GEOX

INTERIM REPORT
FIRST NINE MONTHS OF 2011

Contents

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
Diego Bolzonello (*)	Director and CEO
Lodovico Mazzolari	Executive Director
Umberto Paolucci	Independent Director
Francesco Gianni	Independent Director
Alessandro Antonio Giusti	Independent Director
Bruno Barel	Independent Director
Renato Alberini	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 21, 2010.

Board of Statutory Auditors

Name	Position
Fabrizio Colombo	Chairman
Francesca Meneghel	Statutory Auditor
Francesco Mariotto	Statutory Auditor
Laura Gualtieri	Alternate Auditor
Davide Attilio Rossetti	Alternate Auditor

Independent Auditors

Reconta Ernst & Young 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 second six months, corresponding to the Fall/Winter sales period, is characterized by a concentration in the months of July, August and September, while the operating costs showed a more linear trend throughout the second six months.

It is important to remember, therefore, that the Income Statement relating to the first nine months cannot be considered as a proportionate part of the whole financial period and the quarterly results of the period ending on September 30 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 September 30, 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 768.7 million, with an increase of 4% (5% constant exchange rates) compared to Euro 736.5 million in the first nine months of 2010;
- EBITDA of Euro 131.7 million, compared to Euro 143.3 million in the first nine months of 2010, with a 17.1% margin;
- EBIT of Euro 103.2 million, compared to Euro 113.8 million in the first nine months of 2010, with a 13.4% margin;
- Net income of Euro 63.2 million, compared to Euro 72.4 million of the first nine months of 2010, with a 8.2% margin.

In the following table a comparison is made between the consolidated income statement for first nine months of 2011, first nine months of 2010 and the full year 2010:

(Thousands of Euro)	9 months 2011	%	9 months 2010	%	2010	%
Net sales	**768,665**	**100.0%**	**736,521**	**100.0%**	**850,076**	**100.0%**
Cost of sales	(418,506)	(54.4%)	(376,998)	(51.2%)	(435,146)	(51.2%)
Gross profit	**350,159**	**45.6%**	**359,523**	**48.8%**	**414,930**	**48.8%**
Selling and distribution costs	(39,426)	(5.1%)	(37,710)	(5.1%)	(44,730)	(5.3%)
General and administrative expenses	(173,121)	(22.5%)	(170,642)	(23.2%)	(228,977)	(26.9%)
Advertising and promotion	(34,017)	(4.4%)	(37,021)	(5.0%)	(47,420)	(5.6%)
Operating result	**103,595**	**13.5%**	**114,150**	**15.5%**	**93,803**	**11.0%**
Special items	(369)	(0.0%)	(396)	(0.1%)	(396)	(0.0%)
EBIT	**103,226**	**13.4%**	**113,754**	**15.4%**	**93,407**	**11.0%**
Net interest	(4,054)	(0.5%)	(3,284)	(0.4%)	(3,168)	(0.4%)
PBT	**99,172**	**12.9%**	**110,470**	**15.0%**	**90,239**	**10.6%**
Income tax	(35,996)	(4.7%)	(38,046)	(5.2%)	(32,236)	(3.8%)
Tax rate	*36%*		*34%*		*36%*	
Net Income	**63,176**	**8.2%**	**72,424**	**9.8%**	**58,003**	**6.8%**
EPS (Earnings per shares)	**0.24**		**0.28**		**0.22**	
EBITDA	**131,698**	**17.1%**	**143,300**	**19.5%**	**132,313**	**15.6%**
Special items	(369)		(396)		(396)	
EBITDA adjusted	**132,067**	**17.2%**	**143,696**	**19.5%**	**132,709**	**15.6%**

EBITDA: is the operating profit 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 nine months 2011 consolidated net sales increased by 4% (5% at constant exchange rates) to Euro 768.7 million. Footwear sales represented 85% of consolidated sales, amounting to Euro 655.5 million, with a 3% increase compared to the same period of 2010. Apparel sales accounted for 15% of consolidated sales equal to Euro 113.2 million, showing a 16% increase.

(Thousands of Euro)	9 months 2011	%	9 months 2010	%	Ch. %
Footwear	655,490	85.3%	638,867	86.7%	2.6%
Apparel	113,175	14.7%	97,654	13.3%	15.9%
Net sales	**768,665**	**100.0%**	**736,521**	**100.0%**	**4.4%**

Sales in Italy (40% of sales), increased by 7%, to Euro 303.6 million (284.3 million in the first nine months of 2010).

Sales in Europe (42% of sales in the first nine months of 2011, versus 43% in the first nine months of 2010) increased by 2% to Euro 321.5 million, compared to Euro 316.7 million in the first nine months of 2010.

North American sales were stable at constant exchange rates at Euro 41.7 million (-3% at current exchange rates). Sales in the Other Countries increased by 10% (13% at constant exchange rates).

(Thousands of Euro)	9 months 2011	%	9 months 2010	%	Ch. %
Italy	303,645	39.5%	284,314	38.6%	6.8%
Europe (*)	321,536	41.8%	316,687	43.0%	1.5%
North America	41,701	5.4%	43,043	5.8%	(3.1%)
Other countries	101,783	13.3%	92,477	12.6%	10.1%
Net sales	**768,665**	**100.0%**	**736,521**	**100.0%**	**4.4%**

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

Analyzing sales by distribution, the Geox Shop channel (franchising and Directly Operated Stores - DOS) increased by 16%. This channel represented 43% of sales (38% in the first nine months of 2010).

The sales of directly operated stores (DOS) that have been open for at least 12 months (comparable stores sales) increased by 2% during the first nine months of 2011.

Franchising channel reported an increase of 26% in the first nine months of 2011.

Multibrand channel, which accounted for 57% of sales (62% in the first nine months of 2010) declined by 3%.

(Thousands of Euro)	9 months 2011	%	9 months 2010	%	Ch. %
Multibrand	**441,315**	**57.4%**	**454,066**	**61.7%**	**(2.8%)**
Franchising	171,064	22.3%	135,384	18.4%	26.4%
DOS*	156,286	20.3%	147,071	20.0%	6.3%
Geox Shops	**327,350**	**42.6%**	**282,455**	**38.3%**	**15.9%**
Net sales	**768,665**	**100.0%**	**736,521**	**100.0%**	**4.4%**

**Directly Operated Stores.*

As of September 2011 the overall number of Geox Shops was 1,099 of which 263 directly operated stores (DOS). During the first nine months of 2011, 130 new Geox Shops were opened and 70 have been closed. The new openings include, among the others, shops in Rome, Bruxelles, Copenhagen, Marseille, London.

We confirm the target of 100 net openings during 2011, 40 of these related to the forth quarter of 2011.

	09-30-2011		12-31-2010		9M 2011		
	Geox Shops	of which DOS	Geox Shops	of which DOS	Net Openings	Openings	Closings
Italy	373	81	344	85	29	49	(20)
Europe (*)	315	124	302	107	13	27	(14)
North America	46	41	50	41	(4)	2	(6)
Other countries	197	17	174	19	23	52	(29)
Countries with licensing agreements (**)	168	-	169	-	(1)	-	(1)
Total	**1,099**	**263**	**1,039**	**252**	**60**	**130**	**(70)**

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

(**) Sales by the franchising channel do not include those of the shops in these countries.

Cost of Sales and Gross Profit

Cost of sales, as a percentage of sales, was 54.4% compared to 51.2% of the first nine months of 2010, producing a gross margin of 45.6% (48.8% in the first nine months of 2010). The expected decline in gross profit, compared to the first nine months of 2010, is explained by unfavorable trends in currencies, raw material prices and labour costs increases in supplier countries in the first half of 2011, and by the higher promotional selling activities of the first quarter of 2011, in the group's directly operated stores.

Operating expenses and Operating income (EBIT)

Selling and distribution expenses as a percentage of sales was 5.1%, in line with the first nine months of 2010.

General and administrative expenses increased 2.5 million to Euro 173.1 million (170.6 million of the first nine months of 2010) but, as a percentage of sales, they decreased to 22.5% (23.2% of the first nine months of 2010). The increase is entirely due to the costs of opening and running of new directly operated stores (DOS) while the "core" G&A expenses and the personnel costs are stable compared to the same period of last year but decreasing as a percentage on sales.

Advertising and promotion expenses, as a percentage of sales, was 4.4% (compared to 5.0% of the first nine months of 2010).

The Group's operating result was Euro 103.2 million, 13.4% as a percentage of sales, compared to Euro 113.8 million of the first nine months of 2010 (15.4% as a percentage of sales).

EBITDA

EBITDA was Euro 131.7 million, 17.1% of sales, compared to Euro 143.3 million of the first nine months of 2010.

Income taxes and tax rate

Income taxes were equal to Euro 36.0 million, compared to 38.0 million of first nine months 2010, with a tax rate of 36% (34% of the first nine months of 2010). The increase in the tax rate is mainly due to a higher proportion of IRAP and other local taxes on the profit before tax.

The Group's Financial Performance

The following table summarizes the reclassified consolidated balance sheet:

(Thousands of Euro)	Sept. 30, 2011	Dec. 31, 2010	Sept. 30, 2010
Intangible assets	67,350	68,621	71,145
Property, plant and equipment	64,465	67,306	67,784
Other non-current assets - net	42,763	42,802	48,043
Total non-current assets	**174,578**	**178,729**	**186,972**
Net operating working capital	**283,770**	**178,788**	**235,299**
Other current assets (liabilities), net	**(51,718)**	**(12,887)**	**(48,831)**
Net invested capital	**406,630**	**344,630**	**373,440**
Equity	454,567	426,301	434,053
Provisions for severance indemnities, liabilities and charges	8,961	10,463	10,279
Net financial position	(56,898)	(92,134)	(70,892)
Net invested capital	**406,630**	**344,630**	**373,440**

The Group balance sheet shows a solid net cash position of Euro 56.9 million (compared to Euro 92.1 million at the end of December 2010).

The following table shows the mix and changes in net operating working capital and other current assets (liabilities):

(Thousands of Euro)	Sept. 30, 2011	Dec. 31, 2010	Sept. 30, 2010
Inventories	130,458	172,085	109,045
Accounts receivable	255,042	124,525	237,281
Accounts payable	(101,730)	(117,822)	(111,027)
Net operating working capital	**283,770**	**178,788**	**235,299**
% of sales for the last 12 months	***32.2%***	***21.0%***	***28.7%***
Taxes payable	(41,294)	(9,814)	(35,763)
Other non-financial current assets	21,296	25,818	14,305
Other non-financial current liabilities	(31,720)	(28,891)	(27,373)
Other current assets (liabilities), net	**(51,718)**	**(12,887)**	**(48,831)**

The ratio of net working capital to sales for the last twelve months comes to 32.2% compared to 28.7% for the first nine months of 2010. This change is mainly due to:

- an increase in receivables in line with the increase in sales to third parties (wholesale and franchising) at 30 September (+8%);
- a reduction in trade payables because of the different timing of finished product deliveries for the 2011 Fall/Winter season;
- stocks of finished products for the current season and advance deliveries for the 2012 Spring/Summer season.

The following table gives a reclassified consolidated cash flow statement:

(Thousands of Euro)	9 months 2011	9 months 2010	2010
Net income	**63,176**	**72,424**	**58,003**
Depreciation, amortization and impairment	28,472	29,546	38,906
Other non-cash items	(698)	(1,328)	9,509
	90,950	**100,642**	**106,418**
Change in net working capital	(112,118)	(81,135)	(21,398)
Change in other current assets/liabilities	38,406	41,765	3,939
Cash flow from operations	**17,238**	**61,272**	**88,959**
Capital expenditure	(26,531)	(24,829)	(31,805)
Disposals	1,967	2,319	2,107
Net capital expenditure	**(24,564)**	**(22,510)**	**(29,698)**
Free cash flow	**(7,326)**	**38,762**	**59,261**
Dividends	(46,657)	(51,841)	(51,841)
Change in net financial position	**(53,983)**	**(13,079)**	**7,420**

Initial net financial position - prior to fair value adjustment of derivatives	**108,504**	**101,610**	**101,610**
Change in net financial position	(53,983)	(13,079)	7,420
Translation differences	(1,206)	(394)	(526)
Final net financial position - prior to fair value adjustment of derivatives	**53,315**	**88,137**	**108,504**
Fair value adjustment of derivatives	3,583	(17,245)	(16,370)
Final net financial position	**56,898**	**70,892**	**92,134**

During the first nine months capital expenditures were Euro 26.5 million of which 16.3 million for new store openings and store refurbishment.

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

(Thousands of Euro)	Sept. 30, 2011	Dec. 31, 2010	Sept. 30, 2010
Cash and cash equivalents	60,653	114,200	94,217
Current financial assets - excluding derivatives	79	137	132
Bank borrowings and current portion of long-term loans	(8,278)	(6,489)	(6,952)
Current financial liabilities - excluding derivatives	(1)	(5)	(2)
Net financial position - current portion	**52,453**	**107,843**	**87,395**
Non-current financial assets	1,220	1,215	1,296
Long-term loans	(358)	(554)	(554)
Net financial position - non-current portion	**862**	**661**	**742**
Net financial position - prior to fair value adjustment of derivatives	**53,315**	**108,504**	**88,137**
Fair value adjustment of derivatives	3,583	(16,370)	(17,245)
Net financial position	**56,898**	**92,134**	**70,892**

Significant events during the quarter

No particularly significant events occurred during the quarter other than those already mentioned in the preceding paragraphs.

Outlook for operation and significant subsequent events

Based on 1) consolidated sales of the first nine months 2) the backlog for the current season (Autumn / Winter) and the 3) the assumptions on the performance of our directly operated stores, management expects that, by year end, the Group's sales will increase in line, in absolute value, with the sales growth of the first nine months of 2011.

For the Spring/Summer 2012 season, management can confirm that the order backlog versus third parties, wholesale plus franchising, collect to date, is stable compared to order backlog of the Spring/Summer 2011 season.

Biadene di Montebelluna, November 8, 2011

On behalf of the Board of Directors
Chairman
Dr. Mario Moretti Polegato

Consolidated Financial Statements

Consolidated income statement

(Thousands of Euro)	9 months 2011	9 months 2010	2010
Net sales	**768,665**	**736,521**	**850,076**
Cost of sales	(418,506)	(376,998)	(435,146)
Gross profit	**350,159**	**359,523**	**414,930**
Selling and distribution costs	(39,426)	(37,710)	(44,730)
General and administrative expenses	(173,121)	(170,642)	(228,977)
Advertising and promotion	(34,017)	(37,021)	(47,420)
Special items	(369)	(396)	(396)
EBIT	**103,226**	**113,754**	**93,407**
Net interest	(4,054)	(3,284)	(3,168)
PBT	**99,172**	**110,470**	**90,239**
Income tax	(35,996)	(38,046)	(32,236)
Net income	**63,176**	**72,424**	**58,003**
Earnings per share [Euro]	0.24	0.28	0.22
Diluted earnings per share [Euro]	0.24	0.28	0.22

Consolidated statement of comprehensive income

(Thousands of Euro)	9 months 2011	9 months 2010	2010
Net income	**63,176**	**72,424**	**58,003**
Net gain (loss) on Cash Flow Hedge, net of tax	11,495	(15,491)	(9,254)
Currency translation	252	96	556
Net comprehensive income	**74,923**	**57,029**	**49,305**

Consolidated statement of financial position

(Thousands of Euro)	Sept. 30, 2011	Dec. 31, 2010	Sept. 30, 2010
ASSETS:			
Intangible assets	67,350	68,621	71,145
Property, plant and equipment	64,465	67,306	67,784
Deferred tax assets	27,468	28,864	34,550
Non-current financial assets	1,220	1,215	1,296
Other non-current assets	17,387	16,229	15,980
Total non-current assets	**177,890**	**182,235**	**190,755**
Inventories	130,458	172,085	109,045
Accounts receivable	255,042	124,525	237,281
Other non-financial current assets	21,296	25,818	14,305
Current financial assets	8,178	4,046	3,166
Cash and cash equivalents	60,653	114,200	94,217
Current assets	**475,627**	**440,674**	**458,014**
Total assets	**653,517**	**622,909**	**648,769**
LIABILITIES AND EQUITY:			
Share capital	25,921	25,921	25,921
Reserves	365,470	342,377	335,708
Net income	63,176	58,003	72,424
Equity	**454,567**	**426,301**	**434,053**
Employee severance indemnities	2,237	2,372	2,366
Provisions for liabilities and charges	6,724	8,091	7,913
Long-term loans	358	554	554
Other long-term payables	2,092	2,291	2,487
Total non-current liabilities	**11,411**	**13,308**	**13,320**
Accounts payable	101,730	117,822	111,027
Other non-financial current liabilities	31,720	28,891	27,373
Taxes payable	41,294	9,814	35,763
Current financial liabilities	4,517	20,284	20,281
Bank borrowings and current portion of long-term loans	8,278	6,489	6,952
Current liabilities	**187,539**	**183,300**	**201,396**
Total liabilities and equity	**653,517**	**622,909**	**648,769**

Consolidated statement of cash flows

(Thousands of Euro)	9 months 2011	9 months 2010	2010
CASH FLOW FROM OPERATING ACTIVITIES:			
Net income	**63,176**	**72,424**	**58,003**
Adjustments to reconcile net income to net cash provided (used) by operating activities:			
Depreciation and amortization and impairment	28,472	29,546	38,906
Increase in (use of) deferred taxes and other provisions	3,820	953	3,503
Provision for employee severance indemnities, net	(140)	(148)	(145)
Other non-cash items	(4,378)	(2,133)	6,151
	27,774	28,218	48,415
Change in assets/liabilities:			
Accounts receivable	(140,901)	(118,491)	(1,685)
Other assets	4,729	10,171	(2,209)
Inventories	44,564	48,878	(14,708)
Accounts payable	(15,781)	(11,522)	(5,005)
Other liabilities	2,264	4,250	4,772
Taxes payable	31,413	27,344	1,376
	(73,712)	(39,370)	(17,459)
Operating cash flow	**17,238**	**61,272**	**88,959**
CASH FLOW USED IN INVESTING ACTIVITIES:			
Capital expenditure on intangible assets	(8,544)	(6,220)	(7,963)
Capital expenditure on property, plant and equipment	(17,987)	(18,609)	(23,842)
	(26,531)	(24,829)	(31,805)
Disposals	1,967	2,319	2,107
(Increase) decrease in financial assets	67	(213)	(136)
Cash flow used in investing activities	**(24,497)**	**(22,723)**	**(29,834)**
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES:			
Increase (decrease) in short-term bank borrowings, net	1,271	(275)	(917)
Loans:			
- Repayments	(98)	(299)	(396)
Dividends	(46,657)	(51,841)	(51,841)
Cash flow used in financing activities	**(45,484)**	**(52,415)**	**(53,154)**
Increase in cash and cash equivalents	**(52,743)**	**(13,866)**	**5,971**
Cash and cash equivalents, beginning of the period	**114,200**	**107,470**	**107,470**
Effect of translation differences on cash and cash equivalents	(804)	613	759
Cash and cash equivalents, end of the period	**60,653**	**94,217**	**114,200**
Supplementary information to the cash flow statement:			
- Interest paid during the period	1,056	598	744
- Interest received during the period	1,487	722	1,060
- Taxes paid during the period	8,092	14,164	33,893

Consolidated statements of changes in equity

(Thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Transla-tion reserve	Cash flow hedge reserve	Stock option reserve	Retained earnings	Net income for the period	Group equity
Balance at December 31, 2009	**25,921**	**5,184**	**37,678**	**(744)**	**1,330**	**5,754**	**286,922**	**66,706**	**428,751**
Allocation of 2009 result	-	-	-	-	-	-	66,706	(66,706)	-
Distribution of dividends	-	-	-	-	-	-	(51,841)	-	(51,841)
Recognition of cost stock option plans	-	-	-	-	-	86	-	-	86
Net comprehensive income	-	-	-	556	(9,254)	-	-	58,003	49,305
Balance at December 31, 2010	**25,921**	**5,184**	**37,678**	**(188)**	**(7,924)**	**5,840**	**301,787**	**58,003**	**426,301**
Allocation of 2010 result	-	-	-	-	-	-	58,003	(58,003)	-
Distribution of dividends	-	-	-	-	-	-	(46,657)	-	(46,657)
Net comprehensive income	-	-	-	252	11,495	-	-	63,176	74,923
Balance at Sept. 30, 2011	**25,921**	**5,184**	**37,678**	**64**	**3,571**	**5,840**	**313,133**	**63,176**	**454,567**

(Thousands of Euro)	Share capital	Legal reserve	Share premium reserve	Transla-tion reserve	Cash flow hedge reserve	Stock option reserve	Retained earnings	Net income for the period	Group equity
Balance at December 31, 2009	**25,921**	**5,184**	**37,678**	**(744)**	**1,330**	**5,754**	**286,922**	**66,706**	**428,751**
Allocation of 2009 result	-	-	-	-	-	-	66,706	(66,706)	-
Distribution of dividends	-	-	-	-	-	-	(51,841)	-	(51,841)
Recognition of cost stock option plans	-	-	-	-	-	114	-	-	114
Net comprehensive income	-	-	-	96	(15,491)	-	-	72,424	57,029
Balance at Sept. 30, 2010	**25,921**	**5,184**	**37,678**	**(648)**	**(14,161)**	**5,868**	**301,787**	**72,424**	**434,053**

Explanatory Notes

The economic/financial results of the Group as at September 30, 2011 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 September 30, 2011, 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 the preparation of the company's financial documents, Mr. Livio Libralesso, hereby declares, in accordance with paragraph 2 article 154 bis of the Testo Unico della Finanza that, based on his knowledge, the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the company.

Biadene di Montebelluna, November 8, 2011

On behalf of the Board of Directors
Chairman
Dr. Mario Moretti Polegato