



1H 2012 Results Presentation

July 31, 2012

1H 2012 Key Facts

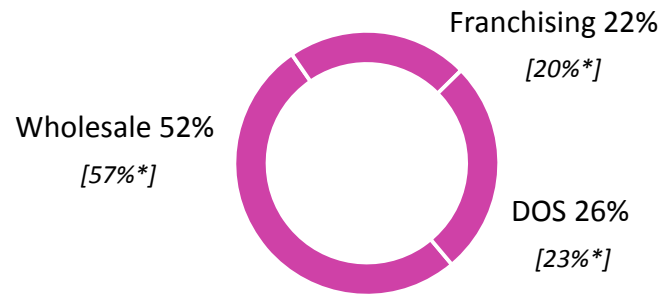
- Sales: Euro 429.1 million -4% (-5% constant FX)
- Directly Operated Stores Same Store Sales: +3% (vs +8% in 1H 2011)
 - Spring/Summer season Same store sales: +6% YTD (week 9-week 29)
- EBITDA adj*: Euro 56.7 million, 13.2% margin (Euro 61.3 million in 1H 2011)
- EBIT adj*: Euro 37.0 million, 8.6% margin (Euro 42.0 million in 1H 2011)
- Net Income: Euro 21.3 million, 5.0% margin (Euro 24.3 million in 1H 2011)
- Net Cash Position: Euro 80.1 million (Euro 65.7 million in 1H 2011)
- 1,172 Geox Shop at the end of June (+32 net openings)



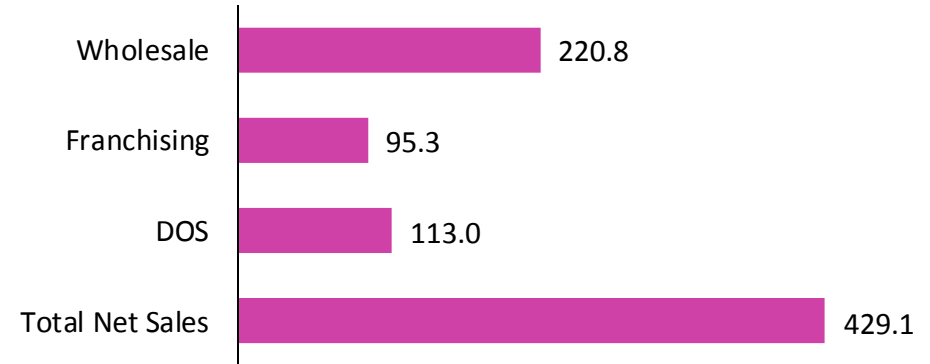
** Excluding non recurring costs mainly related to expenses for non performing stores' closures (Euro 2.1 million in the first half of 2012 and Euro 0.4 million in the first half of 2011).*

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Net Sales Breakdown by Channel



[* 1H 2011]



| Δ % 1H 2012 | Current FX | Constant FX |
|------------------------|--------------|--------------|
| Wholesale | -13.6% | -14.5% |
| Franchising | +8.4% | +8.4% |
| DOS | +7.6% | +6.4% |
| Total Net Sales | -4.3% | -5.1% |

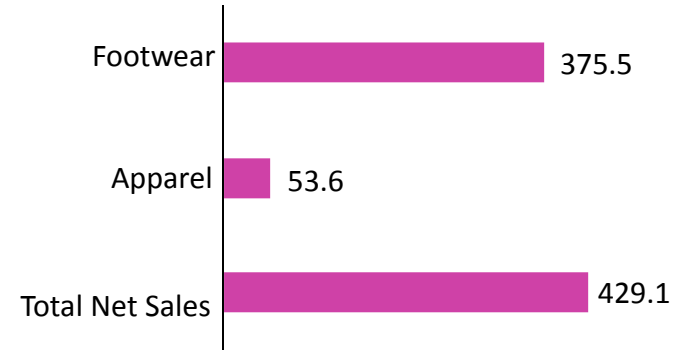
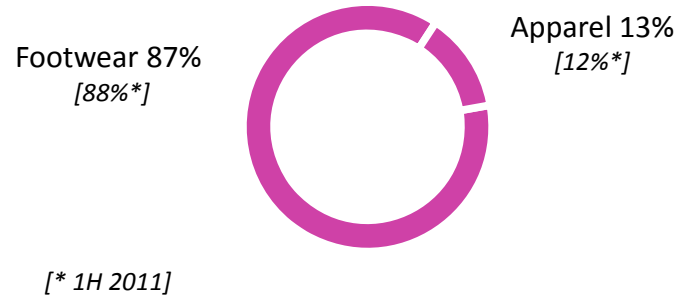
DOS:

- Sales up 7.6% in 1H2012: Same store sales growth: **+3%** - vs +8% in 1H2011;
- Spring/Summer 2012 season (week 9-week 29) same store sales growth: **+6%**

DOS: Directly Operated Stores

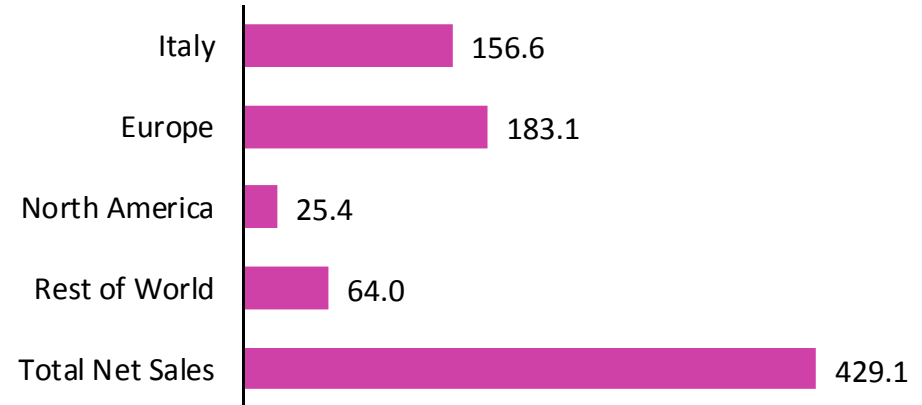
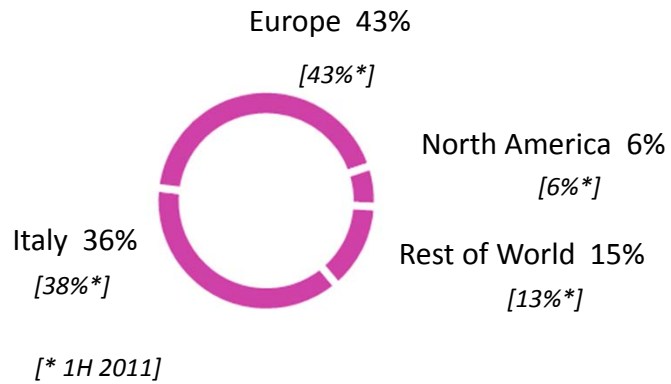
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Net Sales Breakdown by Product



| | Δ % 1H 2012 | Current FX | Constant FX |
|------------------------|--------------------|--------------|--------------|
| Footwear | | -4.6% | -5.6% |
| Apparel | | -1.8% | -1.8% |
| Total Net Sales | | -4.3% | -5.1% |

Net Sales Breakdown by Region



| | Δ % 1H 2012 | Current FX | Constant FX |
|------------------------|--------------------|-------------------|--------------------|
| Italy | | -7.9% | -8.0% |
| Europe | | -4.8% | -5.2% |
| North America | | -3.9% | -9.7% |
| Rest of World | | +7.6% | +5.1% |
| Total Net Sales | | -4.3% | -5.1% |

Europe includes: Germany, France, Spain, Portugal, Benelux, Austria, Switzerland, UK, Scandinavia

Geox Shops Network

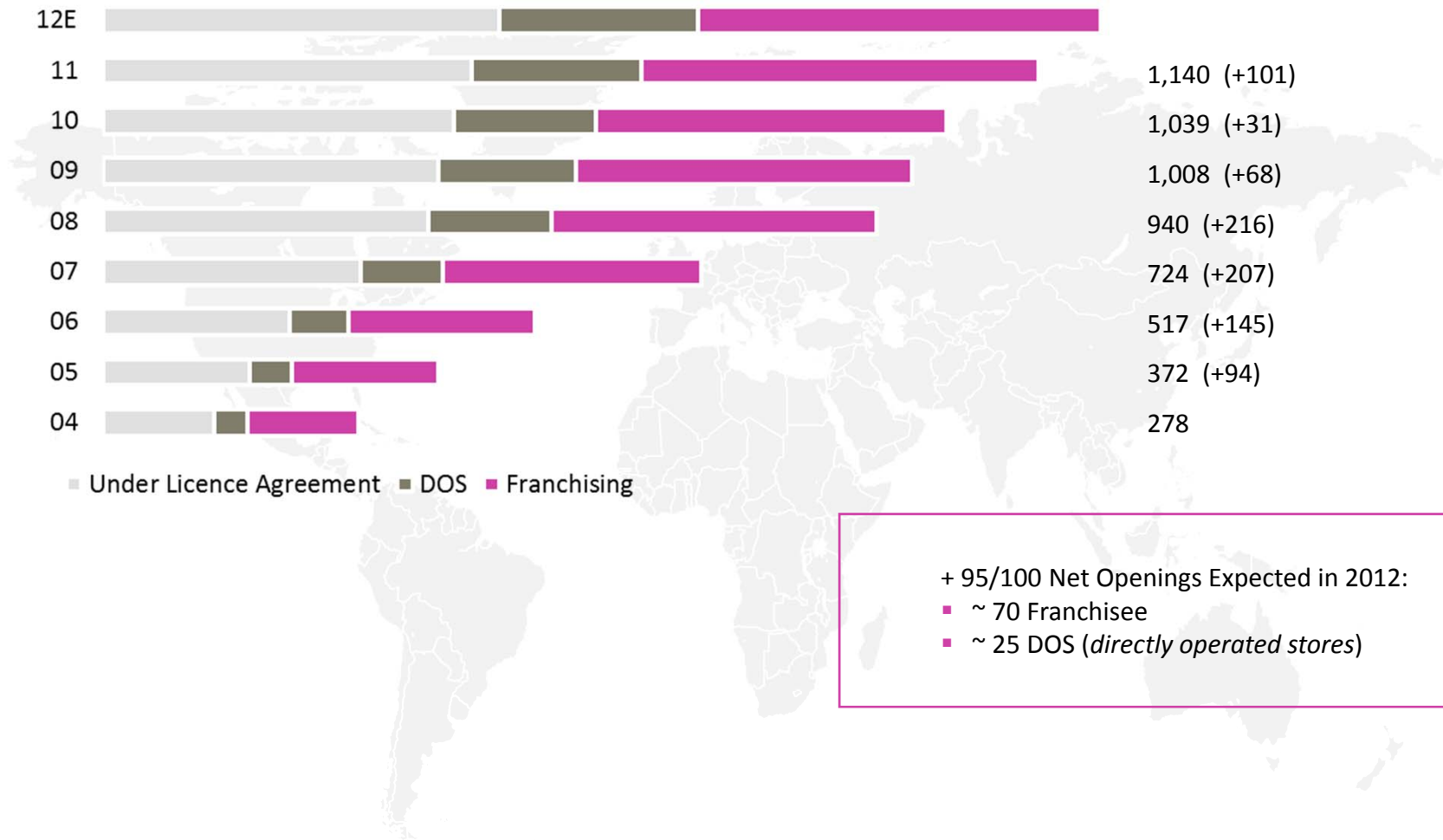
| | 1H 2012 | | 2011 | | Net Openings | Openings | Closings |
|------------------------|--------------|--------------|--------------|--------------|--------------|-----------|-------------|
| | Geox Shops | of which DOS | Geox Shops | of which DOS | | | |
| Italy | 416 | 79 | 392 | 79 | 24 | 31 | (7) |
| Europe | 329 | 126 | 320 | 126 | 9 | 28 | (19) |
| North America | 42 | 39 | 44 | 40 | (2) | 1 | (3) |
| Rest of World * | 385 | 17 | 384 | 17 | 1 | 33 | (32) |
| Total Geox Shop | 1,172 | 261 | 1,140 | 262 | 32 | 93 | (61) |

* includes Under Licence Agreement Shops (155 as of June 2012, 171 as of December 2011) 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.



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Geox Shops Network



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Summary Income Statement

| (Euro.m) | 1H 2012 | % | 1H 2011 | % | FY 11 | % |
|------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| Net Sales | 429.1 | 100% | 448.3 | 100% | 887.3 | 100% |
| <i>YoY growth</i> | <i>(4.3%)</i> | | <i>3.0%</i> | | <i>4.4%</i> | |
| Cost of sales | (220.3) | (51.3%) | (242.8) | (54.1%) | (478.1) | (53.9%) |
| Gross Profit | 208.8 | 48.7% | 205.6 | 45.9% | 409.1 | 46.1% |
| Selling & Distribution | (23.2) | (5.4%) | (23.6) | (5.3%) | (45.6) | (5.1%) |
| G&A | (125.1) | (29.1%) | (116.0) | (25.9%) | (234.5) | (26.4%) |
| A&P | (23.5) | (5.5%) | (24.0) | (5.4%) | (45.9) | (5.2%) |
| EBIT adj | 37.0 | 8.6% | 42.0 | 9.4% | 83.1 | 9.4% |
| Special items | (2.1) | (0.5%) | (0.4) | (0.1%) | (0.6) | (0.1%) |
| EBIT | 34.9 | 8.1% | 41.6 | 9.3% | 82.5 | 9.3% |
| Net Interest | (1.8) | (0.4%) | (2.4) | (0.5%) | (4.4) | (0.5%) |
| EBT | 33.1 | 7.7% | 39.3 | 8.8% | 78.1 | 8.8% |
| Income Taxes | (11.8) | (2.7%) | (14.9) | (3.3%) | (28.0) | (3.2%) |
| <i>Tax rate</i> | <i>35.6%</i> | | <i>38.0%</i> | | <i>35.8%</i> | |
| NET INCOME | 21.3 | 5.0% | 24.3 | 5.4% | 50.2 | 5.7% |
| EBITDA | 54.6 | 12.7% | 60.9 | 13.6% | 121.5 | 13.7% |
| EBITDA adj | 56.7 | 13.2% | 61.3 | 13.7% | 122.1 | 13.8% |

- **Gross Profit** up 280 bps to 48.7% in 1H12 mainly due to:
 - improved sell through in the DOS (reduced markdown)
 - favourable FX effect
 - increases in prices
 - partially offset by the impact of higher raw material and labour costs

- **G&A** increase mainly reflects growth initiatives:
 - new Geox shops openings
 - new subsidiaries in Eastern Europe and Asia

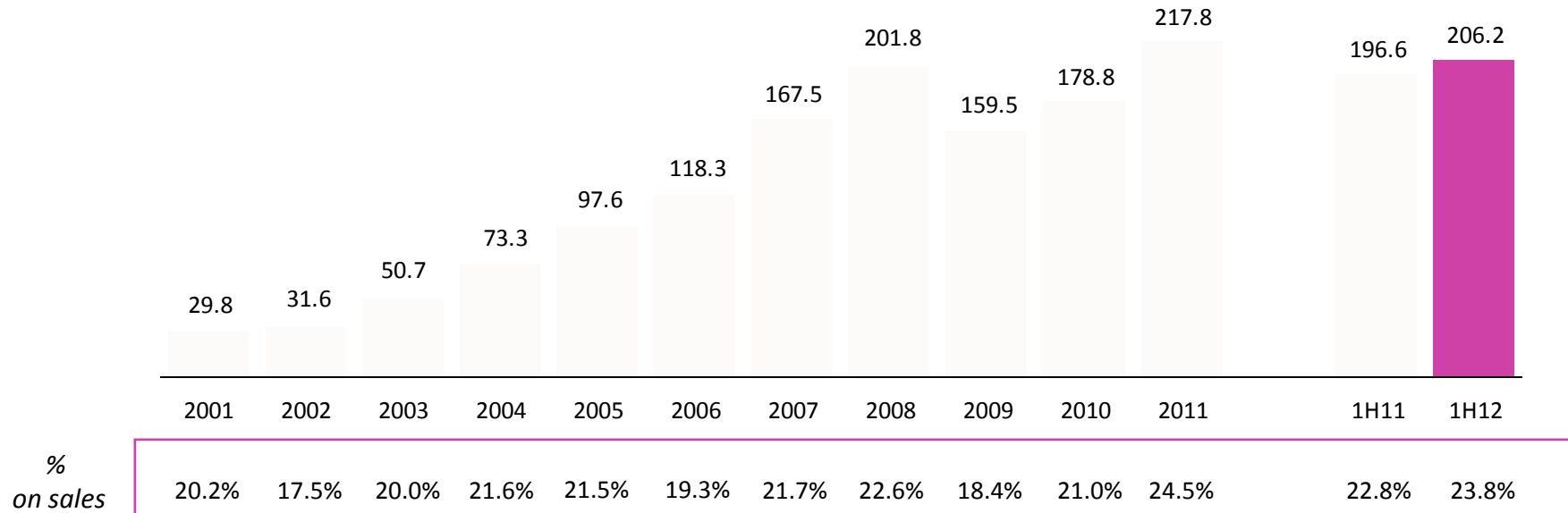
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Summary Balance Sheet

| (Euro.m) | June, 2012 | June, 2011 | Dec, 2011 |
|---|--------------|--------------|--------------|
| Intangible Assets | 70.1 | 65.4 | 67.2 |
| Tangible Assets | 64.0 | 63.4 | 63.7 |
| Other Fixed Assets, net | 41.2 | 46.1 | 40.6 |
| Total Fixed Assets | 175.2 | 175.0 | 171.5 |
| Operating Working Capital | 206.2 | 196.6 | 217.8 |
| Other current assets (liabilities), net | (22.5) | (28.5) | (23.3) |
| Invested Capital | 358.9 | 343.1 | 365.9 |
| Net Financial Position (Cash) | (80.1) | (65.7) | (90.7) |
| Staff Severance and Risk Fund | 10.6 | 9.0 | 10.2 |
| Shareholders' Equity | 428.4 | 399.8 | 446.4 |
| Invested Capital | 358.9 | 343.1 | 365.9 |

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Operating Working Capital



| (Euro.m) | <u>FY 2011</u> | <u>1H 2011</u> | <u>1H 2012</u> |
|---|---------------------|---------------------|---------------------|
| Inventories | 196.6 | 189.5 | 176.8 |
| Account receivables | 154.2 | 136 | 160 |
| <u>Account payables</u> | <u>(133.0)</u> | <u>(128.8)</u> | <u>(130.6)</u> |
| <u>Operating Working Capital</u> | <u>217.8</u> | <u>196.6</u> | <u>206.2</u> |
| <i>% on last 12 months sales</i> | <i>24.5%</i> | <i>22.8%</i> | <i>23.8%</i> |

Summary Cash Flow Statement

| (Euro.m) | 1H 2012 | 1H 2011 | 2011 |
|---|---------------|---------------|---------------|
| Net income | 21.3 | 24.3 | 50.2 |
| Depreciation & Amortization | 19.7 | 19.3 | 39.0 |
| Other Non-Cash Items | 1.9 | (7.1) | (0.8) |
| Funds from Operations | 42.8 | 36.5 | 88.4 |
| Change in Operating Working Capital | 11.4 | (22.1) | (44.1) |
| Change in Other Current Assets, net | 0.6 | 18.1 | 6.1 |
| Operating Cash Flow | 54.8 | 32.4 | 50.3 |
| Capital Expenditures | (23.3) | (14.3) | (36.1) |
| Disposals | 0.8 | 1.5 | 2.4 |
| Capital expenditures, Net | (22.5) | (12.8) | (33.7) |
| Free Cash Flow | 32.3 | 19.7 | 16.7 |
| Dividends | (41.5) | (46.7) | (46.7) |
| Change in Net Financial Position | (9.1) | (27.0) | (30.0) |
| Net Financial Position prior to fair value adj, beg. of the period | 78.2 | 108.5 | 108.5 |
| Changes in Net Financial Position | (9.1) | (27.0) | (30.0) |
| Effect of translation differences | 0.4 | (0.5) | (0.3) |
| Net Financial Position prior to fair value adj, end of the period | 69.4 | 81.0 | 78.2 |
| Fair value adjustment of derivative contracts | 10.7 | (15.3) | 12.5 |
| Net Financial Position | 80.1 | 65.7 | 90.7 |

1H 2012
includes 15.7 m
CAPEX for new
stores and
refurbishing

Outlook 2012

- **FY 2012 Consolidated Sales down mid to high single digit**
 - **Fall/Winter 2012 Order Backlog** (wholesale and franchising channel) **decreased mid teens**. The decline reflects:
 - Geox's plan to enhance brand positioning in the wholesale channel and to rebalance the retail/wholesale mix. This program is based on a planned rationalization of many small wholesale accounts in Europe
 - base of comparison: Fall/Winter 2011 order backlog was +8%
 - unsatisfactory Fall/Winter 2011 sell through: wholesale and franchising customers have been prudent on the buying
 - **Geox Shops: 95/100 Net Openings in 2012**: ~ 70 Franchisee and ~ 25 DOS (directly operated stores)
 - **LFL of directly operated stores**: up mid-single digit in FY2012
- **Gross Margin**: expected recovery of 100 bps in 2H2012 and 150/180 bps in FY2012
- **G&A increase for the:**
 - investment in the supply chain
 - new team in the marketing and product development area
 - new team and investment in infrastructures for the subsidiaries in Eastern Europe and Asia
 - new directly operated stores openings
- **EBITDA Margin Dilution of 300/350 bps**

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Annex



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Capital Expenditures Breakdown

| (Euro.m) | <u>1H12</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|--|
| Patents and trademarks | 0.5 | 1.3 | 0.9 | 0.9 | 1.3 | Includes CAPEX for new stores and store refurbishing |
| Geox Shop | 15.7 | 19.3 | 19.5 | 23.8 | 77.3 | |
| Moulds, machinery | 1.2 | 5 | 4.1 | 4.4 | 5.3 | |
| Logistic | 0.9 | 2.2 | 0.1 | 5.9 | 4.1 | Euro 10 m CAPEX in '08/'09 for automation of the new Distribution Center |
| IT | 3 | 5.7 | 5 | 4.3 | 4.8 | |
| Other | 2 | 2.6 | 2.2 | 2.7 | 3.5 | |
| Total Capital Expenditures | 23.3 | 36.1 | 31.8 | 42.0 | 96.3 | |

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 | Diego Bolzonello |
| Deputy Chairman | Enrico Moretti Polegato |
| Director | Lodovico Mazzolari |
| Independent Director | Umberto Paolucci |
| Independent Director | Francesco Gianni |
| Independent Director | A. Antonio Giusti |
| Independent Director | Bruno Barel |
| Independent Director | Renato Alberini |

2012 Financial Calendar

| | |
|------------|--------------------------------|
| March 8 | BoD - FY2011 |
| April 20 | Shareholders' meeting - FY2011 |
| May 9 | First Quarter 2012 |
| August 1 | First Half 2012 |
| November 8 | Nine Months 2012 |

Investor Relations Contacts

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Note and Disclaimer

2012-2004 figures are reported under IAS/IFRS; 2003-2001 figures under Italian GAAP. Certain statements made in this presentation are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from any expected future results in forward looking statements. This announcement does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any Geox S.p.A. shares. Any reference to past performance is not a guide to future performance.

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