GEOX S.P.A. BOARD OF DIRECTORS APPROVED FIRST HALF 2013 RESULTS

- **Sales: Euro 386.8 million (Euro 429.1 million in the first half of 2012)**
- **EBITDA adj[1]: Euro 26.8 million, 6.9% margin (Euro 56.7 million in the first half of 2012)**
- **EBIT adj[2]: Euro 6.8 million, 1.8% margin (Euro 37.0 million in the first half of 2012)**
- **Net Cash Position: Euro 13.0 million (Euro 80.1 million in the first half of 2012)**

Biadene di Montebelluna, July 30, 2013 – The Board of Directors of Geox S.p.A., one of the leading brands world-wide in the *classic* and *casual* footwear market listed on the Milan Stock Exchange (MSE: GEO.MI), approved today the first half 2013 financial results.

The first half of 2013 ended with a result affected by the difficult macroeconomic situation of Mediterranean countries, for which it is really difficult to predict a recovery.
So, as already mentioned, 2013 will be a transition year. Thanks to its financial strength and solidity, the Group will continue to invest resolutely in the development of new products and in balancing sales from a geographical point of view.
The target is to catch the important growth opportunities particularly in markets such as China, Honk Kong and Russia where the Group's presence is still limited but in rapid and positive expansion. These factors have prompted the Management to take strong actions in order to restructure, rationalize and focus the business and build a solid base for the elaboration of a Business Plan 2014-2016, currently being finalized, to pursue a return to growth and profitability.

THE GROUP'S ECONOMIC PERFORMANCE

Sales

First half 2013 consolidated net sales decreased by 9.9% (-9.6% at constant exchange rates) to Euro 386.8 million. Footwear sales, which accounted for about 89% of consolidated sales, amounting to Euro 343.0 million, declined 8.7% compared to first half of 2012. Apparel sales, which represented 11% of consolidated sales, equal to Euro 43.8 million, declined 18.2%.

(Thousands of Euro)	I half 2013	%	I half 2012	%	Var. %
Footwear	342,949	88.7%	375,469	87.5%	(8.7%)
Apparel	43,846	11.3%	53,624	12.5%	(18.2%)
Net sales	**386,795**	**100.0%**	**429,093**	**100.0%**	**(9.9%)**

[1] Excluding non recurring costs, equal to Euro 4.8 million (Euro 2.1 million in the first half of 2012).
[2] Excluding non recurring costs (highlighted in note 1) and asset impairments, equal to Euro 1.8 million (no asset impairment in the first half of 2012), on investments made in the stores' network.

Sales in Italy, the Group's main market, which accounted for 32% of consolidated sales (36% in the first half of 2012) amounted to Euro 122.5 million showing a decrease of 21.8% compared with the same period of the previous year.

Sales in Europe, which accounted for 45% of Group revenues (43% in the first half of 2012) declined by 5.7% to Euro 172.7 million, compared with Euro 183.1 million of the first half of 2012.

North American sales amounted to Euro 26.2 million, showing an increase of 2.9%. Sales in the Other Countries increased by 2.3% (+3.6% at constant exchange rates) compared with the same period of previous year.

(Thousands of Euro)	I half 2013	%	I half 2012	%	Var. %
Italy	122,485	31.7%	156,640	36.5%	(21.8%)
Europe (*)	172,667	44.6%	183,052	42.7%	(5.7%)
North America	26,165	6.8%	25,423	5.9%	2.9%
Other countries	65,478	16.9%	63,978	14.9%	2.3%
Net sales	**386,795**	**100.0%**	**429,093**	**100.0%**	**(9.9%)**

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

In the first half of 2013, sales of the DOS channel, which represent 34% of Group revenues, grew 16.0% to Euro 131.1 million.

First half results have been characterized by a tough macro-economic environment which particularly affects the Mediterranean area. Comparable store sales of the DOS channel decreased by 7.6% in the first half of 2013 versus the same period of prior year.

Comparable store sales of the DOS channel of the Spring/Summer collection (from February 25 to July 21 2013) were down 5.1%.

Sales of the franchising channel, which account for 20% of Group revenues, amount to Euro 77.3 million, with a decrease of 18.8%. This trend is due to three factors:

- the new openings offset the closures of unprofitable marginal stores;
- the reduced sell in concerning initial orders according to the new model (adopted from the current season) to manage franchisees in favor of replenishment and reorders;
- the Group's decision to operate directly 46 shops which were previously run by agents whose contracts have terminated.

Multibrand stores representing 46% of Group revenues (52% in the first half of 2012) amount to Euro 178.3 million. The change compared with the previous year is equal to -19.2% 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 half 2013	%	I half 2012	%	Var. %
Multibrand	**178,332**	**46.1%**	**220,825**	**51.5%**	**(19.2%)**
Franchising	77,331	20.0%	95,250	22.2%	(18.8%)
DOS*	131,132	33.9%	113,018	26.3%	16.0%
Geox Shops	**208,463**	**53.9%**	**208,268**	**48.5%**	**0.1%**
Net sales	**386,795**	**100.0%**	**429,093**	**100.0%**	**(9.9%)**

* Directly Operated Store

As of June 30, 2013, the overall number of Geox Shops was 1,219 of which 366 DOS. During first half 2013, 66 new Geox Shops were opened and 59 have been closed. New openings of first half 2013 include shops in Beijing, Shanghai, Hong Kong and Singapore.

	06-30-2013		12-31-2012		I half 2013		
	Geox Shops	of which DOS	Geox Shops	of which DOS	Net Openings	Openings	Closings
Italy	425	117	432	84	(7)	10	(17)
Europe (*)	348	146	350	135	(2)	14	(16)
North America	41	41	40	40	1	1	-
Other countries (**)	405	62	390	41	15	41	(26)
Total	**1.219**	**366**	**1.212**	**300**	**7**	**66**	**(59)**

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

(**) Includes Under License Agreement Shops (134 as of June 30 2013, 125 as of December 31 2012). Sales from these shops are not included in the franchising channel.

GEOX

Cost of sales and Gross Profit

Cost of sales, as a percentage of sales, was 51.9% compared to 51.3% of the first half of 2012, producing a gross margin of 48.1% (48.7% in the first half of 2012). The decrease in gross profit is explained by unfavorable trend of currencies, raw material prices and labour costs increases in supplier countries and higher promotional sales experienced during the first half.

Operating expenses and Operating income (EBIT)

Selling and distribution expenses as a percentage of sales was 6.2%. (5.4% in the first half of 2012).

General and administrative expenses were equal to Euro 136.7 million, compared with Euro 125.1 million of the first half of 2012. General and administrative expenses, as a percentage of sales, were 35.3%, compared to 29.1% of the first half of 2012.

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 46 stores previously managed by some franchisees during the first half 2013.

Advertising and promotions expenses were equal to 4.8% of sales compared to 5.5% of the first half of 2012.

In the first half 2013, non-recurring expenses, special items, were recorded for Euro 4.8 million deriving from the implementation of a rationalization plan of the workforce. Moreover, the Group has registered Euro 1.8 million related to stores assets impairments that given the uncertain macroeconomic environment are not certain to be recovered.

The operating result is equal to Euro 0.2 million compared to Euro 34.9 million (8.1% on sales) of the first half of 2012.

The operating result adjusted, excluding special items mentioned above and asset impairment, is equal to Euro 6.8 million (1.8% as a percentage of sales) compared to Euro 37.0 million (8.6% on sales) of the first half of 2012.

EBITDA

EBITDA was Euro 21.9 million, 5.7% of sales, compared to Euro 54.6 million (12.7% on sales) of the first half of 2012.

EBITDA adjusted excluding special items, is equal to Euro 26.8 million, 6.9% of sales, compared to Euro 56.7 million of first half of 2012 (13.2% on sales).

Income taxes and tax rate

Income taxes were equal to Euro 1.7 million, compared to Euro 11.8 million of the first half of 2012.

GEOX

THE GROUP'S FINANCIAL PERFORMANCE

The Group balance sheet shows a net cash position of Euro 13.0 million.

The ratio of net working capital to sales comes to 27.8% compared with 23.8% of the first half of 2012. This increase is due to:

- the extending payment terms granted to some clients;
- the increase in inventory mainly caused by the previous season (Fall/Winter 2012) and the season currently on sales (Spring/Summer 2013);
- the improvement of our handling of payment terms with suppliers.

During the period Euro 15.6 million dividend were distributed (Euro 41.5 million in the first half of 2012). Capital expenditures were Euro 18.5 million (Euro 23.3 million in the first half of 2012) of which Euro 11.7 million for new store openings and store refurbishment.

FORECAST FOR OPERATIONS AND SIGNIFICANT SUBSEQUENT EVENTS

In first half 2013, the macroeconomic and financial environment has become increasingly difficult in Europe, especially in the Mediterranean area, with the introduction of growing austere fiscal policies, restrictions on access to credit for commercial distribution and a deterioration in consumer expectations. In this context, management decided to adopt prudent policies with a view to containing business risk, rationalization of the wholesale accounts, maintaining strong control over working capital and focus on margins. This led, among other things, to selective cancellations of orders of customers in financial difficulty.

Given that these problems are generally expected to linger on in 2013, especially in commercially important countries like Italy, Spain, Portugal and Greece, management is assuming that, in the second half, the wholesale channel, which is focused on Europe, will still show signs of weakness and comparable same store sales of DOS stores could be slightly lower compared to the same period of prior year. The target, set by the management, of maintaining the sales in the second half of the year is therefore strictly linked to the new openings program of monobrand stores, both directly operated and in franchising, and it will depend also on the actual sales performance.

Given the current situation, the Geox Group has reacted with significant investments related to new shop openings, commercial structure improvements in Asia, Eastern Europe and Russia which will allow us to achieve the important potential growth opportunities in these markets, where the Group's presence is still limited, but in rapid and positive development.

These factors, combined with the need of implementing promotional initiatives to support sales, and in particular the continuing weakness of the wholesale channel and the consequent greater importance of the DOS channel will however lead to pressure on operating margins in the second half of 2013 compared with the same period of prior year with the same dynamics of the first half of the year.

The management is therefore keep implementing strong reorganization actions, rationalization and focusing the business aimed at simplifying operations and implementing a cost cutting program.

GEOX

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 INFORMATION

INVESTOR RELATIONS
Marina Cargnello: tel. +39 0423 282476; ir@geox.com
Livio Libralesso, CFO

PRESS OFFICE
Juan Carlos Venti: tel: +39 0423 281914; cell. +39 335 470641; juancarlos.venti@geox.com

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 brand 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

2013 and 2012 results are reported under IAS/IFRS. Fiscal year 2012 results have been audited, while first half 2012 and first half 2013 results have not been fully 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.

GEOX

CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)	I half 2013	%	I half 2012	%	2012	%
Net sales	**386,795**	**100.0%**	**429,093**	**100.0%**	**807,615**	**100.0%**
Cost of sales	(200,680)	(51.9%)	(220,314)	(51.3%)	(419,522)	(51.9%)
Gross profit	**186,115**	**48.1%**	**208,779**	**48.7%**	**388,093**	**48.1%**
Selling and distribution costs	(23,896)	(6.2%)	(23,206)	(5.4%)	(43,379)	(5.4%)
General and administrative expenses	(136,671)	(35.3%)	(125,056)	(29.1%)	(251,907)	(31.2%)
Advertising and promotion	(18,703)	(4.8%)	(23,542)	(5.5%)	(45,777)	(5.7%)
Operating result	**6,845**	**1.8%**	**36,975**	**8.6%**	**47,030**	**5.8%**
Special items	(4,834)	(1.2%)	(2,057)	(0.5%)	(24,425)	(3.0%)
Net asset impairment	(1,840)	(0.5%)	-	0.0%	(2,640)	(0.3%)
EBIT	**171**	**0.0%**	**34,918**	**8.1%**	**19,965**	**2.5%**
Net interest	(2,088)	(0.5%)	(1,831)	(0.4%)	(2,251)	(0.3%)
PBT	**(1,917)**	**(0.5%)**	**33,087**	**7.7%**	**17,714**	**2.2%**
Income tax	(1,723)	(0.4%)	(11,779)	(2.7%)	(7,675)	(1.0%)
Tax rate	*-90%*	0%	*36%*	0%	*43%*	
Net result	**(3,640)**	**(0.9%)**	**21,308**	**5.0%**	**10,039**	**1.2%**
EPS (Earnings per shares)	**(0.01)**		**0.08**		**0.04**	
EBITDA	**21,949**	**5.7%**	**54,597**	**12.7%**	**61,557**	**7.6%**
Special items	(4,834)		(2,057)		(24,425)	
EBITDA adjusted	**26,783**	**6.9%**	**56,654**	**13.2%**	**85,982**	**10.6%**

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

GEOX

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(Thousands of Euro)	June 30, 2013	Dec. 31, 2012	June 30, 2012
Intangible assets	66,575	67,827	70,088
Property, plant and equipment	65,208	68,090	63,953
Other non-current assets - net	55,241	50,899	41,178
Total non-current assets	**187,024**	**186,816**	**175,219**
Net operating working capital	**212,834**	**192,093**	**206,206**
Other current assets (liabilities), net	**(15,473)**	**(17,965)**	**(22,523)**
Net invested capital	**384,385**	**360,944**	**358,902**
Equity	385,835	402,836	428,411
Provisions for severance indemnities, liabilities and charges	11,519	12,254	10,619
Net financial position	(12,969)	(54,146)	(80,128)
Net invested capital	**384,385**	**360,944**	**358,902**

OPERATING WORKING CAPITAL AND OTHER CURRENT ASSETS (LIABILITIES)

(Thousands of Euro)	June 30, 2013	Dec. 31, 2012	June 30, 2012
Inventories	205,160	209,249	176,821
Accounts receivable	140,862	145,450	160,030
Accounts payable	(133,188)	(162,606)	(130,645)
Net operating working capital	**212,834**	**192,093**	**206,206**
% of sales for the last 12 months	***27.8%***	***23.8%***	***23.8%***
Taxes payable	(10,864)	(11,039)	(17,481)
Other non-financial current assets	36,983	35,303	27,238
Other non-financial current liabilities	(41,592)	(42,229)	(32,280)
Other current assets (liabilities), net	**(15,473)**	**(17,965)**	**(22,523)**

GEOX

RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENTS

(Thousands of Euro)	I half 2013	I half 2012	2012
Net result	**(3,640)**	**21,308**	**10,039**
Depreciation, amortization and impairment	21,778	19,679	41,592
Other non-cash items	297	1,850	10,907
	18,435	**42,837**	**62,538**
Change in net working capital	(27,750)	11,377	19,661
Change in other current assets/liabilities	(4,131)	603	(15,208)
Cash flow from operations	**(13,446)**	**54,817**	**66,991**
Capital expenditure	(18,465)	(23,302)	(48,146)
Disposals	493	824	1,408
Net capital expenditure	**(17,972)**	**(22,478)**	**(46,738)**
Free cash flow	**(31,418)**	**32,339**	**20,253**
Dividends	(15,552)	(41,473)	(41,473)
Change in net financial position	**(46,970)**	**(9,134)**	**(21,220)**
Initial net financial position - prior to fair value adjustment of derivatives	**57,792**	**78,214**	**78,214**
Change in net financial position	(46,970)	(9,134)	(21,220)
Translation differences	867	365	798
Final net financial position - prior to fair value adjustment of derivatives	**11,689**	**69,445**	**57,792**
Fair value adjustment of derivatives	1,280	10,683	(3,646)
Final net financial position	**12,969**	**80,128**	**54,146**