

**REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE
SHAREHOLDERS' MEETING CALLED FOR THE APPROVAL OF THE
FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016**

(Article 153, Leg. Decree No. 58 of 24 February 1998, "TUF")

Dear Shareholders,

1. Introduction

The Board of Statutory Auditors, in the persons of Ms Sonia Ferrero, Chairwoman, of Mr Francesco Gianni, Attorney, and Mr Fabrizio Colombo, Standing Auditors, was appointed by the Ordinary Shareholders' Meeting of Geox S.p.A. (the Company) on 19 April 2016, until approval of the financial statements of 31 December 2018.

2. Supervisory activity

During the financial year 2016, the Board of Statutory Auditors carried out the supervisory activity provided by law (and, specifically, by Article 149 of Consolidated Law on Finance), by the Rules of Conduct for Boards of Statutory Auditors of Listed Companies issued by the National Board of Chartered Accountants and Auditors, by CONSOB recommendations on corporate supervision and board of statutory auditors activities (specifically, notice No. DAC/RM 97001574 of 20 February 1997 and notice No. DEM 1025564 of 6 April 2001, as subsequently supplemented with No. DEM/3021582 of 4 April 2003 and notice No. DEM/6031329 of 7 April 2006) and by the provisions contained in the Corporate Governance Code issued by the Corporate Governance Committee for listed companies of Borsa Italiana S.p.A., to which the Company adhered.

2.1. During the financial year ending on 31 December 2016, the Board of Statutory Auditors monitored compliance with the law and Articles of Association in force as well as compliance with principles of sound management.

To this end, the Board of Statutory Auditors used the information flows by the Company, which are considered suitable to ensure that the Board can check compliance of the organisational structure, internal procedures, corporate documents and management bodies' resolutions with legal provisions, Articles of Association and applicable regulations.

To carry out its audit, the Board of Statutory Auditors held 12 meetings in total (five in the previous composition, seven in its current composition).

The Board of Statutory Auditors carried out checks and received information from the managers of various corporate departments. With regard to the administrative and accounting system and its suitability to correctly represent the management facts, in addition to obtaining necessary information from the corporate departments, the Board of Statutory Auditors, gathered information through regular meetings with the legal auditing firm.

In addition, the Board of Statutory Auditors:

- participated at the Shareholders' meeting;
- participated at the Board of Directors' meetings (six in total in 2016) , during which it could be informed on the business carried out and on the main economic, asset and financial transactions carried out by the Company and the Group. In accordance with the information so obtained by the Board of Statutory Auditors, the resolutions and the transactions subsequently carried out are compliant with the law and the Articles of Association and do not show possible conflicts of interest with the Company, are not manifestly imprudent, hazardous, atypical or unusual, nor are in breach of resolutions adopted by Shareholders' Meeting or such as to jeopardise the integrity of the company's assets;
- The Board of Statutory Auditors participated at all the meetings of the Audit and Risks Committee (8 in 2016);
- It participated at the meetings of the Nomination and Remuneration Committee (seven in 2016);
- It participated at the meetings of the Executive Committee (14 in 2016);
- It met regularly the Manager in charge of the Accounting documents (the "Manager in charge");
- It regularly met the company in charge of the legal audit of the financial statements and consolidated financial statements, Deloitte & Touche S.p.A..

With regard to the decision-making process of the Board of Directors, the Board of Statutory Auditors monitored the compliance with law and Articles of Association of the management transactions carried out by the directors and checked that the resolutions adopted were not contrary to the interests of the Company.

With regard to this, the Board of Statutory Auditors acquired information and monitored, to the extent of their remit, the compliance with the principles of sound management and the adequacy of the administrative structure of the Company to ensure observance of the principles.

The Board of Statutory Auditors believes that the principles of sound management have been complied with and, in accordance with the information acquired, that the management decisions were inspired to the principle of correct information and reasonableness.

2.2. The Board of Statutory Auditors acquired periodical information on the general performance of the company and its likely development as well as on the most significant transactions carried out by the Company, in light of their value or characteristics, including through subsidiaries, making sure that the decisions made and implemented complied with the law and the Articles of Association and were not manifestly imprudent, in conflict of interest or such as to jeopardise the company's assets.

Among the most significant facts that occurred after the end of the financial year ending on 31 December 2016, please note that the Management Report, submitted by the Directors, to which reference is made, shows that on 12 January 2017, the Board of Directors communicated that the Company and Giorgio Presca, Managing Director of the issuer, had reached an agreement for the termination by mutual agreement of the employment contract and of the office as director, with effect from the same day. On the same date, the Board of Directors, having acknowledged the resignation of Mr Giorgio Presca, co-opted Mr Gregorio Borgo, appointing him as Managing Director with effect from 12 January 2017.

2.3. The Board of of Statutory Auditors did not find any atypical and/or unusual transaction with the Group companies, with third parties or related parties, and this was confirmed by the indications of the Board of Directors, the auditing firm and the head of the Internal Audit Department.

The Management Report prepared by the Directors contains adequate information on the intercompany transactions and on related-party transactions, which are all fair, in the interest of the Company and entered into at arm's length. The financial impact of the related-party transactions is shown in Note 33 to the Company's financial statements and Note 31 to the consolidated financial statements. Their impact on financial flows is reported directly in the cash flow statement.

With reference to these transactions, the Board of Statutory Auditors considers that the information that the Directors provided in their Management Report and the explanatory notes to the financial statements is adequate.

2.4. The Board of Statutory Auditors, to the extent of their remit, acquired information, oversaw the Company's organisational structure and held that such structure is overall adequate.

2.5. During the financial year ending on 31 December 2016, the Board of Statutory Auditors issued the opinions required by law.

The Board of Statutory Auditors acknowledges that, before the draft financial statements were approved, the Directors approved the results of the impairment test and verified that they complied with the requirements of the IAS 36.

In compliance with the provisions of the Corporate Governance Code, the Board of Statutory Auditors also verified:

- the correct implementation of the criteria and procedures adopted by the Board of Directors to assess the independence of their members based on the criteria provided by law and by the Corporate Governance Code; and
- the (continued) satisfaction of the independence requirements of the Statutory Auditors in accordance with the criteria of the Corporate Governance Code, it being understood that if a Statutory Auditor, personally or on behalf of third parties, has an interest in any of the Company's transactions, he/she must timely provide comprehensive information to the other members of the Board of Statutory Auditors, the Chairman of the Board Directors about the nature, details, origin and scope of his/her interest.

During financial year 2016, no situation has occurred in which the Statutory Auditors had, personally or on behalf of third parties, any interest in any transaction being carried out.

2.6. During financial year 2016, no complaints under Article 2408 of the Italian Civil Code have been received nor any other complaint filed by third parties.

2.7. The Board of Statutory Auditors verified that the Company has adopted an internal audit and risk management system, also with reference to the Group, which aims to allow identifying, measuring, managing and monitoring the Company's main risks.

To oversee the adequacy of the Company's internal control system, the Board coordinated its work with the Audit and Risks Committee, the Director in charge of supervise the correct functioning of the Internal Audit and risk Management system, with the head of the Internal Audit Department and with the Supervisory Body.

Furthermore, in exercising its functions of Internal Control and Audit Committee, in addition to implementing a continuous information flow with the Risk Control Committee, the Board of Statutory Auditors held regular meetings with the auditing firm, and acknowledged the certification made by the auditing firm with regard to the absence of significant shortfalls in the internal control system.

With reference to the provisions under Article 36 of CONSOB Resolution No. 16191 of 29 October 2007, concerning the accounting information system of the significant subsidiaries established and governed by the laws of Non-European Union Member States, the Internal Audit Department carried out an audit, which showed the existence of an adequate administrative-accounting control system and the failure to satisfy the other conditions under Article 36 of CONSOB Resolution No. 16191 of 29 October 2007. As a result, it was not necessary to prepare a specific adaptation plan.

The Board of Statutory Auditors refers that the Company has updated the Related-Party Transactions Procedure, and verified that it complies with the relevant applicable rules.

The Board of Statutory Auditors examined the 2016 annual report of the Supervisory Board and has no observations with regard to it.

The Board of Statutory Auditors participated at the meetings of the Nomination and Remuneration Committee, acquiring information that is useful to perform the supervisory activities for which it is responsible.

The Board of Statutory Auditors also declares that the Risk Control Committee operated in compliance with the provisions of the Corporate Governance Code. The collaboration with the Risk Control Committee was satisfactory and effective and, among other things, made it possible to co-ordinate their respective activities and carrying out a joint evaluation and an effective co-ordination of the overall internal audit and risk management system.

The Board of Statutory Auditors examined the annual report of the Internal Audit Department on the activities carried out in 2016 as well as the audit reports, carried out the verifications for which it is responsible with regard to the process of preparing the half-

year financial report and the annual financial statements and evaluated, including through regular meetings with the auditing firm, the adequacy of the accounting principles and their consistency for the purposes of the half-year financial report and the annual financial statements.

In light of the supervisory activity carried out, and having regard to the evaluations on the adequacy, effectiveness and actual functioning of the internal control system made by the Internal Control Committee and by the Board of Directors, the Board of Statutory Auditors holds that, to the extent of its remit, this system is overall adequate.

2.8. The Board of Statutory Auditors oversaw the adequacy of the directives from the Company to its subsidiaries in accordance with Article 114, paragraph 2 of the Consolidated Law on Finance, and the correct flow of information between the Company and the subsidiaries and holds that the Company is able to comply with the communication obligations under the law. The information flow towards the central external auditor, comprising the various levels of the corporate control chain, which has been operating over the entire financial year and which is necessary for the control of the annual and periodic accounts, has been considered effective.

The Board of Statutory Auditors evaluated and oversaw the adequacy of the directives issued to the subsidiaries. These directives have allowed the subsidiaries to timely provide the Company with the information necessary to comply with the communication obligations under the applicable law.

The Board of Statutory Auditors also confirms having met the Sole Statutory Auditor of the Italian subsidiaries. As a result of these meetings, no issues have emerged that need be reported.

2.9. The Board of Statutory Auditors oversaw the Company's administrative and accounting system and its reliability in correctly representing the facts reported therein, by obtaining information from the Manager in charge of the Accounting and the heads of the relevant departments, examining the documents prepared by the Company and analysing the work made by the statutory auditing firm.

Specifically, the Board of Statutory Auditors has ascertained that the Manager in charge of the Accounting has issued the certification that the documents in the financial statements provide a truthful and correct representation of the asset, economic and financial situation of the Company and of the investee companies included in the scope of the consolidation.

Based on the information acquired, the statements made by the Manager in charge of the Accounting are complete.

In light of the supervisory activity carried out, and having regard to the evaluations on the adequacy, effectiveness and effective functioning of the organisational, administrative and accounting structure made by the Board of Directors, the Board of Statutory Auditors holds that, to the extent of its remit, the system is overall adequate and reliable as to the representation of the events occurred during the management.

2.10. During the financial year ending on 31 December 2016, the Board of Statutory Auditors regularly met the auditing firm, Deloitte & Touche S.p.A., to exchange data and information that are relevant under Article 150, paragraph 3 of the Consolidated Law on Finance.

During these meetings, the auditing firm did not communicate any fact or anomaly that is sufficiently relevant to be reported in this report.

2.11. The oversight activities on the audit in accordance with Article 19 of Legislative Decree No. 39 of 27 January 2010 was made by the Board of Statutory Auditors within the above meetings with the auditing firm, which presented the quarterly controls made and the relevant results as well as the auditing strategy and any relevant issue encountered in performing its activity. No critical matters have emerged from these meetings such as to affect the individual financial statements of the Company or the consolidated financial statements.

The Board of Statutory Auditors also evaluated the work plan prepared by Deloitte & Touche S.p.A. and has found it adequate having regard to the characteristics and size of the Group and has overseen the effectiveness of the process of statutory audit, and found that the same has been carried out in compliance with the statutory auditing plan and with the International Standard Audit .

The reports of the company Deloitte & Touche S.p.A. on the financial statements and the consolidated financial statements, issued in accordance with Articles 14 and 16 of Legislative Decree No. 39 of 27 January 2010, on 24 March 2017, do not contain any remark nor informative note and certify that the financial statements and the consolidated financial statements have been drafted in a clear manner and in compliance with the provisions that govern its preparation and that the financial statements and the consolidated financial statements represent in truthful and correct manner the Company's and the Group's assets and liabilities and financial situation, the results and the cash flows

for the financial year ending on 31 December 2016. These reports also contain the certification and the management report and the information under Article 123-bis, paragraph 4 of the Consolidated Law on Finance, presented in the corporate governance and ownership structure report and are consistent with the financial statements and the consolidated financial statements.

The Board of Statutory Auditors, in its function as Internal Control and Audit Committee, in accordance with Article 19 of Legislative Decree No. 39 of 27 January 2010 also received the certification that, based on the activities carried out within the statutory audit duties, no significant shortfalls in the internal control system have emerged with regard to the process of financial reporting.

2.12. During the financial year ending on 31 December 2016, as resulting from the information contained in Annex 2 to the consolidated financial statements, the Company did not confer upon Deloitte & Touche S.p.A. any additional engagements other than the statutory audit of the financial statements, of the consolidated financial statements, of the half-year report and of the verifications on the correct keeping of corporate accounting and correct reporting of the facts in the accounting documents. In 2015, the Company has engaged Studio Legale, an entity which has ongoing relationships with Deloitte & Touche S.p.A., to perform tax advisory services mainly related to advice with regard to the Patent Box legislation (pursuant to Law No. 33/2015), which were provided during 2015 and 2016 and were completed by 31 December 2016. The remuneration for services provided in 2016 amount to EUR 42 thousand. Finally, other Group companies conferred further engagements, other than the statutory audit, to entities which have ongoing relationships with Deloitte & Touche S.p.A. and are part of its international network, for EUR 3 thousand.

The Board of Statutory Auditors had the opportunity to review the relevant communication issued on 23 March 2017 by the statutory auditing firm in accordance with Articles 10 and 17 of Legislative Decree No. 39 of 27 January 2010, which confirms that it is independent from the Company, its subsidiaries and affiliates.

Having regard to the declaration of independence issued by Deloitte & Touche S.p.A. and the engagements conferred upon the same and to the companies belonging to its network by the Company and the Group companies, we do not believe that there are any critical issues with regard to the independence of Deloitte & Touche S.p.A.

2.13. As mentioned, the Company has agreed to abide by the Corporate Governance Code issued by the corporate governance committee for listed companies of Borsa Italiana S.p.A., as resulting from the Corporate Governance and ownership structure Report for financial year 2016, approved by the Board of Directors on 2 March 2017 and made available on the Company website. This Report was drafted in accordance with the instructions of the Market Regulations organised and managed by Borsa Italiana S.p.A.

The Report in question describes in detail the governance system adopted by the Company. This system complies with the rules of the governance model required by the abovementioned Corporate Governance Code and the principles indicated therein are effectively and correctly applied.

The Corporate Governance and ownership structure Report for financial year 2016 reports the conclusions reached by the Directors with regard to the confirmation of the adequacy and effectiveness of the organisational, administrative and accounting structure of the Company and of the main subsidiaries.

2.14. The Directors also prepared the Report on Remuneration, approved by the Board of Directors on 2 March 2017. In the Report, the Directors also described the principles adopted to determine the remuneration of the members of the management bodies and the managers with strategic responsibilities. Furthermore, the Report contains a table showing the remuneration paid to the members of the management and control bodies and the other managers with strategic responsibilities, as well as the Schedule concerning the information on the interests in the Company that they hold.

During the oversight activity described above, no omissions, inappropriate conduct or irregularities have emerged such as to require reporting to the relevant external control and surveillance bodies or to deserve being reported herein.

3. Financial Statements

The Board of Statutory Auditors examined the draft financial statements as at 31 December 2016 and reviewed the consolidated financial statements on the same date. To the best of their knowledge and understanding, the Board of Statutory Auditors holds that, in preparing the financial statements and the consolidated financial statements no provisions of law have been derogated from.

As the Board of Statutory Auditors is not responsible for statutory auditing, the Board of Statutory Auditors oversaw the general approach used to draft the financial statements, its

compliance with law in general with regard to its preparation and structure and has no specific remarks in relation thereto. The Board of Statutory Auditors verified that the provisions of law concerning the preparation of the management report have been complied with and has no specific remarks in relation thereto.

The financial statements as at 31 December 2016, prepared by the Directors pursuant to law, and duly submitted to the Board of Statutory Auditors (together with the Management Report) show profits for the financial year equal to EUR 45 thousand. The Board of Directors described in detail, in its Management Report and in the Notes, how the result of the year has been calculated and the events that have generated such result.

4. Conclusions

Considering also the results of the activity performed by the auditing firm, insofar as falling within its remit, the Board of Statutory Auditors has not found any reason that would prevent the approval of the financial statements as at 31 December 2016, as drafted and approved by the Board of Directors in the meeting of 2 March 2017, or the approval of the proposed allocation of the result for the year and distribution of dividends as made by the Board of Directors.

The proposed distribution of dividends provides for the allocation of a gross dividend of EUR 0.02 per share, for a total amount which considers the 259,207,331 outstanding shares as of today, of EUR 5,184,146.62, considering the net profit for financial year 2016 of EUR 44,553.22 and the extraordinary reserve of EUR 5,139,613.40. The payment of the dividends, if approved by the Shareholders' Meeting, will take place from 24 May 2017 (with an ex-dividend date on 22 May and record date on 23 May).

Biadene di Montebelluna, 27 March 2017

The Board of Statutory Auditors

Sonia Ferrero

Fabrizio Colombo

Francesco Gianni