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FIRST HALF 2016 RESULTS

July 28, 2016

GEOX 

1H 2016 HIGHLIGHTS

- Sales Euro 450.3m, + 5.5% (up 6.1% in constant currency)
- Directly Operated Stores Same Store Sales: +1.8% (vs +6.4% in 1H15)
- EBITDA: Euro 22.1 million (Euro 26.6 million in 1H15)

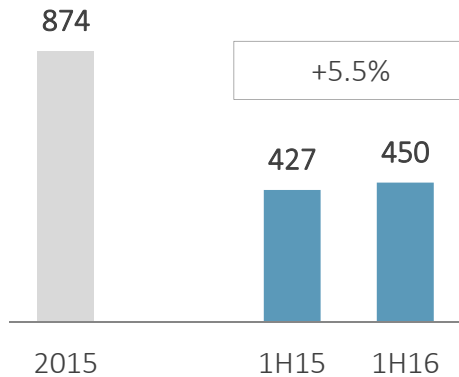
EBIT: Euro 4.6 million (Euro 7.4 million in 1H15)

The decrease is due to the strong investment in advertising made in the first half in order to improve the weak LFL performance of March and April and to boost order collection during the FW16 Wholesale campaign. The impact of these actions (+6 million) will be fully reabsorbed by year end

- Net Debt: Euro 27.7 million
- Order backlog for Fall/Winter 2016 (wholesale channel) up +14% showing very good overall performance despite challenging economic conditions

1H 2016 KEY FACTS AND FIGURES

NET SALES



TOP LINE: HEALTHY GROWTH

Sales Euro 450.3m, + 5.5% (up 6.1% in constant currency) growing across all:

- channels
- products
- regions

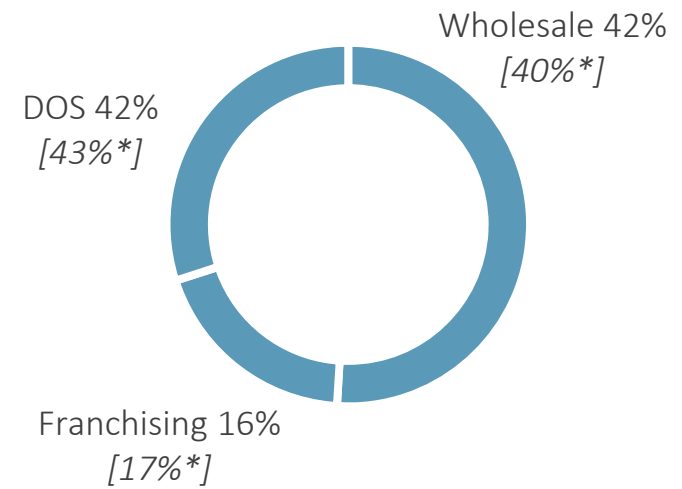
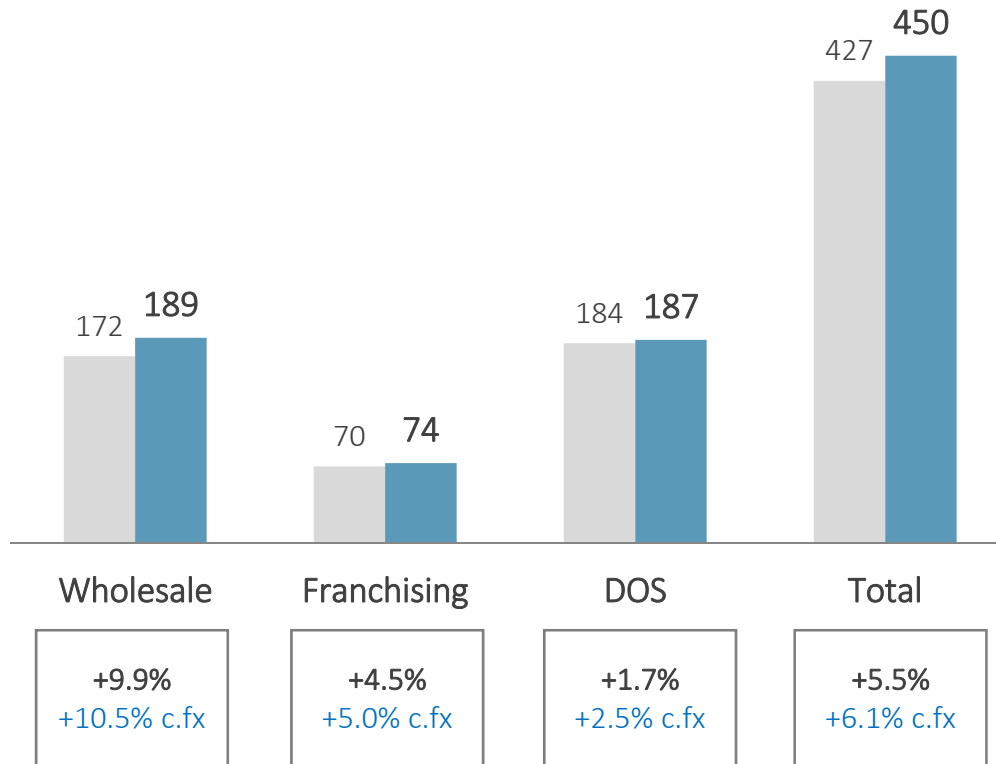
DOS LFL PERFORMANCE

	2016	2015
1Q	+3.2%	+4.8%
April	-5.7%	+6.0%
May+June	+3.5%	+8.0%
2Q	+0.6%	+7.8%
1H	+1.8%	+6.4%

LFL - 1H16 AND CURRENT TRADING

- **1H16 DOS LFL: +1.8%** (vs +6.4% LY). Persistent weak LFL in France and Belgium, following the recent events, and in China, HK and Japan reflecting a decrease in footfall. Excluding those countries 1H16 LFL is up 6%. **Positive LFL** in all the other countries and regions.
- **LFL YTD** (week 1-week 29) **is up 2.0% (+4.5% LY)**. After a solid start to the year, a slowdown in footfall was experienced in March and April, which wasn't completely offset by the better conversion rate. This trend was reversed in May and June, when an overall comparable growth of 3.5% was recorded, also thanks to the positive impact of the significant marketing initiatives implemented.

1H 2016 NET SALES BY CHANNEL



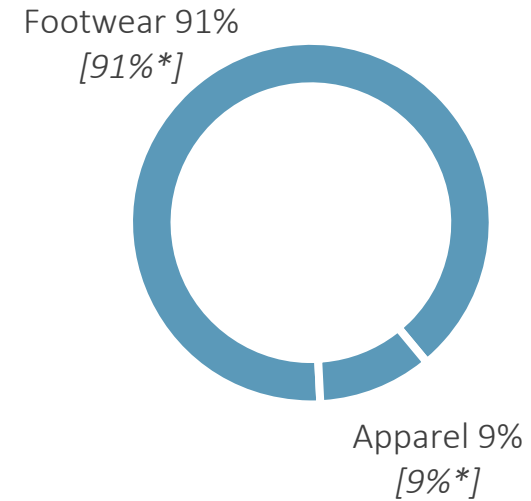
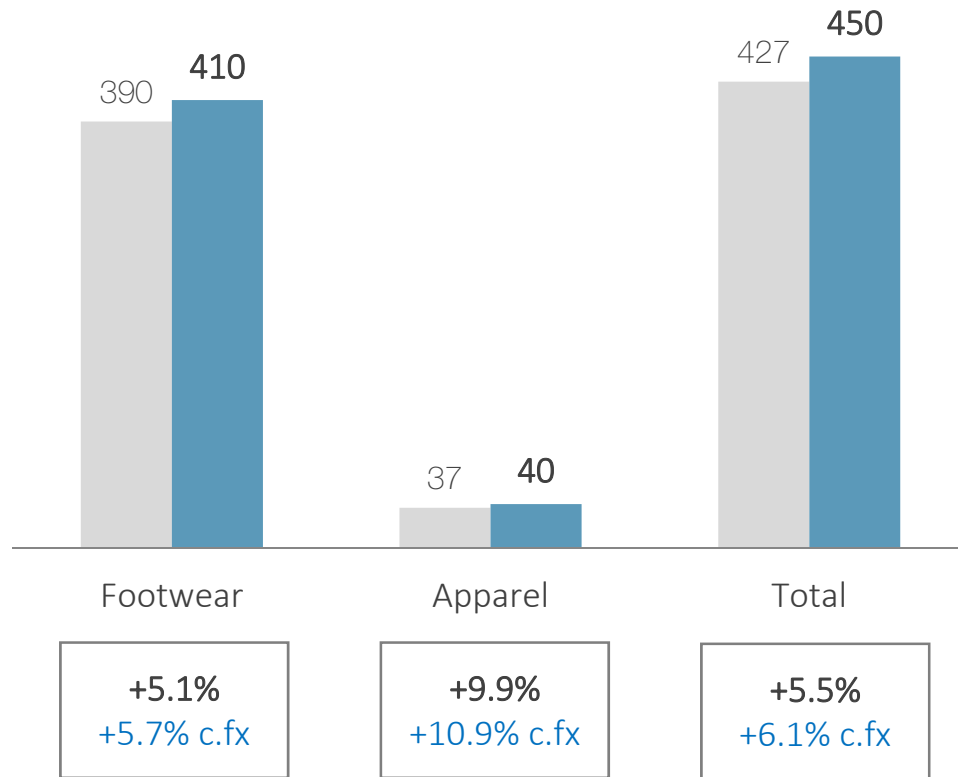
€.million
[* 1H 2015]

GEOX SHOPS NETWORK

	June 30, 2016		December 31, 2015		First Half 2016		
	Geox Shops	of which DOS	Geox Shops	of which DOS	Net Openings	Openings	Closings
Italy	359	132	360	131	(1)	7	(8)
Europe	349	176	348	179	1	9	(8)
North America	44	44	47	47	(3)		(3)
Rest of World *	399	109	406	119	(7)	21	(28)
Total Geox Shop	1,151	461	1,161	476	(10)	37	(47)

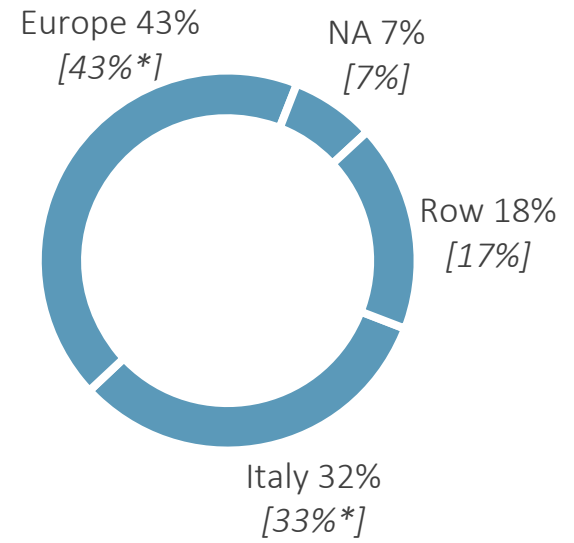
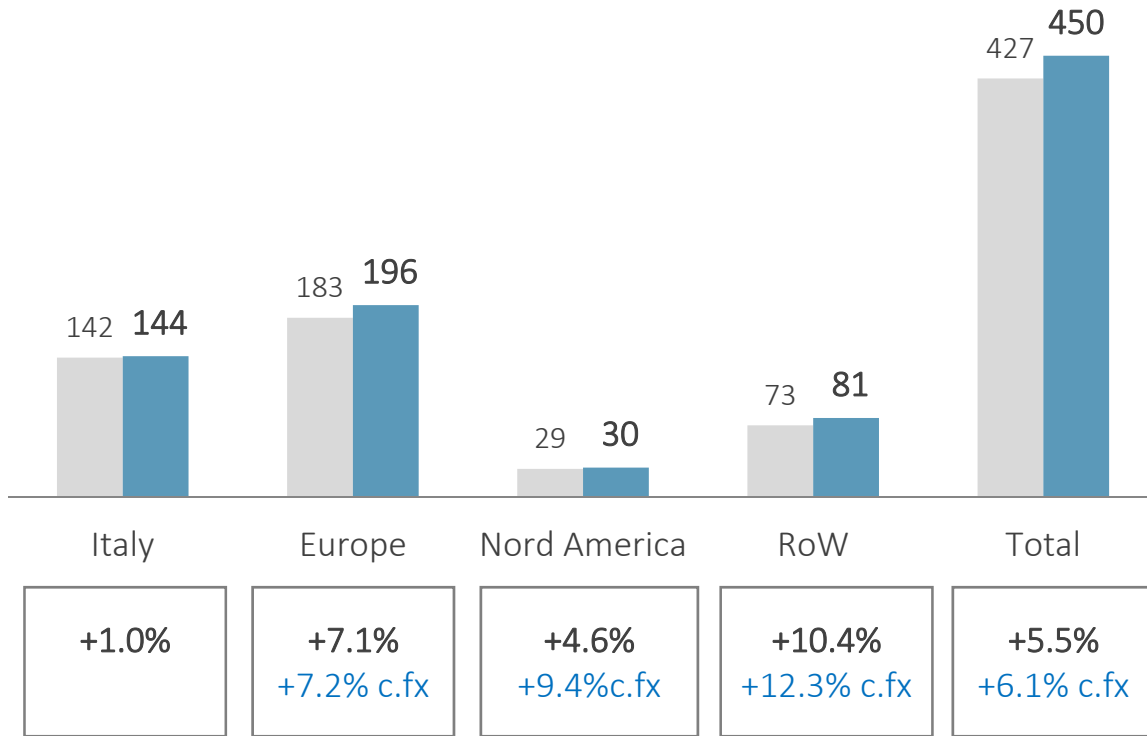
* includes Under Distribution Agreement Shops (144 as of June 2016 and 142 as of December 2015) which are shops opened under license by partners in the Middle East and in the Far East. Sales from these shops are not included in the franchising channel.

1H 2016 NET SALES BY PRODUCT



€ million
[* 1H 2015]

1H 2016 NET SALES BY REGION



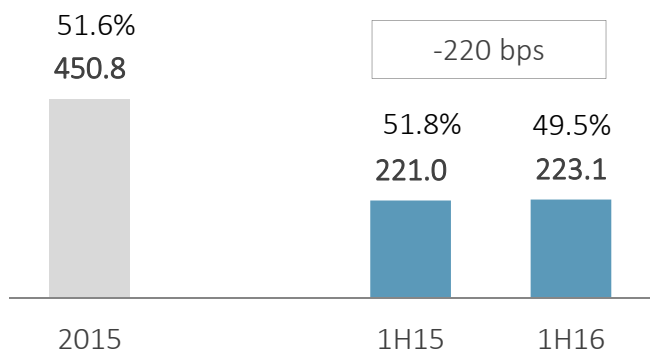
€.million
[* 1H 2015]

SUMMARY INCOME STATEMENT

(Euro.m)	1H16	%	1H15	%
Net Sales	450.3	100%	426.9	100%
Cost of sales	(227.2)	(50.5%)	(205.9)	(48.2%)
Gross Profit	223.1	49.5%	221.0	51.8%
Selling & Distribution	(24.5)	(5.4%)	(25.6)	(6.0%)
G&A	(168.8)	(37.5%)	(168.9)	(39.6%)
A&P	(25.1)	(5.6%)	(19.1)	(4.5%)
EBIT	4.6	1.0%	7.4	1.7%
Net Interest	(2.0)	(0.4%)	(4.0)	(0.9%)
EBT	2.6	0.6%	3.3	0.8%
Income Taxes	(2.6)	(0.6%)	(2.2)	(0.5%)
<i>Tax rate</i>	<i>99%</i>		<i>66%</i>	
NET INCOME	0.0	0.0%	1.1	0.3%
EBITDA	22.1	4.9%	26.6	6.2%

KEY FACTS

GROSS MARGIN

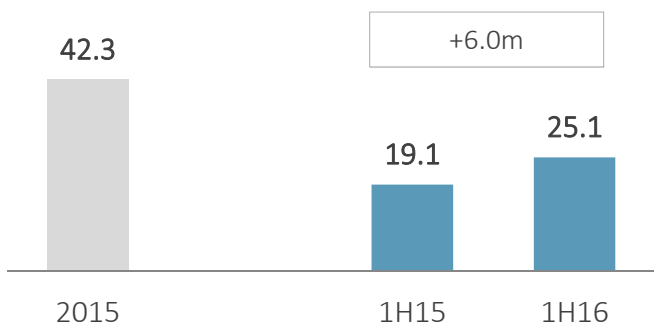


EXPECTED GROSS MARGIN DILUTION DUE TO USD EFFECT

Gross margin dilution (-220 bps) is due to:

- the previously announced increase in product costs (200-250bps), mainly caused by the euro's depreciation against the dollar and
- the increased promotions introduced in order to stimulate consumer purchases amid difficult market conditions.

A&P



INCREASE IN A&P DUE TO DIFFERENCE IN TIMING

Significant investments in advertising made in the first half 2016 in order to:

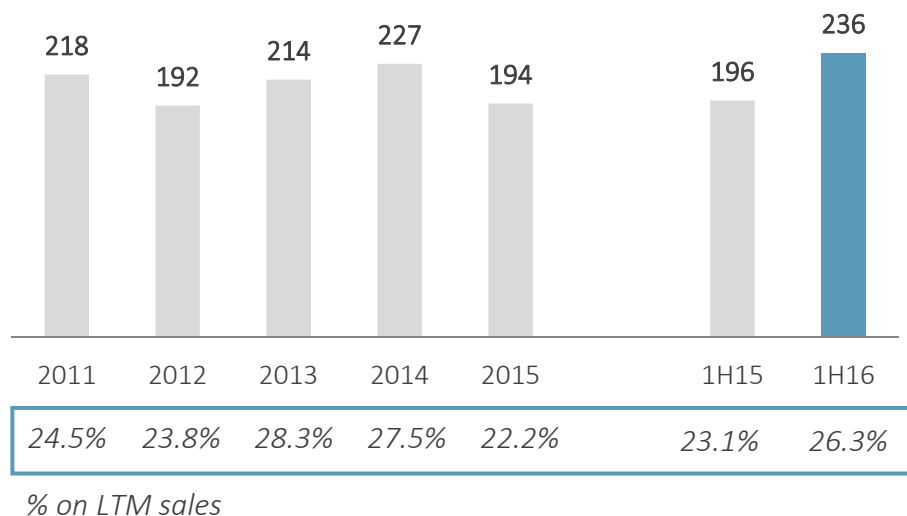
- improve the weak LFL performance of March and April
- boost order collection during the FW16 Wholesale campaign

The impact of these actions (+6 million) will be fully reabsorbed by year end.

SUMMARY BALANCE SHEET

(Euro.m)	June, 2016	June, 2015	Δ
Intangible Assets	56.4	58.0	(1.6)
Tangible Assets	64.0	67.4	(3.3)
Other Fixed Assets, net	46.5	53.9	(7.4)
Total Fixed Assets	167.0	179.3	(12.3)
Operating Working Capital	236.1	196.3	39.8
Other current assets (liabilities), net	(17.1)	(22.1)	5.0
Invested Capital	386.0	353.6	32.5
Net Financial Position (Cash)	27.7	(27.6)	55.3
Staff Severance and Risk Fund	8.0	8.8	(0.8)
Shareholders' Equity	350.3	372.4	(22.1)
Invested Capital	386.0	353.6	32.5

OPERATING WORKING CAPITAL



(Euro.m)	1H 2016	1H 2015	Δ	Δ %	FY 2015	Δ
Inventories	344.0	266.8	77.2	29%	304.8	39.2
Account receivables	129.5	107.8	21.7	20%	113.0	16.5
Account payables	(237.3)	(178.3)	(59.1)	33%	(224.0)	(13.3)
Op. Working Capital	236.1	196.3	39.8	20%	193.8	42.3
% on LTM sales	26.3%	23.1%			22.2%	

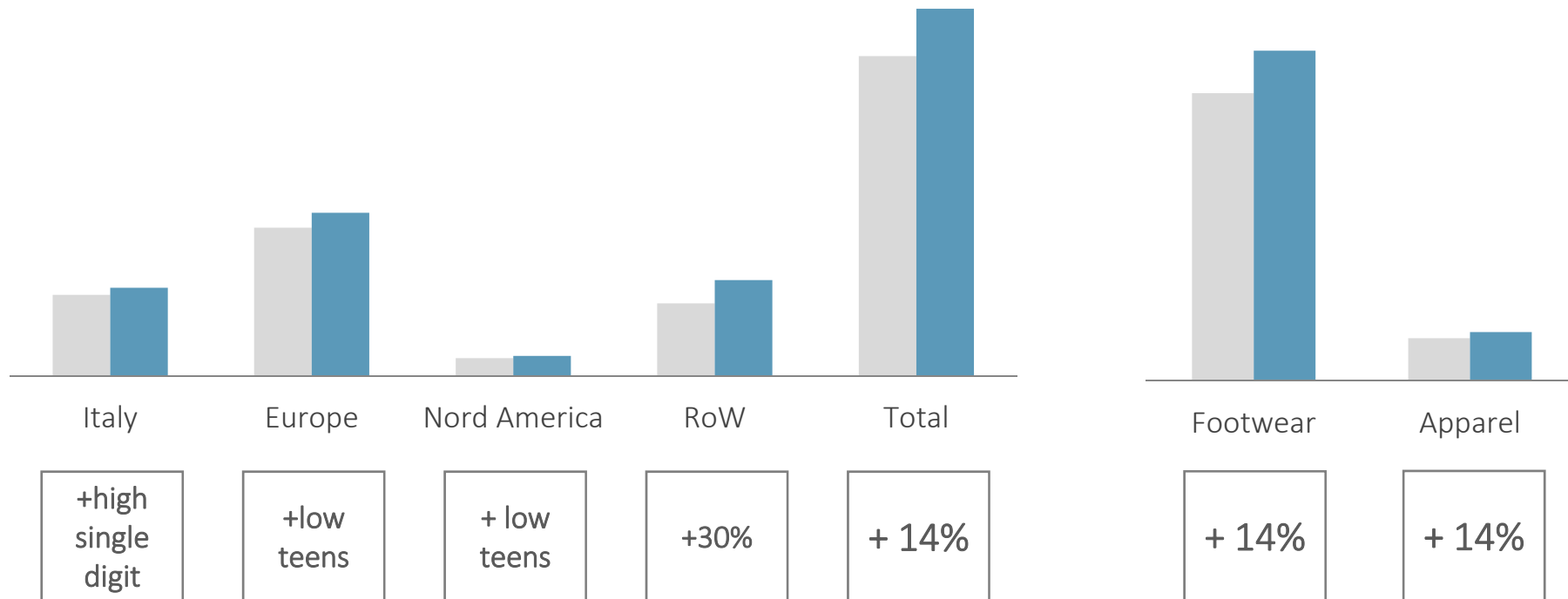
Operating working capital as a percentage of sales increased to 26.3% in 1H 2016 (23.1% in 1H 2015). This change is mainly due to the following factors:

- the DOS sales miss (LFL + 1.8% in 1H 2016 vs. the +5% expected) led to higher inventory in 1H 2016 (SS16 products currently on sale in the stores)
- a material timing increase of next Fall Winter 2016 products compared with last year (+60 million) in order to fulfil demand from the wholesale and retail channels to receive products early
- the increase in accounts receivable, mainly explained by the growth in wholesale and franchising sales
- the positive increase in accounts payables is totally linked to the increase of the inventories

SUMMARY CASH FLOW STATEMENT

(Euro.m)	1H16	1H15	2015
Net result	0.0	1.1	10.0
Depreciation & Amortization	17.5	19.3	36.9
Other Non-Cash Items	7.2	7.0	(9.0)
Funds from Operations	24.7	27.4	37.9
Change in Operating Working Capital	(43.2)	37.8	43.3
Change in Other Current Assets, net	10.1	8.9	3.6
Operating Cash Flow	(8.3)	74.1	84.8
Capital Expenditures	(12.4)	(19.6)	(39.2)
Disposals	0.3	0.4	1.1
Capital expenditures, Net	(12.1)	(19.1)	(38.1)
Free Cash Flow	(20.4)	55.0	46.6
Dividends	(15.6)	0.0	0.0
Change in Net Financial Position	(36.0)	55.0	46.6
Net Financial Position prior to fair value adj, beg. of the period	4.2	(41.0)	(41.0)
Changes in Net Financial Position	(36.0)	55.0	46.6
Effect of translation differences	(1.1)	(0.9)	(1.4)
Net Financial Position prior to fair value adj, end of the period	(32.9)	13.1	4.2
Fair value adjustment of derivative contracts	5.2	14.5	16.6
Net Financial Position	(27.7)	27.6	20.8

FW2016 ORDER BACKLOG (WHOLESALE CHANNEL) +14%



- Healthy results in all regions and product categories (footwear, apparel)
- Low single digit increase in average price mainly due to a more favourable product mix
- Strong growth in all channels (i.e. Key accounts, Normal accounts); ecommerce continued to outperform

OUTLOOK – 2016 (page 1 / 2)

With regard to the current financial year, the results achieved in the first half lead Management to confirm that 2016 will be a year of transition. In fact:

- the order backlog for the wholesale channel of the 2016 Fall/Winter season reports a solid growth (+14%) thanks to excellent overall performance across all geographical areas. These results confirm the effectiveness of the strategic decisions made in terms of products, sales channel specialization, pricing and significant investments in advertising during order collection;
- the order backlog confirms the guidance regarding the 200-250 basis point expected dilution in gross margin, included in the Strategic Plan for 2016.
- LFL sales generated by DOS to date (week 1 – week 29), only report a slight increase of 2.0% (compared to the expected growth of +5%). This is due to a negative footfall trend in stores, being offset by a significant improvement in the conversion rate, which has been achieved also thanks to a number of additional promotions that have been introduced in order to combat difficult market conditions.

OUTLOOK – 2016 (page 2 / 2)

Furthermore, in order to face the impacts on profitability of this temporary slowdown in retail business, the Management has already implemented a number of measures and is planning further actions, with the following objectives:

- strict control and efficiency of G&A also through the renegotiation of store rents;
- marketing initiatives mainly aimed at increasing the conversion rate in the stores.

In light of the above, the Management believes that the actions taken to improve cost efficiency will, over the course of 2016, compensate for the negative impact on profitability caused by market weaknesses recorded in the first half of the year. Management also believes that profitability expectations for 2016 are to be considered challenging, and may only be achieved if the weak levels of consumption, brought about by the drop in store footfall, improve in the second half of the year, returning to the levels of retail growth and margin performance that were initially hypothesized (LFL: +6%, with fewer promotions).

SHAREHOLDERS

Lir S.r.l. (**)	71%
Market	29%

Total N° of Shares 259.207.331

(**) Moretti Polegato's family

BOARD OF DIRECTORS

Chairman	Mario Moretti Polegato
CEO	Giorgio Presca
Deputy Chairman	Enrico Moretti Polegato
Director	Claudia Baggio
Director	A. Antonio Giusti
Independent Director	Ernesto Albanese
Independent Director	Lara Livolsi
Independent Director	Francesca Meneghel
Independent Director	Duncan L. Niederauer
Independent Director	Manuela Soffientini

2016 FINANCIAL CALENDAR

February 25	BoD - FY2015
April 19	Shareholders' meeting - FY2015
May 12	1Q2016 Sales
July 28	1H2016 Results
November 9	9M2016 Sales

INVESTOR RELATIONS

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