

# GEOX

PRESS RELEASE

## **THE BOARD OF DIRECTORS OF GEOX S.P.A. IS TO PROPOSE A NEW STOCK OPTION PLAN AT THE NEXT SHAREHOLDERS' MEETING**

**Biadene di Montebelluna, 3 November 2014** – The Board of Directors of Geox S.p.A., which is listed on the Milan Stock Exchange (GEO.MI), has decided to submit the following matters to the next Ordinary and Extraordinary Shareholders' Meeting convened on 22 December 2014 at a single calling:

### **I. APPROVAL OF A NEW STOCK OPTION PLAN**

The Plan involves a maximum of 3,150,000 options, which are valid for the subscription of 3,150,000 ordinary shares, which form part of the increase in capital through the issue of a maximum of 12,000,000 ordinary shares (up to a maximum amount of Euro 1,200,000.00), authorized by the Shareholders' Meeting of 18 December 2008.

The Plan is reserved for the CEO, key executives and other managers and employees of the Geox Group, who will be identified by the Board of Directors, on the proposal of the Remuneration Committee.

The 2014-2016 Plan involves only one option grant cycle, which will take place by 31 December 2014. Exercising the options will depend on and be proportional to the achievement of performance results based on the consolidated net income linked to the Geox Group's 2014-2016 Plan. The options may be exercised from the date of board approval of the draft financial statements for the year ended 31 December 2016.

The strike price of the options, and therefore the issue price of the Geox ordinary shares issued for the increase in capital to serve the 2014-2016 Plan, will be Euro 2.039 per share.

The strike price has been established by the Board of Directors in consideration of the purpose of the Plan, which is to encourage top management to create new value for the Group and to increase their loyalty to it. It is based on the average of stock market prices posted by Geox's shares in the thirty days prior to approval of the 2014-2016 Business Plan, as this mechanism makes it possible to identify a strike price that reflects the market value of the Geox Group at the time the 2014-2016 Business Plan was approved.

The Board of Directors of Geox S.p.A. has called an Extraordinary Shareholders' Meeting for 22 December 2014 to approve an amendment to the resolution passed by the Shareholders' Meeting of 18 December 2008 that approved the increase in capital, so as to provide an additional parameter for the issue price of the new shares to service the 2014-2016 Plan of Euro 2.039 per share, i.e. the average market price of Geox's shares during the thirty days prior to the date of approval of the 2014-2016 Business Plan as part of a capital increase made pursuant to art. 2441, paragraph 8, of the Italian Civil Code.

By implementing this Plan, the Company intends to promote and pursue the following objectives:

- to link the compensation of key resources to the Company's effective performance and to the creation of new value for the Geox Group;
- to orient key resources towards strategies designed to pursue results in the medium/long term;
- to align the interests of Top and Middle Management to those of the shareholders and investors;
- and to introduce retention policies to raise the fidelity of key resources and to provide an incentive for them to stay with the Geox Group.

### **2. AUTHORISATION TO BUY BACK AND HOLD GEOX SHARES IN ACCORDANCE WITH ARTS. 2357 AND 2357-TER OF THE ITALIAN CIVIL CODE**

The purpose of the request for authorization to buy back the Company's own shares is to limit abnormal price fluctuations, to regularize trading whenever there are distortions linked to excessive volatility or to a lack of market liquidity, as well as to provide the issuer with shares to service the allocation of share options to employees and any extraordinary financial operations in line with the Company's development strategy. The Company will be able to buy a number of ordinary shares not exceeding 10% of the share capital for a period of 18 months from the date that the Shareholders' Meeting passes the resolution. Purchases will have to be made at a price per share that is not more than

# GEOX

10% higher or lower than the closing price posted on the business day prior to the purchase date. Maximum daily purchase volumes cannot exceed 25% of the average volumes traded during the 20 Stock Exchange sessions preceding the purchase date. The share buy-back will be implemented on organised markets in accordance with applicable law and regulatory instructions (namely art. 132 of the FCA, art. 144-bis, para. 1. b and c of Consob Regulation 11971/99 and subsequent amendments and integrations), following the methods laid down in the markets' own organisational and operational rules, in order to ensure the same treatment for all shareholders.

**3. PROPOSAL TO INTEGRATE THE TOTAL REMUNERATION OF THE DIRECTORS, INCLUDING THOSE WITH SPECIAL POWERS, AS APPROVED BY THE SHAREHOLDERS ON 17 APRIL 2013**

The Board of Directors proposes to integrate the total remuneration of the Directors, also providing for long-term and short-term variable incentives for the CEO, again with a view to retention and payable if certain objectives are met.

**4. AMENDMENT TO ART. 16 OF THE ARTICLES OF ASSOCIATION TO INCREASE THE MAXIMUM NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS (FROM NINE TO ELEVEN)**

## **FOR ADDITIONAL INFORMATION**

---

### INVESTOR RELATIONS

Marina Cargnello: tel. +39 0423 282476; ir@geox.com

Livio Libralesso, CFO

### PRESS OFFICE

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

## **THE GEOX GROUP**

---

The Geox Group operates in the classic and casual footwear sector for men, women and children in a medium to medium/high price range and in the apparel sector. Geox owes its success to constant focus on the product, which features the use of innovative and technological solutions that can guarantee the ability to breathe and to remain waterproof at the same time, and bases its future growth strategies on constant technological innovation.

Geox is one of the market leaders world-wide in the "International Lifestyle Casual Footwear Market". Geox's innovation is protected by more than 60 different patents for inventions that have been registered in Italy and extended worldwide.

---