GEOX

INTERIM REPORT
FIRST QUARTER OF 2014

CONTENTS

Geox S.p.A.
Registered Offices in Italy - Via Feltrina Centro 16, Biadene di Montebelluna (Treviso)
Share Capital - Euro 25,920,733.1 fully paid
Tax Code and Treviso Companies Register No. 03348440268

Company officers

Board of Directors

Name	Position and independent status (where applicable)
Mario Moretti Polegato	Chairman and Executive Director
Enrico Moretti Polegato	Vice Chairman and Executive Director
Giorgio Presca	CEO and Executive Director (*)
Renato Alberini	Director
Fabrizio Colombo	Independent Director
Alessandro Antonio Giusti	Director
Roland Berger	Independent Director
Claudia Baggio	Director
Lara Livolsi	Independent Director

(*) Powers and responsibilities for ordinary and extraordinary administration, within the limits indicated by law and the Articles of Association, in compliance with the powers of the Shareholders' Meeting, the Board of Directors and the Executive Committee, in accordance with the Board of Directors' resolution of April 17, 2013.

Board of Statutory Auditors

Name	Position
Francesco Gianni	Chairman
Francesca Meneghel	Statutory Auditor
Valeria Mangano	Statutory Auditor
Andrea Luca Rosati	Alternate Auditor
Giulia Massari	Alternate Auditor

Independent Auditors

Deloitte & Touche S.p.A.

Directors' report

Introduction

The market in which the Geox Group operates is characterized by seasonal phenomena, typical of the sector, leading to differences in the flow of costs and revenues in the various months of the year. In particular, the invoicing of products in the first six months, corresponding to the Spring/Summer sales period, is characterized by a concentration in the months of January, February and March, while the operating costs showed a more linear trend throughout the first six months.

It is important to remember, therefore, that the Income Statement relating to the First Quarter cannot be considered as a proportionate part of the whole financial period and the quarterly results of the period ending on March 31 are not comparable with those as of June 30 and December 31.

From a financial point of view, the quarterly figures are also affected by the same seasonal phenomena. The figures as of March 31, in fact, compared to the figures as of June 30 and December 31 highlight a significantly higher net working capital.

The Group's economic performance

Economic results summary

The main results are outlined below:

- Net sales of Euro 268.5 million, with an increase of 2.3% (3.1% constant exchange rates) compared to Euro Euro 262.5 million in the first quarter of 2013;
- EBITDA of Euro 27.8 million, compared to Euro 40.5 million in the first quarter of 2013, with a 10.4% on sales;
- EBIT of Euro 17.4 million, compared to Euro 30.7 milioni in the first quarter of 2013, with a 6.5% on sales;
- Net income of Euro 10.0 million, compared to Euro 19.0 million in the same period of 2013, with a 3.7% on sales.

In the following table a comparison is made between the consolidated income statement of the first quarter of 2014 and 2013:

(Thousands of Euro)	I Quarter 2014	%	I Quarter 2013	%	2013	%
Net sales	**268,469**	**100.0%**	**262,545**	**100.0%**	**807,615**	**100.0%**
Cost of sales	(146,612)	(54.6%)	(138,800)	(52.9%)	(419,522)	(51.9%)
Gross profit	**121,857**	**45.4%**	**123,745**	**47.1%**	**388,093**	**48.1%**
Selling and distribution costs	(15,663)	(5.8%)	(15,118)	(5.8%)	(43,379)	(5.4%)
General and administrative expenses	(77,771)	(29.0%)	(68,339)	(26.0%)	(251,907)	(31.2%)
Advertising and promotion	(11,032)	(4.1%)	(9,610)	(3.7%)	(45,777)	(5.7%)
Operating result	**17,391**	**6.5%**	**30,678**	**11.7%**	**47,030**	**5.8%**
Special items	-	0.0%	-	0.0%	(24,425)	(3.0%)
Net asset impairment	-	0.0%	-	0.0%	(2,640)	(0.3%)
EBIT	**17,391**	**6.5%**	**30,678**	**11.7%**	**19,965**	**2.5%**
Net interest	(1,526)	(0.6%)	(1,674)	(0.6%)	(2,251)	(0.3%)
PBT	**15,865**	**5.9%**	**29,004**	**11.0%**	**17,714**	**2.2%**
Income tax	(5,818)	(2.2%)	(10,006)	(3.8%)	(7,675)	(1.0%)
Tax rate	*37%*	0%	*34%*	0%	*43%*	
Net result	**10,047**	**3.7%**	**18,998**	**7.2%**	**10,039**	**1.2%**
EPS (Earnings per shares)	**0.04**		**0.07**		**0.04**	
EBITDA	**27,803**	**10.4%**	**40,470**	**15.4%**	**61,557**	**7.6%**
Special items	-		-		(24,425)	
EBITDA adjusted	**27,803**	**10.4%**	**40,470**	**15.4%**	**85,982**	**10.6%**

EBITDA: is the EBIT plus depreciation, amortization and can be directly calculated from the financial statements as integrated by the notes.

Disclaimer

This Report, and in particular the section entitled "Outlook for operation and significant subsequent events", contains forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: volatility and deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in government regulation (in each case, in Italy or abroad), and many other factors, most of which are outside of the Group's control.

Sales

First quarter 2014 consolidated net sales increased by 2.3% (3.1% at constant exchange rates) to Euro 268.5 million. Footwear sales, which accounted for about 86% of consolidated sales, amounting to Euro 232.0 million, increased 1.0% compared to first quarter of 2013. Apparel sales, which represented 14% of consolidated sales, equal to Euro 36.5 million, increased 10.9%.

(Thousands of Euro)	I Quarter 2014	%	I Quarter 2013	%	Var. %
Footwear	231,993	86.4%	229,650	87.5%	1.0%
Apparel	36,476	13.6%	32,895	12.5%	10.9%
Net sales	**268,469**	**100.0%**	**262,545**	**100.0%**	**2.3%**

Sales in Italy, the Group's main market, which accounted for 36% of sales (34% in the first quarter of 2013) amounted to Euro 97.4 million showing a 8.3% increase compared with the same period of the previous year.

Sales in Europe, which accounted for 43% of sales (44% in the first quarter of 2013) amounted to Euro 116.0 million, in line with the same period of last year.

North American sales decreased by 8.9% at Euro 12.3 million (-4.8% at constant exchange rates). Sales in Other Countries decreased by 1.0% compared to the first quarter of 2013 (+2.8% at constant exchange rates).

(Thousands of Euro)	I Quarter 2014	%	I Quarter 2013	%	Var. %
Italy	97,372	36.3%	89,924	34.3%	8.3%
Europe (*)	115,987	43.2%	115,867	44.1%	0.1%
North America	12,271	4.6%	13,464	5.1%	(8.9%)
Other countries	42,839	16.0%	43,290	16.5%	(1.0%)
Net sales	**268,469**	**100.0%**	**262,545**	**100.0%**	**2.3%**

(*) Europe includes: Austria, Benelux, France, Germany, UK, Iberia, Scandinavia, Switzerland.

In the first quarter of 2014, sales of the DOS channel, which represent 29% of Group revenues, grew 45.2% to Euro 77.2 million. The improvement is mainly driven by new openings and by comparable store sales growth recorded on DOS channel (+19.9%). Comparable sales related to the Spring/Summer Collection (from February 27, 2014 to May 11, 2014) registered a 9.1% growth.

Sales of the franchising channel, which account for 22% of Group revenues, amount to Euro 58.5 million, with a decrease of 6.9%. This trend is mainly due to the Group's decision, taken in 2013, to operate directly some shops which were previously run by agents whose contracts have terminated and to close stores with a performance not in line with the expected profitability.

Multibrand stores representing 49% of Group revenues (56% in the first quarter 2013) amount to Euro 132.7 million. The change compared with the same period of 2013 is equal to -9.4% and is mainly due to the difficult market conditions in Mediterranean countries with the consequent prudent business approach and selective cancellations of orders.

(Thousands of Euro)	I Quarter 2014	%	I Quarter 2013	%	Var. %
Multibrand	**132,733**	**49.4%**	**146,543**	**55.8%**	**(9.4%)**
Franchising	58,536	21.8%	62,846	23.9%	(6.9%)
DOS*	77,200	28.8%	53,156	20.2%	45.2%
Geox Shops	**135,736**	**50.6%**	**116,002**	**44.2%**	**17.0%**
Net sales	**268,469**	**100.0%**	**262,545**	**100.0%**	**2.3%**

* Directly Operated Store

As of March 31, 2014, the overall number of Geox Shops was 1,255 of which 455 DOS. During the first quarter of 2014, 8 new Geox Shops were opened and 52 have been closed, in line with the announced plan for the rationalization of the DOS network.

	03-31-2014		12-31-2013		I quarter 2014		
	Geox Shops	Of which DOS	Geox Shops	Of which DOS	Net Openings	Openings	Closings
Italy	439	173	465	169	(26)	2	(28)
Europe (*)	351	163	361	162	(10)	3	(13)
North America	40	40	40	40	-	-	-
Other countries (**)	425	79	433	79	(8)	3	(11)
Totale	**1,255**	**455**	**1,299**	**450**	**(44)**	**8**	**(52)**

(*)Europe includes: Austria, Benelux, France, Germany, UK, Iberia, Scandinavia, Switzerland.

(**)Includes Under License Agreement Shops (176 as of March 2014 and December 2013). Sales from these shops are not included in the franchising channel.

Cost of sales and Gross Profit

Cost of sales, as a percentage of sales, was 54.6% compared to 52.9% of the first quarter 2013, producing a gross margin of 45.4% (47.1% in the first quarter 2013).

The decrease in gross profit, in line with management expectations, is mainly due to a slight pressure on costs experienced by the current collection and to higher promotional sales during the markdown period.

Operating expenses and Operating income (EBIT)

Selling and distribution expenses as a percentage of sales was 5.8%, in line with the first quarter of 2013.

General and administrative expenses were equal to Euro 77.8 million, compared with Euro 68.3 million of the first quarter 2013. General and administrative expenses, as a percentage of sales, were 29.0%, compared to 26.0% of the same period of 2013.

The increase is mainly due to costs of opening and running new directly operated stores (DOS), including the conversion to directly operated stores of stores previously managed by some franchisees during 2013.

Advertising and promotions expenses were equal to 4.1% of sales compared to 3.7% of the first quarter of 2013.

The operating result is equal to Euro 17.4 million compared with Euro 30.7 million (6.5% on sales) of the first quarter of 2013.

EBITDA

EBITDA was Euro 27.8 million, 10.4% of sales, compared to Euro 40.5 million (15.4% on sales) of the first quarter of 2013.

Income taxes and tax rate

Income taxes were equal to Euro 5.8 million, compared to Euro 10.0 million of the first quarter of 2013, with a tax rate of 37% compared with 34% of the same period of 2013.

The Group's financial performance

The following table summarizes the reclassified consolidated balance sheet:

(Thousands of Euro)	March 31, 2014	Dec. 31, 2013	March 31, 2013
Intangible assets	61,596	64,023	67,530
Property, plant and equipment	62,343	65,291	70,042
Other non-current assets - net	65,068	67,338	51,836
Total non-current assets	**189,007**	**196,652**	**189,408**
Net operating working capital	**284,087**	**213,646**	**270,379**
Other current assets (liabilities), net	**(22,402)**	**(18,415)**	**(27,693)**
Net invested capital	**450,692**	**391,883**	**432,094**
Equity	365,207	355,429	424,836
Provisions for severance indemnities, liabilities and charges	8,315	8,228	10,850
Net financial position	77,170	28,226	(3,592)
Net invested capital	**450,692**	**391,883**	**432,094**

The Group balance sheet shows a negative financial position of Euro 77.2 million.
The following table shows the mix and changes in net operating working capital and other current assets (liabilities):

(Thousands of Euro)	March 31, 2014	Dec. 31, 2013	March 31, 2013
Inventories	206,795	281,907	170,135
Accounts receivable	182,404	100,837	227,845
Accounts payable	(105,112)	(169,098)	(127,601)
Net operating working capital	**284,087**	**213,646**	**270,379**
% of sales for the last 12 months	***37.4%***	***28.3%***	***36.5%***
Taxes payable	(13,991)	(8,424)	(21,530)
Other non-financial current assets	34,066	32,072	34,921
Other non-financial current liabilities	(42,477)	(42,063)	(41,084)
Other current assets (liabilities), net	**(22,402)**	**(18,415)**	**(27,693)**

The ratio of net working capital to sales comes to 37.4% compared with 36.5% of the first quarter 2013. This change is mainly due to the increase in inventory of next season (Fall/Winter 2014) and of the previous seasons (Spring/Summer 2013 and Fall/Winter 2013) for our outlet channel.

The following table gives a reclassified consolidated cash flow statement:

(Thousands of Euro)	I Quarter 2014	I Quarter 2013	2013
Net result	**10,047**	**18,998**	**(29,749)**
Depreciation, amortization and impairment	10,412	9,792	45,318
Other non-cash items	2,691	3,781	(5,138)
	23,150	**32,571**	**10,431**
Change in net working capital	(75,703)	(83,237)	(40,065)
Change in other current assets/liabilities	4,693	6,637	7,924
Cash flow from operations	**(47,860)**	**(44,029)**	**(21,710)**
Capital expenditure	(5,415)	(11,764)	(40,112)
Disposals	210	367	649
Net capital expenditure	**(5,205)**	**(11,397)**	**(39,463)**
Free cash flow	**(53,065)**	**(55,426)**	**(61,173)**
Dividends	0	0	(15,552)
Change in net financial position	**(53,065)**	**(55,426)**	**(76,725)**
Initial net financial position - prior to fair value adjustment of derivatives	**(18,339)**	**57,792**	**57,792**
Change in net financial position	(53,065)	(55,426)	(76,725)
Translation differences	(379)	880	594
Final net financial position - prior to fair value adjustment of derivatives	**(71,783)**	**3,246**	**(18,339)**
Fair value adjustment of derivatives	(5,387)	346	(9,887)
Final net financial position	**(77,170)**	**3,592**	**(28,226)**

In the first quarter of 2014, net capital expenditure were equal to Euro 5.2 million (Euro 11.4 million in the first quarter of 2013), of which Euro 2.8 million for new Geox Shop openings and refurbishment.

The following table gives a breakdown of the net financial position:

(Thousands of Euro)	**March 31, 2014**	**Dec. 31, 2013**	**March 31, 2013**
Cash and cash equivalents	35,420	46,991	62,050
Current financial assets - excluding derivatives	174	114	80
Bank borrowings and current portion of long-term loans	(108,825)	(66,969)	(60,335)
Current financial liabilities - excluding derivatives	(102)	(24)	(4)
Net financial position - current portion	**(73,333)**	**(19,888)**	**1,791**
Non-current financial assets	1,612	1,611	1,517
Long-term loans	(62)	(62)	(62)
Net financial position - non-current portion	**1,550**	**1,549**	**1,455**
Net financial position - prior to fair value adjustment of derivatives	**(71,783)**	**(18,339)**	**3,246**
Fair value adjustment of derivatives	(5,387)	(9,887)	346
Net financial position	**(77,170)**	**(28,226)**	**3,592**

Before the fair value adjustment of derivatives, net financial position was Euro -71.8 million, compared to Euro -18.3 million of December 31, 2013. After fair value adjustment of derivatives, which negatively affected for Euro 5.4 million versus contribution of Euro -9.9 million of 2013, net financial position was equal to Euro -77.2 million as of March 31, 2014 (Euro -28.2 million at the end of 2013).

Outlook for operations and significant subsequent events

The 2014-2016 Business Plan presented to the financial community is based on steps designed to:

- focus on the core business and product innovation;
- simplify the business to obtain a drastic reduction of the complexity with consequent reduction in costs;
- rationalize the network of monobrand stores by closing those that are underperforming;
- open new stores only if strict profitability criteria are met;
- improve commercial structures in the countries of Northern and Eastern Europe and in Asia which will allow us, in the future, to take advantage of the significant growth potential of these countries where the Group's presence is still limited, but in rapid expansion, with positive results;
- improvement of gross profit.

In particular, for 2014 we expect around € 800 million sales with the EBIT returning to break-even. This result is subject to:

1. the stabilization of the wholesale channel. The assumptions are that:
    a. EMEA and North America will still show a residual weakness in the first half, which will be recovered in the second half, thanks to the backlog of initial orders already acquired that shows an increase over the previous season;
    b. Asia confirms the significant growth rates of the first half of 2014 thanks to the orders already received for the second half of the year;
2. maintaining the volume of sales and doors in the franchising channel and the improvement in performance with at least a slight increase in comparable sales during the year as a result of implementing the techniques and processes already applied to the DOS network in this channel as well;
3. a growth in the directly operated stores (DOS) channel, with about 20 net openings and a growth in comparable sales of existing stores;
4. a second half improvement in the gross margin due to a combination of pricing policies and limited promotional sales, as well as a reduction in the complexity of the supply chain;
5. the current situation of unfavourable exchange rates for the Groups that consolidate their foreign businesses in euro will not generate material adverse translation effects.

With regard to the first half 2014 sales are assumed to be slightly positive with an expected positive performance by the directly operated stores channel, which should balance the expected temporary weakness of the wholesale and franchising channel. This change in the channel mix will still result in a residual pressure on first half EBIT compared with the same period last year.

Biadene di Montebelluna, May 15, 2014

for the Board of Directors
The Chairman
Mr. Mario Moretti Polegato

CONSOLIDATED FINANCIAL STATEMENTS AND EXPLANATORY NOTES

Consolidated income statement

(Thousands of Euro)	1 Quarter 2014	1 Quarter 2013	2013
Net sales	**268,469**	**262,545**	**754,191**
Cost of sales	(146,612)	(138,800)	(402,701)
Gross profit	**121,857**	**123,745**	**351,490**
Selling and distribution costs	(15,663)	(15,118)	(46,634)
General and administrative expenses	(77,771)	(68,339)	(281,960)
Advertising and promotion	(11,032)	(9,610)	(38,750)
Special items	-	-	(14,054)
Net asset impairment	-	-	(4,725)
EBIT	**17,391**	**30,678**	**(34,633)**
Net interest	(1,526)	(1,674)	(3,846)
PBT	**15,865**	**29,004**	**(38,479)**
Income tax	(5,818)	(10,006)	8,730
Net result	**10,047**	**18,998**	**(29,749)**
Earnings per share [Euro]	0.04	0.07	(0.11)
Diluted earnings per share [Euro]	0.04	0.07	(0.11)

Consolidated statement of comprehensive income

(Thousands of Euro)	1 Quarter 2014	1 Quarter 2013	2013
Net income	**10,047**	**18,998**	**(29,749)**
Other comprehensive income that will not be reclassified subsequently to profit or loss:			
- Net gain (loss) on actuarial defined-benefit plans	-	-	(110)
Other comprehensive income that may be reclassified subsequently to profit or loss:			
- Net gain (loss) on Cash Flow Hedge, net of tax	111	3,382	(2,583)
- Currency translation	(380)	(380)	587
Net comprehensive income	**9,778**	**22,000**	**(31,855)**

Consolidated statement of financial position

(Thousands of Euro)	March 31, 2014	Dec. 31, 2013	March 31, 2013
ASSETS:			
Intangible assets	61,596	64,023	67,530
Property, plant and equipment	62,343	65,291	70,042
Deferred tax assets	49,696	51,249	33,061
Non-current financial assets	1,612	1,611	1,517
Other non-current assets	17,321	18,253	21,022
Total non-current assets	**192,568**	**200,427**	**193,172**
Inventories	206,795	281,907	170,135
Accounts receivable	182,404	100,837	227,845
Other non-financial current assets	34,066	32,072	34,921
Current financial assets	1,682	1,019	3,875
Cash and cash equivalents	35,420	46,991	62,050
Current assets	**460,367**	**462,826**	**498,826**
Total assets	**652,935**	**663,253**	**691,998**
LIABILITIES AND EQUITY:			
Share capital	25,921	25,921	25,921
Reserves	329,239	359,257	379,917
Net income	10,047	- 29,749	18,998
Equity	**365,207**	**355,429**	**424,836**
Employee severance indemnities	2,382	2,379	2,421
Provisions for liabilities and charges	5,933	5,849	8,429
Long-term loans	62	62	62
Other long-term payables	1,949	2,164	2,247
Total non-current liabilities	**10,326**	**10,454**	**13,159**
Accounts payable	105,112	169,098	127,601
Other non-financial current liabilities	42,477	42,063	41,084
Taxes payable	13,991	8,424	21,530
Current financial liabilities	6,997	10,816	3,453
Bank borrowings and current portion of long-term loans	108,825	66,969	60,335
Current liabilities	**277,402**	**297,370**	**254,003**
Total liabilities and equity	**652,935**	**663,253**	**691,998**

Consolidated statement of cash flows

(Thousands of Euro)	1 Quarter 2014	1 Quarter 2013	2013
CASH FLOW FROM OPERATING ACTIVITIES:			
Net result	**10,047**	**18,998**	**(29,749)**
Adjustments to reconcile net income to net cash provided (used) by operating activities:			
Depreciation and amortization and impairment	10,412	9,792	45,318
Increase in (use of) deferred taxes and other provisions	6,965	3,021	(7,631)
Provision for employee severance indemnities, net	2	19	(118)
Other non-cash items	(4,276)	741	2,611
	13,103	**13,573**	**40,180**
Change in assets/liabilities:			
Accounts receivable	(86,843)	(86,479)	31,599
Other assets	(288)	(3,576)	4,991
Inventories	75,122	38,436	(79,131)
Accounts payable	(63,982)	(35,194)	7,467
Other liabilities	(606)	(333)	5,487
Taxes payable	5,587	10,546	(2,554)
	(71,010)	**(76,600)**	**(32,141)**
Operating cash flow	**(47,860)**	**(44,029)**	**(21,710)**
CASH FLOW USED IN INVESTING ACTIVITIES:			
Capital expenditure on intangible assets	(1,086)	(3,284)	(12,645)
Capital expenditure on property, plant and equipment	(4,329)	(8,480)	(27,467)
	(5,415)	**(11,764)**	**(40,112)**
Disposals	210	367	649
(Increase) decrease in financial assets	(63)	(170)	(300)
Cash flow used in investing activities	**(5,268)**	**(11,567)**	**(39,763)**
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES:			
Increase (decrease) in short-term bank borrowings, net	(13,252)	38,990	23,373
Loans:			
- Proceeds	55,158	14,197	38,000
- Repayments	0	0	(198)
Dividends	0	0	(15,552)
Increase in share capital	0	0	0
Cash flow used in financing activities	**41,906**	**53,187**	**45,623**
Increase (decrease) in cash and cash equivalents	**(11,222)**	**(2,409)**	**(15,850)**
Cash and cash equivalents, beginning of the period	**46,991**	**63,867**	**63,867**
Effect of translation differences on cash and cash equivalents	(349)	592	(1,026)
Cash and cash equivalents, end of the period	**35,420**	**62,050**	**46,991**
Supplementary information to the cash flow statement:			
- Interest paid during the period	544	416	2,440
- Interest received during the period	144	286	872
- Taxes paid during the period	1,255	2,521	11,010

Consolidated statements of changes in equity

(Thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Translation reserve	Cash flow hedge reserve	Stock option reserve	Retained earnings	Net income	Group equity
Balance at December 31, 2012	**25,921**	**5,184**	**37,678**	**396**	**(2,087)**	**1,661**	**324,044**	**10,039**	**402,836**
Allocation of 2012 result	-	-	-	-	-	-	10,039	(10,039)	-
Distribution of dividends	-	-	-	-	-	-	(15,552)	-	(15,552)
Recognition of cost stock option plans	-	-	-	-	-	(485)	485	-	-
Net comprehensive result	-	-	-	587	(2,583)	-	(110)	(29,749)	(31,855)
Balance at December 31, 2013	**25,921**	**5,184**	**37,678**	**983**	**(4,670)**	**1,176**	**318,906**	**(29,749)**	**355,429**
Allocation of 2013 result	-	-	-	-	-	-	(29,749)	29,749	-
Distribution of dividends	-	-	-	-	-	-	-	-	-
Recognition of cost stock option plans	-	-	-	-	-	-	-	-	-
Net comprehensive result	-	-	-	(380)	111	-	-	10,047	9,778
Balance at March 31, 2014	**25,921**	**5,184**	**37,678**	**603**	**(4,559)**	**1,176**	**289,157**	**10,047**	**365,207**

(Thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Translation reserve	Cash flow hedge reserve	Stock option reserve	Retained earnings	Net income	Group equity
Balance at December 31, 2012	**25,921**	**5,184**	**37,678**	**396**	**(2,087)**	**1,661**	**324,044**	**10,039**	**402,836**
Allocation of 2012 result	-	-	-	-	-	-	10,039	(10,039)	-
Net comprehensive result	-	-	-	(380)	3,382	-		18,998	22,000
Balance at December 31, 2013	**25,921**	**5,184**	**37,678**	**16**	**1,295**	**1,661**	**334,083**	**18,998**	**424,836**

Explanatory Notes

The economic/financial results of the Group as at March 31, 2014 and for the periods of comparison were prepared on the basis of Annex 3D to the Issuers' Regulations no. 11971 of May 14, 1999, and subsequent amendments and additions.

The quarterly statement as at March 31, 2014, which is not subject to auditing by the Auditing firm, was prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the relative standards of interpretation (IFRIC) in force at the time the Statement was drawn up.

The accounting standards and valuation criteria adopted are the same as those used for the preparation of the annual consolidated financial statements.

Statement by the manager responsible for the preparation of the company's financial documents

The manager responsible for preparing the Company's financial reports, Mr. Livio Libralesso, declares, in accordance with paragraph 2 article 154 bis of the Testo Unico della Finanza, that the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the company.