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You are reminded that any investment decision as to any purchase of securities or any decision to participate in any way in connection with the proposed transactions described in the preliminary offering circular dated November 14, 2009 must be made solely on the basis of information contained in such preliminary offering circular, as supplemented by the attached preliminary offering circular supplement, plus any other supplemental information furnished to you at or before the time of sales confirmation.

No person has been authorised to give any information or to make any representation other than as contained in the preliminary offering circular dated November 14, 2009 as supplemented by the attached preliminary offering circular supplement and, if given or made, such information or representation must not be relied upon as having been authorised by any of YOOX, Goldman Sachs International or Mediobanca — Banca di Credito Finanziario S.p.A.

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If you are unable to agree to and confirm each of the items above, then you will not be eligible to view the preliminary offering circular supplement or to make an investment decision with respect to the shares of YOOX or participate in any way in respect of the proposed transaction described in the preliminary offering circular dated November 14, 2009, and you must destroy all copies of this document immediately and notify us forthwith of having done so.

SUBJECT TO AMENDMENT AND COMPLETION, DATED NOVEMBER 19, 2009

THIS DOCUMENT IS SUPPLEMENTAL TO AND MUST BE READ IN CONJUNCTION WITH THE PRELIMINARY OFFERING CIRCULAR DATED NOVEMBER 14, 2009, RELATING TO THE PROPOSED GLOBAL OFFERING OF 24,330,703 ORDINARY SHARES OF YOOX S.P.A.

PRELIMINARY OFFERING CIRCULAR SUPPLEMENT DATED NOVEMBER 19, 2009

YOOX S.p.A

(Incorporated in the Republic of Italy)

CONFIDENTIAL

This preliminary offering circular supplement is a confidential document that we are providing only to prospective investors in the shares of the Yoox S.p.A. ("YOOX" and the "Shares," respectively). You should read this preliminary offering circular supplement, in conjunction with the preliminary offering circular dated November 14, 2009, before making a decision whether to purchase any Shares. You must not: (i) use this preliminary offering circular supplement for any other purpose; (ii) make copies of any part of this preliminary offering circular supplement or give a copy of it to any other person; or (iii) disclose any information in this preliminary offering circular supplement to any other person.

We have prepared this preliminary offering circular supplement and we are solely responsible for its contents. You are responsible for making your own examination of our business, results of operations and financial condition and your own assessment of the merits and risks of investing in the Shares. By purchasing the Shares, you will be deemed to have acknowledged that: (i) you have reviewed this preliminary offering circular supplement in conjunction with the preliminary offering circular dated November 14, 2009; and (ii) the Institutional Managers (as defined in the preliminary offering circular dated November 14, 2009) are not responsible for, and are not making any representation to you concerning, our future performance or the accuracy or completeness of this preliminary offering circular supplement.

The information beginning on the following page supplements the information provided in the preliminary offering circular dated November 14, 2009, relating to the proposed global offering of 24,330,703 ordinary shares of YOOX and therefore should be read carefully in conjunction with such preliminary offering circular.

This Preliminary Offering Circular Supplement does not constitute an offer to sell or a solicitation of any offer to buy Shares in any jurisdiction where such offer or solicitation is unlawful. The Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered, sold or delivered within the United States (or to, or for the account or benefit of, U.S. persons), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority; nor have any such authorities confirmed the accuracy or determined the adequacy of this Preliminary Offering Circular Supplement. Any representation to the contrary is a criminal offence in the United States.

INDEX TO THE FINANCIAL INFORMATION

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE NINE-MONTH PERIODS ENDED
SEPTEMBER 30, 2009 AND 2008
PREPARED IN ACCORDANCE WITH IFRS

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Review report

To the board of directors of
YOOX S.p.A.

1 We have reviewed the interim consolidated financial statements comprising the income statements, statements of comprehensive income, statements of financial position, statements of changes in equity, statements of cash flows and notes thereto of the YOOX Group as of and for the nine-month periods ended 30 September 2009 and 30 September 2008. These interim consolidated financial statements have been drawn up as part of the listing of YOOX S.p.A. ordinary shares on the Italian Stock Exchange organised and managed by Borsa Italiana S.p.A.. The parent's directors are responsible for the preparation of these interim consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting", endorsed by the European Union. Our responsibility is to prepare this report based on our review.

2 We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. As a consequence, we do not express an audit opinion on the interim consolidated financial statements.

With regard to the corresponding figures of the consolidated financial statements at 31 December 2008 and 31 December 2007, prepared solely for inclusion in the Prospectus, reference should be made to our report dated 7 September 2009.

3 Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements of the YOOX Group as of and for the nine-month periods ended 30 September 2009 and 30 September 2008 have not been prepared, in all material respects, in conformity with IAS 34, "Interim Financial Reporting", endorsed by the European Union.

Bologna, 14 November 2009

KPMG S.p.A.

Gianluca Geminiani
Director of Audit

INCOME STATEMENT

	Notes	Nine months ended 30/09/2009	Nine months ended 30/09/2008
Amounts in thousands of Euro:			
Net revenues from sales	*1.1*	106,747	71,716
Cost of goods sold	*1.2*	(66,846)	(45,073)
Fulfillment's costs	*1.3*	(11,426)	(8,888)
Selling expenses	*1.4*	(12,115)	(7,266)
General expenses	*1.5*	(9,706)	(8,365)
Other operating income and expense	*1.6*	(789)	(702)
Non-recurring expense	*1.7*	—	(130)
Operating profit	*1.8*	5,865	1,291
Financial income	*1.9*	442	405
Financial expense	*1.10*	(1,455)	(1,222)
Profit before taxation		4,852	473
Taxation	*1.11*	(2,010)	(913)
Profit/(loss) for the period		2,842	(440)
of which:			
attributable to the owners of the parent		2,842	(440)
attributable to non-controlling interests		—	—
Basic earnings (loss) per share	*1.12*	0.0684	(0.0110)
Diluted earnings (loss) per share	*1.12*	0.0599	(0.0110)

STATEMENT OF COMPREHENSIVE INCOME

	Notes	Nine months ended 30/09/2009	Nine months ended 30/09/2008
Amounts in thousands of Euro:			
Profit/(loss) for the period	*1.12*	2,842	(440)
Other comprehensive income, net of tax			
Net translation differences	*1.21*	(107)	(15)
Net change in hedging reserve	*1.21*	(13)	(12)
Total other comprehensive loss for the period		(120)	(27)
Total comprehensive income/(loss) for the period		2,722	(467)
of which:			
attributable to the owners of the parent		2,722	(467)
attributable to non-controlling interests		—	—

STATEMENT OF FINANCIAL POSITION

	Notes	Nine months ended 30/09/2009	31/12/2008	Nine months ended 30/09/2008	31/12/2007
Amounts in thousands of Euro:					
Non-current assets					
Property, plant and equipment	*1.13*	3,342	3,481	3,441	2,793
Intangible assets with finite useful life	*1.14*	3,317	2,281	2,064	1,365
Deferred tax assets	*1.15*	2,665	1,405	1,107	1,315
Other non-current financial assets	*1.16*	398	1,235	1,106	576
Total non-current assets		**9,722**	**8,402**	**7,718**	**6,049**
Current assets					
Inventories	*1.17*	46,128	38,652	36,062	28,109
Trade receivables	*1.18*	3,484	3,911	3,467	1,878
Other current assets	*1.19*	5,997	4,882	4,731	3,734
Cash and cash equivalents	*1.20*	10,869	8,962	5,634	5,185
Total current assets		**66,478**	**56,407**	**49,894**	**38,906**
Total assets		**76,200**	**64,809**	**57,612**	**44,955**
Equity					
Share capital		423	401	401	400
Reserves		31,214	25,328	24,697	23,850
Losses carried forward		(9,462)	(11,696)	(11,686)	(11,101)
Profit for the period/year		2,842	2,402	(440)	(633)
Equity attributable to the owners of the parent	*1.21 - 1.22*	25,017	16,435	12,972	12,516
Equity attributable to non-controlling interests		—	—	—	—
Total equity		**25,017**	**16,435**	**12,972**	**12,516**
Non-current liabilities					
Non-current financial liabilities	*1.23*	16,146	18,735	19,274	141
Employee benefits	*1.24*	224	274	272	300
Provisions for risks and charges — non-current portion	*1.26*	411	346	346	346
Deferred tax liabilities	*1.25*	95	48	33	33
Total non-current liabilities		**16,876**	**19,403**	**19,925**	**820**
Banks and other current financial liabilities	*1.23*	399	4,086	2,321	12,847
Provisions for risks and charges — current portion	*1.26*	554	168	184	63
Trade payables	*1.27*	22,011	17,282	15,593	13,544
Tax payables	*1.28*	2,559	765	351	426
Other payables	*1.29*	8,784	6,670	6,266	4,739
Total current liabilities		**34,307**	**28,971**	**24,715**	**31,619**
Total liabilities and equity		**76,200**	**64,809**	**57,612**	**44,955**

STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity
for the period ended 30 September 2009 — notes 1.21 and 1.22

	Balance at 31/12/2008	**Hedging changes**	**Measurement of stock options**	**Translation of foreign operations**	**Other changes**	**Total effects recognised in equity**	**Allocation of profit/ (loss) for the year**	**Profit/ (loss) for the period**	**Exercise of stock option rights**	**Share capital increase**	**Distribution of dividends**	**Total effect of transactions with shareholders**	**Balance at 30/09/2009**
Amounts in thousands of Euro:													
Share capital	401	—	—	—	—	—	—	—	—	22	—	22	423
Share premium	22,666	—	—	—	—	—	—	—	—	5,406	—	5,406	28,072
Legal reserve	23	—	—	—	—	—	170	—	—	—	—	—	193
Translation reserve	48	—	—	(107)	—	(107)	—	—	—	—	—	—	(59)
Reserve for stock options	2,578	—	430	—	—	430	—	—	—	—	—	—	3,008
Hedging reserve	13	(13)	—	—	—	(13)	—	—	—	—	—	—	—
Retained earnings (losses carried forward)	(11,696)	—	—	—	2	2	2,232	—	—	—	—	—	(9,462)
Profit/(loss) attributable to the owners of the parent	2,402	—	—	—	—	—	(2,402)	2,842	—	—	—	—	2,842
Equity attributable to the owners of the parent	**16,435**	**(13)**	**430**	**(107)**	**2**	**312**	**—**	**2,842**	**—**	**5,428**	**—**	**5,428**	**25,017**
Equity attributable to non-controlling interests	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total equity	**16,435**	**(13)**	**430**	**(107)**	**2**	**312**	**—**	**2,842**	**—**	**5,428**	**—**	**5,428**	**25,017**

STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity
for the period ended 30 September 2008 — notes 1.21 and 1.22

	Balance at 31/12/2007	Hedging changes	Measure-ment of stock options	Translation of foreign operations	Other changes	Total effects recogn-ised in equity	Allocation of profit/ (loss) for the year	Profit/ (loss) for the period	Exercise of stock option rights	Share capital increase	Distribution of dividends	Total effect of transactions with owners in their capacity as owners	Balance at 30/09/2008
Amounts in thousands of Euro:													
Share capital	400	—	—	—	—	—	—	—	1	—	—	1	401
Share premium	22,561	—	—	—	—	—	—	—	105	—	—	105	22,667
Legal reserve	23	—	—	—	—	—	—	—	—	—	—	—	23
Translation reserve	(22)	—	—	(15)	—	(15)	—	—	—	—	—	—	(37)
Reserve for stock options	1,276	—	769	—	—	769	—	—	—	—	—	—	2,045
Hedging reserve	12	(12)	—	—	—	(12)	—	—	—	—	—	—	—
Retained earnings (losses carried forward)	(11,101)	—	—	—	47	47	(633)	—	—	—	—	—	(11,687)
Profit/(loss) attributable to the owners of the parent	(633)	—	—	—	—	—	633	(440)	—	—	—	—	(440)
Equity attributable to the owners of the parent	**12,516**	**(12)**	**769**	**(15)**	**47**	**789**	**—**	**(440)**	**106**	**—**	**—**	**106**	**12,972**
Equity attributable to non-controlling interests	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total equity	**12,516**	**(12)**	**769**	**(15)**	**47**	**789**	**—**	**(440)**	**106**	**—**	**—**	**106**	**12,972**

STATEMENT OF CASH FLOWS

	Notes	Nine months ended 30/09/09	Nine months ended 30/09/08
Amounts in thousands of Euro:			
Profit/(loss) for the period	*1.30*	2,842	(440)
Adjustments for:			
Taxation for the period	*1.30*	2,010	914
Financial expense	*1.31*	1,455	1,222
Financial income	*1.31*	(442)	(404)
Depreciation, amortization and impairment losses	*1.31*	1,381	1,240
Fair value measurement of stock option plans	*1.31*	430	769
Unrealized exchange rate differences	*1.31*	(107)	(15)
Losses/(gains) on sale of non-current assets	*1.31*	5	172
Provisions for employee benefits	*1.31*	15	4
Provisions for risks and charges	*1.31*	619	443
Use of provisions for employee benefits	*1.31*	(65)	(32)
Use of provisions for risks and charges	*1.31*	(168)	(322)
Change in inventories	*1.32*	(7,476)	(7,953)
Change in trade receivables	*1.32*	427	(1,589)
Change in trade payables	*1.32*	4,729	2,049
Change in other current assets and liabilities	*1.33*	879	754
Cash flow generated by (used in) ordinary operations		**6,534**	**(3,188)**
Income taxes paid	*1.30*	(1,429)	(781)
Interest and other financial expense paid	*1.31*	(1,240)	(1,214)
Interest and other financial income received	*1.31*	442	404
Cash flow generated by (used in) operating activities		**4,307**	**(4,779)**
Investing activities			
Investment in property, plant and equipment	*1.34*	(284)	(1,027)
Investment in intangible assets	*1.35*	(1,647)	(1,733)
Investment in other non-current financial assets	*1.36*	—	(530)
Proceeds from sale of other non-current financial assets	*1.36*	837	—
Proceeds from sale of property, plant and equipment	*1.34*	—	—
Cash flow used in investing activities		**(1,094)**	**(3,290)**
Financing activities			
Short-term financial liabilities	*1.39*	—	2,321
Repayment of short-term financial liabilities	*1.39*	(3,932)	(12,936)
Non-current financial liabilities	*1.38*	—	19,133
Repayment of non-current financial liabilities	*1.38*	(2,802)	—
Capital injections for share capital increase	*1.37*	5,428	—
Cash flow generated by (used in) financing activities		**(1,306)**	**8,518**
TOTAL CASH FLOW FOR THE PERIOD		**1,907**	**449**
Cash and cash equivalents, start of period	*1.20*	8,962	5,185
Cash and cash equivalents, end of period	*1.20*	10,869	5,634
TOTAL CASH FLOW FOR THE PERIOD	*1.20*	**1,907**	**449**

EXPLANATORY NOTES

Group structure and activities

YOOX is the Group that reports to YOOX S.p.A., the Italian parent based in Zola Predosa (Italy). YOOX is active in the sale of and provision of commercial services relating to clothing, accessories and, more generally, all types of complementary items for individuals, the home, spare-time and recreational activities and hobbies.

In addition to YOOX S.p.A. (hereinafter "the Parent"), the YOOX Group (hereinafter "the Group") comprises YOOX Corporation Ltd and Y Services Ltd, the US companies that manage sales in the US, and YOOX Japan KK, the Japanese company that manages sales in Japan.

Pursuant to the requirements of IFRS 8 with regard to its operations, the Group has identified the following lines of business:

- Multi-Brand, comprising the online, multi-brand store activities of yoox.com and thecorner.com:
  a. yoox.com, operational since June 2000, offers a wide assortment of quality clothing, footwear and accessories at reduced prices. These items are drawn from the collections of well-known brands for the corresponding season in the prior year. This high-level range is completed by a selection of exclusive items (collections produced solely for yoox.com), vintage garments and special editions created by leading stylists and designers, as well as books, works of art and design objects;
  b. thecorner.com, operational since February 2008, hosts a number of shop-in-shops dedicated to the current collections of established, niche and/or artisan brands that are not readily available elsewhere.
- Mono-Brand, comprising the design, creation and management, on an exclusive basis, of the online stores of certain leading, global fashion brands that have appointed the Group as their strategic partner for this specific sales channel. The goods available from the online stores are sold and invoiced directly to the end customer by YOOX.

In addition, the Group has a Corporate and Central Services Area that directs and coordinates its activities. This Area also plays a key role in facilitating functional integration between the various Areas, and in supporting the operational activities directly associated with each operating segment. This Area comprises Group Management, administration, finance and control, legal affairs, general services, security, personnel, the press relations office and IT, as well as internal audit and corporate communications.

The business segment information required by IFRS 8 is presented in note 7.

Purpose of the interim consolidated financial statements as at and for the nine-month periods ended 30 September 2009 and 30 September 2008 prepared in accordance with International Financial Reporting Standards

Commencing from 2005, Regulation (EC) No. 1606/2002 (Reg. 1606/02) issued by the European Parliament and Council on 19 July 2002 (the "EC Regulation") requires all companies listed on a regulated market to prepare consolidated financial statements in accordance with the International Accounting Standards/International Financial Reporting Standards (hereinafter, respectively, "IAS", "IFRS") issued by the International Accounting Standards Board and endorsed by the European Commission.

In Italy, this topic is governed by Legislative Decree no. 38 dated 28 February 2005 (Legislative Decree no. 38/05, published in Italian Official Gazette no. 66 on 21 March 2005), which allows companies not covered by the EC Regulation to prepare separate and consolidated financial statements under IFRS from the year ended 31 December 2005.

By a Board resolution adopted on 14 December 2007, the Parent decided to start the process of listing its ordinary shares on the Italian Stock Exchange organized and managed by Borsa Italiana S.p.A.

Accordingly, as allowed by art. 94 of Legislative Decree no. 58/2008 and Regulation (EC) no. 809/2004, the YOOX Group has decided to prepare consolidated financial statements as at and for the years ended 31 December 2008 and 2007, along with interim consolidated financial statements as at and for the six-month period ended 30 June 2009 under IFRS exclusively for inclusion in the prospectus prepared for the listing of the ordinary shares of YOOX S.p.A. on the Italian Stock Exchange organized and managed by Borsa Italian S.p.A. Furthermore, for informational purposes as part of the listing process, the YOOX Group has prepared the interim consolidated financial statements as at and for the nine-month periods ended 30 September 2009 and 30 September 2008 in accordance with IFRS.

Statement of compliance with IFRS and basis of preparation

These interim consolidated financial statements have been prepared in accordance with IAS 34, as amended. They do not include all the information required for annual financial statements and must be read together with the consolidated financial statements as at and for the years ended 31 December 2008 and 31 December 2007. In particular, the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows have all been prepared in the full format adopted for the consolidated financial statements as at and for the years ended 31 December 2008 and 31 December 2007. On the other hand, the notes set out below are presented in summary form and, accordingly, do not contain all the information required for annual financial statements. In particular, as envisaged in IAS 34, the notes to these interim consolidated financial statements relate solely to those elements of the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows that are essential for an understanding of the financial position of the Group, considering their content, the nature and extent of related changes, and the effect of unusual events. The purpose of this approach is to avoid the duplication of information that has already been published.

The interim consolidated financial statements as at and for the nine-month periods ended 30 September 2009 and 30 September 2008 comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and these notes. These schedules are presented together with the corresponding figures required by IAS 34 (31 December 2008 and 31 December 2007 for the statement of financial position and changes in equity and 30 September 2008 for the income statement, statement of comprehensive income and statement of cash flows), except for the omission of the corresponding income statement and statement of comprehensive income figures for the nine-month period ended 30 September 2007 and related figures for the quarter ended 30 September 2007, as well as corresponding statement of cash flow figures for the nine-month period ended 30 September 2007, which were not considered necessary for the purposes for which these interim consolidated financial statements were prepared.

Financial statements formats

As specified above, the formats adopted for the interim consolidated financial statements as at and for the nine-month period ended 30 September 2009 comply with IAS 34, and comprise:

Income statement

The income statement is classified with reference to the purpose of the costs incurred, since this is considered to provide more meaningful information. It is also consistent with the system of reporting used by management when evaluating the performance of the business.

Statement of comprehensive income

The statement of comprehensive income consists of a single statement of the elements comprising the profit/ (loss) for the period and the charges and income that were recognized directly in equity in relation to transactions not involving owners in their capacity as owners.

Statement of financial position

The statement of financial position presents current assets and liabilities separately from non-current assets and liabilities, while the notes for each asset and liability caption state the amounts that are expected to be recovered or settled within or after 12 months from the end of the reporting period.

Statement of changes in equity

The statement of changes in equity reports the profit/(loss) for the year or the period, each caption of revenue or cost, income or expense that, as required by IFRS and their interpretations, must be recognized directly in equity, and the total of these captions; the total profit or loss for the period, reporting separately the portion attributable to the owners of the parent and, where applicable, that attributable to the non-controlling interests; the effect on each equity caption of changes in accounting policies and the correction of errors, as required by IAS 8; the retained earnings or losses carried forward at the start of the period and at the end of the reporting period, together with the changes during the period.

The notes to the financial statements also present the amounts deriving from transactions with the owners in their capacity as owners; a reconciliation of the carrying amount of each class of share, the share premium reserve and other reserves at the start and the end of the reporting period, showing each change separately.

Statement of cash flows

The statement of cash flows presents the cash flows from operating, investing and financing activities. The cash flows from operating activities are presented using the indirect method, whereby the profit/(loss) for the year or period is adjusted for the effects of non-monetary transactions, for all deferrals or provisions relating to previous or future operational collections or payments, and for the cash flows from investing and financing activities.

Accounting policies

General criteria

The presentation currency used for the interim consolidated financial statements is the Euro. Except where otherwise stated, the balances and the notes to the financial statements are stated in thousands of Euro.

The interim consolidated financial statements are prepared on a cost basis, except for the measurement of derivative financial instruments at fair value, and on a going-concern basis.

The accounting policies adopted are applied consistently by all Group companies. There are no held-to-maturity investments. Financial transactions are recognized with reference to the trade date.

Use of estimates

Preparation of the financial statements and the related notes requires management to make certain estimates and assumptions. These affect the amounts of the assets and liabilities reported in the financial statements, and the information provided about contingent assets and liabilities at the end of the reporting period.

Actual results may differ from these estimates. Estimates were made to determine the provisions for impairment losses on receivables, the provision for obsolete inventories, depreciation and amortization, impairment losses on assets, employee benefits, taxation and other provisions. These estimates and assumptions are reviewed periodically and the effects of any changes are recognized immediately in the income statement.

Basis of consolidation

Subsidiaries

Subsidiaries are companies over which the Group exercises control, having the power — whether directly or indirectly — to determine their financial and operating policies, and to obtain the benefits deriving from their activities. In general, companies are deemed to be subsidiaries if the Group holds more than 50% of their voting rights, taking account of any potential voting rights that are exercisable at the time.

The financial statements of the Group's subsidiaries, which were all formed rather than acquired, are consolidated on a line-by-line basis from the time that control is acquired to the date that control is lost.

Any equity and profit/ (loss) for the period attributable to non-controlling interests are stated separately in the consolidated statement of financial position and income statement, respectively. There were no non-controlling interests at 30 September 2009 and 30 September 2008.

All Group companies end their reporting period on 31 December, and accounts have also prepared at the date of these interim consolidated financial statements.

The companies consolidated on a line-by-line basis are listed in note 6 to these notes to the interim consolidated financial statements.

Associates and companies under joint control

The Group does not hold any investments in associates or companies under joint control (joint ventures).

Transactions eliminated on consolidation

Transactions between Group companies are eliminated in full. Unrealized gains and losses arising on transactions with subsidiaries are also eliminated in full. Any equity and profit/(loss) attributable to non-controlling interests are determined with reference to the voting rights held, excluding potential voting rights for this purpose. Any positive differences arising on initial consolidation, from the elimination of equity against the Group's interest in their equity, are allocated as additional amounts to the assets, liabilities and contingent liabilities concerned, while any residual amounts are recognized as goodwill. Any negative differences arising on initial consolidation, from the elimination of investments against the Group's interest in their equity, are allocated as a reduction in the amount of the assets and liabilities concerned, while any residual amounts are taken to the income statement.

Treatment of foreign currency transactions

Foreign currency transactions

Foreign currency transactions are translated into the functional currency of each Group company using the transaction-date exchange rate. Monetary items denominated in foreign currencies at the end of the reporting period are translated into the functional currency using the exchange rate applying on that date. Exchange rate gains or losses on monetary items are represented by the difference between the amortized cost of the functional currency at the start of the period, as adjusted to reflect the effective interest and payments during the year, and the amortized cost of the foreign currency translated using the exchange rate applying at the end of reporting period. Exchange rate differences are recognized in the income statement.

Financial statements of foreign operations

The assets and liabilities of foreign operations are translated to Euro using the exchange rates applying at the end of the reporting period. For practical reasons, the revenues and costs of foreign operations are translated to Euro using the average exchange rates for the period, if this does not give rise to significant differences with respect to their translation using the rates applicable to the individual transactions.

The exchange rate differences deriving from the translation of the financial statements of foreign operations are recognized directly in equity as part of the "Translation reserve". On the partial or complete sale of a foreign operation, the related amount of the differences accumulated in this reserve is released to the income statement.

To the extent that payment or collection is not planned or likely in the foreseeable future, the exchange rate gains and losses deriving from the translation of monetary amounts due to or from foreign operations are deemed to be part of the net investment in them, and are recognized directly in equity as part of the reserve mentioned above.

On the first-time adoption of IFRS, the cumulative translation difference deriving from the consolidation of foreign operations outside the Euro-zone was reclassified to the other reserves, as allowed by IFRS 1. Accordingly, the capital gains and losses deriving from the future sale of such operations will only include the translation differences arising subsequent to 1 January 2007.

The exchange rates used at 30 September 2009, 31 December 2008 and 30 September 2008 to translate the statement of financial position and income statement items denominated in foreign currencies are summarized in the following table *(source* www.uic.it*)*:

	Exchange rate at 30/09/2009	**Average rate, three quarters of 2009**
Euro/US$	1.4643	1.3665
Euro/YEN	131.07	129.53
Euro/GBP	0.9093	0.8862

	Exchange rate at 31/12/2008	**Average exchange rate of 2008**
Euro/US$	1.3917	1.4706
Euro/YEN	126.14	152.33
Euro/GBP	0.9525	0.7963

	Exchange rate at 30/09/2008	**Average rate, three quarters of 2008**
Euro/US$	1.4303	1.5220
Euro/YEN	150.47	160.96
Euro/GBP	0.7903	0.7044

Derivative financial instruments

The Group does not hold any derivative financial instruments for speculative purposes. Nevertheless, if the derivative financial instruments held do not satisfy all the conditions specified in IAS 39 for their recognition in accordance with hedge accounting rules, the changes in their fair value are recognized in the income statement as financial income and/or expense.

Derivative financial instruments are recognized in accordance with hedge accounting rules when:

- at the start of the hedge, the hedging relationship is formally designated and documented;
- the hedge is deemed to be highly effective;
- effectiveness can be measured reliably and the hedge remains highly effective throughout the designation period.

The Group uses derivative financial instruments to hedge its exposure to the currency risk.

Derivatives are initially measured at their fair value; attributable transaction costs are charged to the income statement as incurred. Following initial recognition, derivatives are also measured at fair value. Any changes are recognized on the basis described below.

Cash flow hedges

Changes in the fair value of hedging derivatives designated as cash flow hedges are recognized directly in equity, to the extent that the hedge is effective. The changes in the fair value of the ineffective portion are recognized in the income statement.

Recognition as a hedge, as described above, ceases on a prospective basis if the instrument designated as a hedge:

- no longer meets all the criteria for the application of hedge accounting rules;
- expires;
- is sold;
- is closed-out or exercised.

Any accumulated profits or losses are retained in equity until the foreseen transaction takes place. If the hedged item is a non-financial asset, the amount recognized in equity is added to the carrying amount of such asset at the time this is determined. In other cases, the amount recognized in equity is released to the income statement for the period in which the hedged item has an effect on income statement.

Property, plant and equipment

Measurement

Property, plant and equipment are stated at acquisition cost including any directly-related charges, net of accumulated depreciation and impairment losses. The cost of property, plant and equipment at 1 January 2007, the IFRS transition date, was determined with reference to their historical cost.

Any borrowing costs incurred for the acquisition or construction of capitalized assets are charged to the income statement as incurred.

If an element of property, plant and equipment consists of various components with different useful lives, such components are recognized separately (where significant).

The gains or losses generated on the sale of property, plant and equipment represent the difference between the net proceeds from the sale and the net carrying amount of the asset concerned. They are classified in the income statement as either “other income” or “other expense”.

Subsequent costs

Costs incurred subsequent to the purchase of assets, and the cost to replace parts for assets classified in this category, are added to the carrying amount of the item concerned for measurement purposes, and capitalized only if they increase the economic benefits expected to derive from such item. All other costs are charged to the income statement as incurred.

When the cost of replacement parts for an asset is capitalized, the residual carrying amount of the replaced parts is charged to the income statement. Extraordinary maintenance that increases the useful lives of property, plant and equipment is capitalized and depreciated over the residual useful life of the asset concerned. Routine maintenance costs are charged to the income statement as incurred.

Assets under construction are recorded at cost in the “assets under construction” caption until they become available for use; when they become available for use, such cost is reclassified to the appropriate caption and depreciation commences.

Finance leases

The property, plant and equipment held under finance leases, whereby the Group accepts substantially all the risks and rewards that would have derived from their ownership, are recognized as non-current assets at the contract start date and recorded at their fair value or, if lower, at the present value of the lease payments. They are depreciated over their estimated useful lives and their carrying amount is adjusted for any impairment losses on the basis described further below. The amount due to the lessor is classified in the statement of financial position under financial liabilities.

Depreciation

Depreciation is charged to the income statement on a straight-line basis over the useful life of each asset comprising property, plant and equipment.

The economic-technical useful lives deemed appropriate are summarized below:

equipment	15%
general plant	15%
specific plant	30%
electronic office equipment	20%
furniture and furnishings	15%

The depreciation methods applied, the useful lives of assets and their residual lives are checked at the end of the reporting period.

Intangible assets

Development costs

The cost of research carried out with a view to obtaining new knowledge, or making scientific or technical discoveries, is charged to the income statement as incurred.

Development expenditure is incurred on the basis of a plan or a project for the production of new or substantially improved products or processes. Development expenditure is only capitalized if the conditions specified in IAS 38 — Intangible assets are met, namely:

- demonstrable technical feasibility of the product;
- demonstrable ability to use or sell the intangible asset;
- intention of the Group to complete the development project;
- ability to determine reliably the costs incurred on the project;
- recoverability of the amounts recorded against the economic benefits expected to derive from the development project;
- availability of adequate technical, financial and other resources.

Capitalized development expenditure comprises the cost of services provided by third parties and directly-incurred personnel expenses. Other development expenditure is also charged to the income statement as incurred.

Capitalized development expenditure is stated at cost, net of accumulated amortization and impairment losses.

Development projects in progress are recorded at cost in the “assets under development” caption until such projects have been completed; on completion, such cost is reclassified to the appropriate caption and amortization commences.

Other intangible assets with finite useful life

The other intangible assets with a finite useful life acquired by the Group are stated at cost, net of accumulated amortization and impairment losses.

Subsequent costs

Costs incurred subsequently are only capitalized if they increase the economic benefits expected to derive from the assets concerned. All other subsequent costs are charged to the income statement as incurred.

Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful life of each intangible asset, commencing from the time it becomes available for use. The economic-technical lives deemed appropriate are summarized below:

Development costs	33%
Software and licenses	33%
Brands and other rights	10%
Other intangible assets	33%

Other non-current financial assets

This category comprises the guarantee deposits that are expected to be recoverable beyond 12 months.

Non-current financial assets are initially recognized at their fair value on the transaction date (being their acquisition cost), net of directly-related transaction costs.

Following initial recognition, held-to-maturity financial instruments are measured at amortized cost, using the effective interest method.

The effective interest rate is the rate that exactly discounts the cash flows expected over the life of the financial instrument back to its net carrying amount.

At the end of each reporting period, every non-current financial asset is checked for objective evidence of impairment.

If there is objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the held-to-maturity investment and the present value of the related future cash flows, calculated using the financial asset's original effective interest rate.

This loss is charged immediately to the income statement.

If in subsequent years, the amount of the impairment loss decreases and such reduction is associated with an event that took place after the original impairment loss was recognized, the loss is reversed and the related reversal is taken to the income statement.

Inventories

Inventories are stated at the lower of purchase and/or production cost or their net realizable value estimated with reference to market trends, having regard for any selling-related expenses. The cost of inventories, determined on an average basis by category, comprises their purchase cost and the costs incurred to bring them to the present location and condition.

Inventories are reported in the financial statements net of the provision for obsolete inventories, which takes account of the impairment losses associated with obsolete and slow-moving items.

Trade and other receivables

Trade and other receivables, generally due within one year, are stated at the fair value of the initial consideration plus any transaction costs. Subsequently, they are measured at amortized cost, as adjusted for any impairment losses represented by the difference between their carrying amounts and the related estimated future cash flows. If the amount of the impairment loss decreases in subsequent years, the earlier loss is partially or completely reversed, and the receivable is reinstated to an amount that does not exceed the amortized cost that would have been recognized had the loss not been identified.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank and postal deposits, and equivalent items that can be sold in the very short term (three months). They are stated at nominal value, using the spot exchange rates at the end of the reporting period for currency items, which reflects their fair value.

Impairment losses on assets

The Group subjects the carrying amounts of property, plant and equipment and intangible assets to an impairment test at the end of each reporting period, if there is any evidence that the carrying amount of such assets may have decreased. In the event of such evidence, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Intangible assets not yet available for use are subjected to impairment test each year, or more frequently if there is any evidence that the carrying amount of such assets may have decreased.

If it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

If the test identifies that the recorded assets or the CGU have suffered an impairment loss, their recoverable amount is estimated and the carrying amount in excess is charged to the income statement. The impairment loss on a CGU is charged first against goodwill, where applicable, and then as a reduction of the carrying amount of the other assets.

The recoverable amount of an asset or a CGU is determined by discounting the cash flows expected to derive from that asset or CGU. The discounting rate used is the cost of capital, having regard for the specific risks associated with the asset or CGU. The recoverable amount of investments in securities held to maturity and receivables stated at amortized cost corresponds to the present value of the related future cash flows, determined using the original effective interest rate. The recoverable amount of other assets is the greater of their selling price or their value in use, determined by discounting the related estimated future cash flows using a rate that reflects market conditions.

Any impairment losses on receivables carried at amortized cost are reversed if the subsequent increase in recoverable amount is objectively determinable.

If, subsequently, the reasons for the impairment loss on an asset, other than goodwill, cease to apply, in whole or in part, the carrying amount of the asset or the CGU is increased to reflect the new estimate of its recoverable amount, without exceeding the amount that would have been recorded had the impairment loss not been identified. The reversal of the impairment loss is taken immediately to the income statement.

Share capital and other equity captions

Share capital consists of the ordinary shares issued by the Parent.

Any costs incurred for the issue of new shares or options are recognized in equity (net of the related tax benefit) as a reduction of the proceeds deriving from the issue of such instruments.

As required by IAS 32, if equity instruments are repurchased, such instruments (treasury shares) are deducted directly from the Other reserves caption within equity. No gains or losses are recognized in the income statement on the purchase, sale or cancellation of treasury shares.

The consideration paid or received, including all costs directly attributable to the transaction, is recognized directly in equity net of any related tax benefit.

Any dividends paid to shareholders are recognized as a liability in the year in which they are approved.

Financial liabilities

Financial liabilities are initially recognized at their fair value, net of related charges; subsequent to initial recognition, they are measured at amortized cost using the effective interest method. The difference between amortized cost and the amount to be repaid is recognized in the income statement over the life of the liability, with reference to the interest accrued. Where the hedge accounting rules apply, financial liabilities hedged by derivative instruments are measured on a basis consistent with that applied to the hedging instrument.

Employee benefits

The post-employment benefits (TFR) of the Italian company are deemed to represent a defined benefit plan under IAS 19. The benefits guaranteed to employees, in the form of post-employment benefits, are stated at the expected future value of the benefits to be received that have been accrued by employees in the current and prior years. These benefits are discounted and the liability is stated net of the fair value of any pension plan assets. The net liability is determined separately for each plan using actuarial assumptions and is recalculated every year, or more frequently, with help from an independent actuary using the projected unit credit method.

The actuarial gains and losses identified subsequent to 1 January 2007, the IFRS transition date, are recognized in the income statement on a straight-line basis over the residual working lives of employees, to the extent that their cumulative net amount exceeds by more than 10% the greater of the total liability under the defined benefit plans and the fair value of the assets servicing these plans (so-called "corridor" approach) at the end of the prior year.

The Group's foreign companies do not have any significant pension plans.

Share-based payments

The YOOX Group pays additional benefits to certain directors, executives, clerical staff, consultants and employees via their participation in stock option plans. Pursuant to IFRS 2 — Share-based payment, these plans are deemed to be equity settlement plans; accordingly, the total fair value of the stock options at the grant date is charged to the income statement as a cost. Changes in their fair value subsequent to the grant date do not affect their initial measurement. The cost, corresponding to the fair value of the options at the grant date, is recognized in personnel expense on a straight-line basis over the period from the grant date to the vesting date, with a matching entry in equity. It is measured at the fair value of the options at the grant date.

Provisions for risks and charges

The provisions for risks and charges are recorded to cover the Group's legal or constructive obligations (under contracts or otherwise) deriving from past events. Provisions are recorded if the use of resources to meet an obligation is likely, and the amount of such obligation can be estimated reliably. A constructive obligation arises when the Group makes known to others, via established mechanisms, public corporate behaviour or a sufficiently explicit announcement, that it accepts the obligation, such that, as a consequence, an expectation arises among third parties that the obligation will indeed be met. If such obligations are expected to crystallize beyond 12 months and the related effects are significant, they are discounted using a rate that takes account of the cost of money and the specific risk associated with the liability recognized. Any changes in the amount of estimated provision are recognized in the income statement for the period concerned. If an obligation is discounted, the increase in the provision due to the passage of time and the adverse effect of any changes in the discount rate are recognized as a financial charge.

Trade and other payables

Trade and other payables that fall due on normal commercial terms, usually within one year, are recorded at the fair value of the initial consideration plus any transaction costs. Following initial recognition, they are measured at amortized cost and any differences arising are reflected in the income statement over the life of the liability, using the effective interest method. Trade and other payables usually fall due within one year and are not discounted.

Net revenues and income

Sale of goods

Net revenues from the sale of goods is stated at the fair value of the consideration received or due, taking account of any returns, allowances, commercial discounts and volume rebates. Revenue is recognized when the significant risks and rewards of owning the goods are transferred to the purchaser, on condition that recovery of the consideration is likely, the related costs and any returns can be estimated reliably, and management ceases to exercise the level of continuing involvement normally associated with ownership of the goods sold.

These risks and rewards are normally transferred upon shipment to the customer, which corresponds to the time when the goods are handed over to the carrier.

Services

Net revenues from the provision of services is recognized in the income statement based on the stage of completion of the service at the end of the reporting period. The stage of completion is determined by measurement of the work performed.

Commission income

When the Group acts as a commercial intermediary rather than as a principal, the revenue recognized corresponds to the net amount of the commission income earned by the Group.

Dividends

Dividend income is recognized in the income statement at the time the related payments are approved at the shareholders' meetings of the companies concerned. Conversely, dividends approved by the Group are recognized as changes in equity in the year in which they are approved at the shareholders' meeting.

Cost of goods sold

The cost of goods sold comprises all costs incurred by the Group in relation to the goods sold to generate sales revenue, net of the change in finished product inventories. The cost of goods sold therefore includes the cost of purchasing goods and all the costs incurred in order to ready them for sale, together with any directly or indirectly-related costs incurred internally or charged by third parties (transport costs and customs duties). The cost of transport out is included in the cost of goods sold since it is directly correlated with the revenue from sales. The cost of purchasing goods is stated at the fair value of the consideration paid or agreed. In general, the cost of purchasing goods is represented by the cash and cash equivalents paid or to be paid on normal payment terms. Given this, the cost of purchasing goods is recognized with reference to the purchase price for the goods stated on the invoice, net of rebates, discounts and allowances.

The cost of purchasing goods is adjusted, where applicable, to take account of decisions to grant further discounts in addition to those contractually agreed, and to allow the deferral of payments beyond 12 months, since this effectively represents a loan from the supplier to the Group. In this last case, the fair value of the goods purchased is represented by the future cash outflow compounded using a market rate of interest. Similarly, when additional early payment discounts are allowed with respect to the terms agreed in the contract or the invoice, the fair value of the goods purchased is stated gross of such additional discounts, which are recognized as interest income.

The change in inventories represents the difference between opening inventories (the inventories at the end of the prior year) and the closing inventories at the end of the reporting period.

Cost of goods sold also includes the costs associated with the revenue from the set-up/maintenance fees invoiced to the strategic partners of the online stores operated by the Mono-Brand segment.

Fulfillment's cost

These costs are incurred for:

- digital production, cataloguing and quality control: this caption includes the cost of "making ready" the goods purchased i.e. labelling, classification and warehouse storage. It also includes personnel expenses, insurance, consultancy and the purchase of consumable materials. In addition, the depreciation charged on the non-current assets involved in the process of fulfillment is included in this caption, together with the cost of vehicle rental and the other costs directly attributable to the functions involved in the process;
- logistics: this caption includes the costs incurred on internal handling and the packaging of goods, as well as on other warehouse logistics and consultancy, together with an appropriate allocation of the depreciation and amortization charges, and the personnel expenses of the employees who work directly for this function;
- customer services: this caption includes the cost of all customer care activities, including the costs of the call center and other telephone and e-mail services made available to customers, the personnel expenses of the employees concerned, and an appropriate allocation of the depreciation and amortization charges.

Selling, marketing, general and administrative expenses

These costs are stated at the fair value of the consideration paid or agreed.

In general, these costs are represented by the cash and cash equivalents paid or to be paid on normal payment terms. Given this, these costs are recognized with reference to the prices for the services stated on the invoice, net of rebates and discounts.

These costs are adjusted to take account of further discounts in addition to those contractually agreed, and any deferral of payments beyond 12 months, since this effectively represents a loan from the supplier to the Group.

In this last case, the fair value of the services provided is represented by the future cash outflow compounded using a market rate of interest.

When additional early payment discounts are allowed with respect to the terms agreed in the contract or the invoice, the fair value of the services provided is stated gross of such additional discounts, which are recognized as interest income.

Cost is recognized on an accruals basis, based on the stage of completion of the service provided at the end of the reporting period.

Costs expected to involve a payment relating to the year are charged to the income statement based on reasonable estimates, if the Group is unable to quantify the amount exactly.

Rental charges and operating lease payments

Rental charges and operating lease payments are recognized in the income statement on an accruals basis, to match the economic benefits deriving from the rented or leased assets. If the economic benefits are less than the minimum unavoidable charges, the cost of such onerous contracts, being the difference between the discounted charges and benefits, is recognized immediately in the income statement.

Financial income and expense

Financial income includes the interest earned on invested liquidity and the profits on hedging instruments recognized in the income statement. Interest income is recognized in the income statement on an accruals basis, using the effective interest method. Financial expense includes the interest charged on loans and the losses on hedging instruments recognized through the income statement. The cost of loans is recognized in the income statement using the effective interest method.

Income taxes

The tax charge for the period comprises the current tax charge and the deferred tax charge. Income taxes are recognized in the income statement, except for those relating to any transactions recognized directly in equity, which are recorded in the same way.

Current taxes represent the estimated income taxes payable in relation to taxable income for the period, determined by applying the tax rates in force or substantially in force at the end of the reporting period, together with any adjustments to prior-period amounts.

Deferred taxes are recorded using the liability method by calculating the temporary differences between the carrying amounts of assets and liabilities and the corresponding amounts recognized for tax purposes. Deferred tax assets and liabilities are determined using the tax rates that are expected to be in force when the related assets are realized and the related liabilities are settled. For this purpose, reference is made to the tax rates laid down in current regulations or which are substantially in force at the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legal right to offset current tax assets against current tax liabilities, and if such deferred tax assets and liabilities relate to income taxes charged by the same tax authority to the same taxpayer, or to different taxpayers that intend to settle their current tax assets and liabilities on a net basis, or realize their tax assets and settle their tax liabilities at the same time.

Deferred tax assets are recognized to the extent it is likely that future taxable income will be sufficient for their recovery. The amount of deferred tax assets is reviewed at the end of each reporting period and is decreased to the extent that the related tax benefits are no longer likely to be realized.

The additional income taxes deriving from the distribution of dividends are recorded at the time the liability to pay dividends is recognized.

Earnings per share

Basic earnings per share are calculated by dividing the Parent's interest in the profit/(loss) for the period by the weighted-average number of ordinary shares outstanding during the period, excluding any treasury shares. Diluted earnings per share are calculated by adjusting the weighted-average number of ordinary shares outstanding on the assumption that all the options granted with a dilutive effect will be converted into ordinary shares. The Group has a category of potential ordinary shares with a dilutive effect as a consequence of its stock option plans.

Segment reporting

A business segment is a group of separately-identifiable activities or operations that supply a collection of related products and services which are subject to risks and benefits that differ from those of the Group's other business segments.

IFRS 8 requires the segment information provided to be based on the elements used by senior management (the "Chief Operating Decision Maker" — CODM) for the analysis of performance and for operational decision making.

Additional information about financial instruments

Pursuant to IFRS 7, additional information is provided about the Group's financial instruments in order to assess:

- their impact on the financial position, results of operations and cash flows of the business;
- the nature and extent of the risks deriving from the financial instruments to which the business is exposed, and
- the ways in which such risks are managed.

Changes in accounting policies, new accounting standards, changes in accounting estimates and reclassifications

The accounting policies adopted for the preparation of these interim consolidated financial statements are the same as those applied to prepare the consolidated financial statements as at and for the year ended 31 December 2008.

Scope of consolidation

The scope of consolidation at 30 September 2009 comprises the following subsidiaries of YOOX S.p.A.:

- YOOX Corporation formed in 2002 to manage sales in America;
- YOOX Japan formed in 2004 to manage sales in Japan;
- Y Services Ltd formed in 2007 to manage the United States sales of the online stores for the following brands: Emporio Armani, Diesel, Miss Sixty, Energie, Marni and D&G.

At 30 September 2009, the scope of consolidation includes the following companies:

Company	Registered offices	Share capital at 30/09/2009	Percentage held at 30/09/2009 %
YOOX S.p.A.	Via Nannetti1 – 40069 Zola Predosa – Bologna, Italy	423	—
YOOX Corporation	15 East North Street, Dover, Delaware 19901, United States of America	248	100%
Y Services Ltd	1220 Market St. Ste 806, Wilmington, Delaware 19801, United States of America	125	100%
YOOX Japan KK.............................	Grande Maison Daikanyama No. 1001 150 0022 Shibuya-ku, Tokyo, Japan	75	100%

The scope of consolidation has not changed since 30 September 2008.

Segment reporting

The Group's operating segments were determined with reference to the reporting information used by the Group's senior management when making strategic decisions. These reports, which reflect the way the Group is currently organized, cover the various products and services offered and are prepared using the accounting policies described earlier (IFRS).

The operating segments generate net revenues from the specific production and selling activities described below:

- Multi-Brand, comprising the online, multi-brand store activities of yoox.com and thecorner.com:
  a. yoox.com, operational since June 2000, offers a wide assortment of quality clothing, footwear and accessories at reduced prices. These items are drawn from the collections of well-known brands for the corresponding season in the prior year. This high-level range is completed by a selection of exclusive items (collections produced solely for yoox.com), vintage garments and special editions created by leading stylists and designers, as well as books, works of art and design objects;
  b. thecorner.com, operational since February 2008, hosts a number of shop-in-shops dedicated to the current collections of established, niche and/or artisan brands that are not readily available elsewhere.
- Mono-Brand, comprising the design, creation and management, on an exclusive basis, of the online stores of certain leading, global fashion brands that have appointed the Group as their strategic partner for this specific sales channel. The goods available from the online stores are sold and invoiced directly to the end customer by YOOX.

In addition, the Group has a Corporate and Central Services Area that directs and coordinates its activities. This Area also plays a key role in facilitating functional integration between the various Areas, and in supporting the operational activities directly associated with each operating segment. This Area comprises Group Management, administration, finance and control, legal affairs, general services, security, personnel, the press relations office and IT, as well as internal audit and corporate communications.

The Group evaluates the performance of its operating segments by reference to their operating results, being the results generated by ordinary operations.

The net revenue of the segments presented comprises net revenues directly generated by or attributable to them, deriving from their core activities. They include solely the net revenues earned from transactions with third parties, since no net revenues is generated from transactions with other segments. Segment costs comprise the direct costs charged by third parties in relation to the operating activities of each segment, together with other directly-attributable costs. No costs are incurred in relation to other operating segments.

The operational reporting system used by senior management for the evaluation of business performance does not envisage the allocation to segments of depreciation, amortization or other non-monetary income and expenses. Accordingly, the information presented herein is consistent with the Group's internal reporting system.

Furthermore, in the context of Group management, the Corporate function is responsible for general expenses, non-recurring income and expense, and taxation, since they are unrelated to the operating activities of each segment. These items are therefore classified accordingly below.

All the elements of income presented below are stated using the accounting policies applied for the preparation of the consolidated financial statements.

Income statement figures for each operating segment for the periods ended 30 September 2009 and 2008, as reconciled with the related captions in the Group's income statement, is presented below:

	Multi-brand		Mono-brand		Corporate		Group total	
	Period ended 30 September 2009	30 September 2008	30 September 2009	30 September 2008	30 September 2009	30 September 2008	Period ended 30 September 2009	30 September 2008
Segment net revenues	**88,779**	**61,678**	**17,968**	**10,038**	**—**	**—**	**106,747**	**71,716**
Segment operating profit	**14,304**	**9,632**	**2,328**	**1,145**			**16,632**	**10,776**
Reconciliation with Group results:								
General expenses					(9,706)	(8,365)	**(9,706)**	**(8,365)**
Other depreciation and amortization not attributable to operating segments					(272)	(288)	**(272)**	**(288)**
Other operating income and expense					(789)	(702)	**(789)**	**(702)**
Non-recurring expense					—	(130)	**—**	**(130)**
Group operating profit/(loss)	**14,304**	**9,632**	**2,328**	**1,145**	**(10,767)**	**(9,484)**	**5,865**	**1,291**
Financial income					442	405	**442**	**405**
Financial expense					(1,455)	(1,222)	**(1,455)**	**(1,222)**
Profit before taxation							**4,852**	**473**
Taxation					(2,010)	(913)	**(2,010)**	**(913)**
Profit/(loss) for the period							**2,842**	**(440)**

Information by geographical segment

The following table analyzes by geographical segment the Group's net revenues from sales for the three quarters of 2009 and 2008:

	Three quarters		
	2009	2008	Change
Italy	28,120	20,248	7,873
Europe (excluding Italy)	53,071	35,055	18,016
North America	16,778	11,776	5,001
Japan	6,435	3,280	3,154
Other countries	618	397	221
Unrelated to area geographical segments	1,725	960	765
Total net revenues	**106,747**	**71,716**	**35,031**

The "Unrelated to geographical segments" caption includes the set-up fees charged to create the online stores, the charges made for maintaining them, net revenues from the sale of multi-brand advertising projects and net revenues from multi-brand activities as a web marketing agency, in addition to net revenues generated from setting up mono-brand company websites and net revenues from sales using alternative channels.

The table showing net revenues by geographical segment is consistent with the Group's control model. Under this control model, only sales to online customers are allocated by country.

1. Notes to the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows

Income statement

1.1 Net revenues

Net revenues from sales rose from Euro 67,872 thousand in the three quarters of 2008 to Euro 100,423 thousand in the three quarters of 2009, up approximately 48%. It comprises all net revenues from the sale of goods, net of discounts granted to customers and returns, and from the provision of services.

The Group's net revenues from sales during the nine-month periods ended 30 September 2008 and 30 September 2009 is analyzed as follows:

	Three quarters of		
	2009	2008	Change
Net revenues from the sale of goods	100,423	67,872	32,551
Net revenues from the provision of services	6,324	3,844	2,480
Total	**106,747**	**71,716**	**35,031**

The significant increase in net revenues from the sale of goods in the three quarters of 2009 is substantially due to the strong trend in sales volumes. Specifically, volumes grew mainly in relation to the rise in the number of orders.

The analysis of net revenues by geographical segment and by operating segment is presented in notes 7 and 8 on the Group's operating segments.

Revenue from the sale of goods is stated net of sales returns, amounting to Euro 36,798 thousand in the first nine months of 2009, or 26.8% of gross revenue from the three quarters of 2009 (revenue from the sale of goods before returns from customers during the three quarters of 2009), and Euro 24,494 thousand in the three quarters of 2008, or 26.5% of gross revenue in the three quarters of 2008 (revenue from the sale of goods before returns from customers during the three quarters of 2008). Such returns are an inherent part of the Group's business activities, reflecting the protection provided to consumers, by the legislation in force in the countries where the Group operates, in relation to correspondence sales and, in particular, to e-commerce.

Net revenues from the provision of services, which rose from Euro 3,844 thousand in the three quarters of 2008 to Euro 6,324 thousand in the three quarters of 2009, mainly includes:

- the recharge of outbound transport services to the end customer (in certain countries the customer also pays for return shipments too), net of the reimbursements made if the customer returns the goods sold;
- net revenues from the set-up fees charged to create the online stores and from the maintenance fees charged to strategic partners of the Mono-Brand segment for the set-up/maintenance of their online stores;
- net revenues from the sale of advertising projects, web marketing agency activities and the set-up of company websites with strategic partners.

1.2 Cost of goods sold

The cost of goods sold amounts to Euro 66,846 thousand (62.6% of net revenues) in the three quarters of 2009, compared to Euro 45,073 thousand (62.9% of net revenues) in the three quarters of 2008. The cost of goods sold also includes the cost of outbound transport as well as the costs for services and other costs.

The cost of goods sold is analyzed by type of expenditure in the following table:

	Three quarters of		
	2009	**2008**	**Change**
Change in inventories of goods	7,672	7,558	114
Purchase of goods	(63,990)	(44,855)	(19,135)
Cost of services	(9,726)	(7,210)	(2,516)
Other costs	(802)	(566)	(236)
Total	**(66,846)**	**(45,073)**	**(21,773)**

The cost of purchasing goods rose from Euro 44,855 thousand in the three quarters of 2008 to Euro 63,990 thousand in the three quarters of 2009. The cost of purchasing goods reflects the procurement of goods for resale, the value of which is directly related to the volume of items sold.

The cost of services increased from Euro 7,210 thousand in the three quarters of 2008 to Euro 9,726 thousand in the three quarters of 2009, up 34.9%. This caption includes outbound transport to customers and the collection of returns; part of the cost of outbound transport is invoiced directly to end customers and recognized as revenue from the provision of services, net of the reimbursements made if the customer returns the goods sold.

Other costs went from Euro 566 thousand in the three quarters of 2008 to Euro 802 thousand in the three quarters of 2009, with an increase of 41.7%. These costs principally comprise inbound transport, together with personnel expenses for internal staff and the cost of external suppliers incurred to set up and maintain websites for the strategic partners of the Mono-Brand operating segment.

1.3 Fulfillment's cost

Fulfillment's cost amounts to Euro 11,426 thousand (10.7% of net revenues) for the three quarters of 2009, versus Euro 8,888 thousand (12.4% of net revenues) in the three quarters of 2008, up Euro 2,538 thousand.

This cost essentially comprises the functional costs incurred for the digital reproduction of goods, cataloguing and quality control, warehouse logistics and the provision of customer services, such as the call center and customer care.

The costs incurred for fulfillment are analyzed in the following table:

	Three quarters of		
	2009	**2008**	**Change**
Cost of services	(8,265)	(6,149)	(2,116)
Personnel expenses	(2,690)	(2,331)	(359)
Depreciation and amortization	(251)	(282)	31
Other costs	(220)	(126)	(94)
Total	**(11,426)**	**(8,888)**	**(2,538)**

The cost of services rose from Euro 6,149 thousand in the three quarters of 2008 to Euro 8,265 thousand in the three quarters of 2009, up 34.4%. These services principally comprise the handling of goods, packaging and other outsourced production processes.

Personnel expenses increased from Euro 2,331 thousand in the three quarters of 2008 to Euro 2,690 thousand in the three quarters of 2009, up 15.4%. In the three quarters of 2009, they included Euro 41 thousand (Euro 88 thousand in the three quarters of 2008) relating to the granting of stock options. In addition to the cost of employees, personnel expenses also include the cost of other resources, such as interns, collaborators and consultants, that are personnel related.

1.4 Selling expenses

Selling expenses rose from Euro 7,266 thousand in the three quarters of 2008 to Euro 12,115 thousand in the three quarters of 2009, up 66.7%.

These expenses comprise most of the payroll costs of employees working within the commercial and marketing functions. They also include costs incurred for web marketing (including online affiliations, i.e., sales commissions paid to commercial intermediaries), consultancy on the creation and development of advertising campaigns) and procurement. In addition, selling expenses include the collection commissions charged on credit card transactions and other forms of payment made via intermediaries, as well as the customs duties levied on purchases associated with the import and export of the goods sold.

The table below analyzes selling expenses:

	Three quarters of 2009		
	2009	**2008**	**Change**
Cost of services	(7,711)	(4,596)	(3,115)
Personnel expenses	(3,225)	(1,890)	(1,335)
Depreciation and amortization	(20)	(5)	(15)
Other costs	(1,159)	(775)	(384)
Total	**(12,115)**	**(7,266)**	**(4,849)**

The cost of services rose from Euro 4,596 thousand in the three quarters of 2008 to Euro 7,711 thousand in the three quarters of 2009, up 67.8%. The cost of services incurred during the three quarters of 2009 mainly comprises:

- web marketing costs of Euro 3,181 thousand (Euro 2,031 thousand in the three quarters of 2008). These costs relate to the purchase of online advertising projects, the negotiation and implementation of marketing agreements, the development of new partnerships, and the management of existing agreements from a commercial and technical standpoint, mainly in relation to the Multi-Brand operating segment;
- credit card transaction charges of Euro 1,789 thousand (Euro 1,326 thousand in the three quarters of 2008);
- customs duties of Euro 1,706 thousand (Euro 1,059 thousand in the three quarters of 2008).

Personnel expenses grew from Euro 1,890 thousand in the three quarters of 2008 to Euro 3,225 thousand in the three quarters of 2009, up 70.6%, due to the combined effect of the growth in the number of employees in this segment, from 48 at 30 September 2008 to 75 at 30 September 2009 and the increase in employees of the foreign branches, up from 6 at 30 September 2008 to 11 at 30 September 2009. Personnel expenses in the three quarters of 2009 include Euro 126 thousand (Euro 151 thousand in the three quarters of 2008) relating to the granting of stock options. In addition to the cost of employees, personnel expenses also include the cost of other resources, such as interns, collaborators and consultants, that are personnel related.

Other costs rose from Euro 775 thousand in the three quarters of 2008 to Euro 1,159 thousand in the three quarters of 2009, up 49.5%. This caption principally includes the cost of fraud in relation to online sales, going from Euro 487 thousand in the three quarters of 2008 to Euro 759 thousand in the three quarters of 2009, up 55.9%.

1.5 General expenses

General expenses amount to Euro 8,365 thousand for the three quarters of 2008 compared to Euro 9,706 thousand in the three quarters of 2009, up 16.0%.

General expenses comprise all the overhead costs attributable to the following functions at the Group's various locations: personnel, administration, finance and control, communications and corporate image, general management, general services, security, IT, internal audit and corporate communications.

The table below analyzes general expenses:

	Three quarters of		
	2009	2008	Change
Cost of services	(4,554)	(3,782)	(772)
Personnel expenses	(3,922)	(3,399)	(523)
Depreciation and amortization	(1,110)	(954)	(156)
Provisions	(120)	(230)	110
Total	**(9,706)**	**(8,365)**	**(1,341)**

The cost of services rose from Euro 3,782 thousand in the three quarters of 2008 to Euro 4,554 thousand in the three quarters of 2009, up 20.4%. These include:

- legal and administrative consultancy of Euro 907 thousand (Euro 662 thousand in the three quarters of 2008);
- rental costs of Euro 563 thousand (Euro 361 thousand in the three quarters of 2008);
- IT infrastructure costs and communications and image service costs.

Personnel expense grew from Euro 3,399 thousand in the three quarters of 2008 to Euro 3,922 thousand in the three quarters of 2009, up 15.4%, due to the effect of the growth in the number of employees involved in these functions, up from 76 at 30 September 2008 to 116 at 30 September 2009, partly offset by the decrease in personnel expenses relating to the granting of stock options. These costs fell from Euro 529 thousand in the three quarters of 2008 to Euro 263 thousand in the three quarters of 2009. In addition to the cost of employees, personnel expenses also include the cost of other resources, such as interns, collaborators and consultants, that are personnel related.

Depreciation and amortization rose from Euro 954 thousand in the three quarters of 2008 to Euro 1,110 thousand in the three quarters of 2009, up 16.4%.

Provisions decreased from Euro 230 thousand in the three quarters of 2008 to Euro 120 thousand in the three quarters of 2009. Provisions relate to the estimated impairment losses on receivables recognised in the related provisions at the end of the reporting period.

1.6 Other operating income and charges

Other operating income and charges rose from Euro 702 thousand in the three quarters of 2008 to Euro 789 thousand in the three quarters of 2009, up 12.4%. Other operating income and charges comprise all items not attributable to the principal business functions.

Other operating income and charges are analyzed in the following table:

	Three quarters of		
	2009	2008	Change
Prior year expense	(547)	(431)	(117)
Theft and losses	(308)	(243)	(65)
Other tax charges	(75)	(94)	20
Other charges	(66)	(72)	6
Provisions for risks	(213)	(7)	(206)
Prior year income	283	106	177
Reimbursements	137	38	99
Other income	1	1	—
Total	**(789)**	**(702)**	**(86)**

Prior year expense rose from Euro 431 thousand in the three quarters of 2008 to Euro 547 thousand in the three quarters of 2009, up 26.9%. This caption includes charges deriving from ordinary operations associated with the volume of sales.

Theft and losses relate to goods sent to end customers and already identified as missing at the end of the reporting period. Transport contracts include insurance for these types of events.

Other tax charges fell from Euro 94 thousand in the three quarters of 2008 to Euro 75 thousand in the three quarters of 2009, down 20.2%

Provisions for risks in the three quarters of 2009 relate to the estimated charge incurred due to stolen and missing goods that had not yet been identified as missing at the end of the reporting period.

1.7 Non-recurring expense

No non-recurring expense was incurred in the three quarters of 2009. Non-recurring expense incurred in the three quarters of 2008 amounts to Euro 130 thousand and relates to a loss due to the move and a fire that occurred in August 2007 at the Milan premises, entailing losses on various Group assets.

1.8 Operating profit

As required by IAS 1, the following table analyzes costs by nature included in operating profit.

	Three quarters of 2009		
	2009	**2008**	**Change**
Net revenues	106,747	71,716	35,031
Change in inventories	7,672	7,558	114
Purchase of goods	(63,990)	(44,855)	(19,135)
Services	(30,257)	(21,737)	(8,520)
Personnel expenses	(9,837)	(7,620)	(2,217)
Depreciation, amortization and impairment losses	(1,502)	(1,471)	(31)
Other costs and revenue	(2,968)	(2,300)	(668)
Total	**5,865**	**1,291**	**4,575**

Operating profit rose from Euro 1,291 thousand in the three quarters of 2008 to Euro 5,865 thousand in the three quarters of 2009, accounting for 1.8% of net revenues in the three quarters of 2008 and 5.5% in the three quarters of 2009. This significant increase is due to the Group's recovery of profitability as a result of commercial policies aimed at better absorbing fixed costs giving the substantial growth in volumes.

1.9 Financial income

Financial income increased from Euro 405 thousand in the three quarters of 2008 to Euro 442 thousand in the three quarters of 2009.

Financial income is analyzed in the following table:

	Three quarters of		
	2009	**2008**	**Change**
Bank interest income	57	32	25
Exchange rate gains	234	276	(42)
Other financial income	151	97	54
Total	**442**	**405**	**37**

Exchange rate gains decreased from Euro 276 thousand in the three quarters of 2008 to Euro 234 thousand in the three quarters of 2009. They principally derive from the translation of items denominated in US dollars and Japanese yen and are strictly associated with the routine sale of goods.

Other financial income rose from Euro 97 thousand in the three quarters of 2008 to Euro 151 thousand in the three quarters of 2009, mainly reflecting the collection of premiums on the derivatives arranged to hedge currency risk, in addition to the recognition of their fair value.

1.10 Financial expense

Financial expense increased from Euro 1,222 thousand in the three quarters of 2008 to Euro 1,455 thousand in the three quarters of 2009.

Financial expense is analyzed in the following table:

	Three quarters of		
	2009	**2008**	**Change**
Interest expense	(634)	(758)	124
Exchange rate losses	(585)	(190)	(395)
Other financial expense	(236)	(273)	37
Total	**(1,455)**	**(1,222)**	**(234)**

Interest expense decreased from Euro 758 thousand in the three quarters of 2008 to Euro 634 thousand in the three quarters of 2009, down 16.4%. This decrease is mainly due to interest rates that are currently lower than those in effect in the three quarters of 2008, despite the greater average value of debt in the three quarters of 2009 compared to the three quarters of 2008.

Exchange rate losses rose from Euro 190 thousand in the three quarters of 2008 to Euro 585 thousand in the three quarters of 2009. They principally derive from the translation of items denominated in US dollars and Japanese yen and are strictly associated with the routine sale of goods.

Other financial expense fell from Euro 273 thousand in the three quarters of 2008 to Euro 236 thousand in the three quarters of 2009. It relates to commissions paid to banks for loans and the banks' issue of *sureties* to third parties in the interests of the Group. This caption also includes the premiums paid for the contracts that hedge currency risk and their recognition at fair value.

1.11 Taxation

The table below analyzes taxation:

	Three quarters of		
	2009	**2008**	**Change**
Current taxes — Parent IRES(1)	(2,088)	—	(2,088)
Current taxes — Parent IRAP(2)	(501)	(344)	(157)
Current taxes — foreign companies	(644)	(356)	(288)
Deferred taxes	1,223	(214)	1,437
Total taxation	**(2,010)**	**(913)**	**(1,096)**

(1) IRES: Imposta sul Reddito delle Società (corporate income tax)
(2) IRAP: Imposta Regionale sulle Attività Produttive (regional tax on productive activities)

In absolute terms, the Group's tax charge is higher than that at 30 September 2008. Current taxes increased from Euro 700 thousand to Euro 3,233 thousand.

The Parent's IRAP charge rose by 45.6% (IRAP at 30 September 2009 amounts to Euro 501 thousand, versus Euro 344 thousand at 30 September 2008).

With respect to IRES, as the Parent recognized losses in previous years, the residual part of tax losses amounting to Euro 223 thousand can be used. Accordingly, IRES amounts to Euro 2,088 thousand.

The Group's foreign companies show a tax charge of roughly Euro 644 thousand, entirely due to the higher tax profit resulting from the growth in operations in the three quarters of 2009.

In addition, the Group has recognised deferred tax assets of Euro 2,413 thousand and deferred tax liabilities of Euro 39 thousand. It also reversed Euro 1,151 thousand of the deferred tax assets recognised in 2008.

1.12 Basic and diluted earnings per share

On 8 September 2009, during the extraordinary meeting, the Parent's shareholders resolved, inter alia, to fraction the Parent's 813,897 ordinary shares, reducing their implicit nominal value and increasing their number to 42,322,644. At 30 September 2009, the Group's share capital amounts to Euro 423,226.44, made up of 42,322,644 ordinary shares, without an indication of nominal value.

It should be noted, inter alia, that following the shareholders' resolution to fraction the shares during the Parent's extraordinary shareholders' meeting of 8 September 2009, should the beneficiaries of the stock option plans exercise their options, they will be entitled to 52 ordinary shares for every option exercised.

The basic earnings/(loss) per share and the diluted earnings/(loss) per share presented in the consolidated income statement are calculated in the following table.

Calculation of basic EPS	Balance at 30/09/2009	Balance at 30/09/2008
Basic earnings (loss)	2,842	(440)
Average number of ordinary shares (basic)	41,579,309	39,986,958
Basic EPS	**0.0684**	**(0.0110)**

Calculation of diluted EPS	Balance at 30/09/2009	Balance at 30/09/2008
Basic earnings (loss)	2,842	(440)
Average number of ordinary shares (basic)	41,579,309	39,986,958
Average number of shares granted without consideration	5,854,836	
Total	47,434,145	39,986,958
Diluted EPS	**0.0599**	**(0.0110)**

The average number of shares granted without consideration at 30 September 2009 and 30 September 2008, included in the calculation of diluted EPS, relates to the effect of granting stock options that, as envisaged by IFRS 2, could be exercised since they vested in prior years.

In the three quarters of 2008, the diluted loss per share was the same as the basic loss per share since, as envisaged in IFRS 2, the anti-dilution effect of exercising the stock options granted was ignored.

Statement of financial position

1.13 Property, plant and equipment

Property, plant and equipment total Euro 3,342 thousand at 30 September 2009. The following table summarizes the changes in property, plant and equipment during the three quarters of 2009:

	Historical cost at 31/12/2008	Increases	Decreases	Reclassifications	Historical cost at 30/09/2009	Acc. depr. at 31/12/2008	Depr.	Utilizations	Other movements	Acc. depr. at 30/09/2009	Net carrying amount at 31/12/2008	Net carrying amount at 30/09/2009
Plant and machinery	**1,419**	**29**	**—**	**—**	**1,448**	**(560)**	**(144)**	**—**	**—**	**(704)**	**859**	**744**
Ind. and comm. equipment	**780**	**45**	**—**	**—**	**825**	**(357)**	**(80)**	**—**	**—**	**(437)**	**423**	**387**
Other assets	**4,374**	**530**	**(534)**	**—**	**4,369**	**(2,175)**	**(545)**	**529**	**34**	**(2,157)**	**2,199**	**2,210**
Furniture and furnishings	574	68	—	—	642	(304)	(67)	1	—	(370)	270	272
Electronic equipment	2,484	408	(532)	—	2,359	(1,363)	(317)	528	34	(1,118)	1,121	1,241
Motor vehicles	1	—	—	—	1	(1)	—	—	—	(1)	—	—
Mobile telephones	21	—	—	—	21	(14)	(3)	—	—	(17)	7	3
Other non-current assets	72	12	—	—	84	(55)	(8)	—	—	(63)	17	21
Other assets (leasehold improvements)	1,222	42	(2)	—	1,263	(438)	(150)	—	—	(588)	784	674
Assets under construction and payments on account	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**6,573**	**604**	**(534)**	**—**	**6,642**	**(3,092)**	**(770)**	**529**	**34**	**(3,299)**	**3,481**	**3,342**

Property, plant and equipment total Euro 3,441 thousand at 30 September 2009. The following table summarizes the changes in property, plant and equipment during the three quarters of 2008:

	Historical cost at 31/12/2007	Increases	Decreases	Reclassifications	Historical cost at 30/09/2008	Acc. depr. at 31/12/2007	Depr.	Utilizations	Other movements	Acc. depr. at 30/09/2008	Net carrying amount at 31/12/2007	Net carrying amount at 30/09/2008
Plant and machinery	**1,214**	**57**	—	**6**	**1,277**	**(383)**	**(124)**	—	—	**(507)**	**831**	**769**
Ind. and comm. equipment	**1,148**	**54**	**(396)**	—	**806**	**(493)**	**(70)**	**230**	—	**(333)**	**655**	**474**
Other assets	**2,928**	**917**	**(22)**	**387**	**4,210**	**(1,621)**	**(405)**	**15**	—	**(2,011)**	**1,307**	**2,199**
Furniture and furnishings	457	76	—	—	533	(231)	(52)		—	(283)	226	250
Electronic equipment	1,877	501	(16)	—	2,362	(1,030)	(252)	13	—	(1,268)	847	1,093
Motor vehicles	3	—	(2)	—	1	(3)	—	2	—	(2)	—	—
Mobile telephones	21	—	—	—	21	(10)	(3)	—	—	(13)	11	8
Assets costing less than Euro 516	9	—	—	—	9	(9)	—	—	—	(9)	—	—
Other non-current assets	35	12	—	—	47	(19)	(14)	—	—	(33)	16	14
Other assets (leasehold improvements)	526	328	(4)	387	1,237	(319)	(83)	—	—	(402)	207	835
Assets under construction and payments on account	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**5,290**	**1,027**	**(417)**	**393**	**6,293**	**(2,497)**	**(599)**	**245**	**—**	**(2,851)**	**2,793**	**3,441**

Additions to property, plant and equipment during the three quarters of 2009 amount to Euro 604 thousand.

They include investments in other assets amounting to Euro 530 thousand, mainly for new servers, personal computers and monitors, held under finance leases, totalling Euro 352 thousand. The residual investments of Euro 178 thousand mainly relate to the purchase of new servers, personal computers, monitors and printers, as well as new data storage equipment and costs incurred by the Group primarily to furnish the offices at the registered offices in Zola Predosa.

Additions to property, plant and equipment during the three quarters of 2008 amount to Euro 1,027 thousand. They include investments in other assets of Euro 917 thousand, mainly relating to new servers, personal computers, monitors and printers, as well as new data storage equipment and costs incurred to renovate the new office in Milan, via Villoresi 19/8 which the Group rents and bring it up to standards.

There are no liens or mortgages on the YOOX Group's property, plant and equipment.

1.14 Intangible assets with finite useful life

At 30 September 2009, intangible assets amount to Euro 3,317 thousand.

The following table summarizes the changes in intangible assets with a finite useful life during the three quarters of 2009:

	Historical cost at 31/12/2008	Increases	Decreases	Reclassifications	Historical cost at 30/09/2009	Acc. amort. at 31/12/2008	Amort.	Utilizations	Other movements	Acc. amort. at 30/09/2009	Net carrying amount at 31/12/2008	Net carrying amount at 30/09/2009
Development costs	**1,618**	**—**	**—**	**416**	**2,034**	**(627)**	**(439)**	**—**	**—**	**(1,066)**	**991**	**967**
Software and licenses	**1,484**	**255**	**—**	**—**	**1,739**	**(1,300)**	**(113)**	**—**	**—**	**(1,413)**	**184**	**326**
Brands and other rights	**518**	**—**	**—**	**—**	**518**	**(441)**	**(8)**	**—**	**—**	**(449)**	**77**	**68**
Trademarks and patents	518	—	—	—	518	(441)	(8)	—	—	(449)	77	68
Assets under development	**1,001**	**1,330**	**—**	**(416)**	**1,916**	**—**		**—**	**—**	**—**	**1,001**	**1,916**
Other	**918**	**62**	**—**	**—**	**980**	**(890)**	**(50)**	**—**	**—**	**(940)**	**28**	**40**
Other intangible assets	918	62	—	—	980	(890)	(50)	—	—	(940)	28	40
Total	**5,539**	**1,647**	**—**	**—**	**7,186**	**(3,258)**	**(610)**	**—**	**—**	**(3,868)**	**2,281**	**3,317**

	Historical cost at 31/12/2007	Increases	Decreases	Reclassifications	Historical cost at 30/09/2008	Acc. amort. at 31/12/2007	Amort.	Utilizations	Other movements	Acc. amort. at 30/09/2008	Net carrying amount at 31/12/2007	Net carrying amount at 30/09/2008
Development costs	**263**	**792**	**—**	**711**	**1,766**	**(87)**	**(334)**	**—**	**—**	**(421)**	**176**	**1,346**
Software and licenses	**1,284**	**165**	**—**	**—**	**1,449**	**(1,109)**	**(134)**	**—**	**—**	**(1,243)**	**175**	**206**
Brands and other rights	**508**	**6**	**—**	**—**	**514**	**(431)**	**(8)**	**—**	**—**	**(439)**	**77**	**75**
Trademarks and patents	508	6	—	—	514	(431)	(8)	—	—	(439)	77	75
Assets under development	**712**	**747**	**—**	**(1,104)**	**355**	**—**		**—**	**—**	**—**	**712**	**355**
Other	**896**	**22**	**—**	**—**	**918**	**(671)**	**(165)**	**—**	**—**	**(836)**	**225**	**82**
Other intangible assets	896	22	—	—	918	(671)	(165)	—	—	(836)	225	82
Total	**3,663**	**1,733**	**—**	**(393)**	**5,003**	**(2,298)**	**(641)**	**—**	**—**	**(2,939)**	**1,365**	**2,064**

The principal changes in these captions during the period are described below.

Additions to intangible assets during the three quarters of 2009 amount to Euro 1,647 thousand.

They mainly relate to investments in development projects that will result in long-term benefits. The total investment of Euro 1,330 thousand includes Euro 914 thousand for projects not yet completed at 30 September 2009, which are classified as assets under development, and Euro 416 thousand for projects completed at 30 September 2009 and classified as development costs. These are costs incurred for the development of specific projects to, as mentioned above, continuously develop innovative solutions for the creation and management of online stores. They relate to both internal personnel expenses and costs for third party services. The remaining Euro 317 thousand mainly relates to software and licenses (Euro 255 thousand) for the purchase and implementation of administrative and management software.

Additions to intangible assets during the three quarters of 2008 amount to Euro 1,733 thousand. They mainly relate to investments in development projects *that will result in long-term benefits. The total investment of Euro 1,539 thousand includes Euro 36 thousand for projects not yet completed at 30 September 2008, which are classified as assets under development, and Euro 1,503 thousand for projects completed at 30 September 2008 and classified as development costs. These are costs incurred for the development of specific projects to, as mentioned above, continuously develop innovative solutions for the creation and management of online stores*. They relate to both internal personnel expenses and costs for third party services. The remaining Euro 194 thousand mainly relates to software and licenses *(Euro 165 thousand) for the purchase and implementation of administrative and management software*.

1.15 Deferred tax assets

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Deferred tax assets	2,665	1,405	1,260
Total	**2,665**	**1,405**	**1,260**

Deferred tax assets rose from Euro 1,405 thousand at 31 December 2008 to Euro 2,665 thousand at 30 September 2009, up 89.7%. Deferred tax assets at 30 September 2009 are recognised on the provisions for impairment losses on receivables, the provision for obsolete inventories and the provisions for risks and charges accrued by the Group companies.

The increase on 31 December 2008 is mainly due to the increase in the provision for obsolete inventories, the provisions for risks and charges and the recognition of deferred tax assets on the elimination of intercompany profits in the interim consolidated financial statements.

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Deferred tax assets	1,107	1,315	(208)
Total	**1,107**	**1,315**	**(208)**

Deferred tax assets decreased from Euro 1,315 thousand at 31 December 2007 to Euro 1,107 thousand at 30 September 2008, down 18.8%.

Deferred tax assets at 30 September 2008 were recognized solely in relation to the tax losses that can be carried forward indefinitely, following an assessment of the likely offset against future taxable income.

1.16 Other non-current financial assets

Other non-current financial assets total Euro 398 thousand at 30 September 2009 (Euro 1,235 thousand at 31 December 2008) and mainly comprise guarantee deposits.

At 30 September 2009, the guarantee deposits that do not earn interest were paid on the signature of rental contracts, contracts for the supply of electricity and gas and transactions with *Paymentech* to guarantee the amount of repayments due for returns made against sales. The Euro 837 thousand decrease at 30 September 2009 compared to 31 December 2008 is mainly due to the repayment of the *Global Collect* guarantee deposit of Euro 800 thousand, as it was replaced by the bank surety issued by BNP Paribas for the same amount.

Other non-current financial assets total Euro 1,106 thousand at 30 September 2008 (Euro 576 thousand at 31 December 2007) and mainly comprise guarantee deposits.

The guarantee deposits that do not earn interest were paid on the signature of rental contracts and contracts for the supply of electricity and gas to the Parent. The increase with respect to the prior year was partly due to the opening of the Parent's offices in Paris and Madrid during the first half of 2008.

The guarantee deposits denominated in US dollars, Japanese yen and Euro reflect retentions made by Paymentech and Global Collect to guarantee the amount of repayments due for returns made against sales. YOOX Corporation has also made a deposit with JP Morgan Chase to guarantee the company's credit card transactions.

1.17 Inventories

Inventories at 30 September 2009 and 31 December 2008 are analyzed below:

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Raw materials, consumables and supplies	195	177	18
Total	**195**	**177**	**18**
Finished goods	51,029	41,704	9,325
Provision for obsolete finished goods	(5,096)	(3,229)	(1,867)
Total	**45,933**	**38,475**	**7,458**
Total inventories, net	**46,128**	**38,652**	**7,476**

Inventories increased by 19.3% from Euro 38,652 thousand at 31 December 2008 to Euro 46,128 thousand at 30 September 2009. They comprise goods that have been purchased for subsequent resale online.

This increase was only partially due to the growth in sales during the three quarters of 2009. In particular, the Group's business model involves purchasing goods in advance of the selling season, which may fall in the following period.

87% of inventories at 30 September 2009, before the provision for obsolete inventories, relates to goods currently on sale and goods purchased and intended for sale in forthcoming months.

Goods representing earlier and/or obsolete collections have been written down via the provision for obsolete inventories, which takes account of their estimated realizable value. The increase in the provision for obsolete inventories was Euro 1,867 thousand. Accordingly, this provision has risen from Euro 3,229 thousand at 31 December 2008 to Euro 5,096 thousand at 30 September 2009.

The provision for obsolete inventories reflected in the statement of financial position is considered to be adequate, having regard for the actual quantities of obsolete and slow-moving goods on hand.

Inventories at 30 September 2008 and 31 December 2007 are analyzed below:

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Raw materials, consumables and supplies	184	28	156
Total	**184**	**28**	**156**
Finished goods	39,207	30,262	8,945
Provision for obsolete finished goods	(3,329)	(2,181)	(1,148)
Total	**35,878**	**28,081**	**7,797**
Total inventories, net	**36,062**	**28,109**	**7,953**

Inventories increased by 28.3% from Euro 28,109 thousand at 31 December 2007 to Euro 36,062 thousand at 30 September 2008. They comprise goods that have been purchased for subsequent resale online.

This increase was only partially due to the growth in sales during the three quarters of 2008. In particular, the Group's business model involves purchasing goods in advance of the selling season, which may fall in the following period.

87% of inventories at 30 September 2008, before the provision for obsolete inventories, relates to goods currently on sale and goods purchased and intended for sale in forthcoming months.

Goods representing earlier and/or obsolete collections have been written down via the provision for obsolete inventories, which takes account of their estimated realizable value. The increase in the provision for obsolete inventories was Euro 1,148 thousand. Accordingly, this provision has risen from Euro 2,181 thousand at 31 December 2007 to Euro 3,329 thousand at 30 September 2008.

The provision for obsolete inventories reflected in the statement of financial position is considered to be adequate, having regard for the actual quantities of obsolete and slow-moving goods on hand.

1.18 Trade receivables

Trade receivables at 30 September 2009 and 31 December 2008 are analyzed below:

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Due from customers	1,632	2,235	(603)
Other trade receivables	2,391	2,116	275
Provision for impairment losses	(553)	(440)	(114)
Services under completion	15	—	15
Total	**3,484**	**3,911**	**(427)**

The amounts "due from customers" are fully recoverable within 12 months and relate to the trade receivables recorded on the sale of goods to individuals.

The other trade receivables mainly relate to the amounts due from online stores, principally following the supply of services.

Trade receivables decreased by 10.9% from Euro 3,911 thousand at 31 December 2008 to Euro 3,484 thousand at 30 September 2009, mainly due to the overall improvement in the collection policy in the three quarters of 2009.

The provision for impairment losses covers specific risks following the non-collection of notes issued and other receivables that are not considered recoverable. The provisions recorded during the period adjust receivables to their estimated realizable value.

Services under completion amount to Euro 15 thousand and relate to set-up fees due to the Group from its strategic partners, for which the Group designs and creates online stores. This caption is measured in accordance with the fees that accrued during the period on a percentage of completion basis.

Trade receivables at 30 September 2008 and 31 December 2007 are analyzed below:

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Due from customers	2,256	1,381	875
Other trade receivables	1,649	700	949
Provision for impairment losses	(438)	(203)	(235)
Total	**3,467**	**1,878**	**1,589**

The amounts "due from customers" are fully recoverable within 12 months and relate to the trade receivables recorded on the sale of goods to individuals (e-commerce receivables).

The other trade receivables mainly relate to the amounts due from online stores, principally following the supply of services.

Trade receivables rose by 84.6% from Euro 1,878 thousand at 31 December 2007 to Euro 3,467 thousand at 30 September 2008.

The provision for impairment losses covers specific risks following the non-collection of notes issued and other receivables that are not considered recoverable. The provisions recorded during the period adjust receivables to their estimated realizable value.

1.19 Other current assets

Other current assets at 30 September 2009 and 31 December 2008 are analyzed below:

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Other receivables	175	223	(48)
Advances to suppliers	69	9	60
Travel and payroll advances to employees	3	2	1
Due from acquirers	1,869	1,073	796
Prepayments and accrued income	1,788	1,008	780
Tax receivables	2,050	2,497	(448)
Hedging derivatives	43	70	(27)
Total	**5,997**	**4,882**	**1,115**

"Other receivables" principally comprise insurance compensation and the amounts paid to the Parent's tax representative in Greece.

"Due from acquirers" reflects customer payments already collected by foreign acquirers but not yet paid over to the Group at 30 September 2009 and 31 December 2008.

Prepayments mainly comprise costs relating to future years that were recognized financially during the three quarters of 2009. These costs mainly consist of consultancy for the forthcoming stock exchange listing, planned for the fourth quarter of 2009, software license fees, insurance and rentals. As envisaged by IAS 32, the listing costs incurred in 2008 and 2007, as well as the three quarters of 2009 that are directly related to the expected increase in share capital and reserves, will be recognized directly in equity as equity transactions when the related cash flows are received following the successful outcome of this process. Otherwise, these costs will be charged to the income statement.

"Tax receivables", which are entirely recoverable within one year, have decreased from Euro 2,497 thousand at 31 December 2008 to Euro 2,050 thousand at 30 September 2009, down 17.9%.

Other current assets at 30 September 2008 and 31 December 2007 are analyzed below:

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Other receivables	342	263	79
Advances to suppliers	196	26	170
Travel and payroll advances to employees	1	5	(4)
Due from acquirers	924	1,298	(374)
Prepayments and accrued income	883	519	364
Tax receivables	2,345	1,595	750
Hedging derivatives	40	28	12
Total	**4,731**	**3,734**	**997**

"Other receivables" principally comprise insurance compensation and the amounts paid to the Parent's tax representative in Greece.

"Due from acquirers" reflects customer payments already collected by foreign acquirers but not yet paid over to the Group at 30 September 2008 and 31 December 2007.

Prepayments mainly comprise costs relating to future years that were recognized financially during the three quarters of 2008.

These costs mainly consist of consultancy for the forthcoming stock exchange listing, planned for the fourth quarter of 2009, software license fees, insurance and rentals.

As envisaged by IAS 32, the listing costs incurred in 2008 and 2007 that are directly related to the expected increase in share capital and reserves will be recognized directly in equity as equity transactions when the related cash flows are received following the successful outcome of this process. Otherwise, these costs will be charged to the income statement.

"Tax receivables", which are entirely recoverable within one year, increased from Euro 1,595 thousand at 31 December 2007 to Euro 2,345 thousand at 30 September 2008, down 47%.

1.20 Cash and cash equivalents

Cash and cash equivalents at 30 September 2009 and 31 December 2008 are analyzed below:

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Bank and postal accounts	10,863	8,951	1,912
Cash and cash equivalents on hand	6	11	(5)
Total	**10,869**	**8,962**	**1,907**

This balance represents the cash and cash equivalents on hand at the end of the reporting period.

A more detailed analysis of the changes in the net financial position is provided in note 1.23.

Cash and cash equivalents at 30 September 2008 and 31 December 2007 are analyzed below:

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Bank and postal accounts	5,627	5,173	454
Cash and cash equivalents on hand	7	12	(5)
Total	**5,634**	**5,185**	**449**

This balance represents the cash and cash equivalents on hand at the end of the reporting period.

A more detailed analysis of the changes in the net financial position is provided in note 1.23.

1.21 Equity

On 8 September 2009, during the extraordinary meeting, the Parent's shareholders resolved, inter alia, to fraction the Parent's 813,897 ordinary shares, reducing their implicit nominal value and increasing their number to 42,322,644. At 30 September 2009, the Group's share capital amounts to Euro 423,226.44, made up of 42,322,644 ordinary shares, without an indication of nominal value.

Reference should be made to the specific schedule for an analysis of changes in equity at 30 September 2009.

Share capital amounts to Euro 423 thousand at 30 September 2009 (Euro 401 thousand at 31 December 2008). The increase in the three quarters of 2009 is due to Red Circle S.r.l. Unipersonale's subscription of 2,170,376 newly issued shares with a nominal value of Euro 0.01 each. They have the same characteristics as shares already outstanding.

The principal equity reserves are described below, together with the related changes in the period and any applicable restrictions:

a) Share premium of Euro 28,072 thousand at 30 September 2009 (Euro 22,666 thousand at 31 December 2008); this reserve increased in the three quarters of 2009 following Red Circle S.r.l. Unipersonale's subscription of 2,170,376 newly issued shares with a share premium of Euro 2.5243 each. The increase in the share premium is stated net of share capital increase costs amounting to Euro 74 thousand, as required by IAS 32.

b) Legal reserve: this reserve, amounting to Euro 193 thousand at 30 September 2009 (Euro 23 thousand at 31 December 2008), reflects the required allocation of 5% of the parent's annual profit; the increase is due to the allocation of the profit for 2008.

c) Translation reserve: this reserve, which has a negative balance of Euro 59 thousand at 30 September 2009 (positive balance of Euro 48 thousand at 31 December 2008), reflects the exchange rate differences arising on the translation of foreign currency financial statements. The decrease in the three quarters of 2009 amounts to Euro 107 thousand.

d) Other reserves, amounting to Euro 3,008 thousand at 30 September 2009 (Euro 2,591 thousand at 31 December 2008), include the fair value reserve for stock options of Euro 3,008 thousand at 30 September 2009 (Euro 2,578 thousand at 31 December 2008); in addition, the hedging reserve, amounting to Euro 13 thousand at 31 December 2008, is nil at 30 September 2009.

e) Retained earnings (losses carried forward): net losses carried forward amount to Euro 9,462 thousand at 30 September 2009 (net losses carried forward of Euro 11,696 thousand at 31 December 2008), down Euro 2,234 thousand due to the allocation of the profit for 2008.

Reference should be made to the specific schedule for an analysis of changes in equity for the period ended 30 September 2008.

Share capital amounts to Euro 401 thousand at 30 September 2008 (Euro 400 thousand at 31 December 2007). It increased during the three quarters of 2008 when a former director exercised stock options for 119,600 shares with a nominal value of Euro 0.01 at an exercise price of Euro 0.8939 per share.

The principal equity reserves are described below, together with the related changes in the period and any applicable restrictions:

a) Share premium amounts to Euro 22,667 thousand at 30 September 2008 (Euro 22,561 thousand at 31 December 2007). It increased during the first half of 2008 *when a former director exercised stock options for* 119,600 shares with a nominal value of Euro 0.01 at an exercise price of Euro 0.8939 per share.

b) Legal reserve: this reserve, amounting to Euro 23 thousand at 30 September 2008 (Euro 23 thousand at 31 December 2007), reflects the required allocation of 5% of the parent's annual profit.

c) Translation reserve: this reserve, which has a negative balance of Euro 37 thousand at 30 September 2008 (negative balance of Euro 22 thousand at 31 December 2007), reflects the exchange rate differences arising on the translation of foreign currency financial statements. The decrease in the three quarters of 2008 amounts to Euro 15 thousand.

d) Other reserves, amounting to Euro 2,045 thousand at 30 September 2008 (Euro 1,288 thousand at 31 December 2007), include the fair value reserve for stock options of Euro 2,045 thousand at 30 September 2008 (Euro 1,276 thousand at 31 December 2007); in addition, the hedging reserve, amounting to Euro 12 thousand at 31 December 2007, is nil at 30 September 2008.

e) Retained earnings (losses carried forward): net losses carried forward amount to Euro 11,687 thousand at 30 September 2008 (net losses carried forward of Euro 11,101 thousand at 31 December 2007), down Euro 586 thousand due to the allocation of the profit for 2007.

1.22 Stock option plans

Granting of stock options

Following the shareholders' resolution to fraction the shares during the Parent's extraordinary shareholders' meeting of 8 September 2009, should the beneficiaries of the stock option plans exercise their options, they will be entitled to 52 ordinary shares for every option exercised.

With reference to the stock option plans authorized in prior years, involving the allocation of up to 12,430,652 shares for the employees, collaborators, consultants and directors of the parent and its subsidiaries, the following table analyzes the options already granted by the Board of Directors:

Stock option plans	Granted (a)	Expired (b)	Exercised (c)	Total granted, not expired or not exercised (d = a-b-c)	Granted, not vested	Granted, vested, not exercisable	Granted, vested and exercisable
2001 – 2003	80,575	30,575	925	49,075	10,485	—	38,590
2003 – 2005	36,760	3,000	2,300	31,460	2,340	—	29,120
2004 – 2006	32,319	12,650	—	19,669	4,200	—	15,469
2006 – 2008	31,303	—	—	31,303	—	—	31,303
2007 – 2012	102,600	3,050	—	99,550	28,312	71,238	—
Total	**283,557**	**49,275**	**3,225**	**231,057**	**45,337**	**71,238**	**114,482**

The above plans have entailed the granting of 234,282 options out of 239,051 authorized options, 3,225 of which have been exercised. No additional options have been authorized for granting at 30 September 2009.

In addition:

On 3 September 2009, the Issuer's board of directors approved the guidelines of a new company incentive plan (the "2009-2014 Company Incentive Plan"), which can be briefly summarized as follows:

(i) beneficiaries: individuals that the Issuer's board of directors identifies from time to time who are the Issuer's: (i) employees; (ii) consultants; or (iii) directors;

(ii) exercise restrictions: exercise of the options may be subject to limits and conditions, considering best practice for company incentive plans;

(iii) term: the Company Incentive Plan will run for three years;

(iv) date of effect: the Company Incentive Plan will take effect when the trading of the parent's shares begins in the STAR segment of the Mercato Telematico Azionario (Milan stock exchange) organized and managed by Borsa Italiana;

(v) grant and exercise price: options will be granted free of charge. The exercise price, in the event that they are funded by a specific share capital increase, will be calculated using the average price of ordinary shares 30 days before the grant date;

(vi) number of plan shares: during the extraordinary meeting on 8 September 2009, the shareholders resolved to increase, when the parent's shares begin to be traded on the MTA, and possibly in the STAR segment, share capital, with the exclusion of options pursuant to article 2441.5/8 of the Italian Civil Code, by a total of Euro 47,320, by issuing a maximum of 4,732,000 new ordinary shares, with no nominal value, regular dividend right, servicing this plan;

(vii) validity: the effective options may be exercised until 31 December 2014.

1.23 Non-current financial liabilities — Banks and other current financial liabilities

The amounts due to banks and other providers of finance amount to Euro 16,545 thousand at 30 September 2009 and Euro 22,821 thousand at 31 December 2008.

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Non-current financial liabilities	16,146	18,735	(2,589)
Banks and other current financial liabilities	399	4,086	(3,687)
Total	**16,545**	**22,821**	**(6,276)**

The following table analyzes debt at 30 September 2009.

Bank	Amount	Nature of facility	Rate	Current portion	Non-current portion
Syndicated bank loan	15,685	Stand-by revolving loan	6m Euribor + 1.50%	138	15,546
Simest S.p.A.	540	Assisted loan, Law 394/81	1.38%	154	386
BNP Paribas finance leases	320	Finance leases	3m Euribor + 2%	107	213
Total	**16,545**			**399**	**16,146**

The syndicated bank loan consists of a Credit Facility granted by UniCredit Corporate Banking S.p.A., Banca Nazionale del Lavoro S.p.A. and Banca Popolare di Novara S.p.A. (as the lending banks) in the form of an unsecured loan totalling Euro 21,000 thousand (the "Credit Facility"), to strengthen financial means, repay current debt and support business activities with respect to the parent's working capital requirements. Each lending bank participates in the Credit Facility with its own portion (33.33% of the total amount) on a several basis.

In summary, the Credit Facility provides for the following:

1. a maximum amount of principal of Euro 21,000 thousand (the figure recognized in the interim financial statements at 30 September 2009 under IFRS is Euro 20,796 thousand);

2. drawdown in one or more installments, up to the maximum amount of Euro 21,000 thousand (the figure recognized in the interim financial statements at 30 September 2009 under IFRS is Euro 20,796 thousand), with the repayment of amounts at the due date for individual drawdowns;
3. the application of an annual nominal interest rate plus 1.50% equal to the three or six-month Euribor, rounded up to the next 0.05 ("Contractual Rate"), on amounts drawn and not yet repaid;
4. a default interest rate equal to the applicable Contractual Rate plus 2.00%. Default interest will not be compounded;
5. mandatory advance repayment, with request required in concert among the banks, in which case, inter alia, the parent shall increase share capital at the time of its listing. In this case, the amount to be repaid will equal to 10% of the total Credit Facility.
6. contract termination, with request required in concert among the banks, pursuant to article 1456 of the Italian Civil Code if the parent is in breach in relation, inter alia, to the use of Credit Facility funds, timely payment of installments and all amounts due, documents provided to the bank, and non-compliance with its contractual obligations.

The Credit Facility expires on 15 June 2013 ("Expiry Date"). By the Expiry Date, the Issuer shall repay the principal, interest and any other amounts of the Credit Facility. At 30 September 2009, a total of Euro 15,750 thousand of the Credit Facility was used (the figure recognized in the interim financial statements at 30 September 2009 under IFRS is Euro 15,685 thousand).

This contract requires the parent, for its entire term, to comply with certain covenants, which shall be contractually calculated differently for each year. The covenants shall be calculated at the end of each year.

At 30 September 2009, the parent has met the covenants, which are calculated annually.

In order to guarantee this syndicated loan, YOOX has agreed to comply with the following financial covenants in 2009:

- leverage ratio (net financial position/equity) less than 1.50;
- debt cover ratio (net financial position/gross operating profit) less than 2.50;
- inventory ratio (net inventories/net financial position) greater than 1.50.

These covenants are calculated at the end of the year on the basis of the annual consolidated financial statements prepared in accordance with Italian GAAP using the following definitions:

- net financial debt: loans net of cash and cash equivalents;
- gross operating profit: total revenue, net of purchases, services and other costs and personnel expenses, using the income statement format agreed with the lending banks;
- equity: caption A) of liabilities in the statement of financial position;
- net inventories: caption C I) of assets in the statement of financial position.

The loan contract allows the parties to rediscuss the terms and indicators following the adoption of IFRS.

The amounts due to banks and other providers of finance amount to Euro 21,595 thousand at 30 September 2008 and Euro 12,988 thousand at 31 December 2007.

	Balance at 30/09/2008	**Balance at 31/12/2007**	**Change**
Non-current financial liabilities	19,274	141	19,133
Banks and other current financial liabilities	2,321	12,847	(10,526)
Total	**21,595**	**12,988**	**8,607**

Net financial position

The table below analyzes net financial debt at 30 September 2009:

	Balance at 30 September 2009	Balance at 31 December 2008	Change
Cash and cash equivalents	**10,869**	**8,962**	**1,907**
Other current financial assets	**43**	**70**	**(27)**
Banks and other current financial liabilities	**(399)**	**(4,086)**	**3,687**
Other current financial liabilities	**(12)**	**(116)**	**104**
Net short-term financial position	**10,501**	**4,830**	**5,671**
Non-current financial liabilities	**(16,146)**	**(18,735)**	**2,589**
Net financial debt	**(5,645)**	**(13,905)**	**8,260**
Other non-current financial assets	**398**	**1,235**	**(837)**
Total adjusted net financial debt	**(5,247)**	**(12,670)**	**7,423**

Net financial debt went from Euro 13,905 thousand at 31 December 2008 to Euro 5,645 thousand at 30 September 2009, an improvement of 59.4%.

The table below analyzes net financial position at 30 September 2008:

	Balance at 30 September 2008	Balance at 31 December 2007	Change
Cash and cash equivalents	**5,634**	**5,185**	**449**
Other current financial assets	**40**	**28**	**12**
Banks and other current financial liabilities	**(2,321)**	**(12,847)**	**10,526**
Other current financial liabilities	**(93)**	**—**	**(93)**
Net short-term financial position (debt)	**3,260**	**(7,634)**	**10,894**
Non-current financial liabilities	**(19,274)**	**(141)**	**(19,133)**
Net financial debt	**(16,014)**	**(7,775)**	**(8,239)**
Other non-current financial assets	**1,106**	**576**	**530**
Total adjusted net financial debt	**(14,908)**	**(7,199)**	**(7,709)**

Net financial debt went from Euro 7,775 thousand at 31 December 2007 to Euro 16,014 thousand at 30 September 2008, worsening by more than 100%.

1.24 Employee benefits

In the three quarters of 2009, this caption only includes provisions for post-employment benefits that the parent recognizes in accordance with current legislation. Changes in the defined benefit plans for employees in the three quarters of 2009 are summarized below:

	Balance at 31/12/2008	Provisions	Utilizations	Balance at 30/09/2009
Employee benefits	274	15	(65)	224

The principal demographic and economic parameters considered in the actuarial calculation of the liability for employee benefits at 30 September 2009 are consistent with those used at 31 December 2008.

In the three quarters of 2008, this caption only includes provisions for post-employment benefits that the parent recognizes in accordance with current legislation. Changes in the defined benefit plans for employees in the three quarters of 2008 are summarized below:

	Balance at 31/12/2007	Provisions	Utilizations	Balance at 30/09/2008
Employee benefits	300	23	(51)	272

The principal demographic and economic parameters considered in the actuarial calculation of the liability for employee benefits at 30 September 2008 are consistent with those used at 31 December 2007.

1.25 Deferred tax liabilities

Deferred tax liabilities do not show any material changes in the three quarters of 2009, as they rose from Euro 48 thousand at 31 December 2008 to 95 Euro thousand at 30 September 2009.

Deferred tax liabilities did not undergo any changes in the three quarters of 2008 (Euro 33 thousand).

1.26 Provisions for risks and charges, current and non-current portions

In the three quarters of 2009, the provisions for risks and charges reflect an estimate of known liabilities, the timing and extent of which cannot be determined. Changes in this caption during the three quarters of 2009 are summarized below:

	Balance at 31/12/2008	Increases	Reclassifications	Utilizations	Balance at 30/09/2009
Provision for theft and losses	56	48	—	(56)	48
Provision for fines and taxation	30	25	—	(30)	25
Provision for fraud	82	407	—	(82)	407
Other provisions for risks and charges	—	—	74	—	74
Total provisions for risks and charges — current portion	**168**	**480**	**74**	**(168)**	**554**
Provision for disputes	37	—	—	—	37
Other provisions for risks and charges	309	139	(74)	—	374
Total provisions for risks and charges — non-current portion	**346**	**139**	**(74)**	**—**	**411**
Total provisions for risks and charges	**514**	**619**	**—**	**(168)**	**965**

During the three quarters of the year, Euro 56 thousand was utilized from the provision for thefts and losses. Accordingly, additional provisions of Euro 48 thousand were recognised following a new estimate.

In addition, following a tax assessment on 2005, the entire provision accrued in 2008 for fines and taxation was utilized.

During the three quarters of the year, Euro 82 thousand of the provision for fraud was utilized. Accordingly, additional accruals of Euro 407 thousand were recognised in relation to online sales with payment by credit card. This provision is calculated with reference to the historical incidence of fraud with respect to the amount of sales.

Other provisions for risks and charges — non-current portion include accruals to cover probable liabilities, required under IAS 37.

In the three quarters of 2008, the provisions for risks and charges reflect an estimate of known liabilities, the timing and extent of which cannot be determined. Changes in this caption during the three quarters of 2008 are summarized below:

	Balance at 31/12/2007	Increases	Utilizations	Balance at 30/09/2008
Provision for theft and losses	—	—	—	—
Provision for fines and taxation	—	30	—	30
Provision for fraud	63	154	(63)	154
Total provisions for risks and charges — current portion	**63**	**184**	**(63)**	**184**
Provision for disputes	37	—	—	37
Other provisions for risks and charges	309	—	—	309
Total provisions for risks and charges — non-current portion	**346**	**—**	**—**	**346**
Total provisions for risks and charges	**409**	**184**	**(63)**	**530**

During the three quarters of 2008, Euro 63 thousand of the provision for fraud was utilized. Accordingly, additional accruals of Euro 154 thousand were recognised in relation to sales with payment by credit card. This provision is calculated with reference to the historical incidence of fraud with respect to the amount of sales.

Other provisions for risks and charges — non-current portion include accruals to cover probable liabilities, required under IAS 37.

1.27 Trade payables

Trade payables rose from Euro 17,282 thousand at 31 December 2008 to Euro 22,011 thousand at 30 September 2009, up 27.4%.

All trade payables relate to purchases of goods and services from the Group's suppliers. Payables are recognized at their nominal value. All payables fall due within one year and, accordingly, no amounts need to be discounted. Trade payables comprise all amounts due to suppliers, both for the supply of finished products and raw materials, and for the supply of intangible assets.

The increase in the period is due to the growth in sales volumes which, under the Group's business model, entails the need to purchase items to be sold before the relevant season.

This has led to a corresponding increase in debt. Furthermore, at 30 September 2009 the increase is also due to the effect of revising payment terms with the Group's main suppliers.

Trade payables rose from Euro 13,544 thousand at 31 December 2007 to Euro 15,593 thousand at 30 September 2008, up 15.1%.

All trade payables relate to purchases of goods and services from the Group's suppliers. Payables are recognized at their nominal value. All payables fall due within one year and, accordingly, no amounts need to be discounted. Trade payables comprise all amounts due to suppliers, both for the supply of finished products and raw materials, and for the supply of intangible assets.

The increase in the period is due to the growth in sales volumes which, under the Group's business model, entails the need to purchase items to be sold before the relevant season.

1.28 Tax payables

Current tax payables solely relate to the current income tax liability of the Parent and its foreign subsidiaries.

In the three quarters of 2009, this caption rose by Euro 1,794 thousand, i.e., more than 100%, from Euro 765 thousand at 31 December 2008 to Euro 2,559 thousand at 30 September 2009.

In the three quarters of 2008, this caption decreased by Euro 75 thousand, i.e., 17.6%, from Euro 426 thousand at 31 December 2007 to Euro 351 thousand at 30 September 2008.

1.29 Other payables

Other payables at 30 September 2009 and 31 December 2008 are analyzed in the following table:

	Balance at 30/09/2009	Balance at 31/12/2008	Change
Due to social security institutions	741	1,070	(329)
Credit notes to be issued to customers	2,812	2,025	787
Remuneration payable to employees	1,528	1,228	300
Due to tax representatives	3,337	1,900	1,437
Other payables	216	255	(39)
Accrued expenses and deferred income	149	192	(43)
Total	**8,784**	**6,670**	**2,114**

The amounts due to social security institutions mainly comprise the contributions payable on the amounts paid to employees at the end of the reporting period.

The credit notes to be issued to customers are classified as "Other payables" since they represent a known liability for sales returns made in the period. The increase in the three quarters of 2009 is consistent with the rise in the volume of sales in the same period.

The amounts due to tax representatives reflect the liability for indirect taxation; sales in European countries during the three quarters of 2009 and 2008 exceeded the threshold envisaged in art. 41.1.b) of Decree 331/93, which requires the payment of VAT in the destination country for the goods sold. In order to comply with this requirement, the parent has opened tax positions in the countries concerned.

"Other payables" also include the credit notes issued to customers whom it was unable to reimburse at 30 September 2009 and 31 December 2008.

Other payables at 30 September 2008 and 31 December 2007 are analyzed in the following table:

	Balance at 30/09/2008	Balance at 31/12/2007	Change
Due to social security institutions	555	716	(161)
Credit notes to be issued to customers	1,638	1,799	(161)
Remuneration payable to employees	1,428	667	761
Due to tax representatives	2,328	1,197	1,131
Other payables	187	331	(144)
Accrued expenses and deferred income	129	29	100
Total	**6,266**	**4,739**	**1,527**

The amounts due to social security institutions mainly comprise the contributions payable on the amounts paid to employees at the end of the reporting period.

The credit notes to be issued to customers are classified as "Other payables" since they represent a known liability for sales returns made in the period. The increase in the three quarters of 2008 is consistent with the rise in the volume of sales in the same period.

The amounts due to tax representatives reflect the liability for indirect taxation; sales in European countries during the three quarters of 2008 and 2007 exceeded the threshold envisaged in art. 41.1.b) of Decree 331/93, which requires the payment of VAT in the destination country for the goods sold. In order to comply with this requirement, the parent has opened tax positions in the countries concerned.

"Other payables" also include the credit notes issued to customers whom it was unable to reimburse at 30 September 2008 and 31 December 2007.

Statement of cash flows

1.30. Profit/(loss) for the period, income tax charge, depreciation and amortization, payment of income taxes

The profit/(loss) for the period, the income tax charge, depreciation and amortization, and other non-monetary income statement items are presented in notes 1.3, 1.4, 1.5, 1.9, 1.10 and 1.11, to which reference is made.

In relation to the accrual for income taxes in the three quarters of 2009, amounting to Euro 2,010 thousand (Euro 914 thousand in the three quarters of 2008), payments of Euro 1,429 thousand were made (Euro 781 thousand in the three quarters of 2008) for the balance due for the previous year and the advances for the current year. These amounts were determined with reference to the tax regulations in force in the various countries in which the Group operates.

1.31. Other non-monetary (income) charges, net

Other non-monetary income and charges, net, include the non-monetary income statement items other than income taxes, depreciation and amortization, and provisions that are classified as a direct deduction in asset captions (provision for impairment losses and provisions for obsolete inventories). Accordingly, this caption comprises defined benefit plans, the measurement at fair value of the stock option plans, the provisions for risks and charges, capital gains and losses, unrealized exchange rate fluctuations, and interest income and expense. In relation to these last items, the interest collected and interest paid is stated separately.

1.32. Change in trade receivables, inventories and trade payables

This caption reflects the use or generation of cash in relation to net working capital, i.e. the changes in trade receivables, inventories and trade payables. The change in trade payables relates solely to the supply of raw materials, goods and services, and excludes the change in amounts due to the suppliers of assets, which is classified in the section of the statement of cash flows relating to the cash from (used in) investing activities.

1.33. Change in other current assets and liabilities

This caption reflects the change in all other current assets and liabilities, net of the effects on them of recognizing non-monetary income and expenses, i.e. the change in the balances with a direct effect on the use or the generation of cash.

1.34. Investment in property, plant and equipment and proceeds from the sale of property, plant and equipment

The cash flow deriving from investment in property, plant and equipment reflects both the replacement of assets and investment in new assets. The amount reported also includes the change in investment payables.

1.35. Investment in other intangible assets

The cash flow deriving from investment in intangible assets reflects the purchase of licences and software, as well as the capitalization of development costs which are analyzed in note 1.14. These capitalizations are classified among the cash flows from (used in) investing activities since they involve a cash outflow associated with the internal costs incurred (mainly personnel expenses). Such cash outflows were essentially the same as the costs capitalized during the period.

1.36. Investment in other non-current financial assets

Other non-current financial assets total Euro 398 thousand at 30 September 2009 (Euro 1,235 thousand at 31 December 2008) and mainly comprise guarantee deposits.

At 30 September 2009, the guarantee deposits that do not earn interest were paid on the signature of rental contracts, contracts for the supply of electricity and gas and transactions with Paymentech to guarantee the amount of repayments due for returns made against sales. The Euro 837 thousand decrease at 30 September 2009 compared to 31 December 2008 is mainly due to the repayment of the Global Collect guarantee deposit of Euro 800 thousand, as it was replaced by the bank surety issued by BNP Paribas for the same amount, as described in note 1.16.

1.37. Payments for future share capital increases

The collection of Euro 5,428 thousand in the three quarters of 2009 relates to the share capital increase following Red Circle S.r.l. Unipersonale's subscription of 2,170,376 newly issued shares with a nominal value of Euro 0.01 and a share premium of 2.5243 each. The increase in the share premium is stated net of share capital increase costs amounting to Euro 74 thousand, as required by IAS 32.

1.38. Arrangement and repayment of non-current financial liabilities

The repayments of other non-current financial liabilities relate to bank loans and amounts due to other providers of finance, as described in note 1.23.

1.39. Arrangement and repayment of current financial liabilities

The change in current bank borrowings is included in the change in current financial liabilities since these represent forms of current debt, as described in note 1.23.

Information about financial risks

In the three quarters of 2009 and 2008, the nature and structure of the Group's exposure to the risks described below and its related policies are substantially the same as those adopted in the previous year.

Market risk

Market risk originates from the probability of a change in the fair value of the cash flows deriving from a financial instrument, as a consequence of changes in market prices.

In the interim consolidated financial statements at 30 September 2009, market risk takes the form of currency risk and interest-rate risk:

Financial risk deriving from currency fluctuations

The Euro is the functional currency and the currency used for the presentation of the Group's financial information.

The YOOX Group operates internationally and sells goods in countries whose currency is not the Euro, thus exposing the Group to both transaction and translation currency risk. Group policy is to concentrate all currency risks within the parent YOOX S.p.A.. Since the YOOX Group is essentially an exporter, the principal risk exposure consists in the depreciation of a foreign currency against the Euro. The Group is principally exposed towards the US dollar, the Japanese yen and the British pound.

Currency transaction risks are hedged by forward contracts and plain vanilla options arranged with the leading domestic and international banks used by the YOOX Group on a daily basis. Outstanding contracts only relate to the hedging of receivables denominated in US dollars, amounting to the equivalent of Euro 1,369 thousand at 30 September 2009, and in Japanese yen, amounting to the equivalent of Euro 429 thousand. It was not considered necessary to hedge the exposure towards the British pound, since the amount is not significant. No speculative derivative contracts were arranged during the three quarters of 2009.

Certain Group companies are resident in countries that are not part of the European Monetary Union including, in particular, the United States and Japan. Since, as mentioned above, the Group's functional currency is the Euro, the income statements of these companies are translated to Euro using the average exchange rates for the reporting period. Holding net revenues and profits constant in their local currencies, changes in the exchange rates concerned may have an effect on the Euro amount of their net revenues, costs and financial results.

The Euro value of the assets and liabilities of consolidated companies whose functional currency is not the Euro may vary depending on exchange rate movements. As envisaged by the accounting policies adopted, the effects of such changes are recognized directly in equity, as part of the "Translation reserve".

Financial risk deriving from interest rate fluctuations

Interest rate risk arises when a change in interest rates adversely affects the profit/(loss) for the period. The YOOX Group is exposed to an increase in interest rates since it has net financial debt and loans indexed to the Euribor (Euro Interbank Offered Rate). The YOOX Group has decided not to hedge interest rate risk with derivative contracts, although it monitors interest rate trends on a constant basis. In particular, 3-month Euribor dropped from 2.86% at the start of the year to 0.75% at 30 September 2009. The Group's average bank borrowing cost is essentially Euribor plus a spread of about 1.50%.

Liquidity risk

The Group's objective is to maintain an adequate level of liquidity and availability of the funds needed to sustain the growth of the business and meet its obligations on a timely basis. Given the dynamic nature of the business, the Group prefers to guarantee the flexibility of funding via recourse to lines of credit that are partly committed, so that the lender is unable to call for repayment prior to a pre-determined date, and partly revolving, so that the Group is able to repay individual drawdowns and therefore reconstruct the available facility.

Credit risk with financial counterparts

The YOOX Group has obtained lines of credit from leading Italian and international banks. The crisis affecting the international banking system did not adversely affect these established relationships.

The balances on the current accounts held in the name of YOOX S.p.A. with banks not resident in Italy are insignificant.

The Group's foreign companies maintain commercial relations with leading banks in the countries where they operate; in particular, YOOX Japan works with Mitsubishi Bank in Japan; while the two US companies, YOOX Corporation and Y Services Ltd, principally work with JP Morgan Chase Manhattan Bank.

Credit risk with commercial counterparts

Given the nature of the Group's business, management of the credit risk deriving from commercial activities is entrusted to the customer care function for the online receivables generated by each store, and to the finance manager for all other receivables.

The credit risk associated with doubtful accounts, for which recovery has been placed in legal hands, and with other overdue balances, is monitored centrally on a daily basis with reference to monthly reports.

Hedge accounting

The Group performs prospective and retrospective tests of the effectiveness of the derivative financial instruments recorded using hedge accounting rules.

Effectiveness is assured if the ratio of the change in the fair value of the hedging instrument to the change in the fair value of the hedged instrument falls in the range between 80% and 125%.

In the three quarters of 2009, the Group has arranged cash flows. These hedges are used to cover the risk of changes in the cash flows attributable to forecast transactions that are highly likely to take place.

Fair value

The Group uses established appraisal techniques, widely adopted in market practice, to determine the fair value of financial instruments when there is no regulated market for them. These techniques determine the amount that the instruments would have had at the reference date in an arms'-length transaction between knowledgeable and independent parties.

Financial assets and liabilities measured at amortized cost

The following are measured at amortized cost: trade receivables and payables, time deposits, loans, and other assets and liabilities measured at amortized cost (e.g. other receivables and payables).

Pursuant to IFRS 7, the fair value of these items is re-measured by calculating the present value of the contractually-expected flows of interest and principal, with reference to the yield curve for government securities at the measurement date.

The carrying amount of trade receivables and payables represents a reasonable approximation of their fair value.

Financial assets and liabilities measured at fair value

Current receivables and payables and hedging financial instruments are measured at fair value.

Disclosures required by IAS 24 on the remuneration of management and on related parties

Remuneration of senior executives and other key persons within the Group

In addition to the executive and non-executive directors, the senior executives and other key persons with strategic responsibilities for the management, planning and control of the Group comprise the Director of Administration, Finance and Control, the Director of Human Resources, the Director of Human Resources (ad interim), the Sales Director, the Marketing Director, the Director of Operations, the Technology Manager, the Director of Interactive Services, the Multi-Brand Sales Manager, and the Customer Service Manager.

The gross annual remuneration of the above persons, inclusive of all forms of remuneration (gross pay, bonuses, fringe benefits etc.) and bonuses accrued but not paid that depend on the achievement of long-term objectives, are presented in the following table together with the fees of the Board of Statutory Auditors for the three quarters of 2009 and the three quarters of 2008:

30 September 2009

	Current benefits	Non-current benefits	Stock options	Other remuneration
Directors	535	—	91	—
Statutory auditors	30	—	—	—
Executives with strategic responsibilities	1,290	101	149	—
Total	**1,855**	**101**	**240**	**—**

30 September 2008

	Current benefits	Non-current benefits	Stock options	Other remuneration
Directors	387	—	214	—
Statutory auditors	27	—	—	18
Executives with strategic responsibilities	1,160	118	418	—
Total	**1,574**	**118**	**632**	**18**

List of related parties

The following table lists the companies (other than subsidiaries) considered to be related parties, as defined in IAS 24, with which commercial transactions have taken place. The commercial transactions with these entities were all carried out on normal market terms and in the interests of the Group.

30 September 2009

	Trade receivables	Trade payables	Net revenues	Costs
Sigma Gi S.p.A.	—	228	36	2,309
Diesel S.p.A.	868	1,166	493	2,336
Diesel Rags S.r.l.	—	702	—	1,149
55DSL S.r.l. — Unipersonale	30	1	25	3
Staff International S.p.A.	—	47	—	891
Diesel USA Inc.	131	731	56	1,362
Staff USA Inc.	—	—	—	78
Studio legale D'Urso Gatti e Associati	—	90	—	316
Ferrante, PLLC LAW FIRM	—	14	—	44
Hari K. Samaroo, P.C.	—	—	—	3
KK TPI	—	3	—	28
Nagamine Accounting Office	—	—	—	7
Total other related parties	**1,029**	**2,982**	**610**	**8,524**

30 September 2008

	Trade receivables	Trade payables	Net revenues	Costs
Sigma Gi S.p.A.	—	261	—	2,149
Studio legale D'Urso Gatti e Associati	—	16	—	131
KK TPI	—	9	—	22
Nagamine Accounting Office	—	1	—	4
Total other related parties	**—**	**287**	**—**	**2,306**

The above entities are deemed to be parties related to the Issuer for the following reasons:

- Sigma Gi S.p.A. (formerly Sigma Gi Export Import S.r.l.), since its controlling owner is an indirect owner of YOOX, which has appointed a director and Sigma Gi has signed a supply agreement with the Group;
- Studio legale d'Urso Gatti e Associati, since the partner, which provides the Group with continuous legal and corporate consultancy services, is a director of the Group and beneficiary of the stock option plans;
- Nagamine Accounting Office and KK TPI, since the owner of both firms, which provide the Group with continuous administrative and tax consultancy services, is a member of the board of directors of a Group company (YOOX Japan).
- Diesel S.p.A., Diesel Rags S.r.l., Diesel USA Inc., 55DSL S.r.l. — Unipersonale, Staff International S.p.A. and Staff USA Inc., which are part of the Diesel Group, whose controlling owner, through Red Circle S.r.l. Unipersonale, appointed a director of the Issuer. In addition, the figures indicated in the table at 30 September 2009 were calculated since the date of Red Circle S.r.l. Unipersonale's investment in the Group;
- Ferrante PLLC law firm, since a partner at this law firm, which provides certain Group companies (Y Services and YOOX Corporation) with continuous legal and corporate consultancy services, is a member of the board of directors of a Group company (YOOX Corporation).
- Hari K. Samaroo P.C, since Mr. Samaroo, owner of this firm, which provides the Group with administrative consultancy services, is the legal representative of a Group company (Y Services).

None of the transactions that took place with related parties during the three quarters of 2009 were significant (except as mentioned above), atypical and/or unusual.

Other information

Commitments and guarantees

The following table summarizes the commitments of and the guarantees given by the YOOX Group at 30 September 2009 and 30 September 2008:

	Three quarters of 2009	First half of 2009	Three quarters of 2008	First half of 2008	Year ended 31 December		
					2008	2007	2006
Third party assets held by the Group	35,506	28,277	18,994	16,528	24,874	9,204	5,900
Sureties given to others	2,797	2,988	2,076	1,986	2,130	1,521	317
Commitments under forward hedging contracts	1,795	2,884	2,696	—	2,980	1,019	307
Total commitments and guarantees	**40,098**	**34,149**	**23,766**	**18,514**	**29,984**	**11,744**	**6,524**

The warehouses of Group companies hold goods received from YOOX's commercial partners on a sale-or-return basis totaling Euro 35,506 thousand. The increase on the three quarters of 2008 is due to the opening of new online stores and the rise in the procurement on a sale-or-return basis.

At 30 September 2009, all *sureties* given relate to the parent and refer to the following:

- contract arranged by the Parent, effective from 30 June 2002, for the rental of a property for use by visitors at Galleria Cavour 8, Bologna. This surety, for an amount of Euro 4,650, expires on 14 June 2010;
- contract for TAX representation in Spain by Claramonte Fortuno Asesores c/Mayor San Jaime 12 Villarreal (Castellon), with a guarantee amounting to Euro 300,000 for VAT compliance that expires on 15 July 2010;
- contract arranged by the parent, effective from 1 October 2008 for a period of six years, for the rental of office premises at Via Autari 27, Milan. This surety, for an amount of Euro 60,000, expires on 30 September 2014;
- contract arranged by the parent, effective from 22 December 2003 and expiring on 31 December 2009, for the supply of integrated logistics services by ND Logistics Italia S.p.A.. The related surety amounts to Euro 100,000;
- contract arranged with ND Logistics Italia S.p.A. for the supply of integrated logistics services amounting to Euro 500,000, effective from 15 March 2007 for a period of five years seven months, expiring on 14 October 2012;
- contract arranged with Diesel to guarantee payments by Y Services Ltd amounting to USD 450,000, equal to Euro 304,054.05, commencing from 2 November 2007 and expiring on 31 December 2009;
- contract arranged with ND Logistics Italia S.p.A. to guarantee the proper performance of obligations under the sub-rental contract, amounting to Euro 46,875, commencing from 10 October 2007 for a period of six years, expiring on 9 June 2013;
- contract arranged by the parent with Despina S.p.A. to guarantee the proper performance of obligations under the contract, commencing from 1 April 2007 for a period of six years, for the rental of office premises at Via Nannetti 1, Zola Predosa. This surety, for an amount of Euro 47,500, expires on 31 March 2013;
- contract arranged with SIMEST to guarantee the loan amounting to Euro 99,400, commencing from 28 September 2006 and expiring on 16 March 2014;
- contract arranged with SIMEST to guarantee the loan amounting to Euro 441,078, commencing from 17 January 2008 and expiring on 16 March 2014;
- contract arranged by the Parent with New Winds Group to guarantee the proper performance of obligations under the contract, commencing from 1 August 2008, for the rental of office premises in Madrid. This surety, for an amount of Euro 18,839.04, expires on 1 September 2010;
- contract arranged by the parent with MM. Kerr and MM. Naret to guarantee the proper performance of obligations under the contract, commencing from 1 August 2008, for the rental of office premises in Paris. This security, for an amount of Euro 50,000, expires on 31 July 2011;
- contract arranged by the parent with Oslavia, effective from 1 July 2008 for a period of six years, for the rental of office premises in Via Lombardini, Milan. This surety, for an amount of Euro 19,200, expires on 31 July 2014;
- contract arranged by the parent, in favor of the Portuguese tax representative, to guarantee the payment of Portuguese VAT. This guarantee amounts to Euro 5,000 as expires on 27 November 2009;
- contract arranged by the parent following repayment of Euro 800,000 of the Global Collect guarantee deposit, as BNP Paribas issued a bank surety of the same amount to replace it.

The hedging contracts relate to forward sales and options arranged by the parent to hedge the currency risk associated with the intercompany sales made in US dollars and Japanese yen. The total amount of the commitments, translated to Euro using the spot rates at 30 September 2009 is Euro 1,795 thousand.

Significant subsequent events

Appointment of the board of directors

The parent is managed by a board of directors made of up seven directors elected by the shareholders:

- Federico Marchetti (Chairman and Managing Director);
- Elserino Piol (Director);
- Fausto Boni (Director);
- Mark Evans (Director);
- Massimo Giaconia (Director);
- Catherine Vautrin (Director);
- Stefano Valerio (Director).

The Chairman of the board of directors and all directors were appointed on 7 October 2009, except for the director Catherine Vautrin, who was co-opted on 29 October 2009, and will remain in office until the approval of the financial statements at 31 December 2011.

On 7 October 2009, the shareholders recalculated total annual fees due to the board of directors and the board of directors resolved on the allocation of the fees.

Appointment of the Chairman and Managing Director

On 7 October 2009, the board of directors confirmed Federico Marchetti, founding shareholder of YOOX Group, as Chairman and Managing Director until the approval of the financial statements as at and for the year ending 31 December 2011, giving him the widest powers of administration of the parent, including, but not limited to, company signature and legal representation before third parties and in court, except for decisions on matters explicitly reserved for the board.

Appointment of the board of statutory auditors

The board of statutory auditors is made up of three standing and two alternate statutory auditors, whom the shareholders appoint on the basis of voting lists. The current board of statutory auditors was appointed on 7 October 2009 and will remain in office until the approval of the financial statements as at and for the year ending 31 December 2011. It is comprised as follows:

- Filippo Tonolo (Chairman);
- Luca Sifo (Standing statutory auditor);
- David Reali (Standing statutory auditor);
- Nicola Bottecchia (Alternate statutory auditor);
- Edmondo Granata (Alternate statutory auditor).

Appointment of the YOOX Group Investor Relator

On 29 October 2009, the board of directors appointed Silvia Scagnelli YOOX Group Investor Relator

Appointment of the YOOX Group's Lead Independent Director

On 29 October 2009, the board of directors appointed the director Massimo Giaconia Lead Independent Director of the YOOX Group.

Admission to listing of YOOX S.p.A. ordinary shares

On 9 November 2009, Borsa Italiana S.p.A. admitted the listing of the parent YOOX S.p.A.'s ordinary shares for trading on the Mercato Telematico Azionario (MTA).

CONSOB authorization for the publication of the prospectus

On 10 November 2009, CONSOB authorized the publication of the prospectus for the stock exchange listing of the parent YOOX S.p.A.'s ordinary shares in the Star segment of the Mercato Telematico Azionario (MTA).