
Financial Report

Geox S.p.A.

from 2007 to 2013

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Selected Financial Data

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Income statement highlights | | | | | | | |
| Net sales | 770,162 | 892,513 | 958,826 | 1,050,931 | 1,165,127 | 1,276,541 | 1,401,725 |
| Gross profit | 411,848 | 468,052 | 502,828 | 551,130 | 611,016 | 669,444 | 735,093 |
| <i>Gross margin</i> | 53.5% | 52.4% | 52.4% | 52.4% | 52.4% | 52.4% | 52.4% |
| EBITDA | 200,894 | 199,505 | 214,328 | 234,916 | 260,443 | 285,347 | 313,330 |
| <i>EBITDA margin</i> | 26.1% | 22.4% | 22.4% | 22.4% | 22.4% | 22.4% | 22.4% |
| Operating profit | 179,721 | 170,490 | 183,157 | 200,751 | 222,565 | 243,848 | 267,761 |
| <i>Operating margin</i> | 23.3% | 19.1% | 19.1% | 19.1% | 19.1% | 19.1% | 19.1% |
| Net profit | 122,978 | 117,590 | 126,313 | 138,965 | 154,205 | 169,104 | 185,849 |
| <i>Net profit margin</i> | 16.0% | 13.2% | 13.2% | 13.2% | 13.2% | 13.2% | 13.3% |
| Balance sheet highlights | | | | | | | |
| Cash and short-term investments | 119,672 | 69,098 | 64,150 | 80,582 | 96,931 | 116,833 | 138,359 |
| Property, plant and equipment | 43,191 | 78,020 | 93,015 | 109,451 | 127,673 | 147,637 | 169,559 |
| Total assets | 548,631 | 657,095 | 703,321 | 783,746 | 875,956 | 973,400 | 1,081,228 |
| Borrowings | 6,180 | 27,508 | 5,557 | 5,557 | 5,557 | 5,557 | 5,557 |
| Net borrowings | (113,492) | (41,590) | (58,593) | (75,025) | (91,374) | (111,276) | (132,802) |
| Total equity | 357,004 | 427,470 | 483,229 | 546,407 | 617,233 | 693,813 | 778,200 |
| Invested capital (average) | 225,744 | 322,851 | 416,365 | 459,116 | 509,727 | 565,305 | 625,074 |
| Other key financial data | | | | | | | |
| Return on equity | 38.8% | 30.0% | 27.7% | 27.0% | 26.5% | 25.8% | 25.3% |
| Return on invested capital (ROIC) | 54.9% | 37.4% | 31.1% | 30.9% | 30.9% | 30.5% | 30.3% |
| Current ratio | 2.37 | 2.14 | 2.35 | 2.41 | 2.45 | 2.51 | 2.55 |
| Debt-to-equity ratio | 0.02 | 0.06 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| Number of employees (average) | 3,425 | 3,851 | 3,851 | 3,928 | 4,085 | 4,249 | 4,418 |
| Share data | | | | | | | |
| Shares outstanding (thousands) | 258,840 | 259,200 | 259,200 | 259,200 | 259,200 | 259,200 | 259,200 |
| Average shares outstanding - basic (thousands) | 258,844 | 259,085 | 259,200 | 259,200 | 259,200 | 259,200 | 259,200 |
| Average shares outstanding - diluted (thousands) | 258,844 | 259,937 | 259,200 | 259,200 | 259,200 | 259,200 | 259,200 |
| Book value per share (EUR) | 1.38 | 1.65 | 1.86 | 2.11 | 2.38 | 2.68 | 3.00 |
| Market price per share (EUR) | 13.75 | 4.36 | 4.36 | 4.36 | 4.36 | 4.36 | 4.36 |
| Basic earnings per share (EUR) | 0.48 | 0.45 | 0.49 | 0.54 | 0.59 | 0.65 | 0.72 |
| Diluted earnings per share (EUR) | 0.48 | 0.45 | 0.49 | 0.54 | 0.59 | 0.65 | 0.72 |
| Dividend per share (EUR) | 0.24 | 0.24 | 0.27 | 0.29 | 0.32 | 0.36 | 0.39 |
| P/E ratio | 28.94 | 9.64 | 8.95 | 8.13 | 7.33 | 6.68 | 6.08 |
| EV/EBITDA ratio | 17.15 | 5.46 | 5.00 | 4.49 | 3.99 | 3.57 | 3.18 |
| EV/Sales ratio | 4.47 | 1.22 | 1.12 | 1.00 | 0.89 | 0.80 | 0.71 |
| Price/book value | 9.97 | 2.64 | 2.34 | 2.07 | 1.83 | 1.63 | 1.45 |
| Dividend payout ratio | 50.5% | 52.9% | 55.9% | 54.5% | 54.1% | 54.7% | 54.6% |
| Dividend yield | 1.7% | 5.5% | 6.2% | 6.7% | 7.4% | 8.2% | 9.0% |
| Market capitalisation | 3,559,050 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 |
| Enterprise value | 3,445,558 | 1,088,522 | 1,071,519 | 1,055,087 | 1,038,738 | 1,018,836 | 997,310 |

Financial Ratios

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|--------|--------|--------|--------|--------|--------|--------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Profitability ratios | | | | | | | |
| Gross margin | 53.5% | 52.4% | 52.4% | 52.4% | 52.4% | 52.4% | 52.4% |
| Operating margin | 23.3% | 19.1% | 19.1% | 19.1% | 19.1% | 19.1% | 19.1% |
| Net profit margin | 16.0% | 13.2% | 13.2% | 13.2% | 13.2% | 13.2% | 13.3% |
| Return on equity | 38.8% | 30.0% | 27.7% | 27.0% | 26.5% | 25.8% | 25.3% |
| Return on assets | 29.2% | 26.4% | 24.5% | 24.1% | 23.5% | 22.8% | 22.2% |
| Return on invested capital (ROIC) | 54.9% | 37.4% | 31.1% | 30.9% | 30.9% | 30.5% | 30.3% |
| Activity ratios | | | | | | | |
| Days sales in inventories | 75 | 85 | 90 | 89 | 89 | 89 | 89 |
| Days sales outstanding | 46 | 48 | 49 | 49 | 48 | 49 | 49 |
| Operating cycle | 121 | 133 | 140 | 138 | 137 | 138 | 138 |
| Creditors payment period | 69 | 70 | 73 | 72 | 72 | 72 | 72 |
| Net cash flow days | 52 | 63 | 67 | 66 | 66 | 66 | 66 |
| Net sales to invested capital | 3.41 | 2.76 | 2.30 | 2.29 | 2.29 | 2.26 | 2.24 |
| Net sales per employee (in thousands of EUR) | 225 | 232 | 249 | 268 | 285 | 300 | 317 |
| Number of employees (average) | 3,425 | 3,851 | 3,851 | 3,928 | 4,085 | 4,249 | 4,418 |
| Financial condition ratios | | | | | | | |
| Quick ratio | 1.33 | 1.06 | 1.13 | 1.18 | 1.21 | 1.26 | 1.29 |
| Current ratio | 2.37 | 2.14 | 2.35 | 2.41 | 2.45 | 2.51 | 2.55 |
| Equity to total assets ratio | 0.65 | 0.65 | 0.69 | 0.70 | 0.70 | 0.71 | 0.72 |
| Debt-to-equity ratio | 0.02 | 0.06 | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 |
| Net debt-to-equity ratio | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Borrowings/EBITDA | 0.03 | 0.14 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 |
| Equity to non-current assets ratio | 3.14 | 2.20 | 2.21 | 2.23 | 2.25 | 2.26 | 2.28 |
| Long-term funds to non-current assets ratio | 3.21 | 2.27 | 2.27 | 2.28 | 2.30 | 2.31 | 2.31 |
| Interest coverage | 458.47 | 58.93 | 184.64 | 602.10 | 667.52 | 731.35 | 803.07 |

Income Statement

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------|---------|---------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Net sales | 770,162 | 892,513 | 958,826 | 1,050,931 | 1,165,127 | 1,276,541 | 1,401,725 |
| Footwear | 718,388 | 808,391 | 832,643 | 874,275 | 935,474 | 1,000,957 | 1,071,024 |
| Apparel | 51,774 | 84,122 | 126,183 | 176,656 | 229,653 | 275,584 | 330,700 |
| Cost of sales | 358,314 | 424,461 | 455,998 | 499,801 | 554,111 | 607,097 | 666,632 |
| Gross profit | 411,848 | 468,052 | 502,828 | 551,130 | 611,016 | 669,444 | 735,093 |
| Other operating income | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Marketing and selling expenses | 36,692 | 43,248 | 46,461 | 50,924 | 56,458 | 61,857 | 67,923 |
| Advertising and promotion | 62,003 | 66,917 | 71,889 | 78,795 | 87,357 | 95,710 | 105,096 |
| General administrative expenses | 133,432 | 187,397 | 201,320 | 220,659 | 244,637 | 268,030 | 294,314 |
| Other operating expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating profit | 179,721 | 170,490 | 183,157 | 200,751 | 222,565 | 243,848 | 267,761 |
| Income from equity method investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Financial income | 15,610 | 37,503 | 35,614 | 35,729 | 36,057 | 36,419 | 36,833 |
| Financial expense | 16,976 | 41,800 | 40,249 | 40,077 | 40,680 | 41,268 | 41,929 |
| Other income (expense) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit before tax | 178,355 | 166,193 | 178,522 | 196,403 | 217,942 | 238,999 | 262,665 |
| Income tax expense | 55,377 | 48,603 | 52,209 | 57,438 | 63,737 | 69,895 | 76,816 |
| Profit after tax from continuing operations | 122,978 | 117,590 | 126,313 | 138,965 | 154,205 | 169,104 | 185,849 |
| Profit after tax from discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit after tax | 122,978 | 117,590 | 126,313 | 138,965 | 154,205 | 169,104 | 185,849 |
| Thereof: | | | | | | | |
| Minority interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net profit | 122,978 | 117,590 | 126,313 | 138,965 | 154,205 | 169,104 | 185,849 |
| Basic earnings per share (EUR) | 0.48 | 0.45 | 0.49 | 0.54 | 0.59 | 0.65 | 0.72 |
| Diluted earnings per share (EUR) | 0.48 | 0.45 | 0.49 | 0.54 | 0.59 | 0.65 | 0.72 |

Balance Sheet

| in thousands of EUR | Dec 07 | Dec 08 | Dec 09 | Dec 10 | Dec 11 | Dec 12 | Dec 13 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|-----------|
| ASSETS | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Non-current assets | 113,828 | 194,330 | 218,523 | 245,040 | 274,438 | 306,648 | 342,016 |
| Property, plant and equipment | 43,191 | 78,020 | 93,015 | 109,451 | 127,673 | 147,637 | 169,559 |
| Intangible assets | 47,322 | 78,231 | 87,429 | 97,510 | 108,687 | 120,932 | 134,378 |
| Investment property | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Equity method investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other financial assets | 1,975 | 1,229 | 1,229 | 1,229 | 1,229 | 1,229 | 1,229 |
| Deferred tax assets | 13,914 | 25,827 | 25,827 | 25,827 | 25,827 | 25,827 | 25,827 |
| Other non-current assets | 7,426 | 11,023 | 11,023 | 11,023 | 11,023 | 11,023 | 11,023 |
| Current assets | 434,803 | 462,765 | 484,798 | 538,706 | 601,518 | 666,752 | 739,212 |
| Inventories | 187,059 | 228,764 | 245,761 | 269,369 | 298,639 | 327,196 | 359,282 |
| Trade and other receivables | 124,461 | 159,911 | 169,895 | 183,763 | 200,956 | 217,731 | 236,579 |
| Current income tax receivable | 1,649 | 1,849 | 1,849 | 1,849 | 1,849 | 1,849 | 1,849 |
| Prepaid expenses | 1,962 | 3,143 | 3,143 | 3,143 | 3,143 | 3,143 | 3,143 |
| Short-term investments | 54 | 426 | 426 | 426 | 426 | 426 | 426 |
| Cash and cash equivalents | 119,618 | 68,672 | 63,724 | 80,156 | 96,505 | 116,407 | 137,933 |
| Other current assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL ASSETS | 548,631 | 657,095 | 703,321 | 783,746 | 875,956 | 973,400 | 1,081,228 |
| Total equity | 357,004 | 427,470 | 483,229 | 546,407 | 617,233 | 693,813 | 778,200 |
| Shareholders' equity | 357,004 | 427,470 | 483,229 | 546,407 | 617,233 | 693,813 | 778,200 |
| Share capital | 25,884 | 25,920 | 25,920 | 25,920 | 25,920 | 25,920 | 25,920 |
| Share premium | 35,014 | 37,649 | 37,649 | 37,649 | 37,649 | 37,649 | 37,649 |
| Treasury shares | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| Retained earnings | 295,401 | 350,611 | 406,370 | 469,548 | 540,374 | 616,954 | 701,341 |
| Reserves | 705 | 13,290 | 13,290 | 13,290 | 13,290 | 13,290 | 13,290 |
| Minority interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current liabilities | 8,363 | 13,481 | 13,481 | 13,481 | 13,481 | 13,481 | 13,481 |
| Long-term borrowings | 1,185 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| Long-term provisions | 2,457 | 3,915 | 3,915 | 3,915 | 3,915 | 3,915 | 3,915 |
| Retirement benefit obligations | 2,834 | 3,299 | 3,299 | 3,299 | 3,299 | 3,299 | 3,299 |
| Deferred tax liabilities | 0 | 2,372 | 2,372 | 2,372 | 2,372 | 2,372 | 2,372 |
| Other non-current liabilities | 1,887 | 2,750 | 2,750 | 2,750 | 2,750 | 2,750 | 2,750 |
| Current liabilities | 183,264 | 216,144 | 206,611 | 223,858 | 245,242 | 266,106 | 289,547 |
| Short-term borrowings | 4,995 | 26,363 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 |
| Trade and other payables | 154,665 | 172,549 | 184,967 | 202,214 | 223,598 | 244,462 | 267,903 |
| Current income tax payable | 21,259 | 13,356 | 13,356 | 13,356 | 13,356 | 13,356 | 13,356 |
| Deferred income | 2,345 | 3,876 | 3,876 | 3,876 | 3,876 | 3,876 | 3,876 |
| Short-term provisions | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other current liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Liabilities held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL LIABILITIES AND EQUITY | 548,631 | 657,095 | 703,321 | 783,746 | 875,956 | 973,400 | 1,081,228 |

Cash Flow Statement

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Profit after tax | 122,978 | 117,590 | 126,313 | 138,965 | 154,205 | 169,104 | 185,849 |
| Income tax expense | 55,377 | 48,603 | 52,209 | 57,438 | 63,737 | 69,895 | 76,816 |
| Depreciation, amortisation and impairment charges | 21,173 | 29,015 | 31,171 | 34,165 | 37,878 | 41,499 | 45,569 |
| (Gain)/loss from disposals of fixed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Change in long-term provisions and retirement benefit obligations | (352) | 1,923 | 0 | 0 | 0 | 0 | 0 |
| Change in other assets and liabilities | (1,752) | (2,734) | 0 | 0 | 0 | 0 | 0 |
| Income from equity method investments | (0) | (0) | 0 | 0 | 0 | 0 | 0 |
| Dividend income | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| Interest income | (4,987) | (3,213) | (1,324) | (1,439) | (1,767) | (2,129) | (2,543) |
| Interest expense | 392 | 2,893 | 992 | 333 | 333 | 333 | 333 |
| Other non-cash income and expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating profit before changes in working capital | 192,829 | 194,077 | 209,361 | 229,463 | 254,386 | 278,703 | 306,024 |
| Changes in working capital | (23,137) | (76,565) | (14,563) | (20,228) | (25,079) | (24,468) | (27,492) |
| Inventories | (56,062) | (41,705) | (16,997) | (23,608) | (29,270) | (28,557) | (32,086) |
| Trade and other receivables | (23,002) | (35,450) | (9,984) | (13,868) | (17,194) | (16,775) | (18,848) |
| Other current assets | 483 | (1,181) | 0 | 0 | 0 | 0 | 0 |
| Trade and other payables | 40,171 | 17,884 | 12,418 | 17,248 | 21,384 | 20,863 | 23,442 |
| Other current liabilities | 15,273 | (16,113) | (0) | 0 | 0 | 0 | 0 |
| Cash generated from operations | 169,692 | 117,512 | 194,797 | 209,235 | 229,307 | 254,234 | 278,532 |
| Interest paid | (392) | (2,893) | (992) | (333) | (333) | (333) | (333) |
| Income taxes paid | (55,377) | (48,603) | (52,209) | (57,438) | (63,737) | (69,895) | (76,816) |
| Cash flow from operating activities | 113,923 | 66,016 | 141,597 | 151,464 | 165,237 | 184,006 | 201,382 |
| Purchase of property, plant and equipment | (25,290) | (54,349) | (35,966) | (39,420) | (43,704) | (47,883) | (52,579) |
| Disposal of property, plant and equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Purchase of intangible assets | (16,269) | (40,404) | (19,398) | (21,262) | (23,572) | (25,826) | (28,359) |
| Disposal of intangible assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of subsidiary, net of cash acquired | (0) | (0) | 0 | 0 | 0 | 0 | 0 |
| Disposal of subsidiary, net of cash disposed of | (0) | (0) | 0 | 0 | 0 | 0 | 0 |
| Purchase of financial and other assets | (1,119) | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposal of financial and other assets | 0 | 746 | 0 | 0 | 0 | 0 | 0 |
| Change in short-term investments | (20) | (372) | 0 | 0 | 0 | 0 | 0 |
| Interest received | 4,987 | 3,213 | 1,324 | 1,439 | 1,767 | 2,129 | 2,543 |
| Dividends received | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash flow from investing activities | (37,711) | (91,166) | (54,040) | (59,243) | (65,509) | (71,580) | (78,394) |
| Proceeds from issuance of share capital | (3,788) | 15,075 | 0 | 0 | 0 | 0 | 0 |
| Acquisition of treasury stock | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds from long-term borrowings | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Repayments of long-term borrowings | (644) | (40) | 0 | 0 | 0 | 0 | 0 |
| Change in short-term borrowings | 1,739 | 21,368 | (21,951) | 0 | 0 | 0 | 0 |
| Dividends to shareholders and other profit distributions | (38,827) | (62,199) | (70,554) | (75,788) | (83,379) | (92,523) | (101,462) |
| Dividends to minority interests | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| Cash flow from financing activities | (41,520) | (25,796) | (92,505) | (75,788) | (83,379) | (92,523) | (101,462) |
| Net change in cash and cash equivalents | 34,692 | (50,946) | (4,948) | 16,432 | 16,348 | 19,903 | 21,526 |
| Cash and cash equivalents at beginning of period | 84,926 | 119,618 | 68,672 | 63,724 | 80,156 | 96,505 | 116,407 |
| Exchange rate movements | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash and cash equivalents at end of period | 119,618 | 68,672 | 63,724 | 80,156 | 96,505 | 116,407 | 137,933 |

Basel II Rating Analysis

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Return on equity | 38.8% | 30.0% | 27.7% | 27.0% | 26.5% | 25.8% | 25.3% |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Return on assets | 29.2% | 26.4% | 24.5% | 24.1% | 23.5% | 22.8% | 22.2% |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Borrowings/EBITDA | 0.03 | 0.14 | 0.03 | 0.02 | 0.02 | 0.02 | 0.02 |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Interest coverage | 458.47 | 58.93 | 184.64 | 602.10 | 667.52 | 731.35 | 803.07 |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Equity to total assets ratio | 0.65 | 0.65 | 0.69 | 0.70 | 0.70 | 0.71 | 0.72 |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Long-term funds to non-current assets ratio | 3.21 | 2.27 | 2.27 | 2.28 | 2.30 | 2.31 | 2.31 |
| Rating (1-5) | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Weight | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% | 16.7% |
| Overall rating | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Return on Invested Capital

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Invested capital, assets side | 225,744 | 322,851 | 416,365 | 459,116 | 509,727 | 565,305 | 625,074 |
| Property, plant and equipment | 37,630 | 60,605 | 85,518 | 101,233 | 118,562 | 137,655 | 158,598 |
| Intangible assets | 42,689 | 62,776 | 82,830 | 92,469 | 103,098 | 114,809 | 127,655 |
| Investment property | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non-current assets | 19,406 | 29,095 | 36,850 | 36,850 | 36,850 | 36,850 | 36,850 |
| Net operating working capital | 126,018 | 170,374 | 211,168 | 228,563 | 251,217 | 275,991 | 301,971 |
| Operating current assets | 275,237 | 354,399 | 407,158 | 439,386 | 481,355 | 527,253 | 575,386 |
| Inventories | 159,028 | 207,912 | 237,262 | 257,565 | 284,004 | 312,917 | 343,239 |
| Trade and other receivables | 112,960 | 142,186 | 164,903 | 176,829 | 192,359 | 209,343 | 227,155 |
| Cash and cash equivalents | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other operating current assets | 3,249 | 4,302 | 4,992 | 4,992 | 4,992 | 4,992 | 4,992 |
| Operating liabilities | (149,219) | (184,025) | (195,990) | (210,822) | (230,138) | (251,262) | (273,415) |
| Trade and other payables | (134,580) | (163,607) | (178,758) | (193,590) | (212,906) | (234,030) | (256,183) |
| Other operating liabilities | (14,640) | (20,418) | (17,232) | (17,232) | (17,232) | (17,232) | (17,232) |
| Invested capital, liabilities side | 225,744 | 322,851 | 416,365 | 459,116 | 509,727 | 565,305 | 625,074 |
| Total equity | 316,823 | 392,237 | 455,350 | 514,818 | 581,820 | 655,523 | 736,007 |
| Non-current liabilities | 8,527 | 10,922 | 13,481 | 13,481 | 13,481 | 13,481 | 13,481 |
| Short-term borrowings | 4,126 | 15,679 | 15,388 | 4,412 | 4,412 | 4,412 | 4,412 |
| Financial assets | (1,416) | (1,602) | (1,229) | (1,229) | (1,229) | (1,229) | (1,229) |
| Short-term investments | (102,316) | (94,385) | (66,624) | (72,366) | (88,756) | (106,882) | (127,596) |
| Assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Return on invested capital | | | | | | | |
| Operating profit | 179,721 | 170,490 | 183,157 | 200,751 | 222,565 | 243,848 | 267,761 |
| Effective income tax rate | 31.0% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% |
| Taxes on operating profit | 55,801 | 49,860 | 53,564 | 58,710 | 65,089 | 71,313 | 78,306 |
| NOPLAT | 123,920 | 120,630 | 129,593 | 142,042 | 157,476 | 172,535 | 189,454 |
| Invested capital | 225,744 | 322,851 | 416,365 | 459,116 | 509,727 | 565,305 | 625,074 |
| Return on invested capital (ROIC) | 54.9% | 37.4% | 31.1% | 30.9% | 30.9% | 30.5% | 30.3% |
| WACC | 8.4% | 8.8% | 8.8% | 8.9% | 9.0% | 9.0% | 9.0% |
| ROIC - WACC | 46.5% | 28.5% | 22.3% | 22.0% | 21.9% | 21.6% | 21.3% |
| Capital charge | 19,006 | 28,459 | 36,762 | 41,086 | 45,645 | 50,651 | 56,033 |
| Economic profit | 104,914 | 92,171 | 92,831 | 100,955 | 111,831 | 121,884 | 133,421 |

Cost of Capital

| in thousands of EUR | Dec 07 | Dec 08 | Dec 09 | Dec 10 | Dec 11 | Dec 12 | Dec 13 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Sources of finance | | | | | | | |
| Short-term borrowings | 4,995 | 26,363 | 4,412 | 4,412 | 4,412 | 4,412 | 4,412 |
| Long-term borrowings | 1,185 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| Minority interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Preference shares and other capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ordinary equity | | | | | | | |
| Book value | 357,004 | 427,470 | 483,229 | 546,407 | 617,233 | 693,813 | 778,200 |
| Market value | 3,559,050 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 | 1,130,112 |
| DCF value | - | 1,558,438 | 1,698,697 | 1,851,580 | 2,018,222 | 2,199,862 | 2,397,850 |
| Cost of capital | | | | | | | |
| Short-term borrowings | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| Long-term borrowings | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| Tax shield on interest expense | 31.0% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% |
| Minority interest | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Preference shares and other capital | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Ordinary equity | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| Interest rate on long-term borrowings | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| Risk premium | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Weighted Average Cost of Capital | | | | | | | |
| Book value WACC, end of period | 8.9% | 8.7% | 8.9% | 9.0% | 9.0% | 9.0% | 9.0% |
| DCF WACC, end of period | - | 8.9% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |

Income Statement Forecast Variables

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|----------|--------|--------|--------|--------|--------|--------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Growth rate in net sales | 25.8% | 15.9% | 7.4% | 9.6% | 10.9% | 9.6% | 9.8% |
| Footwear | 25.2% | 12.5% | 3.0% | 5.0% | 7.0% | 7.0% | 7.0% |
| Apparel | 52.9% | 62.5% | 50.0% | 40.0% | 30.0% | 20.0% | 20.0% |
| Other | (100.0%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Operating expenses as % of net sales | | | | | | | |
| Cost of sales | 46.5% | 47.6% | 47.6% | 47.6% | 47.6% | 47.6% | 47.6% |
| Marketing and selling expenses | 4.8% | 4.8% | 4.8% | 4.8% | 4.8% | 4.8% | 4.8% |
| Advertising and promotion | 8.1% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% | 7.5% |
| General administrative expenses | 17.3% | 21.0% | 21.0% | 21.0% | 21.0% | 21.0% | 21.0% |
| Depreciation and amortisation rates | | | | | | | |
| Land and buildings | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Machines and equipment | 25.6% | 21.8% | 22.5% | 19.2% | 17.2% | 15.5% | 14.2% |
| Other equipment, fixtures and office equipment | 0.0% | 0.0% | 0.0% | 0.0% | 37.9% | 29.5% | 24.6% |
| Other assets | 37.0% | 0.0% | 24.7% | 18.4% | 15.0% | 12.8% | 11.3% |
| Trade marks, patents, licences and other rights | 0.0% | 39.3% | 36.2% | 27.9% | 23.3% | 20.1% | 17.8% |
| Capitalised development expenses | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Other intangible assets | 14.6% | 16.7% | 9.8% | 8.8% | 8.1% | 7.4% | 7.0% |
| Depreciation | 14,169 | 19,520 | 20,970 | 22,985 | 25,482 | 27,919 | 30,657 |
| Land and buildings | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Machines and equipment | 1,185 | 931 | 1,000 | 1,096 | 1,215 | 1,332 | 1,462 |
| Other equipment, fixtures and office equipment | 4,463 | 4,082 | 4,385 | 4,807 | 5,329 | 5,838 | 6,411 |
| Other assets | 8,521 | 14,507 | 15,585 | 17,082 | 18,938 | 20,749 | 22,784 |
| Amortisation | 7,004 | 9,495 | 10,200 | 11,180 | 12,395 | 13,580 | 14,912 |
| Trade marks, patents, licences and other rights | 2,799 | 3,501 | 3,761 | 4,122 | 4,570 | 5,007 | 5,498 |
| Capitalised development expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other intangible assets | 4,205 | 5,994 | 6,439 | 7,058 | 7,825 | 8,573 | 9,414 |
| Yields of financial assets | | | | | | | |
| Equity method investments | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Cash and cash equivalents | 4.9% | 3.4% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| Short-term investments | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Non-current financial assets | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Interest rates for financial liabilities | | | | | | | |
| Short-term borrowings | 9.5% | 18.5% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| Long-term bank borrowings | 0.0% | 0.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| Bonds | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Convertible bonds | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Finance lease liabilities | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Other borrowings | 0.0% | 0.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |

Income Statement Forecast Variables (cont.)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------|---------|---------|---------|---------|---------|---------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Income taxes | | | | | | | |
| Accounting profit before tax | 178,355 | 166,193 | 178,522 | 196,403 | 217,942 | 238,999 | 262,665 |
| Non tax-deductible expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non taxable revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Adjusted profit before taxation | 178,355 | 166,193 | 178,522 | 196,403 | 217,942 | 238,999 | 262,665 |
| <i>Income tax rate</i> | 31.0% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% |
| Income tax expense | 55,377 | 48,603 | 52,209 | 57,438 | 63,737 | 69,895 | 76,816 |
| Other taxes and adjustments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total income tax expense | 55,377 | 48,603 | 52,209 | 57,438 | 63,737 | 69,895 | 76,816 |
| Current tax | 55,377 | 48,603 | 52,209 | 57,438 | 63,737 | 69,895 | 76,816 |
| Deferred tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Effective income tax rate</i> | 31.0% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% |
| Dividends | | | | | | | |
| Payout ratio as a percentage of net profit | 39.9% | 50.6% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% |

Balance Sheet Forecast Variables

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------|--------|--------|--------|--------|--------|--------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Net additions to fixed assets | 40,065 | 94,233 | 55,364 | 60,682 | 67,276 | 73,709 | 80,937 |
| Land and buildings | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Machines and equipment | 929 | 1,171 | 1,258 | 1,379 | 1,529 | 1,675 | 1,839 |
| Other equipment, fixtures and office equipment | 4,094 | 4,382 | 4,708 | 5,160 | 5,720 | 6,267 | 6,882 |
| Other assets | 20,400 | 42,190 | 30,000 | 32,882 | 36,455 | 39,941 | 43,858 |
| Advance payments and assets under construction | 330 | 6,261 | 0 | 0 | 0 | 0 | 0 |
| Goodwill | 77 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trade marks, patents, licences and other rights | 4,719 | 4,094 | 4,398 | 4,821 | 5,344 | 5,856 | 6,430 |
| Capitalised development expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other intangible assets | 10,611 | 34,935 | 15,000 | 16,441 | 18,227 | 19,970 | 21,929 |
| Advance payments and assets under development | (1,095) | 1,200 | 0 | 0 | 0 | 0 | 0 |
| Accumulated depreciation of disposed assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current assets as days in net sales | | | | | | | |
| Inventories | 88.7 | 93.6 | 93.6 | 93.6 | 93.6 | 93.6 | 93.6 |
| Trade receivables | 51.2 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 |
| Advance payments given | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Receivables from related parties | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Tax receivables other than income taxes | 3.7 | 3.5 | 3.3 | 3.0 | 2.7 | 2.4 | 2.2 |
| Other receivables | 3.1 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 |
| Prepaid expenses | 0.9 | 1.3 | 1.2 | 1.1 | 1.0 | 0.9 | 0.8 |
| Other current assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current liabilities as days in net sales | | | | | | | |
| Trade payables | 60.5 | 61.0 | 61.0 | 61.0 | 61.0 | 61.0 | 61.0 |
| Advance payments received | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Payables to related parties | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Liabilities to employees | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Social security liabilities | 1.6 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 |
| Tax payables other than income taxes | 1.9 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 |
| Other liabilities | 0.9 | 1.6 | 1.4 | 1.3 | 1.2 | 1.1 | 1.0 |
| Deferred income | 1.1 | 1.6 | 1.5 | 1.3 | 1.2 | 1.1 | 1.0 |
| Other current liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Valuation Cash Flow

| in thousands of EUR | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Actual | Plan | Plan | Plan | Plan | Plan |
| Operating profit | 179,721 | 170,490 | 183,157 | 200,751 | 222,565 | 243,848 | 267,761 |
| <i>Effective income tax rate</i> | 31.0% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% | 29.2% |
| Taxes on operating profit | (55,801) | (49,860) | (53,564) | (58,710) | (65,089) | (71,313) | (78,306) |
| NOPLAT | 123,920 | 120,630 | 129,593 | 142,042 | 157,476 | 172,535 | 189,454 |
| Depreciation, amortisation and impairment charges | 21,173 | 29,015 | 31,171 | 34,165 | 37,878 | 41,499 | 45,569 |
| Change in long-term provisions | 163 | 1,458 | 0 | 0 | 0 | 0 | 0 |
| Change in net working capital | (26,426) | (70,695) | (14,563) | (20,228) | (25,079) | (24,468) | (27,492) |
| Change in other assets net of other liabilities | (3,715) | (11,810) | 0 | 0 | 0 | 0 | 0 |
| Operating cash flow | 115,115 | 68,599 | 146,200 | 155,979 | 170,274 | 189,566 | 207,531 |
| Investment in property, plant and equipment | (25,290) | (54,349) | (35,966) | (39,420) | (43,704) | (47,883) | (52,579) |
| Investment in intangible assets | (16,269) | (40,404) | (19,398) | (21,262) | (23,572) | (25,826) | (28,359) |
| Free cash flow | 73,556 | (26,154) | 90,837 | 95,297 | 102,999 | 115,857 | 126,594 |
| Required short-term investments | 23,105 | 26,775 | 26,775 | 26,775 | 26,775 | 26,775 | 26,775 |

DCF Valuation Summary

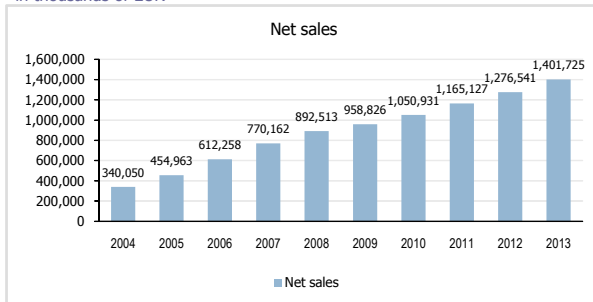
| in thousands of EUR | Geox S.p.A. | | |
|---------------------------------------|----------------|-----------------|------------------|
| | Free cash flow | Discount factor | Present value |
| 2009 | 90,837 | 0.96 | 87,033 |
| 2010 | 95,297 | 0.88 | 83,803 |
| 2011 | 102,999 | 0.81 | 83,114 |
| 2012 | 115,857 | 0.74 | 85,789 |
| 2013 | 126,594 | 0.68 | 86,018 |
| Continuing value | 1,715,546 | 0.65 | 1,116,637 |
| Value of operations | | | 1,542,394 |
| + Excess short-term investments | | | 42,323 |
| + Financial assets | | | 1,229 |
| + Other non-operating assets | | | 0 |
| Enterprise value | | | 1,585,946 |
| - Short-term borrowings | | | 26,363 |
| - Long-term borrowings | | | 1,145 |
| - Minority interest | | | 0 |
| - Preference shares and other capital | | | 0 |
| Ordinary equity value | | | 1,558,438 |
| Shares outstanding (thousands) | | | 259,200 |
| Ordinary share value (EUR) | | | 6.0 |

Valuation summary

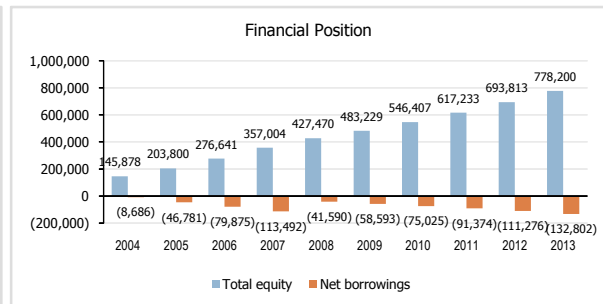
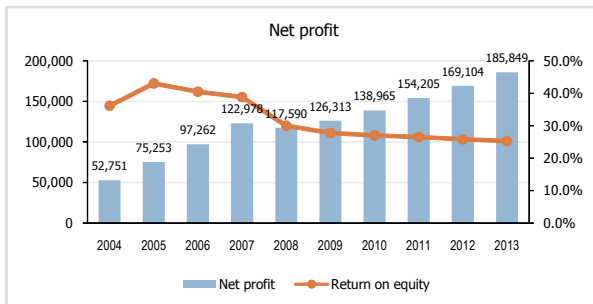
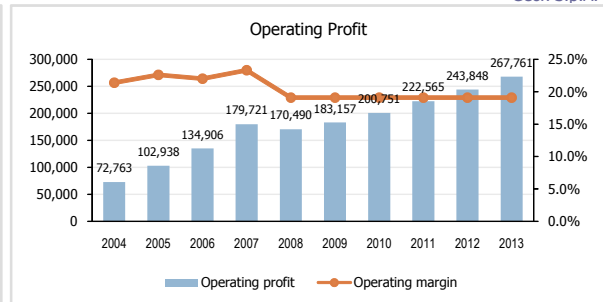
| | Geox S.p.A. | | | |
|------------------------------|---------------------|--------------------|--------------------|----------|
| | Value (Tsd. EUR) | Per share (EUR) | Multiple (2008) | Weight |
| DCF valuation | 1,558,438 | 6.0 | - | 40.0% |
| P/Book valuation | 525,788 | 2.0 | 1.2 | 15.0% |
| P/E valuation | 2,034,307 | 7.8 | 17.3 | 15.0% |
| EV/EBITDA valuation | 1,011,184 | 3.9 | 4.9 | 15.0% |
| EV/Sales valuation | 362,895 | 1.4 | 0.4 | 15.0% |
| Ordinary equity value | 1,213,501 | 4.7 | - | - |

Selected Financial Data (Charts)

in thousands of EUR

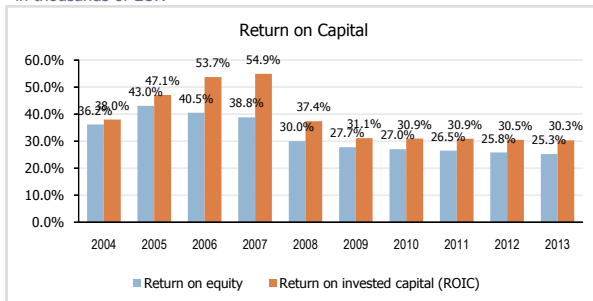


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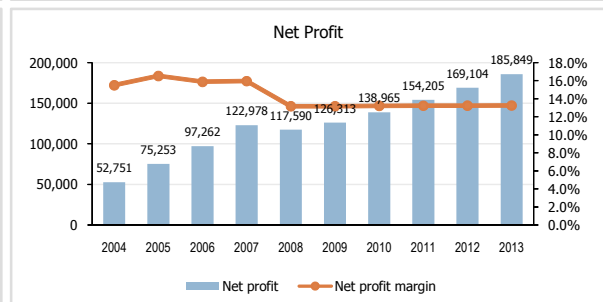
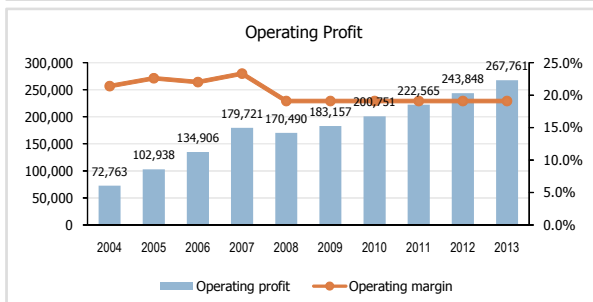
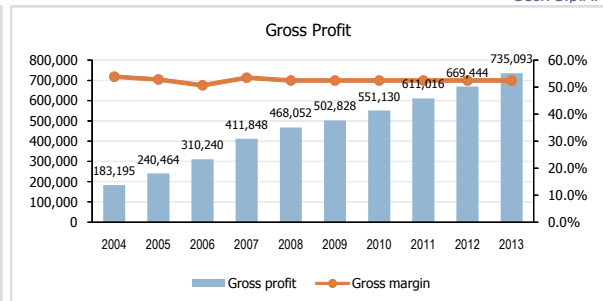


Profitability Ratios (Charts)

in thousands of EUR



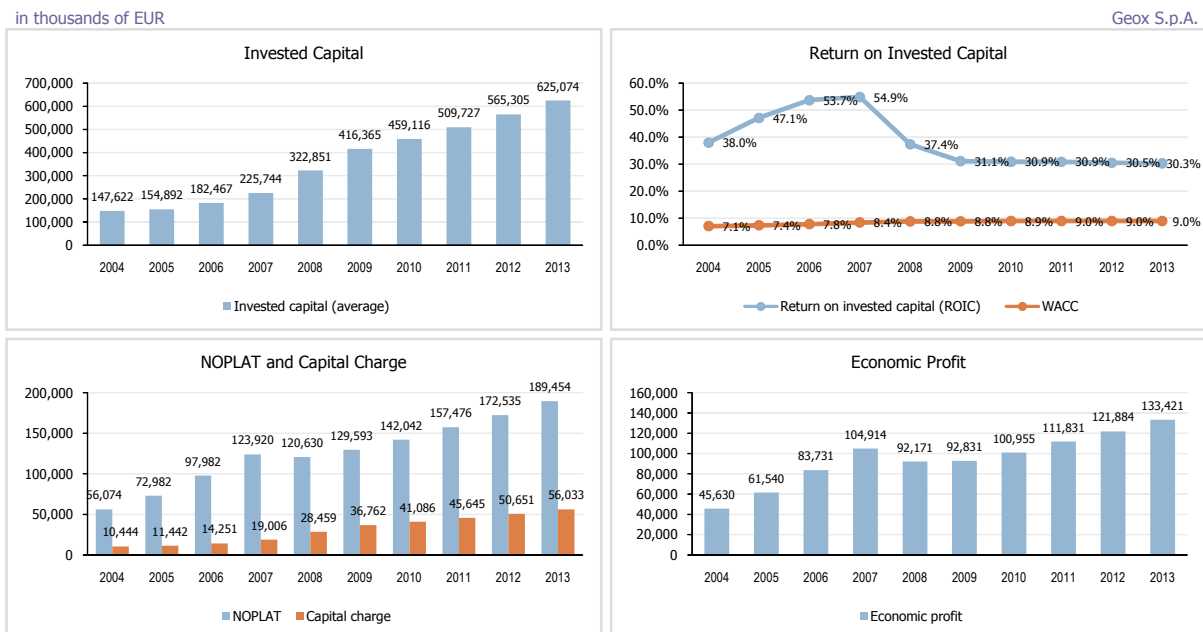
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Financial Condition Ratios (Charts)

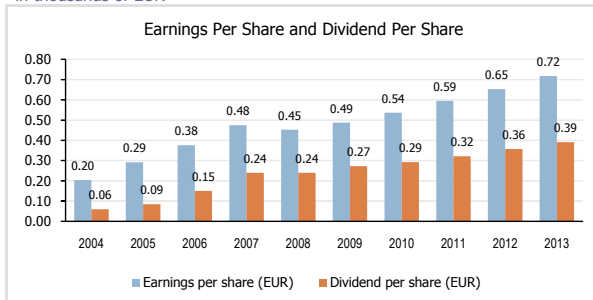


Return on Invested Capital (Charts)

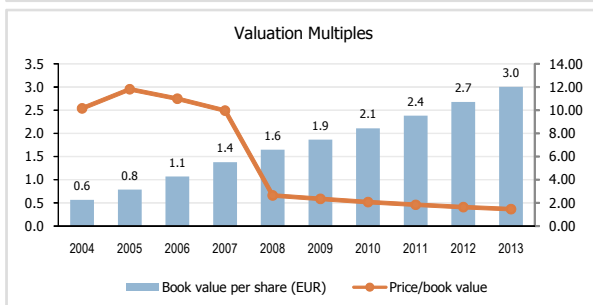
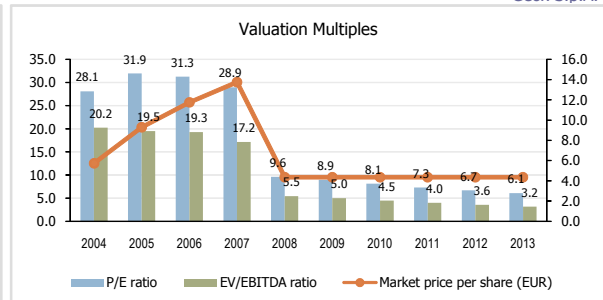


Share Data (Charts)

in thousands of EUR

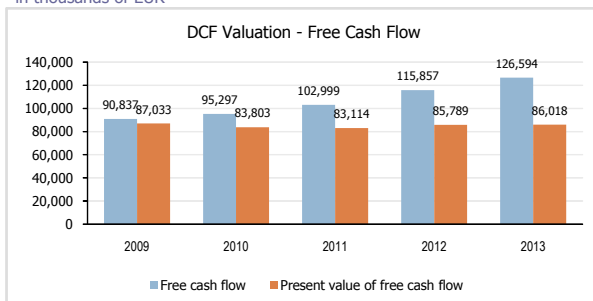


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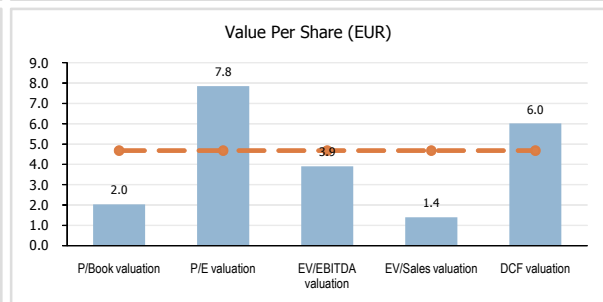
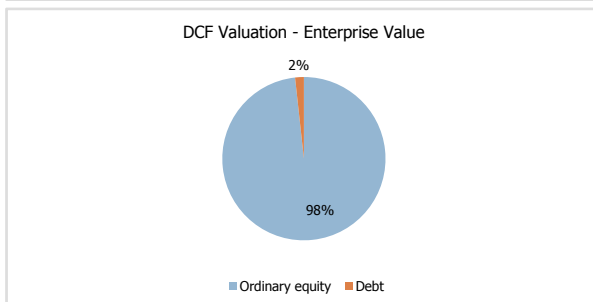
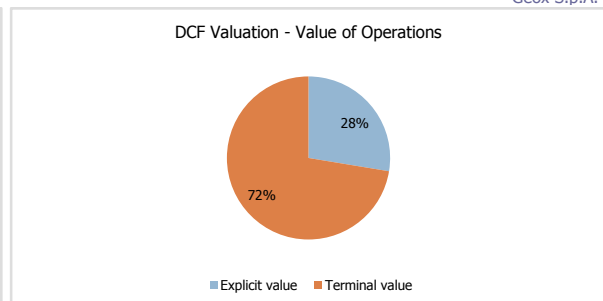


Valuation (Charts)

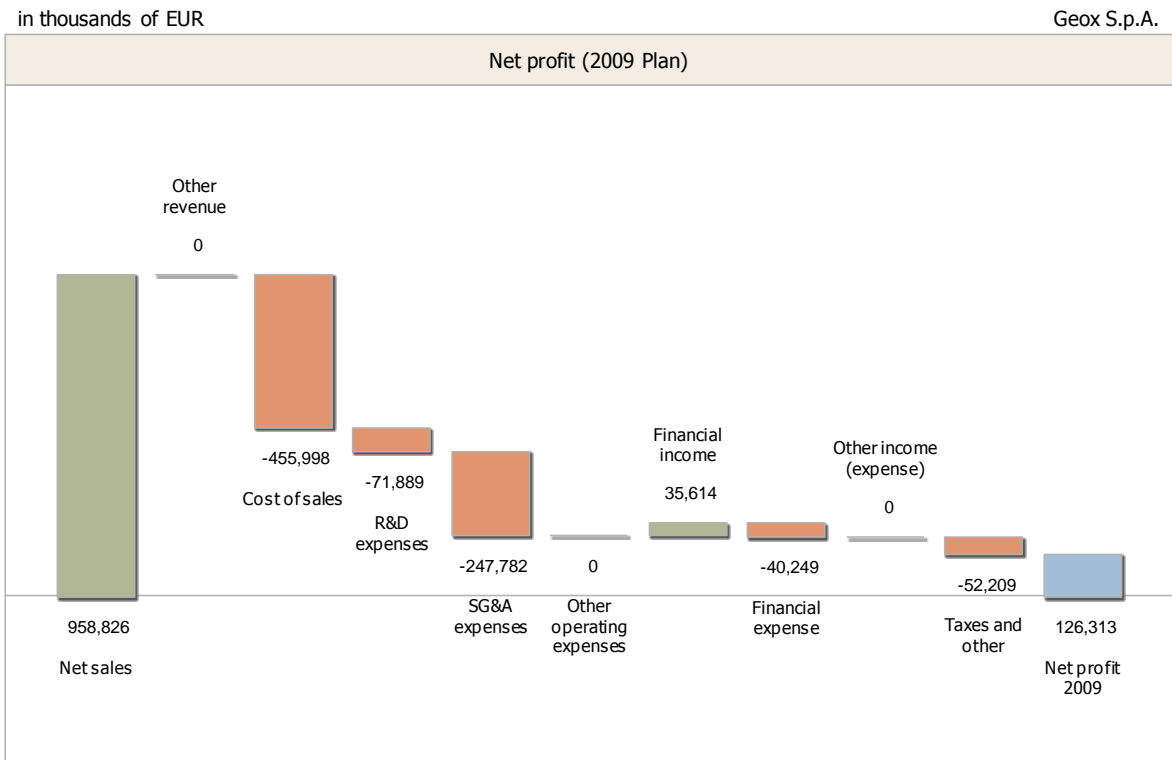
in thousands of EUR



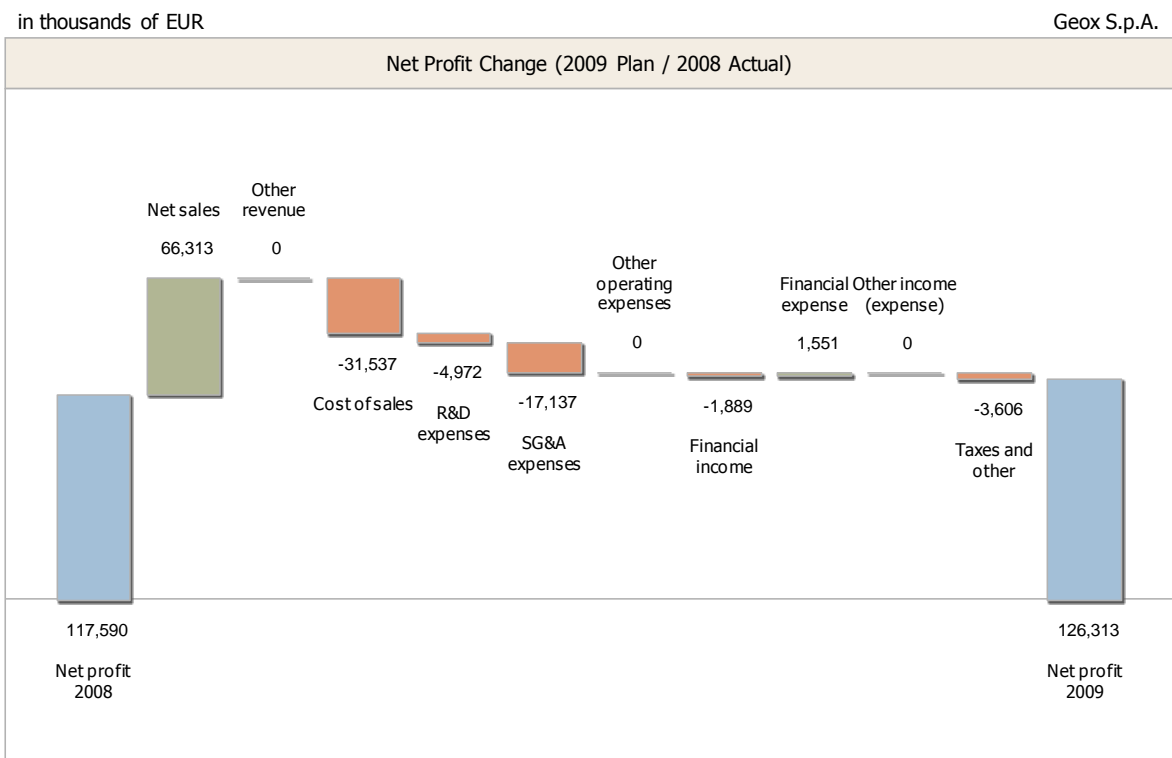
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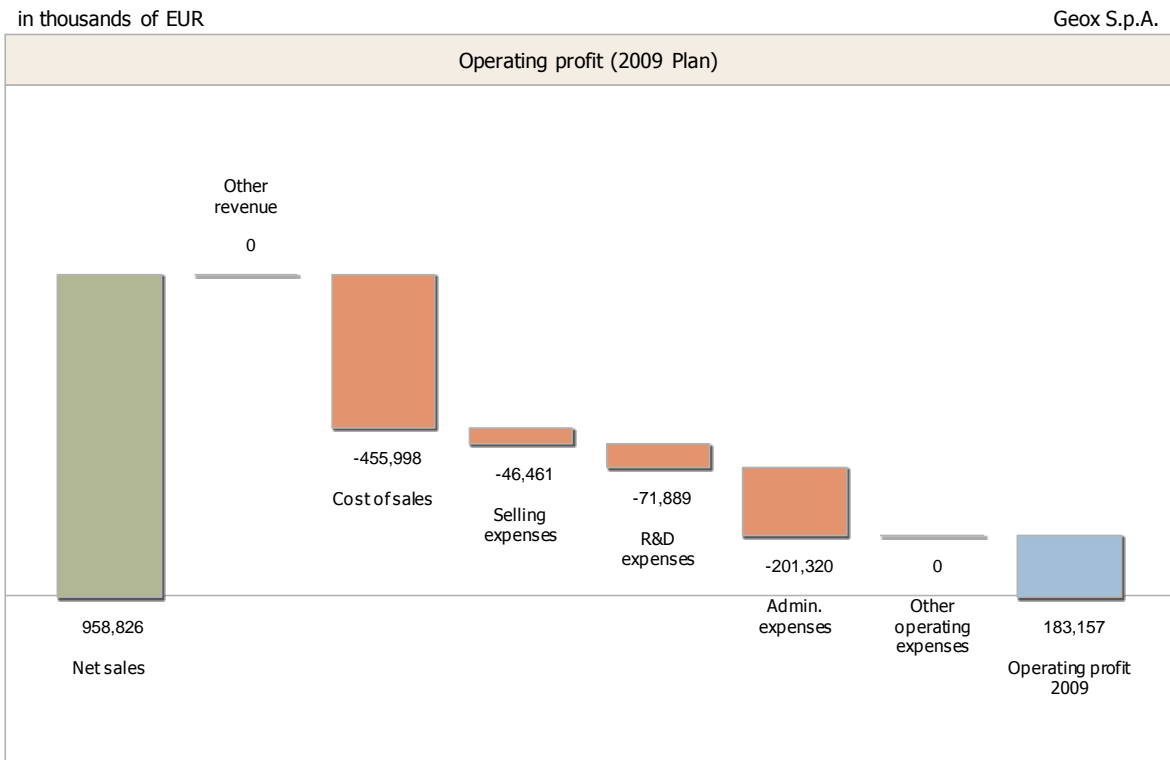
Net profit (Chart)



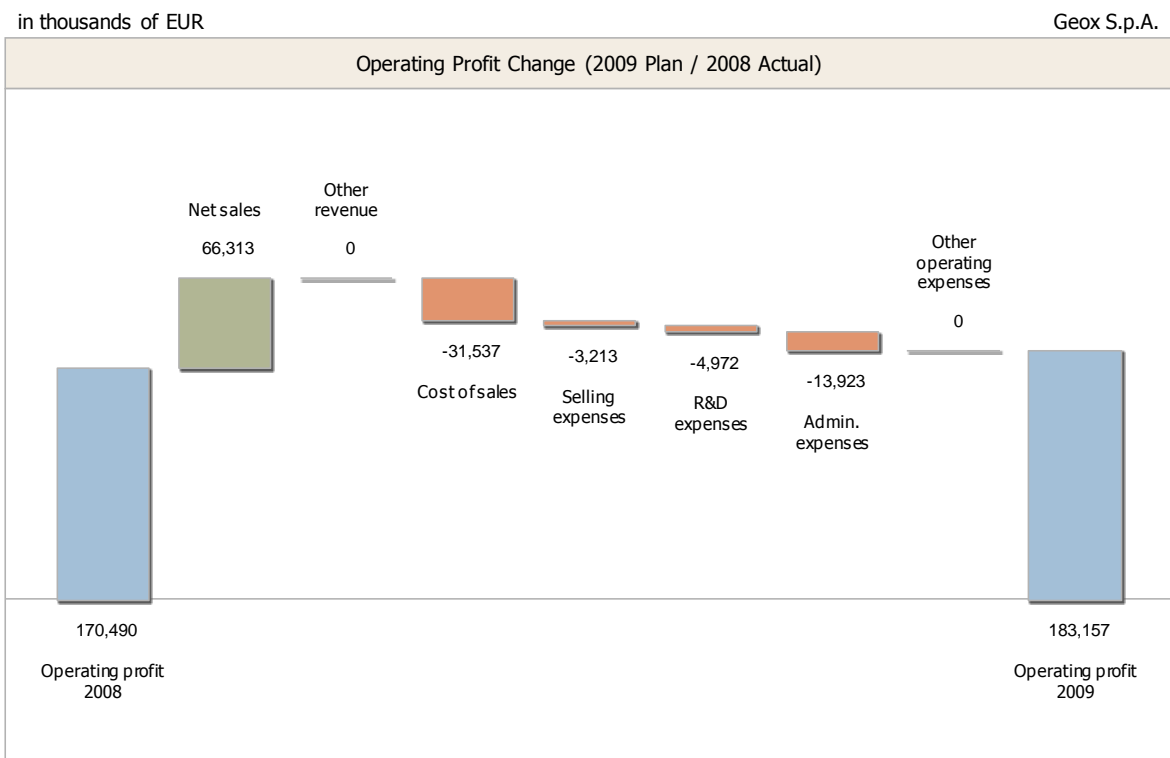
Net Profit Change (Chart)



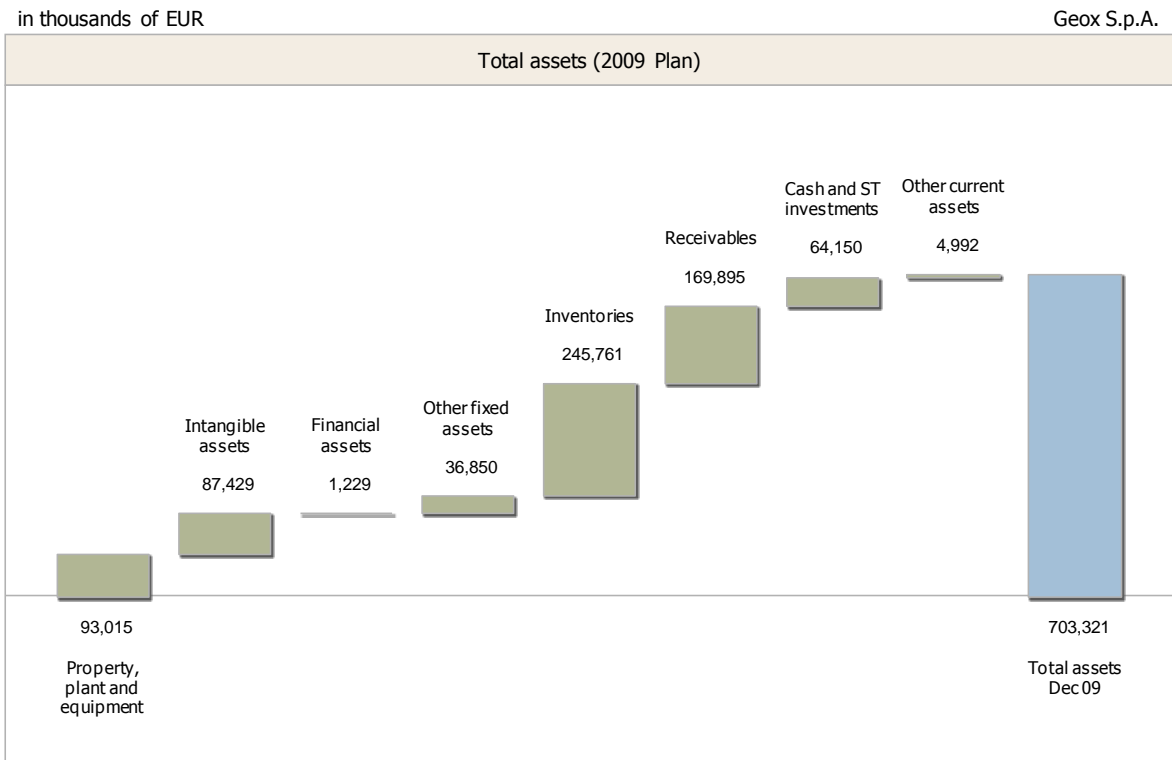
Operating profit (Chart)



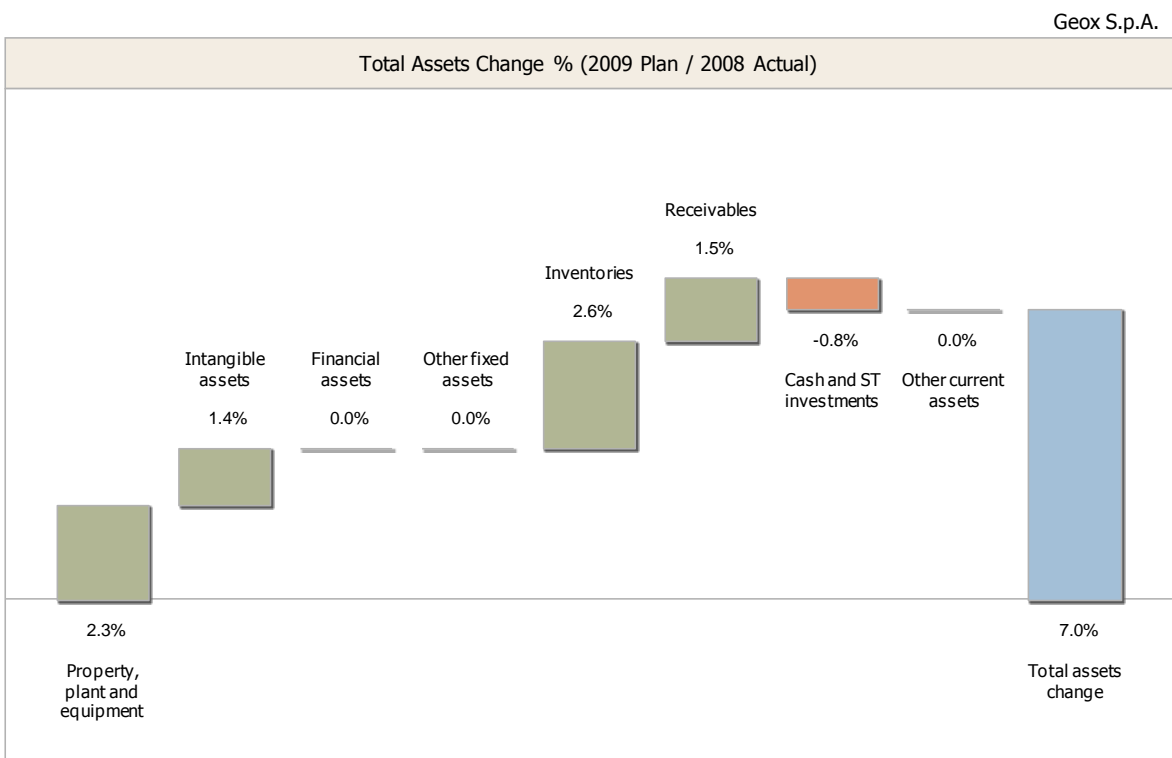
Operating Profit Change (Chart)



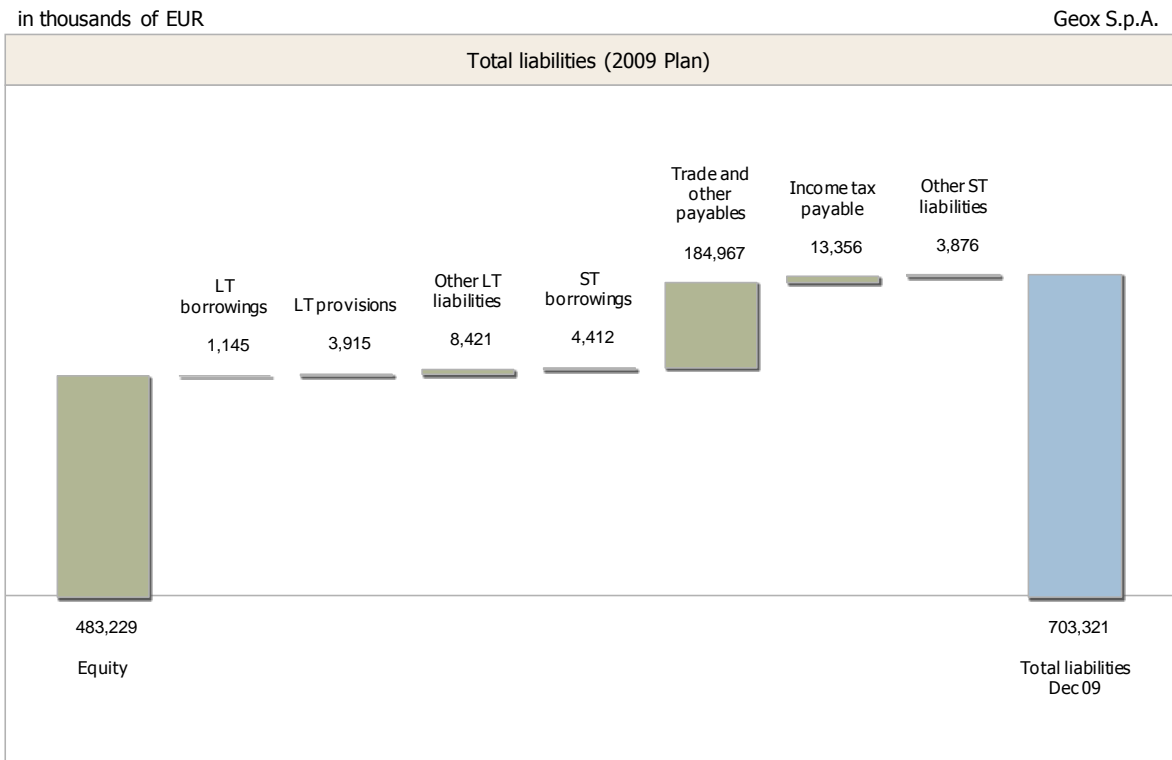
Total assets (Chart)



Total Assets Change % (Chart)



Total liabilities (Chart)



Total Liabilities Change % (Chart)

