



YOOX GROUP

YOOX S.P.A.

PROSPECTUS FOR THE REMUNERATION PLAN BASED ON THE GRANT OF YOOX S.P.A. SHARES
SUBMITTED TO THE SHAREHOLDERS' MEETING FOR APPROVAL

*(prepared in accordance with Article 84-bis of the Regulation adopted by CONSOB under Resolution No.
11971 of 14 May 1999, as subsequently amended and supplemented)*

Bologna, March 2012

INTRODUCTION

This prospectus (the "**Prospectus**"), prepared in accordance with Article 84-*bis* of the Regulations adopted by CONSOB under Resolution No. 11971 of 14 May 1999 as subsequently amended and supplemented (the "**Regulations for Issuers**") and consistent, even in terms of its paragraph numbering, with the information contained in Schedule 7 of Annex 3A of the Regulations for Issuers, concerns the proposal for the adoption of the "Stock Grant Plan" approved by the Board of Directors of the Company on 7 March 2012, on the Compensation Committee's proposal of 7 March 2012.

The aforesaid proposal for the adoption of the "Stock Grant Plan" will be submitted, for approval, to the Ordinary Shareholders' Meeting of the Company called for 24 April 2012 in first call and, where necessary, for 27 April 2012 in second call, as the sixth item on the agenda for the meeting.

On the date of this Prospectus, the proposal for the adoption of the "Stock Grant Plan" has not yet been approved by the Ordinary Shareholders' Meeting.

Therefore:

- (i) this Prospectus is prepared exclusively on the basis of the content of the proposal for the adoption of the "Stock Grant Plan" approved by the Board of Directors of the Company on 7 March 2012, on the Compensation Committee's proposal of 7 March 2012;
- (ii) all references made to the "Stock Grant Plan" contained in this Prospectus are understood to refer to the proposal for the adoption of the "Stock Grant Plan".

This Prospectus will be updated, where necessary and in the time and manner prescribed by current legislation, if the proposal for the adoption of the "Stock Grant Plan" is approved by the Ordinary Shareholders' Meeting and in accordance with the content of the resolutions adopted by the Ordinary Shareholders' Meeting and by the bodies competent to implement the "Stock Grant Plan".

The "Stock Grant Plan" is considered to be "*particularly important*" within the meaning of Article 114-*bis*, paragraph 3 of Legislative Decree No. 58 of 1998, as subsequently amended and supplemented ("**TUF**") and Article 84-*bis*, paragraph 2 of the Regulations for Issuers, since it could also be intended for managers who have strategic responsibilities within the Company.

DEFINITIONS

The following definitions are used in this Prospectus:

"Ordinary Shareholders' Meeting"	means the Company's ordinary shareholders' meeting called for 24 April 2012 in first call and, where necessary, for 27 April 2012 in second call and called to resolve on the proposal for the adoption of the Stock Grant Plan (as the sixth item on the agenda for the meeting).
"Shares"	means the ordinary shares of the Company listed on the Electronic Stock Market (MTA) organised and managed by Borsa Italiana S.p.A..
"Beneficiaries"	means the Eligible Persons under the Stock Grant Plan, identified by the Board of Directors of the Company, on the proposal of the Compensation Committee, to whom the Bonus is granted.
"Compensation Committee"	means the committee responsible for offering advice and recommendations in relation to the implementation of the Stock Grant Plan, in accordance with the Borsa Italiana S.p.A. Corporate Governance Code for Listed Companies.
"Notification"	means the notification with which the Company grants the Bonus to the Eligible Person, duly signed by the latter by way of acceptance.
"Board of Directors"	means of the Board of Directors <i>pro tempore</i> of the Company.
"Subsidiaries"	means the subsidiaries of YOOX pursuant to Article 93 TUF.
"Grant Date"	means the date on which the Board of Directors decides to grant the Bonus to the Eligible Person.
"Delivery Date"	means the date on which the Shares are delivered to the Beneficiary.
"Eligible Persons"	means the persons who, on the Grant Date, have a current subordinate employment relationship with the Company or with its Subsidiaries.
"Prospectus"	means this prospectus, which has been prepared in accordance with Article 84-bis of the Regulations for Issuers and which is consistent, even in terms of its paragraph numbering, with the information contained in Schedule 7 of Annex 3A of the Regulations for Issuers.
"Group"	means YOOX and the companies controlled, directly and indirectly, by YOOX within the meaning of Article 93 TUF.
"Stock Grant Plan"	means the proposal for the adoption of the "Stock Grant Plan"

approved by the Board of Directors of YOOX on 7 March 2012, on the Compensation Committee's proposal of 7 March 2012, and which will be submitted, for approval, to the Ordinary Shareholders' Meeting pursuant to Article 114-*bis* TUF.

"Bonus"	means the right granted to the Eligible Person to receive Shares from the Company (free of charge), as provided for in the Stock Grant Plan.
"Relationship"	means the subordinate employment relationship between the Eligible Person and the Company or a Subsidiary (as applicable).
"Regulations for Issuers"	means the Regulations adopted by CONSOB under Resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented.
"Company" or "YOOX"	means YOOX S.p.A., with registered office at 1 Via Nannetti, Zola Predosa (Bologna), Tax Code, VAT Reg. No. and Bologna Companies Register No. 02050461207, REA No. BO-408666.
"TUF"	means Legislative Decree No. 58 of 1998, as subsequently amended and supplemented.

1. PERSONS ELIGIBLE FOR THE PLAN

1.1 Names of eligible persons who are members of the board of directors or management board of the issuer of securities, of the companies controlling the issuer and of the companies directly or indirectly controlled by the issuer.

Not applicable since the Stock Grant Plan is not intended for persons who are directors with executive duties within the Company or within its Subsidiaries.

1.2 Categories of employees or workers of the issuer of securities or of the companies controlling or controlled by the issuer.

The Stock Grant Plan is intended for persons who, on the Grant Date, have a current subordinate employment relationship with the Company or with its Subsidiaries.

1.3 Names of persons eligible for the plan and belonging to the following categories:

a) general managers of the issuer of securities;

On the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting. Therefore, it is not possible to give the names of Beneficiaries within the category of Eligible Persons as identified above.

b) senior managers with strategic responsibilities of the issuer of securities which is not "small-sized", within the meaning given in Article 3, paragraph 1, letter f), of Regulation No. 17221 of 12 March 2010, if they have received, during the year, total remuneration (obtaining by adding

together monetary remuneration and share-based remuneration) which is greater than the highest total remuneration granted to members of the board of directors, or management board, and to general managers of the issuer of securities;

Not applicable since YOOX is classed as a "small-sized" company within the meaning given in Article 3, paragraph 1, letter f) of Regulation No. 17221 of 12 March 2010.

- c) *natural persons controlling the issuer of shares, who are employees of the issuer of shares or who work with the latter*

Not applicable since YOOX is not controlled by any entity in accordance with current laws.

1.4 Description and indication of the number in each category:

- a) *managers with strategic responsibilities other than those listed in letter b) of paragraph 1.3;*

On the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting. Therefore, it is not possible to provide information about the category of Eligible Persons as identified above.

- b) *in the case of "small-sized" companies, within the meaning given in Article 3, paragraph 1, letter f), of Regulation No. 17221 of 12 March 2010, aggregate figure of all managers with strategic responsibilities of the issuer of securities;*

On the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting. Therefore, it is not possible to give aggregate details of Beneficiaries within the category of Eligible Persons as identified above.

- c) *any other categories of employees or workers to whom different features of the plan apply (for example, managers, executives, clerical workers, etc.).*

There are no categories of employees to which different features of the Stock Grant Plan apply.

2. REASONS FOR ADOPTING THE PLAN

2.1 The objectives which are intended to be achieved by the allocation of the plans

The Company, in line with standard international practice, considers the Stock Grant Plan to be a means of:

- (a) achieving organisational stability through retention mechanisms;
- (b) involving Beneficiaries whose work is considered to be of vital importance to the Company;
- (c) promoting loyalty among Beneficiaries, encouraging them to stay with the Company and developing a sense of belonging among key resources.

2.1.1 Other information

The reasons and criteria on the basis of which the Company has decided to establish the ratio between the grant of the Bonus and other elements of total remuneration are about seeking a balance between, on the one hand, achieving the retention goals described in paragraph 2.1 above and, on the other, giving the parties concerned an overall benefit aligned with market practices.

The Stock Grant Plan has a medium/long-term duration. In particular, this period is seen as being the most conducive to achieving the stability, motivation and retention objectives sought after by the Stock Grant Plan.

2.2 Key variables, including performance indicators, which are used to allocate share-based plans

The Bonus granted to Beneficiaries is free of charge, is not conditional upon achieving performance targets and is not associated with other key variables.

2.2.1 Other information

Not applicable. The Bonus is granted free of charge, is not conditional upon achieving performance targets and is not associated with other key variables.

2.3 Underlying elements of the calculation of the amount of share-based remuneration, or the calculation criteria used

The Bonus to be paid to each Beneficiary will be determined by the Board of Directors, on the Compensation Committee's proposal, possibly taking into account: *(i)* the gross annual remuneration of each Beneficiary; *(ii)* the organisational role and strategic importance of the position held within the Company by each Beneficiary; and *(iii)* the actual capacity to influence the development of Company activities, based on experience and skills acquired.

2.3.1 Other information

The Bonus to be granted to each Beneficiary is fixed in consideration of the factors stated in paragraph 2.3 above.

2.4 The reasons for any decision to allocate remuneration plans based on securities not issued by the issuer, such as those issued by subsidiaries or parent companies or other companies not in the same group; in the event that such securities are not traded on regulated markets, information about the valuation criteria used

Not applicable since the Stock Grant Plan provides that the Beneficiary is granted the right to receive Company Shares (free of charge).

2.5 Comments about any major fiscal and accounting implications that have influenced the definition of plans

There are no major accounting and fiscal implications that have influenced the definition of the Stock Grant Plan.

2.6 Any financial support for the plan from the Special Fund for Employee Participation in Companies as referred to in Article 4, paragraph 112 of Law No. 350 of 24 December 2003

The Stock Grant Plan will receive no financial support from the Special Fund for Employee Participation in Companies, as referred to in Article 4, paragraph 112 of Law No. 350 of 24 December 2003.

3. APPROVAL PROCEDURE AND TIMETABLE FOR GRANTING OF SHARES

3.1 Scope of the powers and responsibilities delegated by the shareholders to the board of directors for the implementation of the plan

On 7 March 2012, the Board of Directors, on the Compensation Committee's proposal of 7 March 2012, decided to submit, for approval by the Ordinary Shareholders' Meeting, the Stock Grant Plan for the grant of a maximum of 550,000 Shares to Beneficiaries.

The Ordinary Shareholders' Meeting will be called to resolve not only on the approval of the Stock Grant Plan but also the vesting in the Board of Directors of every power necessary or expedient to execute the Stock Grant Plan, including (but not limited to) the power to identify Beneficiaries and to determine the amount of Shares to be granted to each of them, to make grants to Beneficiaries, as well as the power to perform any act, obligation, formality or communication that might be necessary or expedient for the management and/or implementation of the Stock Grant Plan, with the right to delegate its powers, duties and responsibilities in connection with the execution and application of the Stock Grant Plan.

3.2 Persons appointed to administer the plan and their function and responsibility

The Board of Directors will be responsible for the execution of the Stock Grant Plan and will be entrusted by the Ordinary Shareholders' Meeting with the management and implementation of the Stock Grant Plan.

Under the Stock Grant Plan, the Board of Directors may delegate its powers, duties and responsibilities in connection with the execution and application of the Stock Grant Plan to the Chairman, to the Deputy Chairman, to the Chief Executive Officer and/or to one or more directors *pro tempore* of YOOX, jointly or separately, without prejudice to the fact that any decision relating and/or pertinent to the grant of the right to receive shares from the Company (free of charge) to Beneficiaries who are also a Chairman and/or Deputy Chairman and/or Chief Executive Officer and/or director of YOOX (as with any other decision relating and/or pertinent to the management and/or implementation of the plan concerning them), will remain the exclusive preserve of the Board of Directors.

The Compensation Committee is responsible for offering advice and recommendations in relation to the implementation of the Stock Grant Plan, in accordance with the Borsa Italiana S.p.A. Corporate Governance Code for Listed Companies.

3.3 Procedures in place for reviewing the plans, particularly following any changes in the underlying objectives

The Board of Directors will have the right to make any change or addition to the Stock Grant Plan (once this has been approved), in the most appropriate manner, which it believes useful or necessary to achieve the aims of the Stock Grant Plan, taking into account the interests of Beneficiaries.

There are no procedures in place for revising the Stock Grant Plan to take into account any changes in the underlying objectives.

3.4 Description of the procedures used to determine the availability and allotment of the securities on which the plans are based (for example: free allotment of shares, capital increases with exclusion of right of pre-emption, buying and selling of own shares)

Under the Stock Grant Plan, Beneficiaries are granted Shares free of charge. The maximum total number of Shares to be granted to Beneficiaries for the execution of the Stock Grant Plan is 550,000 Shares.

On 7 March 2012, the Board of Directors decided to submit, for the approval of the Ordinary Shareholders' Meeting of the Company, the proposal for authorisation to buy and sell YOOX ordinary shares, in accordance with the joint provisions of Arts. 2357 and 2357-ter of the Italian Civil Code and Art. 132 of TUF and relevant implementing provisions.

The Company will hand over to the Beneficiary the Shares pertaining to the latter in the time and manner that will be established in the rules of the Stock Grant Plan.

3.5 The role of each director in deciding the characteristics of the aforementioned plans; any conflicts of interest involving the directors concerned

The characteristics of the Stock Grant Plan, which will be submitted, for approval, to the Ordinary Shareholders' Meeting, pursuant to Article 114-bis TUF, have been determined collectively by the Board of Directors.

The resolutions of the Board of Directors have been adopted on the basis of the proposal made by the Compensation Committee.

3.6 In accordance with the requirements of Article 84-bis, paragraph 1, the date of the decision taken by the body competent to recommend the approval of plans to the shareholders and the date of the proposal by the compensation committee (where existing)

The Board of Directors approved the Stock Grant Plan on 7 March 2012, on the Compensation Committee's proposal of 7 March 2012.

3.7 In accordance with the requirements of Article 84-bis, paragraph 5, letter a), the date of the decision taken by the body competent to allot securities and the date of any proposal made to that body by the compensation committee (where existing)

Not applicable, since on the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting.

3.8 The market price recorded on the above dates for the securities on which the plans are based, if traded on regulated markets

Not applicable, since on the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting.

3.9 For plans based on securities traded on regulated markets, how has the issuer, when deciding on the timetable for the allotment of securities under the plans, allowed for the possible concurrence of:

- (i) the allotment of the securities and any decisions taken in this respect by the compensation committee, and

- (ii) the disclosure of any material information pursuant to Article 114, paragraph 1; for example, if this information is:
 - a. not already published and capable of having a positive influence on market prices, or
 - b. already published and capable of having a negative influence on market prices.

The structure of the Stock Grant Plan and the conditions, timeframes and procedures for the grant of the Bonus currently do not give any concern as to the need to arrange any specific control in that regard, without prejudice to the fact that the execution process will, in each case, take place in full compliance with the reporting obligations imposed on the Company, so as to ensure transparency and equality of information for the market and in compliance with the procedures adopted by the Company.

4. FEATURES OF THE ALLOTTED SECURITIES

4.1 Description of the structure of share-based remuneration plans

Under the Stock Grant Plan, Beneficiaries are granted the Bonus (free of charge) which, in turn, gives the Beneficiary the right to receive Shares from the Company (free of charge).

4.2 Indication of the vesting period of the plan with reference to any other timeframes envisaged

The Stock Grant Plan will have a total duration of 5 years.

Shares will be delivered free of charge to the Beneficiary according to the procedures described below:

- (a) one third (1/3) of the Shares will be delivered by no later than the thirtieth trading day following the expiry of the second year since the Grant Date, subject to the mandatory condition that, on the Delivery Date, the Relationship is still in place between the Beneficiary and the Company or a Subsidiary (as applicable) or that before that date no notice of withdrawal of any kind has been given by the Company or the Beneficiary and that, on that date, the notice period is not in progress; and
- (b) two thirds (2/3) of the Shares will be delivered by no later than the thirtieth trading day following the expiry of the third year since the Grant Date, subject to the mandatory condition that, on the Delivery Date, the Relationship is still in place between the Beneficiary and the Company or a Subsidiary (as applicable) or that before that date no notice of withdrawal of any kind has been given by the Company or the Beneficiary and that, on that date, the notice period is not in progress.

4.3 End of the plan

See paragraph 4.2 above.

4.4 The maximum number of securities, including in the form of options, granted in each tax year to persons identified by name or to the categories mentioned

Under the Stock Grant Plan, a maximum of 550,000 Shares will be granted free of charge.

The Stock Grant Plan does not set a maximum number of Shares that can be granted in a tax year.

4.5 Terms and conditions of the plan, specifying whether the effective allotment of the securities is subject to any conditions or the achievement specific results or performance targets; description of those conditions, results and targets

As regards the terms and conditions of the Stock Grant Plan, see the individual points of this Prospectus. In particular, as already stated in paragraph 2.3 above, the Bonus to be paid to each Beneficiary will be determined by the Board of Directors, on the Compensation Committee's proposal, possibly taking into account: (i) the gross annual remuneration of each Beneficiary; (ii) the organisational role and strategic importance of the position held within the Company by each Beneficiary; and (iii) the actual capacity to influence the development of Company activities, based on experience and skills acquired.

The Bonus granted to Beneficiaries is free of charge, is not conditional upon achieving performance targets and is not associated with other key variables.

4.6 Details of any restrictions on the availability of the instruments granted or on the securities resulting from the exercise of the options, with particular reference to the time period during which the subsequent transfer to the company or to third parties is permitted or prohibited

Not applicable, since there are no restrictions on the availability of the Shares actually delivered to Beneficiaries.

4.7 Description of any conditions precedent in relation to plans where eligible persons conduct hedging operations to counteract any selling restrictions on the financial instruments granted, including in the form of options, or the securities resulting from the exercise of those options

Not applicable since there are no conditions precedent where the Beneficiary conducts hedging operations.

4.8 Description of the effects caused by termination of employment

Participation in the Stock Grant Plan is conditional upon the maintenance of the Relationship with YOOX or with a Subsidiary.

In particular, the Stock Grant Plan provides that if, for any reason, Beneficiaries stop having a subordinate employment relationship with the Company or with its Subsidiaries before each Delivery Date, they will forfeit all right to the delivery of Shares as from the date on which the relationship between the Company and the Beneficiary ended or as from the date on which unilateral withdrawal was notified to the other party.

The Stock Grant Plan also provides that if the employer company loses Subsidiary status, Beneficiaries will forfeit all rights in relation to Shares not yet delivered.

4.9 Details of any other grounds for the cancellation of plans

Except as indicated in the previous paragraphs, there are no other grounds for the cancellation of the Stock Grant Plan.

4.10 Reasons for allowing any "repurchase" by the company of the securities covered by the plans, pursuant to Article 2357 et seq of the Italian Civil Code; beneficiaries of the repurchase, indicating whether this is intended only for certain categories of employees; effects of the termination of employment on such repurchases

The Stock Grant Plan does not contain clauses providing for repurchase by the Company.

4.11 Any loans or other facilities to be granted in order to purchase shares pursuant to Article 2358 of the Italian Civil Code

Not applicable, since Shares are granted free of charge under the Stock Grant Plan.

4.12 Details of the expected costs for the company on the corresponding grant date, as determined based on the existing terms and conditions, for the total amount and in relation to each instrument covered by the plan

Not applicable, since on the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting.

4.13 Details of any dilutive effects on the capital caused by remuneration plans

As regards the execution of the Stock Grant Plan, on 7 March 2012, the Board of Directors decided to submit, for the approval of the Ordinary Shareholders' Meeting of the Company, the proposal for authorisation to buy and sell YOOX ordinary shares, in accordance with the joint provisions of Arts. 2357 and 2357-ter of the Italian Civil Code and Art. 132 of TUF and relevant implementing provisions.

Since the Stock Grant Plan is based on the grant of Shares in the Company's portfolio, it will not have any dilutive effects on the share capital of YOOX.

4.14 Limits on the exercise of voting rights and granting of dividend rights

Until Shares are actually delivered to the Beneficiary, no Beneficiary may be considered a shareholder of the Company in any capacity.

There is no limit on the exercise of voting rights and on the grant of dividend rights in relation to Shares actually delivered to Beneficiaries.

4.15 If the shares are not traded on regulated markets, information necessary for a complete assessment of the share value

Not applicable since the Shares are traded on the Electronic Stock Market (MTA) organised and managed by Borsa Italiana S.p.A..

4.16 Share-based remuneration plans

Not applicable, since on the date of this Prospectus, the Stock Grant Plan has not yet been approved by the Ordinary Shareholders' Meeting.