

Sant'Elpidio a Mare - January 22nd, 2015

TOD'S S.p.A. – 2014 Group's sales totalled 965.6 million Euros in full year 2014, aligned with FY2013 turnover; +4.5% in the fourth quarter.

The Board of Directors approved FY 2014 preliminary sales figures

The Board of Directors of Tod's S.p.A., the Italian company listed on the Milan Stock Exchange and holding of the luxury goods group of the same name operating in luxury and quality shoes, accessories and apparel with the Tod's, Hogan, Fay and Roger Vivier brands, today approved the Group's preliminary sales figures for the fiscal year 2014.

Message from the Group's Chairman and CEO

Diego Della Valle, Chairman and CEO of the Group, commented as follows:

"In line with our expectations, all the brands achieved a visible improvement of their results in the second half of the year. We have completed the rationalization of the Italian wholesale distribution and we are continuing our expansion of the DOS network in international markets, focusing on the most responsive ones. In line with our strategic plans, we are carrying on the important investments in human resources, production capacity, style, research and communication, according to our usual industrial perspective, which combines the short with the mid-term views. Also considering the positive feedback of Spring Summer collections now in stores, despite the low visibility and uncertainty of some markets, we are confident that our Group will register positive results this year".

Comments to the Group's sales

Consolidated sales were 965.6 million Euros in FY 2014, broadly aligned with 2013 turnover. In the fourth quarter of 2014, sales amounted to 224.6 million Euros, up 4.5% from the same period of 2013, showing a sharp improvement as compared to the previous quarterly figures.

In FY 2014 the impact of currency fluctuations was negative, even if with a lower incidence in the last few months; at constant exchange rates, meaning by using FY 2013 average exchange rates, including the related effects of hedging derivatives, sales would have been 971 million Euros (+0.4% from the previous year).

Breakdown of consolidated sales by brand: all the brands achieved positive results in Q4, in the retail channel

<i>million Euros</i>	FY 2014	FY 2013	% change at reported rates	% change at constant rates
Tod's	568.0	578.1	-1.7%	- 1.0%
Hogan	212.4	217.0	-2.1%	-2.1%
Fay	57.3	57.6	-0.6%	-0.6%
Roger Vivier	126.9	113.7	+11.6%	+12.4%
Other	1.0	1.1	n.m.	n.m.
TOTAL	965.6	967.5	-0.2%	+0.4%

Preliminary and unaudited figures

The Tod's brand totalled 568 million Euros in sales, with a slight decrease, at constant exchange rates, from 2013. The brand's performance was positive in Q4 (+5.7%), with good results in all the regions where the brand is distributed, with the only exception of the Chinese market, which was negative during the entire year and that was also impacted by the antigovernment demonstrations in Hong Kong, started in September.

The Hogan brand registered 212.4 million Euros as turnover, with a decrease of 2.1% from FY 2013. The retail results were positive, but the Q4 wholesale performance was affected by a different timing of the deliveries of 2015 Spring Summer collections. The brand confirmed the double-digit growth of its foreign sales.

The Fay brand totalled 57.3 million Euros in sales, broadly aligned with FY 2013 turnover. As expected, the brand performance was positive in the second half of the year, also thanks to the end of the rationalization of the Italian wholesale distribution. The brand is also starting its international expansion process; in October the first monobrand store was opened in Korea, under a franchising agreement.

Finally, Roger Vivier, which is recognized worldwide as one of the most prestigious *maison* of luxury accessories and shoes in the most exclusive segment of luxury goods, registered a turnover of 126.9 million Euros, up 12.4% from FY 2013, at constant rates. The brand is continuing its selective expansion, aiming at maintaining its exclusive positioning.

Breakdown of consolidated sales by product category: all the product categories improved their performance in the fourth quarter

<i>million Euros</i>	FY 2014	FY 2013	% change at reported rates	% change at constant rates
Shoes	743.6	739.7	+0.5%	+1.0%
Leather goods and accessories	155.6	160.9	-3.3%	-2.1%
Apparel	65.4	65.8	-0.7%	-0.6%
Other	1.0	1.1	n.m.	n.m.
TOTAL	965.6	967.5	-0.2%	+0.4%

Preliminary and unaudited figures

The Group has further strengthened its leadership in the core business of shoes. Sales of this product category totaled 743.6 million Euros, slightly higher than in FY 2013, at constant exchange rates, showing an acceleration in Q4 (+5.7%).

Revenues of leather goods and accessories totaled 155.6 million Euros, down 2.1% from FY 2013, at constant exchange rates. Visible improvement of their performance in the fourth quarter.

Finally, sales of apparel were 65.4 million Euros, with a slight decrease from FY 2013, but with a growth in Q4 2014 (+4.0%); this category broadly reflects the performance of the Fay brand.

Breakdown of consolidated sales by region: positive trend across all the regions in the second half of 2014

<i>million Euros</i>	FY 2014	FY 2013	% change at reported rates	% change at constant rates
Italy	311.2	323.0	-3.7%	-3.7%
Europe (excl. Italy)	221.3	207.8	+6.5%	+6.1%
Americas (*)	87.3	90.3	-3.3%	-1.8%
Greater China (**)	225.7	237.5	-5.0%	-4.4%
Rest of World	120.1	108.9	+10.3%	+13.6%
TOTAL	965.6	967.5	-0.2%	+0.4%

Preliminary and unaudited figures

(*) This line includes the whole American continent (Northern and Southern America).

(**) This line includes: mainland China, Hong Kong, Macao and Taiwan.

Sales in Italy were 311.2 million Euros, down 3.7% from FY 2013. In line with management expectations, domestic sales grew in the second half of 2014, also thanks to the end of the rationalization of the Italian wholesale distribution, started in 2012.

In the rest of Europe, sales totalled 221.3 million Euros, up 6.5% from FY 2013, driven by Germany, UK and Spain.

The Group's sales in the Americas totalled 87.3 million Euros, down 1.8% from FY 2013, at constant exchange rates. The bad weather conditions at the beginning of the year and the temporary closing, for refurbishment, of two important boutiques, including the New York Madison Avenue flagship store, affected the performance in the first part of the year; sales grew in Q4.

The Group's sales in Greater China were 225.7 million Euros, down 4.4% from FY 2013, at constant exchange rates. This market was the only negative region in the fourth quarter, affected by the already commented weak consumer environment in mainland China and, starting from September, also by the impact of the antigovernment demonstrations in Hong Kong.

Finally, in the area "Rest of the World" sales totalled 120.1 million Euros, up 13.6% from FY 2013, at constant exchange rates, driven by the outstanding results of Korea, Japan and Singapore.

Breakdown of consolidated sales by distribution channel: both the distribution channels grew in the fourth quarter

<i>million Euros</i>	FY 2014	FY 2013	% change at reported rates	% change at constant rates
DOS	616.0	617.7	-0.3%	+0.3%
Third parties (Franchised stores + Independent retailers)	349.6	349.8	=	+0.4%
TOTAL	965.6	967.5	-0.2%	+0.4%

Preliminary and unaudited figures

Sales through DOS globally totalled 616 million Euros, broadly aligned with FY 2013 turnover, and represent 63.8% of consolidated revenues as of December 31st, 2014. In Q4 2014, retail sales grew by 4%.

The *Same Store Sales Growth* (SSSG) rate, calculated as the worldwide average of sales growth rates at constant exchange rates registered by the DOS already existing as of January 1st, 2013, is -7.1% in the year, showing a visible improvement in the last months, despite the already commented negative impact of the recent Hong Kong events.

As of December 31st, 2014 the Group's distribution network was composed of 232 DOS and 93 franchised stores, compared to 219 DOS and 84 franchised stores as of December 31st, 2013.

Revenues to third parties totalled 349.6 million Euros, broadly aligned with FY 2013 turnover; in Q4 2014, the growth was 5.9%.

Please note that all the figures related to FY 2014 sales reported in the present press release are preliminary and unaudited. FY 2014 results will be approved by the Board of Directors scheduled on March 12th, 2015.

The manager responsible for preparing the company's financial reports, Mr. Rodolfo Ubaldi, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

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