Sant'Elpidio a Mare - November 12th, 2008

TOD'S S.p.A.: outstanding results in the first nine months of 2008: Sales revenues: +12%; EBITDA: +17.6% at constant exchange rates

The Board of Directors approved Tod's Group 9 months 2008 Interim Report.

<u>Consolidated results for the first nine months of 2008 at reported exchange rates: Revenues: 549.7 million Euros, (+9.9% versus 9 months 2007), EBITDA: 128.8 million Euros (+13.4%), EBIT: 108.2 million Euros (+13.1%)</u>

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 shoes, leather goods and apparel with the Tod's, Hogan, Fay and Roger Vivier brands, today approved the Group's interim report for the first nine months of 2008 (January 1st – September 30th, 2008).

The report has been drafted in accordance to art. 154 ter paragraph 5 of TUF (Testo Unico Finanza), introduced by the Legislative decree nr. 195/2007, following the European Law 2004/109/CE (the so-called "Transparency Law").

The Group's consolidated turnover was 549.7 million Euros in the first nine months of 2008, with a 9.9% growth as compared to the same period of 2007. At constant exchange rates, meaning by using 9M 2007 average exchange rates, revenues were 560 million Euros, with a 12% increase.

<u>Breakdown of Consolidated Sales by Brand: positive results for all the brands; excellent results for Hogan</u>

million Euros	9M 2008	9M 2007	% change	FY 2007
Tod's	278.1	267.9	+3.8%	347.6
Hogan	178.9	147.1	+21.7%	199.5
Fay	77.8	69.9	+11.3%	90.0
Roger Vivier	13.2	12.2	+8.2%	16.0
Other	1.7	2.8	n.m.	4.0
TOTAL	549.7	499.9	+9.9%	657.1

Tod's revenues were 278.1 million Euros in the first nine months of 2008; at constant exchange rates the growth is 7%, aligned with the first half performance.

The Hogan brand is confirming its excellent results; sales amounted to 178.9 million Euros in the first nine months of 2008. At constant exchange rates, the increase versus the same period of 2007 is 22.4%.

Also the Fay brand achieved very positive results: in the first nine months of 2008, revenues were 77.8 million Euros, with a 11.3% growth[1].

Finally, the Roger Vivier brand's sales were 13.2 million Euros in the first nine months of 2008. At constant exchange rates, the growth is 14.3%, which is a good result, even if it is not fully meaningful, due to the still low volumes, on the one hand, and the start-up phase of this prestigious brand of luxury shoes and accessories, on the other hand.

Breakdown of Consolidated Sales by Product: double-digit growth for shoes and apparel

million Euros	9M 2008	9M 2007	% change	FY 2007
Shoes	374.3	325.1	+15.1%	427.2
Leather goods and accessories	96.9	106.0	-8.7%	139.2
Apparel	78.1	68.2	+14.5%	89.2
Other	0.4	0.6	n.m.	1.5
TOTAL	549.7	499.9	+9.9%	657.1

Revenues from shoes confirmed the outstanding growth rates achieved in the first semester, as a further demonstration of the strong power of the Group's brands in its core business, even in a challenging environment. In the first nine months of 2008, sales of shoes were 374.3 million Euros; at constant exchange rates, the growth is 17.1%.

Revenues from leather goods and accessories totalled 96.9 million Euros in the first nine months of 2008; at constant exchange rates, they decreased by 5% versus the same period of 2007. Due to the results posted by leather goods in the last few seasons, our Group is carefully reviewing the collection of the leather handbags, strengthening the brand identity by focusing on iconic and evergreen products. This strategy was very successful in the past and is also validated by the good results achieved by the Pashmy project.

Finally, revenues from apparel were 78.1 million Euros in the first nine months 2008; the growth versus the same period of 2007 is 14.6% at constant exchange rates.

[1] The revenues of this brand are almost entirely denominated in Euro; consequently, the impact of currencies fluctuations is not meaningful.

Breakdown of Consolidated Sales by Region: growth in all the Group's markets at constant exchange rates; Italy: + 18.4%

Million Euros	9M 2008	9M 2007	% change	FY 2007
Italy	298.5	252.0	+18.4%	333.5
Europe (excl. Italy)	131.9	128.9	+2.3%	160.8
North America	43.8	47.4	-7.6%	66.3
Asia and rest of world	75.5	71.6	+5.4%	96.5
TOTAL	549.7	499.9	+9.9%	657.1

Volumes of sales grew in all the markets where the Group operates.

On the domestic market, revenues posted a further acceleration after the excellent results of the first semester. They totalled 298.5 million Euros in the first nine months of 2008, with a 18.4% increase versus the same period of 2007.

The Group achieved positive results also in the rest of Europe, where sales totalled 131.9 million Euros. The growth at constant exchange rates is 3.6%.

Revenues posted a sound performance at constant exchange rates also in the US market, with a 3.8% growth in the first nine months of 2008; however, sales in this market are showing some signs of slowdown in the second half of the year, given the deterioration of the macroeconomic environment and the persistence of the financial crisis.

Finally, revenues in the rest of world totalled 75.5 million Euros in the first nine months of 2008. At constant exchange rates, the growth is 10.3%, driven by the positive results achieved in Far East and Middle East, while Japan is confirming the weakness of the last months, as expected.

Breakdown of Consolidated Sales by Distribution Channel: sound growth in all the channels

million Euros	9M 2008	9M 2007	% change	FY 2007
Third parties (Franchised stores and independent retailers)	314.4	276.0	+13.9%	339.0
DOS	235.3	223.9	+5.1%	318.1
TOTAL	549.7	499.9	+9.9%	657.1

As already underlined several times, in the third quarter turnover is mainly generated by the wholesale channel, due to the different timing in accounting the Group's revenues. In fact, deliveries made to DOS are accounted as stock inventory in the consolidated results as of the end of September and are translated into revenues only in the fourth quarter, when the products are sold by the stores to the final customers.

In the first nine months of 2008, sales to third parties totalled 314.4 million Euros, showing a 13.9% increase versus the same period of 2007 (15% at constant exchange rates).

Revenues through DOS were 235.3 million Euros; at constant exchange rates, the growth is 8.3%.

The *Same Store Sales Growth* (SSSG) rate, calculated on comparable figures as the worldwide average of sales growth rates reported by DOS opened as of January 1st, 2007, was 1.4% for the first ten months of 2008 (from January 1st to October 26th, 2008).

In the first nine months of 2008, the Group opened 27 DOS. Among them, we want to point out the first three locations in India (New Dehli, Mumbai and Bangalore), the 16 new stores in China[2] and the already mentioned openings in Italy: the flagship store in Rome, Via dei Condotti, entirely dedicated to women's collections, and the prestigious "palace" Roger Vivier in Milan, Via Sant'Andrea. In this period, the Group also widened and largely restructured according to the new concept the two Milan flagship stores (for both the Tod's and the Hogan brands) and opened a store for the Hogan brand in Rome.

As of September 30th, 2008 the Group's distribution network is composed by 147 DOS and 63 franchised stores, compared to 125 DOS and 63 franchised stores as of December 31st, 2007.
In October the Group opened the flagship store for Fay in Rome, in a prestigious boutique in Via Fontanella Borghese.

Comments to the operating and financial interim results

As already highlighted in our previous press releases, analyzing quarterly figures is not fully meaningful, due to the discrepancies in the flow of industrial revenues and costs on a monthly basis. Therefore, annualizing quarterly figures would be misleading.

In the first nine months of 2008, the Group's EBITDA was 128.8 million Euros, with a 23.4% margin on sales, 70 basis points better than in 9 months 2007 (22.7%). At constant exchange rates, EBITDA was 133.6 million Euros, with a 23.8% margin.
This important increase in profitability, achieved despite that the Group missed the contribution of leather goods products, testifies the effectiveness of the actions implemented by the management in order to enhance efficiencies in every division of the company.

[2] Including 5 conversions of previously franchised stores.

Labour costs absorbed 14.1% of revenues in the first nine months of 2008; the higher incidence on sales, compared to the 13.2% figure of 9 months 2007, is mainly due to the significant increase of the Group's headcount (2,798 employees as of September 30th, 2008, versus 2,492 as of September 30th, 2007), linked to the important widening of the DOS network.

The incidence on sales of the other cost items was broadly flat, compared to the first nine months of 2007.

The Group's EBIT was 108.2 million Euros in the first nine months of 2008, with a 19.7% margin on sales, approx. 100 basis points better than in the first nine months of 2007.

The incidence on revenues of depreciation and amortization was 3.9% in the first nine months of 2008, versus 3.6% in the first nine months of 2007.

The investments made in the first nine months of 2008 totalled 35.2 million Euros (compared to 31.6 million Euros in the same period of 2007) and were mainly related to the widening and refurbishment of the DOS network.

As of September 30th, 2008, net financial position is positive and equal to 29.6 million Euros, which compares to 40,6 million Euros as September 30th, 2007.

Diego Della Valle, Chairman and CEO of the Group, commented as follows: "The outstanding results achieved in the first nine months of 2008 confirm the strength of our brands in their respective core businesses, even in a challenging macro and consumer environment. Thanks to the efficiency and slimness of our Group's production structure, the increase in sales has turned into significantly better profitability. As far as the full year results, even taking into consideration the current volatility of sales in the stores, I believe that our expectations to achieve growth both in sales and in net profit are achievable, simply with an acceptable result of the forthcoming Christmas season."

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.

Should you need explanations, please contact: Investor Relations Office - tel. +39 02 77 22 51
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ATTACHMENTS

OPERATING AND FINANCIAL INTERIM FIGURES OF THE TOD'S GROUP

Million Euros	**9M 2008**	**9M 2007**	**FY 2007**
Sales revenues	549.7	499.9	657.1
EBITDA	128.8	113.6	153.0
EBIT	108.2	95.7	126.5

Million Euros	**September 30th, 2008**	**September 30th, 2007**	**December 31st, 2007**
Net working capital (1)	292.0	232.9	208.5
Net financial position	29.6	40.6	73.5
Investments	35.2	31.6	45.2

(1) Trade receivables + Inventories – Trade payables