65.3**
Total revenues old	56.2	61.4	66.3
% change	-1.4%	-1.4%	-1.5%
EBITDA new	**7.1**	**8.1**	**9.4**
EBITDA old	7.1	8.3	9.6
% change	0.0%	-2.5%	-1.9%
EBIT new	**5.9**	**7.0**	**8.4**
EBIT old	5.9	7.2	8.6
% change	0.0%	-2.9%	-2.1%
PBT new	**6.0**	**7.2**	**8.7**
PBT old	6.0	7.4	8.9
% change	0.0%	-2.8%	-2.0%
Net profit new	**5.1**	**5.8**	**6.5**
Net profit old	5.1	5.9	6.6
% change	0.0%	-2.8%	-2.0%
Net cash new	**11.2**	**13.7**	**16.4**
Net cash old	10.9	13.6	16.3
% change	2.1%	0.8%	0.7%

Source: Intermonte SIM estimates

TXT e-solutions Peer Group - Absolute Performances

Stock	Price	Ccy	Mkt cap	1M	3M	6M	YTD	1Y	2Y
TXT e-solutions	**8.1**	**EUR**	**96.1**	**-3.3%**	**-15.1%**	**-28.4%**	**-10.4%**	**56.0%**	**228.5%**
AMERICAN SOFTWARE	9.5	USD	267.3	-8.2%	0.6%	-5.3%	-4.2%	4.1%	14.9%
ATOSS SOFTWARE	29.5	EUR	117.3	-0.3%	-0.3%	0.7%	3.3%	6.7%	47.0%
CAPGEMINI	53.4	EUR	8,473.1	-2.6%	4.3%	5.4%	8.6%	22.9%	73.6%
COMPUTACENTER	6.0	GBP	838.0	-9.3%	-7.2%	-6.6%	-5.5%	16.6%	68.8%
DESCARTES SYSTEMS	14.6	CAD	1,091.6	-3.3%	-0.7%	-4.3%	2.4%	19.0%	77.4%
DEVOTEAM	17.8	EUR	154.0	4.6%	-0.1%	18.9%	34.7%	83.5%	92.4%
ENGINEERING	40.0	EUR	500.0	-13.0%	-20.0%	-12.9%	-8.0%	35.1%	53.4%
GROUPE STERIA	20.2	EUR	640.1	4.2%	0.3%	36.5%	41.6%	85.5%	99.8%
MANHATTAN ASSOCIATE	30.3	USD	2,274.7	-13.7%	-3.4%	-8.3%	3.1%	36.4%	158.1%
MICROS SYSTEMS	67.7	USD	5,061.3	-0.5%	31.5%	26.4%	18.1%	37.6%	39.0%
ORACLE	40.0	USD	178,017.4	-3.3%	-3.0%	11.2%	4.4%	21.9%	30.1%
REPLY	57.0	EUR	533.1	-1.3%	-12.3%	3.1%	0.2%	60.1%	222.9%
SAP	58.2	EUR	69,496.3	0.8%	2.5%	5.2%	-6.6%	2.7%	10.6%
SOPRA GROUP	80.4	EUR	958.5	3.2%	-2.9%	0.2%	9.4%	43.5%	115.7%
SQS SOFTWARE	6.8	EUR	208.7	4.9%	1.9%	15.8%	14.8%	83.4%	170.0%
Mean performance				**-2.6%**	**-1.5%**	**3.6%**	**6.6%**	**38.4%**	**93.9%**
Italy Fixed	20,052.2	EUR	259,803	-7.0%	-7.3%	5.2%	5.7%	19.7%	42.0%

Source: FactSet

TXT e-solutions Peer Group - Multiple Comparison

Stock	Price	Ccy	Mkt cap	EV/Sales 2014	EV/Sales 2015	EV/Ebitda 2014	EV/Ebitda 2015	EV/Ebit 2014	EV/Ebit 2015	P/E 2014	P/E 2015	Div Yield 2014	Div Yield 2015
TXT e-solutions	**8.1**	**EUR**	**96.1**	**1.3**	**1.1**	**10.1**	**8.6**	**12.2**	**9.9**	**18.9**	**16.7**	**3.3%**	**3.7%**
AMERICAN SOFTWARE	9.5	USD	267.3	1.7	2.8	8.5	12.0	11.0	14.6	22.5	18.2		
ATOSS SOFTWARE	29.5	EUR	117.3	2.7	2.4	10.4	8.8	11.0	9.4	18.2	16.1	2.7%	3.1%
CAPGEMINI	53.4	EUR	8,473.1	0.7	0.7	6.8	5.9	8.4	7.2	15.0	13.4	2.2%	2.4%
COMPUTACENTER	6.0	GBP	838.0	0.2	0.2	6.2	5.6	8.6	7.7	12.8	12.0	3.1%	3.4%
DESCARTES SYSTEMS	14.6	CAD	1,091.6	5.7	4.8	18.9	15.4	35.9	26.4	22.6	19.9	0.0%	0.0%
DEVOTEAM	17.8	EUR	154.0	0.3	0.3	5.6	5.0	7.0	6.0	22.2	16.2	1.1%	1.1%
ENGINEERING	40.0	EUR	500.0	0.5	0.4	4.0	3.3	5.1	4.3	10.5	9.8	1.9%	2.1%
GROUPE STERIA	20.2	EUR	640.1	0.5	0.5	6.2	5.5	8.0	7.4	13.9	10.4	1.0%	1.4%
MANHATTAN ASSOCIATE	30.3	USD	2,274.7	4.5	3.9	15.5	13.3	15.8	13.6	27.5	24.7		
MICROS SYSTEMS	67.7	USD	5,061.3							26.6	24.3		
ORACLE	40.0	USD	178,017.4	4.0	3.7	7.6	7.1	8.3	7.5	12.6	11.6	1.2%	1.2%
REPLY	57.0	EUR	533.1	0.8	0.7	6.3	5.0	7.0	5.6	12.3	10.3	1.6%	1.9%
SAP	58.2	EUR	69,496.3	4.1	3.7	11.6	10.2	12.5	11.1	16.9	15.6	1.8%	2.0%
SOPRA GROUP	80.4	EUR	958.5	0.7	0.7	7.6	6.5	9.0	7.6	12.2	10.8	2.3%	2.6%
SQS SOFTWARE	6.8	EUR	208.7	0.8	0.7	8.1	6.8	11.2	9.0	16.3	13.4	1.8%	2.3%
Median				**0.8**	**0.7**	**7.6**	**6.8**	**9.0**	**7.7**	**16.6**	**14.5**	**1.8%**	**2.1%**

Source: Intermonte SIM estimates for covered companies, FactSet consensus estimates for peer group

TXT e-solutions - Estimates Comparison with Consensus

	2014			2015		
(Eu mn)	**Intermonte**	**Consensus**	**%diff**	**Intermonte**	**Consensus**	**%diff**
Revenues	55.4	56.1	-1.2%	60.5	60.8	-0.5%
Ebitda	7.1	6.8	4.0%	8.1	8.0	1.4%
Net Profit	5.1	4.7	8.5%	5.8	5.8	-1.2%
EPS	0.4	0.4	-1.4%	0.5	0.5	-8.8%
Net Debt	11.2	10.4	7.0%	13.7	13.1	4.3%

Source: Intermonte SIM estimates and Factset consensus estimates

DISCLAIMER (for more details go to http://intermonte.it/ disclosures.asp)

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.
This report is directed exclusively at market professional and other institutional investors (Institutions)and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.
The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by the Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.
This disclaimer is constantly updated on Intermonte's website www.intermonte.it under DISCLOSURES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.
The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities.
Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

GUIDE TO FUNDAMENTAL RESEARCH

Reports on all companies listed on the S&PMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.
A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.
Explanation of our ratings system:
BUY: stock expected to outperform the market by over 25% over a 12 month period;
OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;
NEUTRAL: stock performance expected at between +10% and – 10% compared to the market over a 12 month period ;
UNDERPERFORM: stock expected to underperform the market by between –10% and -25% over a 12 month period;
SELL: stock expected to underperform the market by over 25% over a 12 month period.
The stock price indicated is the reference price on the day prior to the publication of the report.

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms. As at June 30th 2014 Intermonte's Research Department covered 146 companies.

Intermonte's distribution of stock ratings is as follows:
BUY: 20.13%
OUTPERFORM: 34.42%
NEUTRAL: 44.15%
UNDERPERFORM: 1.30%
SELL: 0.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (31 in total) is as follows:

BUY: 21.88%

OUTPERFORM: 43.75%

NEUTRAL: 34.37%

UNDERPERFORM: 0.00%

SELL: 0.00%

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

- within the last year, Intermonte SIM managed or co-managed/is managing or is co-managing (see companies indicated in bold type) an Institutional Offering and/or , managed or co-managed/is managing or is co-managing (see companies indicated in bold type) an offering with firm commitment underwriting of the securities of the following Companies: Ascopiave, Banca Ifis, **Banca Carige, Banca Popolare di Sondrio**, **Creval**, **Fincantieri**, GreenItaly1, **MPS**, Poltrona Frau, **Salini Impregilo, Tecnoinvestimenti**, Triboo Media.
- Intermonte SIM is Specialist and/or Corporate Broker and/or Broker in charge of the share buy back activity of the following Companies: Banca Etruria, Banca Ifis, Be, Biancamano, B&C Speakers, Bolzoni, Carraro, Cattolica Assicurazioni, Credito Valtellinese, Datalogic, DeA capital, Digital bros, EL.En, ERG, Ferrovie Nord Milano,Milano, Fiera Milano, Fintel Energia Group, Gefran, GreenItaly1, IGD, Innovatec, Kinexia, Lucisano, Mondo TV, Primi sui Motori, QF Alpha Immobiliare, QF Beta Immobiliare, Recordati, Reno de Medici, Reply, Saes Getters, Servizi Italia, Sesa, Snai, Tamburi Investment Partners, TESMEC, TBS Group, Ternienergia, TXT e-solutions, Vittoria Assicurazioni, VRWay Communication.
- Intermonte SIM acted as Global Coordinator in the GreenItaly1 IPO on the AIM Italia market and will receive a success fee if a business combination is approved by the shareholders.
- Intermonte SIM SpA and its subsidiaries do not hold a stake equal to or over 1% of common equity securities and/or warrants of any of the aforementioned subject companies, with the exception of: GreenItaly1.
- Intermonte SIM SpA has provided in the last 12 months / provides / may provide investment banking services to the following companies: Atlantia, Carraro, Kinexia, RCS Media, Saes Getters

DETAILS ON STOCKS RECOMMENDATION

Stock NAME	**TXT e-solutions**		
Current Recomm:	OUTPERFORM	Previous Recomm:	NEUTRAL
Current Target (Eu):	11.50	Previous Target (Eu):	12.00
Current Price (Eu):	8.13	Previous Price (Eu):	9.29
Date of report:	06/08/2014	Date of last report:	09/05/2014

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website www.intermonte.it/mifid
Further information is available