PRESS RELEASE

GEOX GROUP – FIRST QUARTER 2015 RESULTS

GEOX CLOSES THE FIRST QUARTER OF 2015 WITH GROWTH IN TURNOVER OF 5% AND A GROWTH IN NET RESULT OF 25%.

EXCELLENT PERFORMANCE OF COMPARABLE SALES OF DIRECTLY OPERATED STORES (+4.8%) AND FRANCHISED STORES (+7.7%).

MORE THAN POSITIVE SIGNS FROM 2015 FALL/WINTER ORDER BOOK THAT HAS GROWN BY +8%, WITH EXCELLENT PERFORMANCE IN MAIN MARKETS.

- **Sales: Euro 281.0 million, +4.7% (Euro 268.5 million in the first quarter of 2014)**
- **EBITDA: Euro 30.7 million, +10.5% (Euro 27.8 million in the first quarter of 2014)**
- **EBIT: Euro 20.9 million, +20.1% (Euro 17.4 million in the first quarter of 2014)**
- **Net Result: Euro 12.5 million, +24.6% (Euro 10.0 million in the first quarter of 2014)**
- **Net financial position: Euro -8.1 million (-13.0 million as of December 31, 2014, -77.2 million as of March, 2014)**

Biadene di Montebelluna, May 14, 2015 – The Board of Directors of Geox S.p.A., one of the leading brands worldwide in the classic and casual footwear market listed on the Milan Stock Exchange (MSE: GEO.MI), approved today the first quarter 2015 financial results.

Mario Moretti Polegato, Chairman and founder of Geox, commented: "The results for the first quarter of 2015 are positive in terms of turnover, which has grown by 5%, but even more so in terms of earnings, with an increase in net income of 25%. This growth is in line with our expectations as far as the multi-brand channel is concerned, but I am also satisfied with the comparable sales of our directly operated mono-brand stores (+4.8%) that have performed even better than the performance achieved in the first quarter of last year that was already exceptional (+20%).

In addition, to date, orders for the upcoming 2015 Fall/Winter season are showing encouraging results in the wholesale channel with growth of 8% thanks to a generally excellent performance in Italy and in our main European markets such as France, Germany, Spain and Great Britain along with a positive trend in other geographical areas. Moreover, the order backlog confirms an improvement in gross margin in line with expectations.

In a market environment that remains volatile, I am satisfied with the results that we are obtaining as they will allow the Group to achieve further growth in 2015 both in terms of turnover and earnings. This confirms the strength of our medium-term strategy, which aims for sustainable, durable and profitable growth by combining the competitive advantage of our technology and patents, which are the essence of Geox and the main strength of the brand, with the ability to offer the market a contemporary product that customers want, with a focus on distribution while seeking to achieve maximum operational efficiency."

THE GROUP'S ECONOMIC PERFORMANCE

Sales

First quarter 2015 consolidated net sales increased by 4.7% (2.5% at constant exchange rates) to Euro 281.0 million. Footwear sales, which accounted for about 90% of consolidated sales, amounting to Euro 252.8 million, increased 9.0% compared to first quarter of 2014. Apparel sales, which represented 10% of consolidated sales, equal to Euro 28.2 million, compared to Euro 36.5 million of the first quarter 2014.

(Thousands of Euro)	I Quarter 2015	%	I Quarter 2014	%	Var. %
Footwear	252,777	90.0%	231,993	86.4%	9.0%
Apparel	28,235	10.0%	36,476	13.6%	(22.6%)
Net sales	**281,012**	**100.0%**	**268,469**	**100.0%**	**4.7%**

Sales in Italy, the Group's main market, which accounted for 36% of sales, in line with the first quarter 2014, amounted to Euro 100.5 million showing a 3.2% increase compared with the same period of the previous year.

Sales in Europe, which accounted for 43% of sales increased by 3.2% to Euro 119.7 million, compared with Euro 116.0 million in the first quarter of 2014.

North American sales amounted to Euro 14.2 million, showing an increase of 15.8% (+1.9% at constant exchange rates). Sales in Other Countries increased by 8.8% compared to the first quarter of 2014 (+1.1% at constant exchange rates).

(Thousands of Euro)	I Quarter 2015	%	I Quarter 2014	%	Var. %
Italy	100,475	35.8%	97,372	36.3%	3.2%
Europe (*)	119,713	42.6%	115,987	43.2%	3.2%
North America	14,205	5.1%	12,271	4.6%	15.8%
Other countries	46,619	16.6%	42,839	16.0%	8.8%
Net sales	**281,012**	**100.0%**	**268,469**	**100.0%**	**4.7%**

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

Sales of the DOS channel, which represent 30% of Group revenues, grew 10.9% to Euro 85.6 million compared to the first quarter of 2014. The improvement is mainly driven by new openings and by comparable store sales growth recorded on DOS channel (+4.8%).

Sales of the franchising channel, which account for 20% of Group revenues, amount to Euro 56.3 million, with a decrease of 3.9%. This trend is due to the effect of closing of shops not in line with the expected profitability standards which has been partially offset by the positive trend in comparable store sales at locations that have been open for at least 12 months (+7.7%).

Multibrand stores representing 50% of Group revenues (49% in the first quarter of 2014) amount to Euro 139.1 million, with an increase of 4.8%.

(Thousands of Euro)	**I Quarter 2015**	**%**	**I Quarter 2014**	**%**	**Var. %**
Multibrand	**139,087**	**49.5%**	**132,733**	**49.4%**	**4.8%**
Franchising	56,277	20.0%	58,536	21.8%	(3.9%)
DOS*	85,648	30.5%	77,200	28.8%	10.9%
Geox Shops	**141,925**	**50.5%**	**135,736**	**50.6%**	**4.6%**
Net sales	**281,012**	**100.0%**	**268,469**	**100.0%**	**4.7%**

* Directly Operated Store

As of March 31, 2015, the overall number of Geox Shops was 1,166 of which 440 DOS. During the first quarter of 2015, 16 new Geox Shops were opened and 75 have been closed, in line with the rationalization plan of the DOS network.

	03-31-2015		**12-31-2014**		**2015**		
	Geox Shops	**of which DOS**	**Geox Shops**	**of which DOS**	**Net Openings**	**Openings**	**Closings**
Italy	366	131	421	173	(55)	3	(58)
Europe (*)	345	169	350	167	(5)	2	(7)
North America	45	45	44	44	1	2	(1)
Other countries (**)	410	95	410	93	-	9	(9)
Total	**1,166**	**440**	**1,225**	**477**	**(59)**	**16**	**(75)**

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

(**) Includes Under License Agreement Shops (163 as of March 31, 2015, 161 as of December 31, 2014). Sales from these shops are not included in the franchising channel.

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Cost of sales and Gross Profit

Cost of sales, as a percentage of sales, was 53.1% compared to 54.6% of the first quarter 2014, producing a gross margin of 46.9% (45.4% in the first quarter 2014).

The increase in gross profit, in line with management expectations, is explained by the increased profitability in sales and the steps taken in terms of product mix, channels, prices.

Operating expenses and Operating income (EBIT)

Selling and distribution expenses as a percentage of sales were 5.7% (5.8% in the first quarter of 2014).

General and administrative expenses were equal to Euro 83.8 million, compared with Euro 77.8 million of the first quarter 2014. General and administrative expenses, as a percentage of sales, were 29.8%.

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

Advertising and promotions expenses were equal to 3.9% of sales, 4.1% in the first quarter of 2014.

The operating result (EBIT) is equal to Euro 20.9 million (7.4% on sales) compared with Euro 17.4 million of the first quarter 2014.

EBITDA

EBITDA was Euro 30.7 million, 10.9% of sales, compared to Euro 27.8 million (10.4% on sales) of the first quarter of 2014.

Income taxes and tax rate

Income taxes were equal to Euro 6.0 million, compared to Euro 5.8 million of the first quarter 2014.

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THE GROUP'S FINANCIAL PERFORMANCE

The Group balance sheet shows a negative financial position of Euro 8.1 million.

The ratio of net working capital on sales comes to 33.7% compared with 37.4% of the first quarter 2014.
This improvement is mainly due to the management of suppliers' payment terms, which more than offset the increase in account receivables, in line with the trends of the last six months sales of wholesale and franchising channels and the increase in inventory.

Before the fair value adjustment of derivatives, net financial position was Euro -45.7 million, compared to Euro -41.0 million at the end of 2014. After fair value adjustment of derivatives, which positively affected 2015 first quarter for Euro 37.7 million (Euro 28.0 as of December 31, 2014), net financial position was equal to Euro -8.1 million (Euro -13.0 million at the end of 2014).

FORECAST FOR OPERATIONS AND SIGNIFICANT SUBSEQUENT EVENTS

The key elements of the 2014-2016 business plan presented to the financial community in late 2013 were as follows:

- focus on the core business and product innovation;
- simplify the business to dramatically reduce complexity and costs;
- rationalise the mono-brand store network by closing underperforming locations;
- apply strict profitability criteria as a condition of opening new locations;
- establish commercial partnerships in regions with attractive growth characteristics where the Group's physical presence is still limited.

As we approach the midpoint of the three year plan, our results to date suggest that we are making good progress toward accomplishing what the plan envisioned. Following a successful 2014, the first quarter of 2015 saw the Group maintain this momentum. These results, along with clarity around how the second quarter is shaping up, and the visibility we now have into forward ordering trends, position us to offer some guidance for the balance of 2015.
While global growth remains challenged, signs of modest improvement are evident, and we remain optimistic that the Group's revenues and profitability will continue to grow in 2015. Our strategy is working, revenue growth in our core markets is strong, expenses continue to trend in the right direction as we rationalise our store network and gross margins are expanding.

As explained in the financial statements at 31 December 2014, it is also worth making a specific reference to China. The Group's strategy in that country provides for direct management in the cities of Shanghai and Beijing with the opening of around 100 direct points of sale during the time horizon of the Business Plan, in order to have full control over brand and product positioning. The inaugurations of directly operated stores are in line with the plan; 50 have already been opened and another 20 are expected to be opened this year. Comparable sales performances in 1Q15 are extremely positive (+41%).
The other provinces of China will be developed by means of distribution contracts for which negotiations are currently underway with major Chinese and international partners. In this regard, management would like to point out that a first distribution agreement was signed recently with one of the largest multi-brand chains in the country, specialized in children's footwear. Distribution is not exclusive as Geox has reserved for itself the availability of the single-brand channel, both as stores and as "corners" or "shop in shop" within department stores. The initial results are very encouraging, though management is assuming that 9-12 months will be needed to settle the arbitration with the current partner, which in any case is irrelevant for future business development, and to redefine strategy and commercial presence in this important market; so China will not make the contribution that was expected in 2015, but it still offers huge growth potential for Geox.

As regards the entire year, market expectations are very challenging and largely in line with the Business Plan presented. Profitability forecasts at EBITDA level average around 68-70 million euro. In this regard, management is confident that the trend of solid growth achieved in the main markets, such as Italy, France, Spain, Germany and other European countries and the positive developments in other geographical areas will allow the Group to achieve a good rate of growth in turnover. In addition, based on confirmation of the growth trend in gross margin and the rationalisation measures already introduced, the significant improvement in cash flows, the strict control over working capital, management presumes that operating profitability and net income will also increase to levels in line with market expectations.
These positive expectations are confirmed by:

(i) the order backlog for the multi-brand channel for the Spring/Summer season that has grown in total by 5%; the order backlog for the multi-brand channel for the Fall/Winter season that has grown in total by 8%; and thus the performance in the EMEA region has more than compensated for the weakness in Asia in the wholesale channel;
(ii) the fact that these orders already obtained confirm growth in gross margin in line with expectations;
(iii) comparable sales, as of today, of both directly operated stores and franchised stores have grown in comparison to prior year and are in line with management's expectations.

The Management is also implementing plans for the opening of mono-brand stores, expanding franchisees and improving comparable sales of both direct stores and franchisees, as these are necessary measures to achieve the above results.

DECLARATION BY THE MANAGER RESPONSIBLE FOR THE PREPARATION OF COMPANY ACCOUNTING 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.

FOR MORE INFORMATIONS

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GEOX GROUP

The Geox Group operates in the classic and casual footwear sector for men, women and children, with a medium/high price level, and in the apparel sector. The success of Geox is due to the constant focus on the application of innovative solutions and technologies on the product that guarantee both impermeability and breathability. Geox is one of the leading brands in the "International Lifestyle Casual Footwear Market". Geox technology is protected by over 60 different patents registered in Italy and extended internationally.

DISCLAIMER

This document includes forward-looking statements, relative to future events and income and financial operating results of the Geox Group. These forecasts, by their nature, include an element of risk and uncertainty, since they depend on the outcome of future events and developments. The actual results may differ even quite significantly from those stated due to a multiplicity of factors.

ANNEXES

- Consolidated income statement
- Reclassified Consolidated balance sheet
- Reclassified Consolidated cash flow statement

2015 and 2014 results are reported under IAS/IFRS. Fiscal year 2014 results have been audited, while the first quarter 2015 and the first quarter 2014 have not been audited. Consolidated balance sheet and cash flow statement are reclassified with statements normally used by management and investors to assess the Group's results. The afore-mentioned reclassified financial statements do not meet the presentation standards set down by the IFRS and thus are not to be considered a replacement. However, since their contents are the same, they can be easily reconciled with those envisaged by the International Accounting Standards.

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CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)	I Quarter 2015	%	I Quarter 2014	%	2014	%
Net sales	**281,012**	**100.0%**	**268,469**	**100.0%**	**824,243**	**100.0%**
Cost of sales	(149,325)	(53.1%)	(146,612)	(54.6%)	(420,451)	(51.0%)
Gross profit	**131,687**	**46.9%**	**121,857**	**45.4%**	**403,792**	**49.0%**
Selling and distribution costs	(16,083)	(5.7%)	(15,663)	(5.8%)	(48,519)	(5.9%)
General and administrative expenses	(83,770)	(29.8%)	(77,771)	(29.0%)	(308,257)	(37.4%)
Advertising and promotion	(10,952)	(3.9%)	(11,032)	(4.1%)	(42,126)	(5.1%)
EBIT	**20,882**	**7.4%**	**17,391**	**6.5%**	**4,890**	**0.6%**
Net interest	(2,339)	(0.8%)	(1,526)	(0.6%)	(6,335)	(0.8%)
PBT	**18,543**	**6.6%**	**15,865**	**5.9%**	**(1,445)**	**(0.2%)**
Income tax	(6,026)	(2.1%)	(5,818)	(2.2%)	(1,496)	(0.2%)
Tax rate	*32%*		*37%*		*-104%*	
Net result	**12,517**	**4.5%**	**10,047**	**3.7%**	**(2,941)**	**(0.4%)**
EPS (Earnings per shares)	**0.05**		**0.04**		**(0.01)**	
EBITDA	**30,718**	**10.9%**	**27,803**	**10.4%**	**42,643**	**5.2%**

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

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(Thousands of Euro)	March 31, 2015	Dec. 31, 2014	March 31, 2014
Intangible assets	58,829	60,150	61,596
Property, plant and equipment	64,661	64,497	62,343
Other non-current assets - net	44,781	54,802	65,068
Total non-current assets	**168,271**	**179,449**	**189,007**
Net operating working capital	**282,159**	**226,651**	**284,087**
Other current assets (liabilities), net	**(29,001)**	**(10,625)**	**(22,402)**
Net invested capital	**421,429**	**395,475**	**450,692**
Equity	404,451	373,680	365,207
Provisions for severance indemnities, liabilities and charges	8,925	8,813	8,315
Net financial position	8,053	12,982	77,170
Net invested capital	**421,429**	**395,475**	**450,692**

OPERATING WORKING CAPITAL AND OTHER CURRENT ASSETS (LIABILITIES)

(Thousands of Euro)	March 31, 2015	Dec. 31, 2014	March 31, 2014
Inventories	214,522	287,732	206,795
Accounts receivable	197,075	106,517	182,404
Accounts payable	(129,438)	(167,598)	(105,112)
Net operating working capital	**282,159**	**226,651**	**284,087**
% of sales for the last 12 months	***33.7%***	***27.5%***	***37.4%***
Taxes payable	(13,089)	(6,439)	(13,991)
Other non-financial current assets	32,122	40,958	34,066
Other non-financial current liabilities	(48,034)	(45,144)	(42,477)
Other current assets (liabilities), net	**(29,001)**	**(10,625)**	**(22,402)**

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RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENT

(Thousands of Euro)	I Quarter 2015	I Quarter 2014	2014
Net result	**12,517**	**10,047**	**(2,941)**
Depreciation, amortization and impairment	9,836	10,412	37,753
Other non-cash items	28,169	2,691	(1,483)
	50,522	**23,150**	**33,329**
Change in net working capital	(59,178)	(75,703)	(15,434)
Change in other current assets/liabilities	12,743	4,693	(6,842)
Cash flow from operations	**4,087**	**(47,860)**	**11,053**
Capital expenditure	(7,832)	(5,415)	(35,754)
Disposals	266	210	2,912
Net capital expenditure	**(7,566)**	**(5,205)**	**(32,842)**
Free cash flow	**(3,479)**	**(53,065)**	**(21,789)**
Change in net financial position	**(3,479)**	**(53,065)**	**(21,789)**
Initial net financial position - prior to fair value adjustment of derivatives	**(41,012)**	**(18,339)**	**(18,339)**
Change in net financial position	(3,479)	(53,065)	(21,789)
Translation differences	(1,239)	(379)	(884)
Final net financial position - prior to fair value adjustment of derivatives	**(45,730)**	**(71,783)**	**(41,012)**
Fair value adjustment of derivatives	37,677	(5,387)	28,030
Final net financial position	**(8,053)**	**(77,170)**	**(12,982)**