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

- **Sales: € 754.2 million (€ 807.6 million in 2012)**
- **EBITDA adj[1] : € 24.7 million (€ 86.0 million in 2012)**
- **EBIT adj[2]: € -15.9 million (€ 47.0 million in 2012)**

Biadene di Montebelluna, March 6, 2014 – 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 2013 financial results.

Mario Moretti Polegato, Chairman and founder of Geox, commented: "As announced previously, 2013 was a year of considerable change for Geox, with the introduction of a new management team and the definition of the 2014-2016 strategic plan, which was presented to the financial community last November. This plan, starting with a reduction in corporate complexity, tighter cost control and a return to a focus on Geox's technological DNA, concentrates on the product to maintain our leadership positions in Europe and to develop new markets in Eastern and Northern Europe. In addition, Geox intends to increase its presence, thorough rapid expansion, in countries such as China, Hong Kong and the Far East in general.

Clear and well identified projects, whose common denominator is the focus on comfort, breathability, an updated, contemporary design, and the products that represent Geox's core business and which generated the Company's success.

As announced in previous press releases, the main feature of 2013 was the difficult economic situation in some of the most important markets for the Group, namely Mediterranean Europe, the resulting weakness of the multi-brand channel and a decline in the mono-brand franchise channel, mainly due to the closure of stores that were underperforming.

However, the various steps taken by the Company are beginning to produce the first positive results. I refer in particular to the steady improvement in sales by direct stores with comparable sales up 5% in the fourth quarter of 2013, a trend that is continuing to show good performances also in the first few weeks of 2014. This positive response on the part of consumers makes me confident that the strategy we have chosen is the right one and that the new management team's implementation ability is in line with expectations and with the objectives of the business plan".

[1] Excluding non recurring costs, equal to Euro 14.1 million (Euro 24.4 million in 2012).
[2] Excluding non recurring costs (highlighted in note 1) and asset impairments, equal to Euro 4.7 million (Euro 2.6 million in 2012), on investments made in the stores' network.

GEOX

THE GROUP'S ECONOMIC PERFORMANCE

Sales

2013 consolidated net sales decreased by -6.6% (-5.6% at constant exchange rates) to Euro 754.2 million. Footwear sales represented 87% of consolidated sales, amounting to Euro 654.2 million, with a 5.1% decrease compared to 2012. Apparel sales accounted for 13% of consolidated sales amounting to Euro 100.0 million, with a 15.6% decrease.

(Thousands of Euro)	2013	%	2012	%	Var. %
Footwear	654,151	86.7%	689,041	85.3%	(5.1%)
Apparel	100,040	13.3%	118,574	14.7%	(15.6%)
Net sales	**754,191**	**100.0%**	**807,615**	**100.0%**	**(6.6%)**

Sales in Italy, the Group's main market, which accounted for 32% of sales (35% in 2012) amounted to Euro 239.9 million showing a 16.1% decrease.

Sales in Europe, which accounted for 44% of sales (42% in 2012) declined by 3.8% to Euro 328.8 million, compared with Euro 341.9 million in 2012.

North American sales decreased by 2.5% at Euro 53.7 million (+2.5% at constant exchange rates). Sales in Other Countries increased by 5.6% compared to 2012 (+10.1% at constant exchange rates).

(Thousands of Euro)	2013	%	2012	%	Var. %
Italy	239,867	31.8%	285,872	35.4%	(16.1%)
Europe (*)	328,817	43.6%	341,900	42.3%	(3.8%)
North America	53,704	7.1%	55,061	6.8%	(2.5%)
Other countries	131,803	17.5%	124,782	15.5%	5.6%
Net sales	**754,191**	**100.0%**	**807,615**	**100.0%**	**(6.6%)**

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

In 2013, sales of the DOS channel, which represent 38% of Group revenues, grew 22.0% to Euro 285.7 million.

2013 results have been characterized by a tough macroeconomic environment which particularly affects the Mediterranean area. Comparable store sales of the DOS channel decreased by 3.0% in 2013 versus the same period of prior year. The improvement, compared with the negative trend of -5.7% of the first nine months, is mainly driven by comparable same store sales recorded on DOS chennel in the last quarter of 2013 (+5.0%).

Sales of the franchising channel, which account for 19% of Group revenues, amount to Euro 145.2 million, with a decrease of 20.7%. This trend is due to three factors:

- the reduced sell in concerning initial orders according to the new model (adopted from 2013) to manage franchisees in favor of replenishment and reorders;

• the Group's decision to operate directly 60 shops which were previously run by agents whose contracts have terminated;
• the decision to close stores with a performance not in line with the expected profitability.

Multibrand stores representing 43% of Group revenues (48% in 2012) amount to Euro 323.3 million. The change compared with the previous year is equal to -17.2% 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)	**2013**	**%**	**2012**	**%**	**Var. %**
Multibrand	**323,327**	**42.9%**	**390,304**	**48.3%**	**(17.2%)**
Franchising	145,199	19.3%	183,151	22.7%	(20.7%)
DOS*	285,665	37.9%	234,160	29.0%	22.0%
Geox Shops	**430,864**	**57.1%**	**417,311**	**51.7%**	**3.2%**
Net sales	**754,191**	**100.0%**	**807,615**	**100.0%**	**(6.6%)**

* Directly Operated Store

As of December 31, 2013, the overall number of Geox Shops was 1,299 of which 450 DOS. During 2013, 215 new Geox Shops were opened and 128 have been closed. New openings 2013 include shops in Beijing, Shanghai and Hong Kong.

	12-31-2013		**12-31-2012**		**2013**		
	Geox Shops	**of which DOS**	**Geox Shops**	**of which DOS**	**Net Openings**	**Openings**	**Closings**
Italy	465	169	432	84	33	64	(31)
Europe (*)	361	162	350	135	11	36	(25)
North America	40	40	40	40	-	1	(1)
Other countries (**)	433	79	390	41	43	114	(71)
Total	**1,299**	**450**	**1,212**	**300**	**87**	**215**	**(128)**

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

(**) Includes Under License Agreement Shops (176 as of December 31 2013, 125 as of December 31 2012). Sales from these shops are not included in the franchising channel.

Cost of sales and Gross Profit

Cost of sales, as a percentage of sales, was 53.4% compared to 51.9% of 2012, producing a gross margin of 46.6% (48.1% in 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 2013.

Operating expenses and Operating income (EBIT)

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

General and administrative expenses were equal to Euro 282.0 million, compared with Euro 251.9 million of 2012. General and administrative expenses, as a percentage of sales, were 37.4%, compared to 31.2% 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 60 stores previously managed by some franchisees during 2013.

Advertising and promotions expenses were equal to 5.1% of sales compared to 5.7% of 2012.

In 2013, non-recurring expenses, special items, were recorded for Euro 14.1 million deriving from the implementation of a wide rationalization plan aimed at specialization and focalization to the footwear business, which is the company's core business. Furthermore, the specialization of the apparel line will be focused on outerwear.
In particular, special items include Euro 6.6 million for the rationalization of the workforce and sales force in countries, which are more impacted by the difficult macroeconomic situation, in favor of investments in countries experiencing growth and development. Euro 7.5 million of special items refer to closure and rationalization of some DOS and franchise stores which are strategic for the improvement of the Geox know-how in the retail network management. The main objectives of the Group include the extension of the know-how gained in the retail network also to the franchise channel and the increase of the network profitability and efficiency.

Moreover, the Group has registered asset impairment for Euro 4.7 million related mainly to stores which are planned to be closed and stores that are not certain to be recovered given the uncertain macroeconomic environment.

The operating result is equal to Euro -34.6 million compared with Euro 20.0 million (-4.6% on sales) of 2012.

The operating result adjusted, excluding special items mentioned above and asset impairment, is equal to Euro -15.9 million (-2.1% as a percentage of sales) compared with Euro 47.0 million (5.8% on sales) of 2012.

EBITDA

EBITDA was Euro 10.7 million, 1.4% of sales, compared to Euro 61.6 million (7.6% on sales) of 2012.

EBITDA adjusted excluding special items, is equal to Euro 24.7 million, 3.3% of sales, compared to Euro 86.0 million of 2012 (10.6% on sales).

Income taxes and tax rate

Income taxes were equal to Euro 8.7 million, compared to Euro -7.7 million of 2012, with a tax rate of 23% compared with 43% of 2012.

THE GROUP'S FINANCIAL PERFORMANCE

The Group balance sheet shows a negative financial position of Euro 28.2 million.

The ratio of net working capital to sales comes to 28.3% compared with 23.8% of 2012. This change is due to:

- the extending payment terms granted to some clients;
- the increase in inventory mainly caused by the increase of inventories of next season Spring/Summer 2014, the previous season (Spring/Summer 2013) for our outlet channel and the season currently on sale (Fall/Winter 2013).

2013 shows a decrease in the generation of cash flow from operating activities, mainly because of lower profitability and the temporary use of cash following the decision to bring forward purchases of products of the Spring/Summer 2014 collection in order to improve the level of service provided to the market. In addition, Euro 15.6 million euro of dividends were distributed and net investments of Euro 39.5 million euro were made (compared with Euro 46.7 million euro in 2012), of which Euro 24.1 million for new Geox Shop openings and refurbishment.

Before the fair value adjustment of derivatives, net financial position was Euro -18.3 million, compared to Euro 57.8 million of 2012. After fair value adjustment of derivatives, which negatively affected 2013 for Euro -9.9 million versus contribution of Euro -3.6 million of 2012, net financial position was equal to Euro -28.2 million (Euro 54.1 million at the end of 2012).

FINANCIAL STATEMENT OF THE PARENT COMPANY, GEOX S.P.A.

The Board of Directors also approved the financial results of Geox S.p.A., the group's parent company, for the year ending December 31, 2013 and the annual corporate governance report.

Sales equal to Euro 511.0 million, from Euro 602.8 million in 2012. Net result was Euro -29.6 million (Euro 16.4 million in 2012) with a -5.8% margin.

Shareholders' equity at the end of December 2013 amounted to Euro 377.7 million from Euro 425.8 million at the end of 2012. Net financial position was negative for Euro -8.7 million.

The Board of Directors has agreed to convene the General Meeting of Shareholders on April 16 to approve the 2013 Statutory Financial Statements.

GEOX

FORECAST FOR OPERATIONS AND SIGNIFICANT SUBSEQUENT EVENTS

2013, as already highlighted, was characterized by a difficult economic situation in some of the most important markets for the Group (Mediterranean markets), by the weakness in the multibrand channel and by a decline in monobrand franchise stores, mainly due to the closure of stores that were underperforming in terms of profitability. The causes are to be found in the difficult macroeconomic and financial environment in Europe, which resulted in much lower consumer spending. Management has therefore adopted cautious policies to limit business risk, rationalize and specialize the sales network, control working capital and focus on profitability.

The 2014-2016 Business Plan presented to the financial community is based on steps designed to:

- focus on the core business and product innovation;
- simplify the business to obtain a drastic reduction of the complexity with consequent reduction in costs;
- rationalize the network of monobrand stores by closing those that are underperforming;
- open new stores only if strict profitability criteria are met;
- improve commercial structures in the countries of Northern and Eastern Europe and in Asia which will allow us, in the future, to take advantage of the significant growth potential of these countries where the Group's presence is still limited, but in rapid expansion, with positive results.

In particular, for 2014 management's assumptions lead to an estimated increase in sales to Euro 800 million with the operating result (EBIT) returning to break-even.

This result is subject to the effective realization of the following events:

1. gradual stabilization of the wholesale channel. The assumptions are that the EMEA and North America will still show a certain level of weakness in the first half, which should be partially recovered in the second half, and that Asia confirms the significant growth in orders that it enjoyed in the first half of 2014.
2. an improvement in the performance of the franchise channel with at least some growth in comparable sales through the implementation, also in this channel, of the techniques and results already achieved by the network of directly operated stores (DOS) and a positive net balance between closures and new openings.
3. growth in the directly operated stores (DOS) channel, with about 20 new openings, net of closures, and growth in comparable sales of existing stores.
4. a second half improvement in the gross profit margin due to a combination of pricing policies and limited promotional sales, as well as a reduction in product cost.

With regard to the first half, turnover is assumed to be substantially stable with an expected positive performance by the monobrand channel, which should offset the expected weakness of the wholesale channel, that as forecasted could lead to a pressure on EBIT compared with the same period last year.

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 INFORMATIONS

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

UFFICIO STAMPA
Juan Carlos Venti: ph: +39 0423 281914; mobile +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 and have 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.

GEOX

CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)	2013	%	2012	%
Net sales	**754,191**	**100.0%**	**807,615**	**100.0%**
Cost of sales	(402,701)	(53.4%)	(419,522)	(51.9%)
Gross profit	**351,490**	**46.6%**	**388,093**	**48.1%**
Selling and distribution costs	(46,634)	(6.2%)	(43,379)	(5.4%)
General and administrative expenses	(281,960)	(37.4%)	(251,907)	(31.2%)
Advertising and promotion	(38,750)	(5.1%)	(45,777)	(5.7%)
Operating result	**(15,854)**	**(2.1%)**	**47,030**	**5.8%**
Special items	(14,054)	(1.9%)	(24,425)	(3.0%)
Net asset impairment	(4,725)	(0.6%)	(2,640)	(0.3%)
EBIT	**(34,633)**	**(4.6%)**	**19,965**	**2.5%**
Net interest	(3,846)	(0.5%)	(2,251)	(0.3%)
PBT	**(38,479)**	**(5.1%)**	**17,714**	**2.2%**
Income tax	8,730	1.2%	(7,675)	(1.0%)
Tax rate	*23%*	0%	*43%*	
Net result	**(29,749)**	**(3.9%)**	**10,039**	**1.2%**
EPS (Earnings per share)	**(0.11)**		**0.04**	
EBITDA	**10,684**	**1.4%**	**61,557**	**7.6%**
Special items	(14,054)		(24,425)	
EBITDA adjusted	**24,738**	**3.3%**	**85,982**	**10.6%**

EBITDA: is the EBIT 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)	Dec. 31, 2013	Dec. 31, 2012
Intangible assets	64,023	67,827
Property, plant and equipment	65,291	68,090
Other non-current assets - net	67,338	50,899
Total non-current assets	**196,652**	**186,816**
Net operating working capital	**213,646**	**192,093**
Other current assets (liabilities), net	**(18,415)**	**(17,965)**
Net invested capital	**391,883**	**360,944**
Equity	355,429	402,836
Provisions for severance indemnities, liabilities and charges	8,228	12,254
Net financial position	28,226	(54,146)
Net invested capital	**391,883**	**360,944**

OPERATING WORKING CAPITAL AND OTHER CURRENT ASSETS (LIABILITIES)

(Thousands of Euro)	Dec. 31, 2013	Dec. 31, 2012
Inventories	281,907	209,249
Accounts receivable	100,837	145,450
Accounts payable	(169,098)	(162,606)
Net operating working capital	**213,646**	**192,093**
% of sales for the last 12 months	***28.3%***	***23.8%***
Taxes payable	(8,424)	(11,039)
Other non-financial current assets	32,072	35,303
Other non-financial current liabilities	(42,063)	(42,229)
Other current assets (liabilities), net	**(18,415)**	**(17,965)**

GEOX

RECLASSIFIED CONSOLIDATED CASH FLOW STATEMENT

(Thousands of Euro)	2013	2012
Net result	**(29,749)**	**10,039**
Depreciation, amortization and impairment	45,318	41,592
Other non-cash items	(5,138)	10,907
	10,431	**62,538**
Change in net working capital	(40,065)	19,661
Change in other current assets/liabilities	7,924	(15,208)
Cash flow from operations	**(21,710)**	**66,991**
Capital expenditure	(40,112)	(48,146)
Disposals	649	1,408
Net capital expenditure	**(39,463)**	**(46,738)**
Free cash flow	**(61,173)**	**20,253**
Dividends	(15,552)	(41,473)
Change in net financial position	**(76,725)**	**(21,220)**
Initial net financial position - prior to fair value adjustment of derivatives	**57,792**	**78,214**
Change in net financial position	(76,725)	(21,220)
Translation differences	594	798
Final net financial position - prior to fair value adjustment of derivatives	**(18,339)**	**57,792**
Fair value adjustment of derivatives	(9,887)	(3,646)
Final net financial position	**(28,226)**	**54,146**