TOD'S Group

2010 IAS/IFRS Half Year Report

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Company's data

Registered office

TOD'S S.p.A.

Via Filippo Della Valle, 1

63019 Sant'Elpidio a Mare (Fermo) - Italy

Tel. +39 0734 8661

Legal data Parent company

Share capital resolved euro 61,218,802

Sahare capital subscribed and paid euro 61,218,802

Fiscal Code and registration number on Company Register of Court of Fermo: 01113570442

Registered with the Chamber of Commerce of Fermo under n. 114030 R.E.A.

Offices e Show rooms

Dusseldorf – Kaistrasse, 2

Hong Kong - Three Pacific Place, 1 Queen's Road East

London - Old Bond Street, 16

Milan - Corso Venezia, 30

Milan - Via Savona, 56

Milan - Via Serbelloni 1-4

Milan - Via della Spiga, 22

Milan - Via Montenero, 63

New York - 450, West 15th Street

Paris - Rue Royale, 20

Seoul - 89-10, Cheongdam-dong, Kangnam-ku

Shanghai - 1366 Nanjing West Road, Plaza 66 Tower 2

Tokyo - Omotesando Building, 5-1-5 Jingumae

Production facilities

Comunanza (AP) - Via Merloni, 7

Comunanza (AP) - Via S.Maria, 2-4-6

Sant'Elpidio a Mare (FM) - Via Filippo Della Valle, 1

Bagno a Ripoli, Loc. Vallina (FI) - Via del Roseto, 60

Bagno a Ripoli, Loc. Vallina (FI) - Via del Roseto, 50

Tolentino (MC) - Via Sacharov 41/43

Corporate Governance bodies

Board of directors [1]	Diego Della Valle	Chairman
	Andrea Della Valle	Vice- Chairman
	Luigi Abete	
	Maurizio Boscarato	
	Luigi Cambri	
	Luca Cordero di Montezemolo	
	Emanuele Della Valle	
	Fabrizio Della Valle	
	Emilio Macellari	
	Pierfrancesco Saviotti	
	Stefano Sincini	
	Vito Varvaro	
Executive Committee	Diego Della Valle	Chairman
	Andrea Della Valle	
	Fabrizio Della Valle	
	Emilio Macellari	
	Stefano Sincini	
	Vito Varvaro	
Compensation Committee	Luigi Abete	Chairman
	Luigi Cambri	
	Pierfrancesco Saviotti	
Internal Control and Corporate Governance Committee	Maurizio Boscarato	Chairman
	Luigi Cambri	
	Pierfrancesco Saviotti	
Board of statutory Auditors [2]	Enrico Colombo	Chairman
	Fabrizio Redaelli	Acting stat. auditor
	Gian Mario Perugini	Acting stat. auditor
	Gilfredo Gaetani	Substitute auditor
	Massimo Foschi	Substitute auditor
Independent Auditors [3]	Deloitte & Touche S.p.A.	
Manager charged with preparing a company's financial report	Rodolfo Ubaldi	

[1] Term of the office: 2009-2011 (resolution of the Shareholders' meeting as of April 20th, 2009)
[2] Term of the office: 2010-2012 (resolution of the Shareholders' meeting as of April 22nd, 2010)
[3] Term of the office: 2006-2011 (resolution of the Shareholders' meeting as of April 28th, 2006)

TOD'S Group

TOD'S S.p.A.
Parent Company, owner of the TOD'S, HOGAN and FAY brands and licensee of the ROGER VIVIER brand.

Del.Com. S.r.l.
Subholding for operation of international subsidiaries and DOS in Italy.

TOD'S International B.V.
Subholding for operation of international subsidiaries and DOS in The Netherlands.

An.Del. Usa Inc.
Subholding for operation of subsidiaries in the United States.

Del.Pav S.r.l.
Company that operates DOS in Italy.

Filangieri 29 S.r.l.
Company that operates DOS in Italy.

Re.Se.Del. S.r.l.
Company for services.

Gen.del. SA
Company that operates DOS in Switzerland.

TOD'S Belgique S.p.r.l.
Company that operates DOS in Belgium.

TOD'S Deutschland Gmbh
Company that distributes and promotes products in Germany and manages DOS in Germany.

TOD'S Espana SL
Company that operates DOS in Spain.

TOD'S France Sas
Company that distributes and promotes products in France and manages DOS in France.

TOD'S Luxembourg S.A.
Company that operates DOS in Luxembourg.

TOD'S Hong Kong Ltd
Company that distributes and promotes products in Far East and South Pacific and manages DOS in Hong Kong.

TOD'S Japan KK
Company that operates DOS in Japan.

TOD'S Korea Inc.
Company that promotes products in Korea

TOD'S Macao Ltd
Company that operates DOS in Macao.

TOD'S Retail India Private Ltd
Company that operates DOS in India

TOD'S Saint Barth Sas
Not operating company

TOD'S (Shanghai) Trading Co. Ltd
Company that operates DOS in China

TOD'S Singapore Pte Ltd
Company that operates DOS in Singapore.

TOD'S UK Ltd
Company that operates DOS in Great Britain.

Webcover Ltd
Company that distributes and promotes products in Great Britain and manages DOS in Great Britain.

Cal.Del. Usa Inc.
Company that operates DOS in California (USA).

Colo. Del. Usa Inc.
Not operating company

Deva Inc.
Company that distributes and promotes products in North America, and manages of DOS in New Jersey (USA).

Flor. Del. Usa Inc.
Company that operates DOS in Florida (USA).

Hono. Del. Inc.
Company that operates DOS in Hawai (USA).

Il. Del. Usa Inc.
Company that operates DOS in Illinois (USA).

Neva. Del. Inc.
Company that operates DOS in Nevada (USA).

Or. Del. Usa Inc.
Company that operates DOS in California (USA).

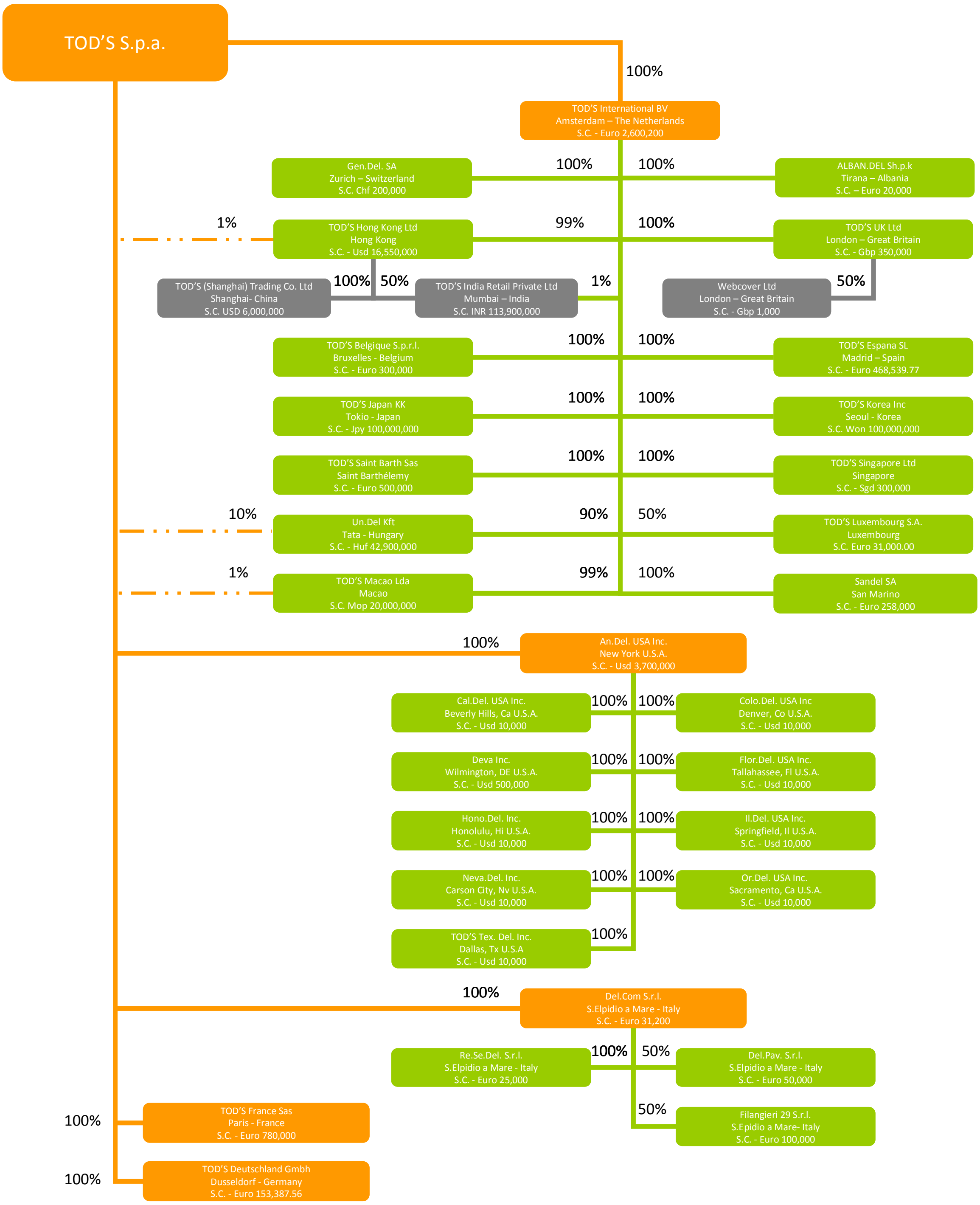
TOD'S Tex. Del. Usa Inc.
Company that operates DOS in Texas (USA)

Sandel SA
Not operating company

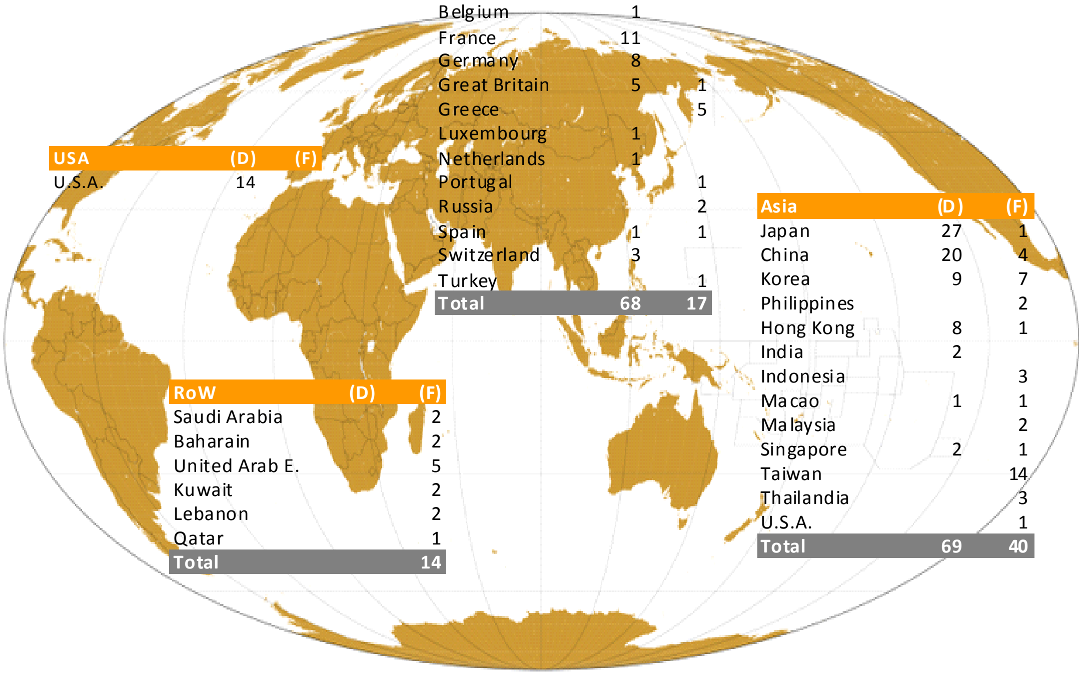
Un.Del. Kft
Production company

Alban.Del Sh.p.k.
Production company

Group's organizational chart



Distribution network as of June 30th, 2010



Europe	(D)	(F)
Italy	37	6
Belgium	1	
France	11	
Germany	8	
Great Britain	5	1
Greece		5
Luxembourg	1	
Netherlands	1	
Portugal		1
Russia		2
Spain	1	1
Switzerland	3	
Turkey		1
Total	68	17

USA	(D)	(F)
U.S.A.	14	

Asia	(D)	(F)
Japan	27	1
China	20	4
Korea	9	7
Philippines		2
Hong Kong	8	1
India	2	
Indonesia		3
Macao	1	1
Malaysia		2
Singapore	2	1
Taiwan		14
Thailandia		3
U.S.A.		1
Total	69	40

RoW	(D)	(F)
Saudi Arabia		2
Baharain		2
United Arab E.		5
Kuwait		2
Lebanon		2
Qatar		1
Total		14

(D)=DOS (F)=FRANCHISED STORES

DOS, 2010 new openings

Europe

Capri	(Italy)

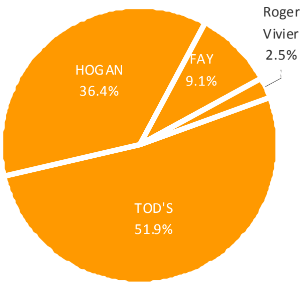
Far East

Seoul	(Korea)
Osaka	(Japan)
Shenzhen	(China)
Hangzhou	(China)
Chengdu	(China)

For a complete list of retail outlets operated by the DOS and franchising network, reference should be made to the corporate web site: www.todsgroup.com

Key consolidated financial figures

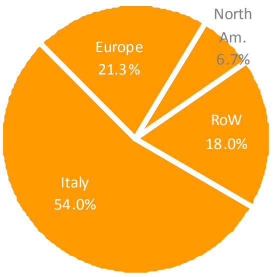
H1 10 Revenues - % by brand



P&L key figures (in euro mn)

	H1 2010		H1 2009 (1)		H1 2008 (1)		H1 2007 (1)	
Revenues	377.5		359.0		347.0		316.4	
EBITDA	90.7	24.0%	78.9	22.0%	76.1	21.9%	68.7	21.7%
EBIT	74.3	19.7%	63.2	17.6%	61.5	17.7%	56.6	17.9%
PRE-TAX	77.0	20.4%	62.5	17.4%	60.3	17.4%	57.4	18.1%
Net income	52.4	13.9%	43.1	12.0%	39.9	11.5%	34.2	10.8%

H1 10 Revenues - % by region



Key Balance Sheet figures (in euro mn)

	06.30.10	12.31.09	06.30.09 (1)
Net working capital (*)	193.4	200.1	228.1
Net fixed capital	301.6	297.4	303.6
Shareholder's equity	667.0	659.9	616.1
Net financial position	200.3	177.2	100.0
Capital expenditures	16.1	21.3	10.9

(*) Trade receivables + inventories – trade payables

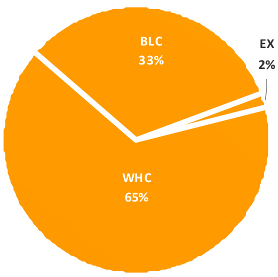
H1 10 Revenues - % by product

Financial key figures (in euro mn)

	06.30.10	12.31.09	06.30.09 (1)
Self-financing	61.7	122.8	57.9
Cash flow from operation	89.6	154.2	67.0
Free cash flow	22.3	102.8	26.4

(1) Note: Previous years results have been restated following retrospective application of the amendment to IAS 38. For details refer to Supplementary Notes.

2010 Group employees



The Group employees

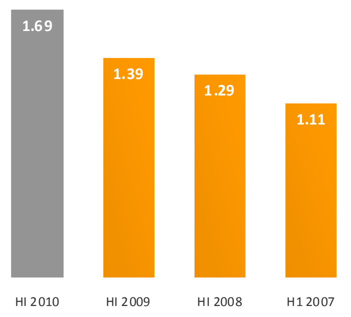
	06.30.10	12.31.09	06.30.09	06.30.08
Year to date	3,102	2,840	2,820	2,743

EX = executives
WHC = white collar employees
BLC = blue collar employees

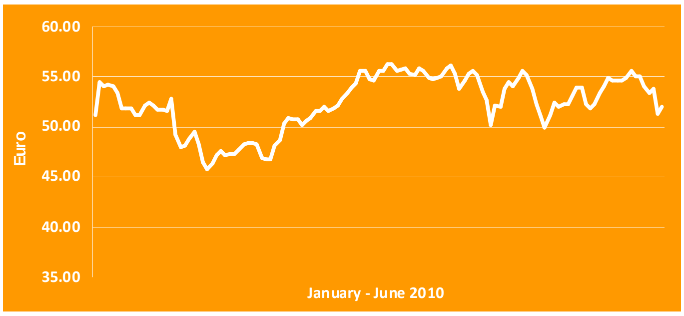
Principal Stock Market indicators (euro) – TOD'S S.p.A.

Shares' price	
Official price at January 4th 2010	51.20
Official price at June 30th 2010	52.09
Minimum price (January-June)	45.11
Maximum price (January-June)	56,94
Market capitalization	
At January 4th 2010	1,567,100,626
At June 30th 2010	1,594,327,382
Dividend per share	
Year 2008	1.25
Year 2009	1.50
Ordinary shares	
Number of outstanding shares	30,609,401

Earning per share (euro)

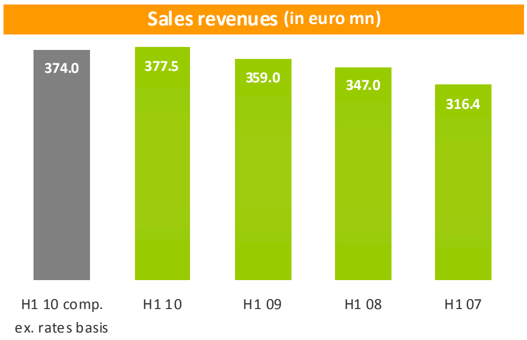


Stock performance

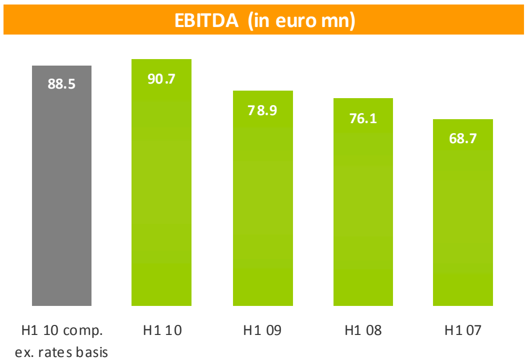


Highlights of results

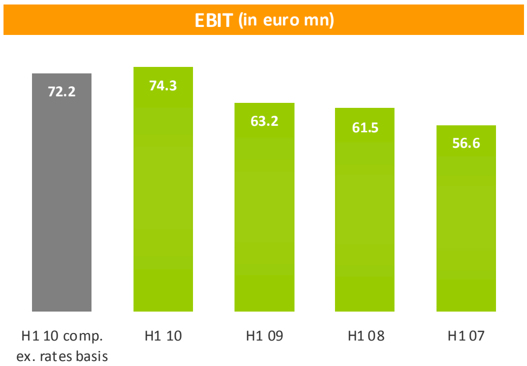
Revenues: revenues totalled 377.5 million euros during the period (the average change in foreign exchange rates had a positive impact of 3.5 million euros), equivalent to growth of 5.2% from H1 2009. Sales by the DOS network totalled 185.5 million euros (+8.8%).



EBITDA: this grew by 14.9%, to 90.7 million euros. At June 30th 2010, it was equivalent to 24.0% of sales (H1 2009: 22.0%).



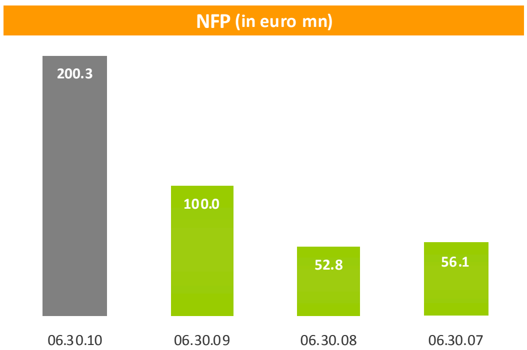
EBIT: this totalled 74.3 million euros, +17.5% compared with H1 2009 (63.2 million euros). When measured on a comparable exchange rate basis, EBIT totalled 72.2 million euros (+14.3%).



Net financial position (NFP): the Group had 232.1 million euros in liquid assets at June 30th 2010. Its net financial position was 200.3 million euros at the same date, double the amount at June 30th 2009.

Capital expenditures: 16.1 million euros in capital expenditures were made in H1 2010, with 56% allocated to the distribution network.

Distribution network: at June 30th the single brand distribution network comprised 151 DOS and 71 Franchised stores.



Report on operation

Group's activity

TOD'S Group operates in the luxury sector under its proprietary brands (TOD'S, HOGAN, and FAY) and licensed brands (ROGER VIVIER). It actively creates, produces and distributes shoes, leather goods and accessories, and apparel. The firm's mission is to offer global customers top-quality products that satisfy their functional requirements and aspirations.

Development of production. The Group's production structure is based on complete control of the production process, from creation of the collections to production and then distribution of the products. This approach is considered key to assuring the prestige of its brands.
Shoes and leather goods are produced in Group-owned plants, with partial outsourcing to specialized workshops. All of these outsourcers are located in areas with a strong tradition of shoe and leather good production. This preference reflects the fact that an extremely high standard of professional quality is required to make these items, with a significantly high level of added value contributed to the final product by manual work.
The Group relies exclusively on selected specialized outsourcers, which enables it to exploit their respective specializations in crafting the individual products sold as part of the apparel line.

Distribution structure. The prestige of the Group's brands and the high degree of specialization necessary to offer the respective products to customers entails distribution through a network of similarly specialized stores. Accordingly, the Group relies principally on three channels: DOS (directly operated stores), franchised retail outlets, and a series of selected, independent multibrand stores. The Group's strategy is focused on development of the DOS and franchising networks, given that these channels offer greater control and more faithful transmission of the individual brands. It is also clear that, in particular market situations, distribution through independent multibrand stores is more efficient. This channel is of key importance to the Group.

Group's brands

The TOD'S brand is positioned on the luxury market and combines tradition, top quality and modernity. It offers consumers shoes, leather goods, accessories and apparel whose design is exclusive, functional and never ostentatious, interpreting timeless elegance.
TOD'S products embody the high quality of goods "Made in Italy" that are handcrafted for daily use while offering a sophisticated and elegant look. Certain products, such as the *Driving Shoe* or the *D-Bag*, beloved by celebrities and leaders around the world, have become icons representing a unique and recognisably elegant style for men and women.

HOGAN The HOGAN brand is positioned in the elegant luxury sportswear market, offering consumers contemporary style shoes, leather goods, accessories and apparel with an international vision.

HOGAN products, which are distinguished by their innovative character and high quality, have created a unique style, contributing to changes in the fashion habits of consumers who want a functional, comfortable, but also sporty and elegant product for everyday life.

HOGAN products are trend-setters in defining an elegant and sporty look. Some of its models are best sellers, such as its *Interactive* shoes.

Fay This brand offers consumers a line of high-quality apparel that is distinguished by the technical treatment of fabrics, obsession for detail and extreme functionality, combining style and quality with excellence. FAY products can be worn everywhere: from the sports stadium to the office, and from the city to the countryside. In every season, the FAY collection offers innovative, recognisable products for men, women and children.

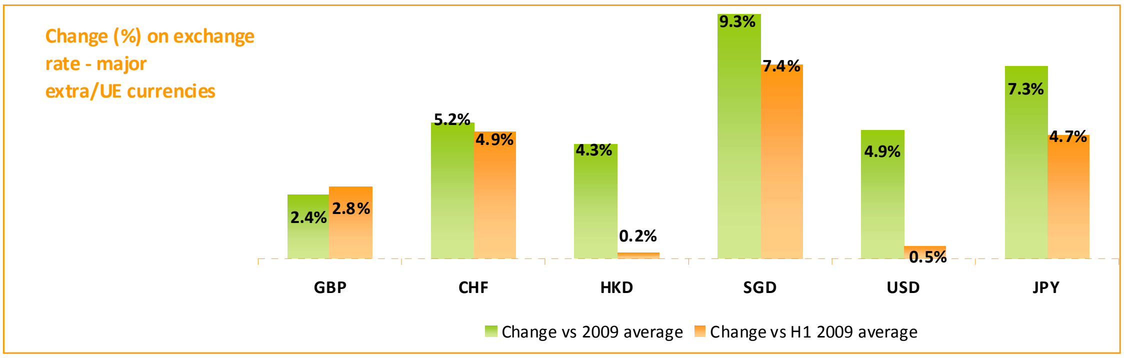
Organizational structure of the Group

The Group's organisational configuration in FY 2010 reflected continuity from the previous year. TOD'S S.p.A. is at the heart of the Group's organisation, its parent company that owns the TOD'S, HOGAN, and FAY brands, holds the licenses to the ROGER VIVIER, and manages the Group's production and distribution. Through a series of sub-holdings, the organisation is rounded out by a series of commercial companies that are delegated complete responsibility for retail distribution though the DOS network. Certain of them, strategically located on international markets, are assigned major roles in product distribution, marketing and promotion, and public relations processes along the "value chain", while simultaneously guaranteeing the uniform image that Group brands must have worldwide.

Foreign currency markets

During H1 2010, the foreign currency market was dominated by the steady weakening of the euro against other leading currencies.

Comparative analysis of the average exchange rates for the euro against other major currencies between January and June 2010 and the first half of 2009 reveals a general depreciation in the value of the euro, with the exception of the U.S. dollar and currencies that are linked to it. The average exchange rates for these latter currencies were largely the same in H1 2010 as those recorded during the same period of 2009.



Principal events and operations during the period

The results realised during H1 2010 show further improvement in the Group's operating and financial performance. The processes driving growth in sales, margins and profitability that had been previously observed during the first three months of the year accelerated significantly.

The streamlining of costs, research on more efficient operating processes, and implementation of targeted brand promotion policies aimed at increasing the sell-out of products on the entire sales network (DOS, franchising and multi-brand) and improving the ratio between sales at full price and promotional sales had a major impact on operating margins.

Careful management of working capital and prudent and efficient use of resources – but without penalising growth processes (the amount of total capital expenditure rose from 10.9 million euros in H1 2009 to 16.1 million euros in H1 2010) – significantly strengthened the Group's financial position, as compared with June 30th 2009 and December 31st 2009.

Six new retail outlets were opened on the DOS network during H1 2010, with special attention being dedicated to the mainland China market. The TOD'S brand consolidated its presence (with three new openings during the year) and laid the basis for introduction of the HOGAN and ROGER VIVIER brands in this strategic market, which is now important for the entire luxury sector. The first single-brand stores dedicated to them will be opened in Shanghai.

The Group's results in HI 2010

The TOD'S Group reported excellent results in H1 2010, both in terms of sales and margins. This was largely accomplished through a significant acceleration in performance during the second quarter. Revenues, which have always been sustained by constant growth on the domestic and European market, benefited from the excellent performance turned in by the DOS network, and the powerful stimulus originating on Asian markets (sales were up 17.3% from H1 2009), especially in Greater China (Hong Kong, China and Taiwan) and Korea. The American market also staged a strong recovery, with double-digit growth in sales.

Overall, revenues rose by 5.2% in H1 2010, to 377.5 million euros, as compared with 359 million euros during the first half of 2009. The growth rate was 7.4% in Q2 2010, up sharply from 3.4% in Q1 2010.

The growth in operating margins was even stronger. EBITDA and EBIT, which totalled 90.7 and 74.3 million euros during the period, improved by 14.9% and 17.5%, respectively, from the first six months of the previous year, generating a significant increase in operating profitability. Excellent results were realised in Q2 2010: the growth in EBITDA and EBIT, as compared with the same period of 2009, was more than double of what was generated in the first three months of the year. Consolidated net income followed a similar trend, reaching 52.4 million euros. At June 30th 2010, net income on sales amounted to 13.9% (in H1 2009: 43.1 million euros, or 12% margin).

FY 09	(In Euro000's) Principal P&L indicators	H1 2010	H1 2009 (1)	Change	%
713,135	Sales revenues	377,462	358,964	18,498	5.2
158,653	EBITDA	90,693	78,949	11,744	14.9
(32,205)	Depr., amort.,write-downs	(16,425)	(15,743)	(682)	4.3
126,448	EBIT	74,268	63,206	11,062	17.5
126,545	Pre-tax profit	76,969	62,468	14,501	23.2
86,140	Consolidated net income	52,421	43,119	9,302	21.6
	Foreign exchange impact on revenues	(3,500)			
	Adjusted sales revenues	373,962	358,964	14,998	4.2
	For. exch. impact. on operating cost	1,350			
	Adjusted EBITDA	88,543	78,949	9,594	12.2
	For. exch. impact. on deprec.& amort.	130			
	Adjusted EBIT	72,248	63,206	9,042	14.3
	EBITDA %	24.0	22.0		
	EBIT %	19.7	17.6		
	Adjusted EBITDA %	23.7	22.0		
	Adjusted EBIT %	19.3	17.6		
	Tax rate %	31.9	31.0		

06.30.09 (1)	(in Euro 000's) Principal Balance sheet indicators	06.30.10	12.31.09	Change
228,143	Net working capital (*)	193,382	200,129	(6,747)
303,603	Non-current assets	301,621	297,367	4,254
(15,644)	Other current assets/liabilities	(28,300)	(14,752)	(13,548)
516,102	**Invested Capital**	**466,703**	**482,744**	**(16,041)**
100,008	Net financial position	200,299	177,189	23,110
616,110	**Shareholder's equity**	**667,002**	**659,933**	**7,069**
10,916	Capital Expenditures	16,112	21,310	n.s.
67,025	Cash flow from operation	89,553	154,164	n.s.
26,425	Free cash flow	22,323	102,837	n.s.

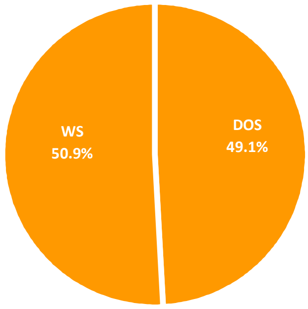
(*) *Trade receivables + inventories – trade payables*

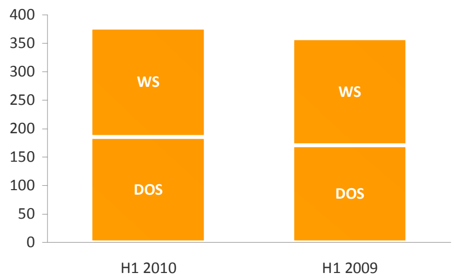
Note 1: The H1 2009 results have been restated following retrospective application of the amendment to IAS 38. Please see the explanatory Notes for details.

Revenues. In H1 2010, consolidated Group revenues totalled 377.5 million euros, up 5.2% from the same period of 2009, and accelerating from +3.4% in Q1 2010 to +7.4% in Q2 2010. On a comparable exchange rate basis, and thus using the same average exchange rates as those reported in the first six months of 2009, revenues would have been 374.0 million euros (+4.2%).

In H1 2010, revenues from third parties totalled 192.0 million euros, up 1.9% from the same period of 2009.

(In euro mn)	H1 2010	%	H1 2009	%	Change	%
DOS	185.5	49.1	170.6	47.5	14.9	8.8
WS	192.0	50.9	188.4	52.5	3.6	1.9
Total	**377.5**	**100.0**	**359.0**	**100.0**	**18.5**	**5.2**





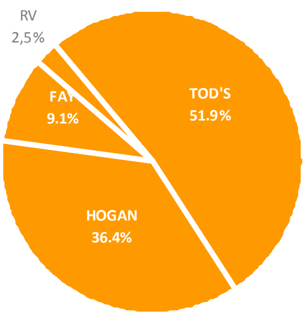
The DOS turned in an extremely strong performance, showing a sharp improvement from Q1 2010. During H1 2010, DOS revenues totalled 185.5 million euros, up 8.8% from the same period of 2009. Performance as measured by the indicator of organic growth was particularly brilliant: Same Store Sales Growth (SSSG), which is calculated as the global average of revenues growth rates reported by existing DOS at January 1st 2009, was 10.6% during the first 34 weeks of the current year (January 1st – August 22nd 2010), with a strong acceleration in its value from the level recorded during the first 4 months of the year (4.3%). At June 30th 2010, the Group's distribution network was comprised by 151 DOS and 71 franchised stores, compared with 147 DOS and 76 franchised stores at June 30th 2009.

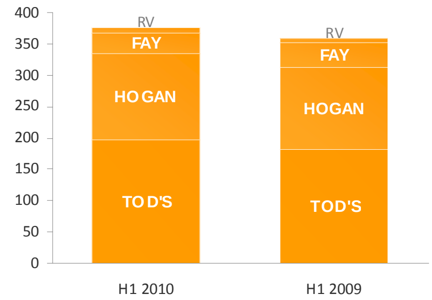
TOD'S brand revenues totalled 195.9 million euros during the first six months of 2010, up 8.4% from the same period during the previous year, and was driven by the excellent results posted by shoes and handbags.

The HOGAN brand reported sales of 137.5 million euros in H1 2010, with an increase of 4.2% from the corresponding period of 2009.

This growth is driven by the strategic objective of maintaining the exclusive character of the brand and its image over the long-term.
FAY brand revenues totalled 34.3 million euros in H1 2010; as previously commented for the Q1 2010 results, the brand was also impacted by the different timing of summer collection deliveries. Finally, the ROGER VIVIER brand realised revenues of 9.5 million euros in H1 2010, up 28.3% from H1 2009.

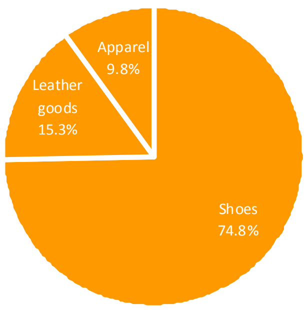
(In euro mn)	H1 2010	%	H1 2009	%	Change	%
TOD'S	195.9	51.9	180.7	50.3	15.2	8.4
HOGAN	137.5	36.4	131.9	36.8	5.6	4.2
FAY	34.3	9.1	38.5	10.7	(4.2)	(11.0)
RV	9.5	2.5	7.4	2.1	2.1	28.3
Other	0.3	0.1	0.5	0.1	(0.2)	n.s.
Total	377.5	100.0	359.0	100.0	18.5	5.2

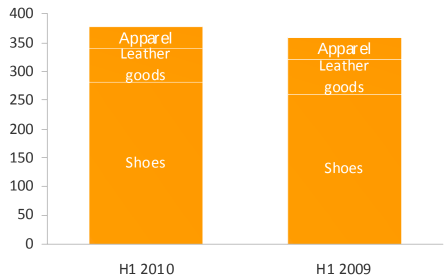




The Group has reconfirmed its unchallenged leadership in its core business: shoes. Revenues in this category totalled 282.4 million euros in H1 2010, with growth of 8.3% from the same period of the previous year. Consistently with management expectations, leather goods and accessories revenues improved at a brisk rate in Q2 2010, with excellent performance on the DOS network. Revenues for this category totalled 57.8 million euros during H1 2010 (-9.9% in Q1 2010 and +6% in Q2 2010). Finally, apparel revenues totalled 37 million euros in H1 2010. The Hogan brand collections showed encouraging signs of improvement.

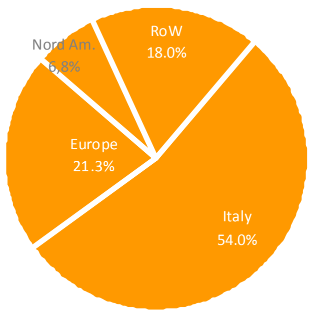
(In euro mn)	H1 2010	%	H1 2009	%	Change	%
Shoes	282.4	74.8	260.9	72.7	21.5	8.3
Leather goods	57.8	15.3	59.2	16.5	(1.4)	(2.4)
Apparel	37.0	9.8	38.5	10.7	(1.5)	(3.7)
Other	0.3	0.1	0.4	0.1	(0.1)	n.s.
Total	377.5	100.0	359.0	100.0	18.5	5.2

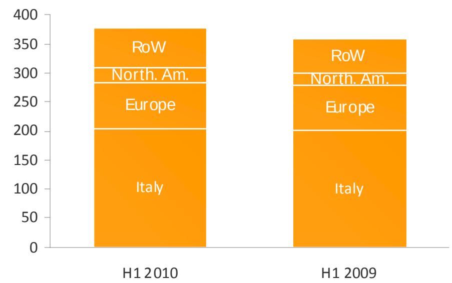




Revenues continued growing on the domestic market. In H1 2010, Group sales revenues totalled 203.7 million euros in Italy, growing by 1.6% from the same period of 2009. The result reported for Italy was also impacted by the previously commented sale figure for Fay, the leading brand on this market.

(In euro mn)	H1 2010	%	H1 2009	%	Change	%
Italy	203.7	54.0	200.5	55.8	3.2	1.6
Europe	80.3	21.3	77.6	21.6	2.7	3.4
North America	25.5	6.7	22.9	6.4	2.6	11.2
RoW	68.0	18.0	58.0	16.2	10.0	17.3
Total	**377.5**	**100.0**	**359.0**	**100.0**	**18.5**	**5.2**

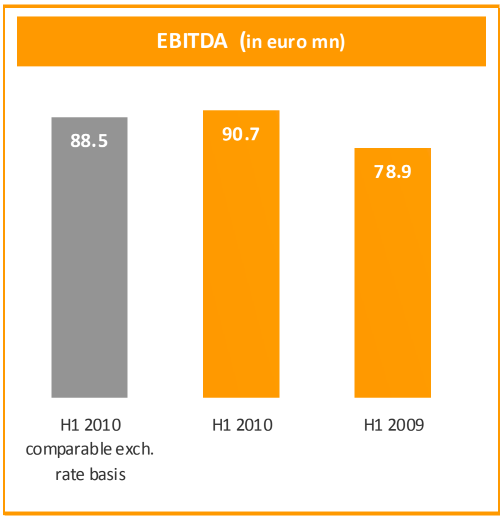




In the remaining countries of Europe, Group sales totalled 80.3 million euros, up 3.4% from H1 2009. The brisk acceleration in growth rates during the second quarter stemmed primarily from the excellent results posted by the Group DOS network. The results reported by the United States market were very encouraging, with a strong improvement from the preceding months. In H1 2010, aggregate revenues in this area totalled 25.5 million euros, with growth of 11.2% from H1 2009 (+11.9% on a comparable exchange rate basis). The "Asia and Rest of the World" area also reported an acceleration in growth rates as compared with the first quarter. The results turned in by China, Hong Kong, Korea and Taiwan were especially positive. In H1 2010, aggregate revenues in this area totalled 68 million euros, with growth of 17.3% from H1 2009 (+11.7% on a comparable exchange rate basis).

Operating results. Excellent results were achieved in terms of EBITDA and EBIT, which grew at rates that were far higher than the increase in sales, as compared with H1 2009. This positive performance was largely the result of a favourable composition of sales during the first half (in particular, the growing impact of revenues generated in more profitable areas, improvement in the ratio of full price sales and promotional sales), and efficiencies realised during production of the current spring-summer 2010 collection.

EBITDA totalled 90.7 million euros during H1 2010, and represented 24.0% of Group revenues at June 30th 2010. Growth of 200 basis points from the 2009 level was recorded. On a comparable exchange rate basis, EBITDA during the January-June period would have been 88.5 million euros. In this case, it would be equal to 23.7% of consolidated revenues. During H1 2009, EBITDA was 78.9 million euros, and equalled 22% of sales.



During the first half, the slight increase in overhead was more than offset by the positive change in the sales margin. Note should be made of the fact that costs during the first six months of 2009 (Other operating expenses) were stated net of a non-recurring gain of 2.1 million euros, which was recognised in the form of a tax credit in favour of the group.

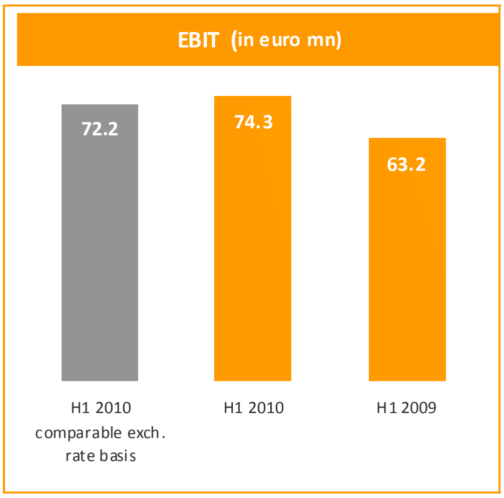
Leases and rentals, especially for the lease of locations used by the DOS network, totalled 28.2 million euros at June 2010, up 2.1 million euros from 2009. Incremental costs raised the ratio of this expense to sales from 7.3% in June 2009, to 7.5% in H1 2010.

In H1 2010, the cost for Group employee remuneration totalled 57.8 million euros, compared with 54.7 million euros in the first six months of the previous year. This change is largely tied to the increase in Group headcount, which rose to 3,102 employees at June 30th 2010, or 262 and 282 additional employees as compared with the number of employees at December 31st and June 30th 2009, respectively. Most of the employees who were newly hired during H1 2010 were used to build up the Group's production structure. During first half of this year, employee costs equalled 15.3% of Group revenues, as compared with 15.2% in the first six months of 2009.

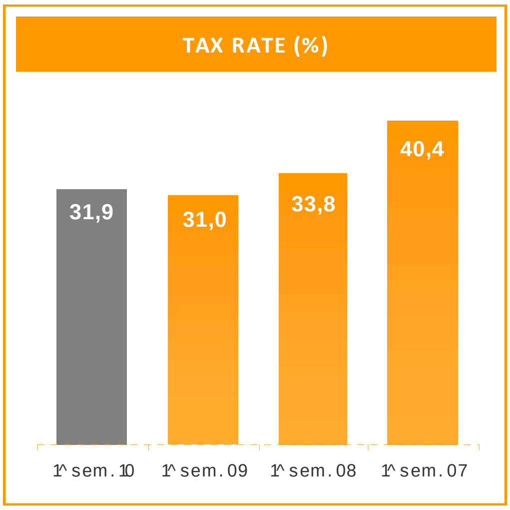
Depreciation charges for fixed assets remained substantially stable, rising from 15.5 million euros in H1 2009 to 15.8 million euros in H1 2010. Its ratio to revenues fell from 4.3% to 4.2%.

Net of additional operating provisions of 0.6 million euros, EBIT in H1 2010 totalled 74.3 million euros (63.2 million euros in H1 2009) and was equal to 19.7% of Group sales, up significantly from 17.6% in H1 2009.

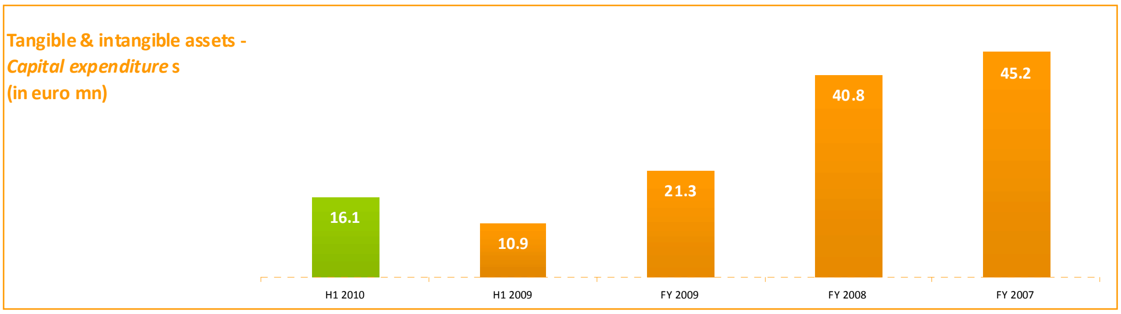
On a comparable exchange rate basis, EBIT would have been 72.2 million euros, and would be equal to 19.3% of revenues.



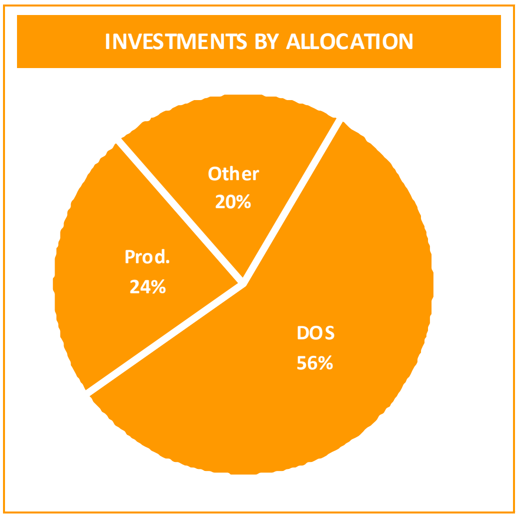
Consolidated profit in H1 2010 was 52.4 million euros, representing growth of 21.6% from the figure for the same period of the previous year (first six months of 2009: 43.1 million euros). At June 30th, consolidated profit was equal to 13.9% of revenue, as compared with 12% during the first six months of 2009. Financial income totalled 2.7 million euros (this balance totalled 0.7 million euros, when considering foreign exchange risk hedges). The net result reflects income taxes accrued for the period (including the effects of deferred tax liabilities) totalling 24.5 million euros. The effective tax rate was 31.9%, on par with the tax rate for all of FY 2009.



Capital expenditures. Capital expenditures recovered during the period. Capex in H1 2010 totalled 16.1 million euros, as compared with 10.9 million euros during the same period of 2009. Capex during all of FY 2009 totalled 21.3 million euros.



The DOS network was the favoured target of capital expenditure during the first half. Aside from the fitting out of six new boutiques, including three on the mainland China market, capex resources were principally dedicated to expansion of the sales space at the TOD'S shop in Monaco and the ROGER VIVIER boutique in Hong Kong, and renovation of the TOD'S single-brand store in Los Angeles. Furthermore, the flagship store in Hong Kong was relocated to Canton Road. Capital expenditure on production plant are part of the normal process of modernisation of industrial structures and plant (mainly lasts, hollow punches and moulds).



Net financial position (NFP). The Group's cash position continued to strengthen in H1 2010. At June 30th, net cash totalled 200.3 million euros (100.0 million at June 30th, 2009) and was comprised by liquid assets (cash and bank deposits) for 232.1 million euros, and liabilities for 31.8 million euros, including 25.8 million euros for short-term exposures.

Net Financial position (in Euro 000's) 30.06.09		06.30.10	12.31.09	Change
Current financial assets				
126,899	Cash and cash equivalents	232,119	204,009	28,110
126,899	Current financial assets	232,119	204,009	28,110
Current financial liabilities				
(17,849)	Current account overdraft	(24,267)	(18,480)	(5,787)
(1,454)	Current share of medium-long term financing	(1,521)	(1,521)	-
(19,303)	Current financial liabilities	(25,788)	(20,001)	(5,787)
107,596	Current net financial position	206,331	184,008	22,323
Non-Current financial liabilities				
(7,588)	Financing	(6,032)	(6,819)	787
(7,588)	Non-Current financial liabilities	(6,032)	(6,819)	787
100,008	Net financial position	200,299	177,189	23,110

Compared with the figure at the beginning of the year (NFP was 177.2 million euros at December 31st 2009), the additional cash resources generated by the Group during H1 2010 totalled 22.3 million euros. This figure rises to 68.2 million gross of the dividends declared upon approval of the 2009 Annual Report (45.9 million euros).

(in Euro 000's)	HI 2010	HI 2009[1]
Profit (loss) for the period of the group	**51,618**	**42,656**
Non cash items	10,083	15,338
Cash Flow	61,701	57,994
Changes in operating net working capital	27,852	9,031
Cash Flow operation	89,553	67,025
Cash Flow generated (used) in investment activity	(17,180)	(10,388)
Cash Flow generated (used) in financing activity	(50,050)	(30,212)
Cash Flow generated (used) continuing operation	22,323	26,425
Cash Flow generated (used)	22,323	26,425
Net financial position at the beginning of the period	184,008	81,171
Net financial position at the end of the period	206,331	107,596
Change in current net financial position	22,323	26,425

Note 1: The H1 2009 results have been restated following retrospective application of the amendment to IAS 38. Please see the explanatory Notes for details.

The operating cash flow for the January-June 2010 period totalled 89.6 million euros, up 22.6 million euros from the amount reported for H1 2009, reflecting the contribution made by cash flow and working capital (contraction in net investments).

The value of investments to capital expenditure and distribution of dividends also grew. Net of these, the free cash flow for the period totalled 22.3 million euros.

Significant events occurring after the end of the period

Today the Board of Directors of the parent company TOD'S S.p.A. resolved to propose to the Shareholders' Meeting, which has been called to assemble on September 21st 2010, the distribution of an extraordinary dividend in the amount of 3.50 euros for each of the 30,609,401 outstanding shares entitled to receive profits, for a total amount of 107,132,903.50, to be taken from the Profits reserve.

Business Outlook

The figures realised by the Group during the first six months of the year are extremely good, both in regard to sales and margins. Aside from confirming the trends that emerged during the first quarter, they show a sustained acceleration in growth during the second quarter, and particularly the DOS network.

These figures are even more important if it is considered that they refer to excellent basis of comparison, i.e. the financial results at June 30th 2009, a period when the Group had realised an improvement in its income performance during a difficult market period.

The positive signals received from DOS stores, and the entire network in general, confirm the excellent position of the brands, tied to their high quality, exclusive character and iconic products, and the high degree of satisfaction that these products continue to enjoy amongst domestic and international customers.

For this reason, and also considering the positive performance of the sales campaign for the next fall-winter collection, which is perfectly in line with expectations, we believe that the results for all of FY 2010 will be outstanding.

Sant'Elpidio a Mare, August 26th, 2010

The Chairman of the Board of Directors
Diego Della Valle

TOD'S Group

Half-year Interim Report
Supplementary notes

1. General notes

The half-year Financial Report, which includes the condensed consolidated half-year report of the TOD'S Group at June 30th, 2010, has been prepared in accordance with Article 154 ter (2, 3 and 4) of the Consolidated Law on Financial Intermediation ("TUF"), introduced by Legislative Decree 195/2007 in implementation of Directive 2004/109/EC (the "Transparency" directive), and complies with IAS 34 – Interim Financial Reporting, adopted according to the procedure envisaged in Article 6 of EC Regulation no. 1606/2002. Consequently, this interim half-year report does not include all the information required for the annual report and must be read together with the annual report prepared for the financial year at December 31st 2009.
It includes the Half-year report of TOD'S S.p.A. and its Italian and foreign subsidiaries, together identified as the TOD'S Group, drafted with the reference date of June 30th, 2010 (January 1st – June 30th).
The financial statements (profit and loss account, comprehensive profit and loss account, Consolidated Statement of Financial position, Consolidated Statement of Cash Flows, and Consolidated statement of changes in equity) were drafted in the long form and are the same as those used for the consolidated financial statements at December 31st, 2009.
As envisaged in IAS 34, the notes to the financial statements were drafted in summary form and refer only to the components of the profit and loss account, balance sheet, and funds flow statement, whose composition or change in amount or nature was significant. Thus, they illustrate additional information for accurate comprehension of the Group's financial position at June 30th, 2010.

The Half Year Financial Report at June 30th, 2010 was approved by the Board of Directors of TOD'S S.p.A. on August 26th, 2010, when its publication was authorised. It was audited (limited review) by the independent auditor Deloitte & Touche S.p.A.

2. Accounting policies

The condensed consolidated half-year report were prepared according International Accounting Standards ("IFRS") issued by International Accounting Standards Board ("IASB") and approved by the European Union. IFRS refers also to the International Accounting Standards ("IAS"), in force at reporting date, and all interpretative documents issued by International Financial Reporting Interpretations Committee ("SIC").

The accounting standards used to prepare this condensed consolidated half-year report are consistent with those used to prepare the consolidated annual report at 31 December 2009, to which reference is made for full treatment.

As illustrated in more detail in the Explanatory Notes to the financial statements at December 31st 2009, the Group modified its accounting policy for treatment of promotional and advertising expenses beginning with the annual report prepared at that date. This change reflects the guidelines set out in the 2009 amendment to IAS 38. This change was retrospectively applied beginning January 1st 2009. Consequently, the condensed, comparative Consolidated Half-year Report at June 30th 2009 has been presented here to reflect that change.

The impact of this change on the condensed Consolidated Half-year Report at June 30th 2009 is illustrated as follows:

In euro 000's Impact on Profit and Net Equity	
Impact on Net equity as of January 1st,2009	(3,724)
Impact on Profit as of June 30th, 2009	744
Cumulated impact as of June 30th, 2009	**(2,980)**

The impact of this change on the principle accounts of the income statement, statement of financial position and statement of cash flows for the period ended in June 30th 2009 is illustrated as follows:

In euro 000's	HI 2009
Profit & Loss	
EBITDA	1,107
EBIT	1,107
Statement of Financial position	
Current assets	(4,306)
Current liabilities	(791)
Non current liabilities	(535)
Statement of Cash Flow	
Cash Flow	844

Accounting standards, amendments and interpretations applied since January 1st 2010. The following accounting standards, amendments, improvements and interpretations, are applicable since 1st January 2010 and refer to situations or cases that were not applied in the Half-year Report of TOD'S Group of the period ending at June 30th 2010:

- IFRS 3 (2008) – Business combinations. The updated version of IFRS 3 introduced major changes, principally in regard to: the regulations governing incremental acquisitions of subsidiaries; the option of fair value measurement of any third party interests acquired in a partial acquisition; the charging to income of all costs connected with the business combination and recognition at the acquisition date of the liabilities for conditional payments.
- IAS 27 (2008) – Consolidated and Separate Financial Statements. The changes to IAS 27 principally concern the accounting treatment of transactions or events that modify equity interests in subsidiaries and the allocation of losses by the subsidiary to minority interests.

- Improvement to IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.
- Amendments to IAS 28 – Investments in Associates and to IAS 31 – Interests in Joint Ventures consequential to the amendment to IAS 27.
- Improvements to IAS/IFRS (2009).
- Amendment to IFRS 2 – Share based Payment: Group Cash-settled Share-based Payment Transactions.
- IFRIC 17 – Distributions of Non-cash Assets to Owners.
- IFRIC 18 – Transfers of Assets from Customers.
- Amendment to IAS 39 – Financial Instruments: Recognition and Measurement: Eligible Hedged items.

Estimates and assumptions. Preparation of the financial figures reported on the Half Year Report entails making estimates and assumptions based on the management's best valuation. If these estimates and assumptions should change in future from the actual circumstances, they will obviously be modified for the period in which those circumstances changed.
Specifically in regard to determination of eventual impairment losses affecting fixed assets, complete tests are performed only when the annual report is prepared, when all information as might be necessary is available, unless there are indications that require immediate valuation of eventual impairment losses or the occurrence of events that required repetition of the procedure. The analyses carried out at this reporting date have not revealed any impairment indicators.

Presentation of financial statements drafted in foreign currency. The rates applied for translation of the financial statements of subsidiaries using a functional currency other than the currency used for consolidation, are illustrated in the following table and compared with those used in the previous period:

		Jan. - June 2010		Jan. - June 2009	
	Base	Exch. rate at June 30th	Average exch. rate	Exch. rate at June 30th	Average exch. rate
Us Dollar	1	0.815	0.755	0.708	0.752
UK pound sterling	1	1.223	1.150	1.174	1.112
Swiss franc	1	0.753	0.697	0.655	0.664
Hong Kong dollar	100	10.466	9.714	9.129	9.695
Japanese yen	100	0.919	0.826	0.738	0.789
Hungarian forint	1,000	3.496	3.683	3.683	3.453
Singapor dollar	1	0.583	0.541	0.489	0.503
Korean WON	1,000	0.667	0.654	0.555	0.557
Chinese Renminbi	100	12.017	11.061	10.358	10.999
Macao Pataca	100	10.169	9.438	8.870	9.414
Indian Rupia	100	1.755	1.649	1.481	1.526

3. Seasonal or ciclical nature of interim transactions

The TOD'S Group engages in a business that, while not manifesting significant seasonal or cyclical changes in overall annual sales, is impacted by monthly differences in the flows of revenues and costs generated by its industrial activity over the course of the year.

4. Alternative indicators of performances

In order to strip the effects of changes in exchange rates from the average values of the first six months of 2010 from the results for the six months of 2009, the typical economic indicators (Revenues, EBITDA, EBIT) have been recalculated by applying the average exchange rates for the six months of 2009, thereby rendering them fully comparable with those of the previous period.
These criteria for measuring business performance must not be considered alternative to those established by IFRSs.
Furthermore – as has already been mentioned in the preceding paragraph, the Group's cash flow is uneven from quarter to quarter, largely on account of its industrial activity. Consequently, the analysis of interim results and financial statement indicators (EBITDA, EBIT, financial position and working capital) cannot be considered fully representative, and it would thus be improper to consider the indicators for the reference period to be in proportion to the results for the entire financial year.

5. Scope of consolidation

The scope of consolidation of the Half-year Report at June 30th 2010 has not changed from the scope at June 30th and December 31st 2009. The company ALBAN.DEL Sh.p.k., which was already included in the scope of consolidation from June 30th 2009, was not fully operational at that date. The effect of consolidation of this company did not have a material impact on the Group's consolidated financial statements.
It is assumed that the Group controls those companies in which it does not own more than 50% of the capital, and thus disposes of the same percentage of voting power at the Shareholders' Meeting, where the Group has the power to exercise direct or indirect control of those companies' financial and operating policies in view of realizing benefits from their activities.

The following list illustrates the entire scope of consolidation at June 30th, 2010:

Parent Company
TOD'S S.p.a. S.Elpidio a Mare - Italy Share Capital (S.C.) - Euro 61,218,802

Direct subsidiaries			
TOD'S Deutsch. Gmbh Dusseldorf - Germany S.C. - Euro 153,.387.56 % held: 100%	**TOD'S France Sas** Paris - France S.C. - Euro 780,000 % held: 100%	**An.Del. USA Inc.** New York - U.S.A S.C. - Usd 3,700,000 % held: 100%	**TOD'S Internat. BV** Amsterdam–Netherlands S.C. - Euro 2,600,200 % held: 100%
Del.Com S.r.l. S.Elpidio a Mare - Italy S.C. - Euro 31,200 % held: 100%			

Indirect subsidiaries			
Cal.Del. USA Inc. Beverly Hills, Ca - U.S.A. S.C. - Usd 10,000 % held: 100%	**Colo.Del. USA Inc.** Denver, Co - U.S.A. S.C. - Usd 10,000 % held: 100%	**Deva Inc.** Wilmington, DE – U.S.A. S.C. - Usd 500,000 % held: 100%	**Flor.Del. USA Inc.** Tallahassee, Fl - U.S.A. S.C. - Usd 10,000 % held: 100%
Hono.Del. Inc. Honolulu, Hi - U.S.A. S.C. - Usd 10,000 % held: 100%	**Il.Del. USA Inc.** Springfield, Il - U.S.A. S.C. - Usd 10,000 % held: 100%	**Neva.Del. Inc.** Carson City, Nv - U.S.A. S.C. - Usd 10,000 % held: 100%	**Or.Del. USA Inc.** Sacramento, Ca - U.S.A. S.C. - Usd 10,000 % held: 100%
TOD'S Tex Del USA Inc. Dallas, Tx - U.S.A S.C. - Usd 10,000 % held: 100%	**Gen.Del SA** Ginevra - Switzerland S.C. - Chf 200,000 % held: 100%	**Sandel SA** San Marino S.C. - Euro 258,000 % held: 100%	**TOD'S Belgique S.p.r.l.** Bruxelles - Belgium S.C. - Euro 300,000 % held: 100%
TOD'S Espana SL Madrid – Spain S.C. - Euro 468,539,77 % held: 100%	**TOD'S Hong Kong Ltd** Hong Kong S.C. - Usd 16,550,000 % held: 100%	**TOD'S Japan KK** Tokio - Japan S.C. - Jpy 100,000,000 % held: 100%	**TOD'S Saint Barth Sas** Saint Barthélemy S.C. - Euro 500,000 % held: 100%
TOD'S Singapore Pte Ltd Singapore S.C. - Sgd 300,000 % held: 100%	**Un.Del Kft** Tata - Hungary S.C. - Huf 42,900,000 % held: 100%	**TOD'S UK Ltd** London – Great Britain S.C. - Gbp 350,000.00 % held: 100%	**Webcover Ltd** London – Great Britain S.C. - Gbp 1,000.00 % held: 50%
TOD'S Luxembourg SA Luxembourg S.C. - Euro 31,000.00 % held: 50%	**TOD'S Korea Inc.** Seoul - Korea S.C. - Won 1,600,000,000 % held: 100%	**TOD'S Macao ltd** Macao S.C. – MOP 20,000,000 % held: 100%	**TOD'S (Shanghai) Tr. Co Ltd** Shanghai – China S.C. – USD 6,000,000 % held: 100%
TOD'S India Retail Pte Ltd Mumbai - India S.C. – INR 113,900,000 held: 51%	**Re.Se.Del. S.r.l.** S.Elpidio a Mare- Italy S.C. - Euro 25,000.00 held: 100%	**Del.Pav. S.r.l.** S.Elpidio a Mare- Italy S.C. - Euro 50,000 held: 50%	**Filangieri 29 S.r.l.** S.Elpidio a Mare- Italy S.C. - Euro 100,000 held: 50%
Alban.Del Sh.p.k. Tirana - Albanian S.C. - Euro 20,000 held: 100%			

6. Segment reporting

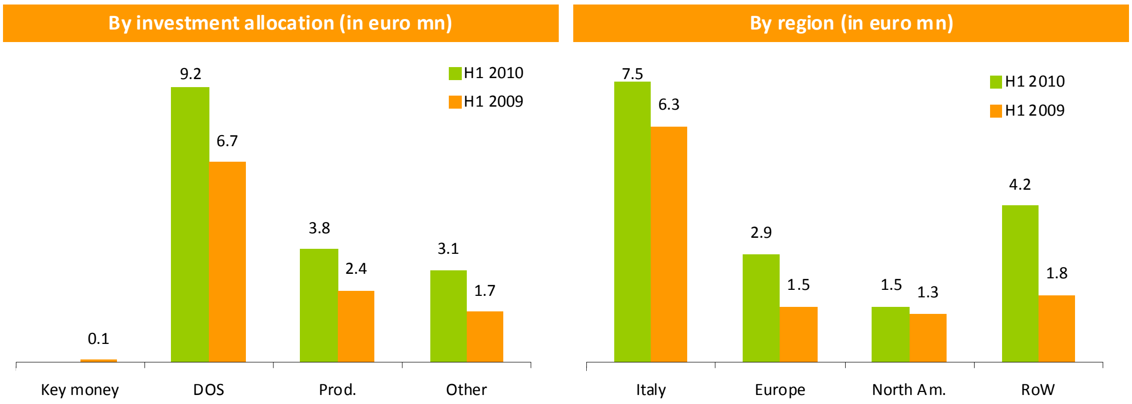
The search for higher levels of operating efficiency has revealed the general importance of a significant portion of service activities (first and foremost production), both at the central and peripheral levels, as the basis for maximising profitability. This renders the possibility of aggressive segmentation of the business uneconomical under current circumstances.

At the operating level, the Group's organisation is based on an articulated matrix structure according to the different functions/activities in the value chain, alternatively according to brand, product, channel and geographical area. The overall organisation envisages a unified strategic vision of the business.

This type of organisation is reflected in the ways in which management monitors and strategically focuses the Group's activities.

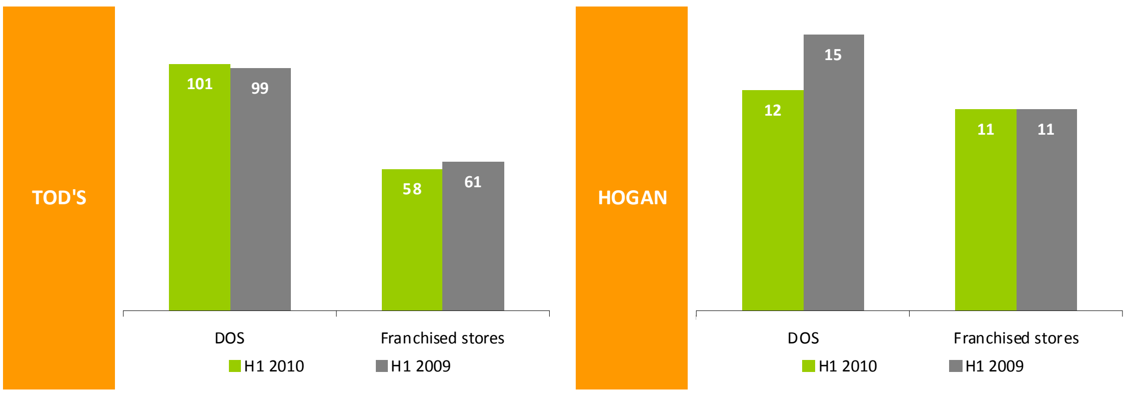
The economic disclosure set out in the Report of the Board of Directors is completed as follows, including a break-down of consolidated revenues by BRAND, CHANNEL, PRODUCT TYPE and REGION, and INCOME STATEMENT for the business:

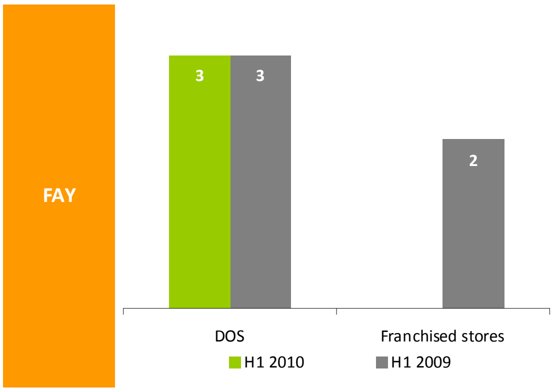
2010 *Capital expenditures*

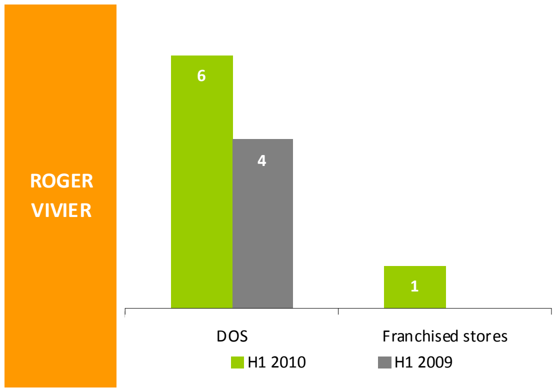


Distribution network

TOD'S GROUP - *Distribution network*		**06.30.10**	**06.30.09**
Italy	DOS	37	36
	FRANCHISED STORES	6	9
Europe	DOS	31	32
	FRANCHISED STORES	11	12
USA	DOS	14	13
	FRANCHISED STORES	-	-
RoW	DOS	69	66
	FRANCHISED STORES	54	55
Total DOS		**151**	**147**
Total *FRANCHISED STORES*		**71**	**76**







7. Earnings per share

The calculation of base and diluted earnings per share is based on the followings:

i. Reference profit

(in euro 000's) From operating activities	HI 2010	HI 2009
Earnings for determination of base earnings per share	51,618	42,656
Dilution effects		
Earnings for determination of diluted earnings per share	**51,618**	**42,656**

(in euro 000's) From operating activities	HI 2010	HI 2009
Net income of the Group	51,618	42,656
Profit (loss) from discontinued activities		
Earnings for determination of base earnings per shares	**51,618**	**42,656**
Dilution effects		
Earnings for determination of diluted earnings per share	**51,618**	**42,656**

In both periods, first half 2010 and 2009, there were no dilutions of net consolidated earnings, partly as a result of activities that were discontinued during the periods in question.

ii. Reference number of shares

	HI 2010	HI 2009
Weighted average number of shares to determine basic earning per share	30,609,401	30,609,401
Share options		
Weighted average number of shares to determine diluted earning per share	30,609,401	30,609,401

Following termination of the stock options plan, during the first half of year 2009, there were no more common shares that would dilute the share capital at June 30th 2010.

8. Dividends

Pursuant to a resolution by the Shareholders' Meeting of April 22th 2010, the parent company TOD'S S.p.A. paid its shareholders dividends in May for the net profit realised in FY 2009. The aggregate value of dividends paid totals 45,914,101.50 euros, at the rate of 1.50 euros for each of the 30,609,401 shares comprising share capital at the ex dividend date (May 24th 2010). Moreover, other Group companies paid 725 thousand euros in dividends to their own minority shareholders.

As reported above, today the Board of Directors of the parent company TOD'S S.p.A. resolved to propose to the Shareholders' Meeting, which has been called to assemble on September 21st 2010, the distribution of an extraordinary dividend in the amount of 3.50 euros for each of the 30,609,401 outstanding shares entitled to receive profits, for a total amount of 107,132,903.50, to be taken from the Profits reserve.

The extraordinary dividend is subject to resolution by the Shareholders' Meeting called for September 21th 2010, and was not recognised in the liabilities in this Half-Year Report.

9. Hedging of financial risks (IFRS 7)

Consistently with the provisions of the Code of Self-discipline of Listed Companies, the TOD'S Group has set up a system for monitoring the financial risks to which it is exposed. These can be identified as follows:

i. **Credit risk.** This represents the exposure of the TOD'S Group to potential losses stemming from default on the obligations assumed by commercial counterparties.

ii. **Liquidity risk.** This represents the risk stemming from the unavailability of financial resources as necessary to meet the short-term commitments assumed by the Group and its own financial requirements.

iii. **Market risk.** This type of risk includes those risks that are directly or indirectly tied with the fluctuation of physical and financial market prices to which a company is exposed:
   - exchange rate risk;
   - interest rate risk;
   - commodity risk, which is tied to the volatility of prices for the raw materials used in the production process.

In the ambit of the policy adopted for management of the aforementioned risks, the Group constantly monitors the financial risks connected with its operations, so that it can assess their potential negative effects in advance and take the necessary actions to mitigate them.

Particularly in regard to exchange rate risk, the Group has adopted a risk management policy that pursues the objective of guaranteeing that the countervalue in euro of the receipts from wholesale sales in foreign currency of each collection (Spring-Summer and Fall-Winter) is equal or better on average to what would be obtained by applying the set target exchange rates. The foregoing purposes are pursued by executing forward contracts for each individual currency in which the Group operates (principally USD, CHF, GBP, HKD, SGD), in order to hedge a specific percentage of revenue volumes (and costs) expected in the individual currencies other than the functional currency, without any speculative or trading purpose, consistently with the strategic policies adopted for prudent management of cash flows. This might involve foregoing opportunities, but also avoids incurring speculative risks. The fair value of these derivative financial instruments is classifiable as being 2nd level, according to the hierarchy of fair value requested by IFRS 7.

10. Transactions with related parties

Also in H1 2010, TOD'S Group participated in a number of transactions with parties that have an interest in the Group itself. These transactions, which were all exclusively in the Group's interest, were carried out by applying contractual conditions that would theoretically be applied in an arm's length transaction, in compliance with the governance rules aimed at assuring regularity, transparency, and substantial fairness.

The principal object of transactions with related parties was the sale of products, lease of spaces for retail outlets, show rooms, and offices, the user license for the ROGER VIVIER brand and provision of advertising services.

The following table illustrates the details of these transactions: the transactions amongst Group companies included in the scope of consolidation were eliminated from the consolidated financial statements, and thus they are not shown in these notes.

i Commercial transactions with other related parties – Revenues and Costs

(in Euro000's)	HI 2010		HI 2009	
	Costs	Revenues	Costs	Revenues
Selling products				
Roger Vivier Paris S.a.s	160	923	231	766
Marcolin S.p.A.	765	2,909		
Ordinar y leases				
Immobiliare De.Im. S.r.l.	1,398	33	1,455	
Difran S.a.s.	103		102	
Holpaf BV	2,162		2,025	
User license contract for Roger Vivier brand				
Gousson - Consultadoria & Mark. S.àr.l	895	4,305	572	4,400
Advertising services				
Forma Pura S.r.l.	1,711	33	1,667	18
Total	**7,194**	**8,203**	**6,052**	**5,184**

ii Commercial transactions with other related parties – Receivables and payables

(in Euro000's)	06.30.10		06.30.09	
	Receivables	Payables	Receivables	Payables
Roger Vivier Paris S.a.s	621	51	734	46
Marcolin S.p.A.	1,584	327		
Immobiliare De.Im. S.r.l.		33		794
Difran S.a.s.				
Holpaf BV		9		7
Gousson - Consultadoria & Mark. S.àr.l	7,827	895	4,281	572
Forma Pura S.r.l.	5	1,119	4	797
Total	**10,037**	**2,434**	**5,019**	**2,216**

iii. Commercial transactions with unconsolidated subsidiaries

Receivables and payables	06.30.10		06.30.09	
(in Euro000's)	Receivables	Payables	Receivables	Payables
Special Purpose Entities (*)	406		889	608

(*) Financial balances referred to the period prior to acquisition of the activities

TOD'S Group

Half-year Interim Report
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Consolidated Profit & Loss

(in Euro 000's)	HI 2010	HI 2009	FY 2009
Revenues			
Sales revenues	377,462	358,964	713,135
Other revenues and income	9,610	7,296	15,454
Total revenues and income	**387,072**	**366,260**	**728,589**
Operating costs			
Change in inventories (work in progr. & finish. goods)	1,888	(17,576)	(48,111)
Cost of raw mat., supplies, and material for cons.	(86,837)	(77,627)	(145,998)
Cost of services	(115,808)	(104,548)	(201,343)
Cost of use of third parties assets	(28,151)	(26,050)	(51,377)
Cost of labour	(57,862)	(54,697)	(107,340)
Other operating charges	(9,609)	(6,813)	(15,767)
Total operating cost	**(296,379)**	**(287,311)**	**(569,936)**
EBITDA	**90,693**	**78,949**	**158,653**
Amortization, depreciation and wri te-downs			
Amortization of intangible assets	(3,695)	(3,526)	(7,242)
Depreciation of tangible assets	(12,093)	(11,866)	(23,237)
Other adjustments		(105)	(562)
Total amortization, depreciation and write-downs	**(15,788)**	**(15,497)**	**(31,041)**
Provision	(637)	(246)	(1,164)
EBIT	**74,268**	**63,206**	**126,448**
Financial income and charges			
Financial income	10,853	9,554	14,256
Financial charges	(8,152)	(10,292)	(14,159)
Total financial income (charges)	**2,701**	**(738)**	**97**
Income (losses) from equity investments	-	-	-
Pre- tax profit	**76,969**	**62,468**	**126,545**
Income taxes	(24,548)	(19,349)	(40,405)
Consolidated net income	**52,421**	**43,119**	**86,140**
Minority interests	(803)	(463)	(472)
Net income of the group	**51,618**	**42,656**	**85,668**
EPS (Euro)	1.69	1.39	2.80
EPS diluted (Euro)	1.69	1.39	2.80

Note: please refer to the Explanatory Notes for details of the impact on the single items, reported in the 2009 Half-year report and on the 2009 opening balances, produced by applying retrospectively the amendment to IAS 38.

Consolidated comprehensive Profit & Loss

In Euro 000's	HI 2010	HI 2009
Profit (loss) for the period (A)	**52,421**	**42,656**
Other profits/(losses):		
Derivative financial instruments (cash flow hedge)	(2,003)	1,774
Profit/(loss) from foreign subsidiaries F/S translation	2,782	2,104
Total Other profits/(losses) (B)	**779**	**3,878**
Total profit/(loss) (A)+(B)	**53,200**	**46,534**
Shareholders of Parent company	52,168	45,976
Minority interests	1,032	558

(*) Income taxes of the period include tax effect.

Note: please refer to the Explanatory Notes for details of the impact on the single items, reported in the 2009 Half-year report and on the 2009 opening balances, produced by applying retrospectively the amendment to IAS 38.

Consolidated Statements of Financial Position

In Euro 000's	06.30.10	12.31.09	06.30.09
Non current-assets			
Intangible fixed assets			
Asset with indefinite useful life	149,024	149,024	149,024
Key money	29,765	31,823	33,665
Others	11,151	10,613	10,989
Total intangible fixed assets	**189,940**	**191,460**	**193,678**
Property, plant and equipment			
Building and lands	40,099	40,720	41,332
Plant and machinery	4,757	4,991	5,168
Equipment	12,380	11,852	11,846
Leasehold improvements	34,380	29,794	31,895
Others	20,065	18,550	19,684
Total tangible fixed assets	**111,681**	**105,907**	**109,925**
Other assets			
Real estate investments	47	49	51
Equity investments	20	20	40
Deferred tax assets	28,772	22,472	21,633
Others	9,004	7,579	6,732
Total other assets	**37,843**	**30,120**	**28,456**
Total non-current assets	**339,464**	**327,487**	**332,059**
Current-assets			
Inventories	205,938	196,051	225,580
Trade receivables	116,907	107,999	103,581
Tax receivables	3,026	2,215	985
Derivative financial instruments	898	594	2,458
Others	9,916	9,006	12,542
Cash and cash equivalents	232,119	204,009	126,899
Total current assets	**568,804**	**519,874**	**472,045**
Assets held for sale			
Total assets	**908,268**	**847,361**	**804,104**

In Euro 000's (continue)	06.30.10	12.31.09	06.30.09
Shareholder's equity - Group interest			
Share capital	61,219	61,219	61,219
Capital reserves	214,055	214,055	213,250
Treasury stock			
Hedging and translation reserves	(4,783)	(5,333)	(5,997)
Retained earnings	338,745	299,042	299,684
Net income for the period	51,618	85,668	42,656
Group interest in shareholder's equity	**660,854**	**654,651**	**610,812**
Minority interests			
Share capital and reserves	5,345	4,810	4,835
Income for the period	803	472	463
Minority interest in shareholder's equity	**6,148**	**5,282**	**5,298**
Total Shareholder's equity	**667,002**	**659,933**	**616,110**
Non current liabilities			
Provisions for risks i	1,073	825	536
Deferred tax liabilities	24,187	22,369	21,084
Retirement benefit obligation	11,450	10,960	10,925
Others			
Bank borrowings	6,032	6,819	7,588
Total non-current liabilities	**42,742**	**40,973**	**40,133**
Current liabilities			
Trade payables	129,463	103,921	101,018
Tax payables	13,523	4,170	8,018
Derivative financial instruments	5,101	693	820
Other	24,649	17,670	18,702
Banks	25,788	20,001	19,303
Total current liabilities	**198,524**	**146,455**	**147,861**
Liabilities held for sale			
Total shareholder's equity and liabilities	**908,268**	**847,361**	**804,104**

Note: please refer to the Explanatory Notes for details of the impact on the single items, reported in the 2009 Half-year report and on the 2009 opening balances, produced by applying retrospectively the amendment to IAS 38.

Consolidated Statements of Cash Flows

In Euro 000's	Period Jan. – Jun. 10	Period Jan. – Jun. 09
Profit (loss) for the period of the Group	**51,618**	**42,656**
Adjustments to the items without effects on liquidity:		
Amortization, depreciation, revaluation and write-downs	13,397	16,947
Change in employee severance indemnity reserve	558	539
Change in deferred tax/liabilities	(4,482)	(2,403)
Others	610	255
Cash flow (a)	**61,701**	**57,994**
Changes in current assets and liabilities:		
Inventories	(7,658)	15,195
Trade receivables	(8,747)	4,655
Tax receivables	(811)	627
Other current assets	(1,214)	1,624
Trade Payables	25,542	(12,096)
Tax payables	9,353	2,111
Other current liabilities	11,387	(3,085)
Change in operating working capital (b)	**27,852**	**9,031**
Cash flow from operation (c)=(a)+(b)	**89,553**	**67,025**
Net investments in tangible and intangible assets	(15,757)	(9,826)
Other changes in fixed assets		(20)
Reduction (increase) of other non current assets	(1,423)	(542)
Cash Flow generated (used) in investment activities (d)	**(17,180)**	**(10,388)**
Dividends paid	(45,914)	(38,262)
Changes in long term loans	(1,217)	(1,152)
Capital increase		4,664
Other changes in shareholders equity	(3,785)	4,169
Changes in minority interests	866	369
Cash Flow generated (used) in financing (e)	**(50,050)**	**(30,212)**
Cash Flow from continuing operations (f)=(c)+(d)+(e)	**22,323**	**26,425**
Cash flow from assets held for sale (g)		
Cash Flow generated (used) (h)=(f)+(g)	**22,323**	**26,425**
Net financial position at the beginning of the period	184,008	81,171
Net financial position at the end of the period	206,331	107,596
Change in current net financial position	**22,323**	**26,425**

Note: please refer to the Explanatory Notes for details of the impact on the single items, reported in the 2009 Half-year report and on the 2009 opening balances, produced by applying retrospectively the amendment to IAS 38.

Statement of changes in equity

January - June 2010 (in Euro 000's)	Share Capital	Capital reserves	Hedging and translation reserves	Retained earnings	Total Group interests	Minority interests	Total
Balance as of 01.01.10	**61,219**	**214,055**	**(5,333)**	**384,710**	**654,651**	**5,282**	**659,933**
Profit/(loss) recognized in the period							
Profit & Loss account				51,618	51,618	803	52,421
Directly in equity			550		550	229	779
Total Profit/(loss)	**-**	**-**	**550**	**51,618**	**52,168**	**1,032**	**53,200**
Dividends				(45,914)	(45,914)	(725)	(46,639)
Capital increase							
Share based payments							
Other				(51)	(51)	559	508
Balance as of 06.30.10	**61,219**	**214,055**	**(4,783)**	**390,363**	**660,854**	**6,148**	**667,002**

January - June 2009 (in Euro 000's)	Share Capital	Capital reserves	Hedging and translation reserves	Retained earnings	Total Group interests	Minority interests	Total
Balance as of 01.01.09	**60,962**	**213,983**	**(9,780)**	**336,221**	**601,386**	**4,929**	**606,315**
Change in account (IAS 38)				(3,724)	(3,724)		(3,724)
Balance as of 01.01.09	**60,962**	**213,983**	**(9,780)**	**332,497**	**597,662**	**4,929**	**602,591**
Total Profit/(loss)							
Profit & Loss account				42,656	42,656	463	43,119
Directly in equity			3,783		3,783	95	3,878
Total Profit/(loss)			**3,783**	**42,656**	**46,439**	**558**	**46,997**
Dividends				(38,262)	(38,262)	(189)	(38,451)
Capital increase	257	4,407			4,664		4,664
Share based payments		309			309		309
Other		(5,449)		5,449			
Balance as of 06.30.09	**61,219**	**213,250**	**(5,997)**	**342,340**	**610,812**	**5,298**	**616,110**

Note: please refer to the Explanatory Notes for details of the impact on the single items, reported in the 2009 Half-year report and on the 2009 opening balances, produced by applying retrospectively the amendment to IAS 38.

Certification of the Half-Year condensed financial statements of TOD'S Group pursuant article 154 bis of D.LGS. 58/98 and of article 81-ter of Consob Regulation n. 11971 of May 14th 1999 and further modifications and integrations.

1. The undersigned Stefano Sincini, Chief Executive Officer of TOD'S S.p.A., and Rodolfo Ubaldi, manager responsible for the drawing up of the financial reports of TOD'S S.p.A., certify, in accordance with the provisions of Article 154-bis, subsections 3 and 4, of Legislative Decree no. 58 of February 24th, 1998:

• the adequacy in terms of the company's characteristics and

• effective application

of administrative and accounting procedures for preparation of the 2009 Half Year Report during the period January 1st, 2010 to June 30th, 2010.

2. They also certify that:

2.1 Half-Year condensed financial statements:

a) correspond with what is set out in the books and accounting records;

b) as far as is known, having been prepared in accordance with the International Financial Reporting Standards adopted by the European Union, and the measures issued in implementation of Article 9 of Legislative Decree no 38 of 2005, adequately, truthfully and fairly represent the assets, liabilities, operating result and financial position of the Issuer and the group of companies included in the scope of consolidation;

2.2 the management report includes a reliable analysis of the issuer's operating performance and income, as well as the financial position of the issuer and all the businesses included in the scope of consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Sant'Elpidio a Mare, August 26th, 2010

Chief Executive Officer	*Manager responsible for drawing up of the financial report*
Stefano Sincini	Rodolfo Ubaldi