

TOD'S S.p.A. – Outstanding results in the first half of 2009: sales and net income grew, respectively, by 3.4% and by 3.1%

Group's revenues: 359 million Euros; EBITDA: 77.8 million Euros, with a 21.7% margin on sales; EBIT: 62.1 million Euros with a 17.3% margin; Net income: 41.9 million Euros

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 HI 2009 results.

As already announced at the end of July, in the first six months of 2009, consolidated sales were 359.0 million Euros, with a 3.4% growth compared to HI 2008. At constant exchange rates, meaning by using HI 2008 average exchange rates, revenues were 353.9 million Euros, with a 2% increase versus HI 2008.

Breakdown of Consolidated Sales by Brand: resiliency of all brands and outstanding results for Hogan

<i>Million Euros</i>	HI 2009	HI 2008	% change	FY 2008
Tod's	180.7	180.8	-0.1%	356.7
Hogan	131.9	117.1	12.6%	238.7
Fay	38.5	38.8	-0.7%	93.3
Roger Vivier	7.4	9.1	-18.6%	16.8
Other	0.5	1.2	n.m.	2.1
TOTAL	359.0	347.0	+3.4%	707.6

Tod's revenues were 180.7 million Euros in the first six months of 2009, broadly in line with the same period of the previous year.

Hogan confirmed the outstanding results achieved in the last quarters: its sales were 131.9 million Euros in the first half of 2009, with a 12.6% growth versus the same period of 2008.

Fay revenues were 38.5 million Euros in the first six months of 2009, broadly in line with the first half of 2008.

Finally, the Roger Vivier brand reached sales of 7.4 million Euros in HI 2009, representing 2.1% of consolidated revenues.

Breakdown of Consolidated Sales by Product: significant growth in the Group's core business and improving trend in leather goods

<i>Million Euros</i>	HI 2009	HI 2008	% change	FY 2008
Shoes	260.9	242.2	+7.7%	485.6
Leather goods and accessories	59.2	65.4	-9.5%	126.6
Apparel	38.5	39.1	-1.6%	94.5
Other	0.4	0.3	n.m.	0.9
TOTAL	359.0	347.0	+3.4%	707.6

The Group continues to achieve outstanding results in its core business of shoes; revenues of this category totalled 260.9 million Euros in the first half of 2009, with a 7.7% growth versus HI 2008.

Sales results for leather goods and accessories division confirm the signals of recovery, already shown in the last few months. We underline the great success of some iconic products under the Tod's brand, such as the G-Bag in fabric, characterized by a lower average price than handbags fully made with leather. Revenues of this category totalled 59.2 million Euros in the first half of 2009 (-9.5% versus HI 2008).

Finally, sales of the apparel division were 38.5 million Euros in the first half of 2009, with a 1.6% decrease versus the same period of the previous year.

Breakdown of Consolidated Sales by Region: double-digit growth in Italy and in Asia

<i>Million Euros</i>	HI 2009	HI 2008	% change	FY 2008
Italy	200.5	182.1	+10.1%	384.1
Europe (excl. Italy)	77.6	83.5	-7.0%	161.0
North America	22.9	30.0	-23.6%	59.3
Asia and rest of world	58.0	51.4	+12.7%	103.2
TOTAL	359.0	347.0	+3.4%	707.6

In the first half of 2009 domestic revenues continued to grow double-digit, fuelled by the significant strength of all Group's brands. Sales in Italy were 200.5 million Euros, with a 10.1% increase versus HI 2008.

In the rest of Europe, revenues totalled 77.6 million Euros in the period, with a 7% decrease versus HI 2008.

As expected, the US market, which represents approx. 6% of consolidated turnover, remained very weak in the period, due to the still difficult economic and financial environment. Group's sales on this market were 22.9 million Euros in the first half of 2009, with a 23.6% decrease compared to the same period of 2008.

The Group posted an outstanding performance in the Rest of World; sales totalled 58 million Euros, with a 12.7% growth versus the first half of 2008; in particular, it's important to mention the outstanding results achieved in China.

Breakdown of Consolidated Sales by Distribution Channel: sales grew in all the channels

<i>Million Euros</i>	HI 2009	HI 2008	% change	FY 2008
Third parties (Franchised stores + Independent retailers)	188.4	184.7	+2.0%	372.0
DOS	170.6	162.3	+5.1%	335.6
TOTAL	359.0	347.0	+3.4%	707.6

In the first six months of 2009, revenues from third parties totalled 188.4 million Euros, with a 2% increase compared to the same period of 2008.

Revenues of the DOS network were 170.6 million Euros, with a 5.1% growth versus HI 2008.

Same Store Sales Growth (SSSG), which is the global average of revenue growth rates reported by DOS existing as of January 1st, 2008, is -0.9% for the first 34 weeks of the year (January 1st – August 26th 2009).

As of June 30th, 2009, the Group's distribution network is represented by 147 DOS and 76 franchised stores, compared to 138 DOS and 63 franchised stores as of June 30th, 2008.

Comments to the main Profit & Loss figures

As already highlighted in our previous press releases, quarterly figures are affected by the discrepancies in the flow of industrial revenues and costs on a monthly basis; therefore, annualizing quarterly figures could be misleading.

In the first half of 2009, the Group's EBITDA was 77.8 million Euros, with a 21.7% margin on sales. At constant exchange rates, EBITDA is 79.2 million Euros, with a 22.4% margin, exactly the same as HI 2008.

Consolidated EBIT was 62.1 million Euros, with a 17.3% margin on sales. At constant exchange rates, EBIT is 64 million Euros, with a 18.1% margin.

The incidence on sales of amortisation and depreciation is 4.3%, in line with the corresponding figure of HI 2008.

The Group's profit before taxes was 61.4 million Euros, with a 17.1% margin on sales. Income taxes were 19 million Euros with a 30.9% tax rate.

Consolidated net income was 42.4 million Euros, with a 2.6% increase versus HI 2008. Finally, net of minorities, the Group's net income was 41.9 million Euros, showing a 3.1% growth versus the same result of HI 2008 and with a 11.7% margin on sales, the same as HI 2008.

Comments on the Balance Sheet and Cash Flow key figures

In the first six months of 2009, the Group invested a total amount of 10.9 million Euros in tangible and intangible assets (compared to 22.9 million Euros of HI 2008); the most of the investments were dedicated to the widening and refurbishment of the DOS network.

As of June 30th, 2009 the net financial position is positive and equal to 100 million Euros, almost the double than the balance as of June 30th, 2008.

Consolidated shareholders' equity was 619.1 million Euros, which compares to 606.3 million Euros as of December 31st, 2008.

Diego Della Valle, Chairman and CEO of Tod's SpA, commented as follows: "I'm very satisfied with the results achieved by our Group, which registered a growth of revenues and of profits, despite such a

challenging environment. These results confirm the right positioning of our brands and the strong appeal of our products' quality and exclusivity. Considering the results registered by our stores in the last few weeks, I'm confident that also the second half of the year will give us good results.“

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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ATTACHMENTS

TOD'S GROUP

Key figures of Profit & Loss (compliant with IAS/IFRS principles)

<i>Figures in million Euros</i>	HI 2009	HI 2008	FY 2008
Sales revenues	359.0	347.0	707.6
EBITDA	77.8	77.6	156.2
EBIT	62.1	63.1	126.6
Profit before taxes	61.4	61.9	126.0
Net income	42.4	41.3	84.6
<i>of which: Group's net income</i>	<i>41.9</i>	<i>40.7</i>	<i>83.4</i>
<i>minorities</i>	<i>0.5</i>	<i>0.6</i>	<i>1.2</i>

Key figures of Balance Sheet (compliant with IAS/IFRS principles)

<i>Figures in million Euros</i>	June 30 th 2009	June 30 th 2008	December 31 st 2008
Operating net working capital (1)	228.1	223.0	237.3
Tangible and intangible assets	303.6	305.9	309.7
Other assets/(liabilities) net	(12.6)	(13.7)	(13.5)
Total Invested Capital	519.1	515.2	533.5
Net financial position (positive)	(100.0)	(52.8)	(72.8)
Consolidated Shareholders' equity	619.1	568.0	606.3

(1) Trade receivables + Inventory – Trade payables

Key figures of Cash Flow (compliant with IAS/IFRS principles)

<i>Figures in million Euros</i>	HI 2009	HI 2008	FY 2008
Operating Cash Flow	67.0	44.1	89.2
Cash Flow generated/(used) by investing activities	(10.0)	(21.9)	(41.3)
Cash Flow generated/(used) by financing activities	(30.6)	(43.7)	(50.5)
Free Cash Flow generated/(used)	26.4	(21.5)	(2.6)