

Milan – March 14th, 2011

TOD'S S.p.A.: outstanding FY 2010 result; sales: +10.4%, EBITDA: +21.7%; net income: +28.6%. Sound balance sheet. Dividend increased by more than 33% to 2 Euro per share.

The Board of Directors approved the draft of 2010 Annual Report.

Group's sales: 787.5 million Euros, EBITDA: 193.1 million Euros, EBIT: 159.9 million Euros, Net income: 110.8 million Euros

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 draft of the Group's 2010 Annual Report.

As already released in January, consolidated sales were 787.5 million Euros in FY 2010, up 10.4% from FY 2009. During the year, revenues posted a continuous acceleration of their growth rates: +3.4% in Q1 2010, +7.4% in Q2 2010, +15.5% in Q3 2010 and +16.1% in Q4 2010.

Strong improvement of the profitability; the Group's EBITDA was 193.1 million Euros in FY 2010, with a 21.7% increase from 2009, more than the double than the sales growth. EBITDA margin climbed to 24.5% (+230 bps compared to FY 2009). EBIT was 159.9 million Euros, up 26.5% from FY 2009 and with a 20.3% margin on sales (17.7% in FY 2009). Consolidated net income was 110.8 million Euros, with a 28.6% increase compared to FY 2009.

At constant exchange rates, meaning by adopting FY 2009 average exchange rates, sales revenues would have been 773.8 million Euros in FY 2010, with growth of 8.5% from the previous year. EBITDA and EBIT would have been respectively, 186.9 and 154.4 million Euros.

Consolidated Sales Breakdown by Brand: significant acceleration in the second half of the year, positive performance for all the brands, outstanding results for Tod's

<i>million Euros</i>	FY 2010	FY 2009	% change
Tod's	407.0	348.8	+16.7%
Hogan	268.3	256.9	+4.4%
Fay	89.7	91.6	- 2.2%
Roger Vivier	21.7	15.0	+45.3%
Other	0.8	0.8	n.m.
TOTAL	787.5	713.1	+10.4%

Tod's brand registered outstanding results in all its product categories and in all the regions where it's distributed. Sales totalled 407 million Euros in FY 2010, with growth of 16.7% from FY 2009 (+13.2% at constant exchange rates); in Q4 2010, the increase was 27.3%.

Hogan sales were 268.3 million Euros in FY 2010, up 4.4% from FY 2009. The brand posted positive results in Italy and it is increasing its presence abroad, aiming to growing more and more on the foreign markets. These results are outstanding, considering the right strategy to protect the brand exclusivity.

Fay brand revenues were 89.7 million Euros in FY 2010, compared to 91.6 million Euros in FY 2009; the fourth quarter confirmed the positive results already shown with the introduction of Fall-Winter collections.

Finally, the Roger Vivier brand realized 21.7 million Euros in revenues in FY 2010, with growth of 45.3% from FY 2009. As already commented, the sales trend of this brand is not fully meaningful, since it is still building its strategy among the most exclusive luxury players worldwide .

Consolidated Sales Breakdown by Product: double-digit growth for leather goods

<i>million Euros</i>	FY 2010	FY 2009	% change
Shoes	564.6	506.1	+11.6%
Leather goods and accessories	123.2	111.4	+10.6%
Apparel	99.1	95.0	+4.3%
Other	0.6	0.6	n.m.
TOTAL	787.5	713.1	+10.4%

The Group confirmed once more its undisputed leadership in the core business of shoes, which grew double-digit in FY 2010; sales from this product category totalled 564.6 million Euros, with growth of 11.6% from FY 2009.

Sales from leather goods posted a strong acceleration (+16% in Q3 2010, +35% in Q4 2010), driven by the excellent results of the entire collection of Tod's handbags and accessories. Revenues from leather goods and accessories totalled 123.2 million Euros in FY 2010, up 10.6% from the previous year.

Finally, sales from apparel were 99.1 million Euros in FY 2010, with growth of 4.3% from FY 2009.

Consolidated Sales Breakdown by Region: growth in all markets; Asia: +30.5%, USA: +15%

<i>million Euros</i>	FY 2010	FY 2009	% change
Italy	425.7	405.1	+5.1%
Europe (excl. Italy)	163.7	150.7	+8.6%
North America	53.4	46.4	+15.0%
Asia and Rest of World	144.7	110.9	+30.5%
TOTAL	787.5	713.1	+10.4%

The Group confirmed its leadership on the domestic market, where sales totalled 425.7 million Euros in FY 2010, up 5.1% from FY 2009.

Also in the rest of Europe, sales posted positive results. In FY 2010 revenues of this area totalled 163.7 million Euros, up 8.6% from FY 2009.

The US market achieved outstanding results, showing a strong acceleration in the second semester: +13.5% in Q3 2010, +23% in Q4 2010. The Group's sales on this market totalled 53.4 million Euros in FY 2010, up 15% from the previous year; at constant exchange rates, the growth is 10.2% in FY 2010.

Also in the "Asia and Rest of World" area the Group achieved excellent results. Revenues totalled 144.7 million Euros, up 30.5% from FY 2009 (+21.6% at constant exchange rates); also this area posted a strong acceleration in the second semester: +25% in Q3 2010, +65% in Q4 2010.

The Group achieved particularly brilliant results in China, Hong Kong, Taiwan and Korea.

Consolidated Sales Breakdown by Distribution Channel: growth in all the channels; excellent results in the DOS network

<i>million Euros</i>	FY 2010	FY 2009	% change
Third parties (Franchised stores + Independent retailers)	383.7	363.8	+5.5%
DOS	403.8	349.3	+15.6%
TOTAL	787.5	713.1	+10.4%

In FY 2010, sales to third parties totalled 383.7 million Euros, up 5.5% from FY 2009.

The DOS network posted excellent results; revenues from this channel totalled 403.8 million Euros in FY 2010, representing 51.3% of the Group's sales. The growth was 15.6%, or 12.2% at constant exchange rates.

As of December 31st, 2010, the Group's distribution network is represented by 159 DOS and 71 franchised stores, compared to 149 DOS and 78 franchised stores as of the end of 2009.

The organic growth was significant: the *Same Store Sales Growth* (SSSG) rate, calculated as the worldwide average of sales growth rates reported by DOS opened as of January 1st, 2009, was 13% for the full year 2010.

The organic growth is excellent in the current year: the *Same Store Sales Growth* (SSSG) rate, calculated as the worldwide average of sales growth rates reported by DOS opened as of January 1st, 2010, was +17.3% in the first 10 weeks of the year (from January 1st to March 6th, 2011).

Comments on the Profit & Loss key figures

In 2010 the Group's EBITDA was 193.1 million Euros, with a 21.7% growth compared to FY 2009 and with a 24.5% margin on sales, 230 bps higher than the 22.2% FY 2009 EBITDA margin.

The huge improvement of profitability was mainly driven by the strong organic sales growth and by the more favourable product and geographic sales mix, and also by the outstanding efficiency in all the Group's activities.

The openings of DOS, and higher revenues through this channel, caused a physiologic increase of rental costs, whose incidence on sales grew to 7.5% from 7.2% of 2009.

The incidence on sales of labour costs was broadly flat (15% in FY 2010 versus 15.1% in FY2009), despite the continuous growth of the Group's headcount (3,194 employees as of December 31st, 2010 versus 2,840 as of December 31st, 2009).

In FY 2010, the Group's EBIT was 159.9 million Euros, up 26.5% from FY 2009 and with a 20.3% margin on sales (260 bps higher than the 17.7% FY 2009 EBIT margin). The drivers of this improvement were the EBITDA growth and the lower incidence on sales of amortisation and depreciation (4.1% in FY 2010 compared to 4.4% in FY 2009).

In FY 2010 the Group's profit before taxes was 163.4 million Euros, up 29.1% from FY 2009, driven also by the positive result of financial operations, mainly related to the currency hedging strategy.

Income taxes were 52.6 million Euros, for a 32.2% tax rate, broadly aligned to the one of FY 2009.

Consolidated net income was 110.8 million Euros, with growth of 28.6% from FY 2009. Finally, net of minorities, the Group's net income was 109.1 million Euros, with growth of 27.3% from FY 2009 and with a 13.9% margin on sales (12% in FY 2009).

Comments on the Balance Sheet and Cash Flow key figures

The total investments made by the Group in 2010 amounted to 96.1 million Euros, including 66.3 million Euros related to the acquisition¹ – made in November – of the Omotesando building in Tokyo, a prestigious seven-story palace, designed by the famous architect Toyo Ito, where the Tokyo flagship store of the Tod's brand and the Group's offices are located since 2005.

The remaining 29.8 million Euros were mainly invested in the distribution network, for the openings of DOS and the refurbishment of some important boutiques, and for the ordinary update of the industrial and logistic structures.

In 2010 the Group further optimized the working capital management; the incidence on sales of operating working capital (trade receivables + inventories – trade payables) was 24.5% in FY 2010, compared to 28.1% in FY 2009 and 33.5% in FY 2008.

This result contributed to further strengthening the operating cash flow, which was positive and equal to 169 million Euros (compared to 154.2 million Euros in FY 2009).

As of December 31st, 2010 the net financial position was positive and equal to 96.5 million Euros, compared to the 177.2 million Euros balance as of December 31st, 2009. The NFP has been mainly affected by the dividend payments (45.9 million Euros for the ordinary 2009 dividend and 107.1 million Euros for the extra dividend paid in October) and by the already mentioned investment activities.

As of December 31st, 2010, consolidated shareholders' equity was 618.4 million Euros, which compares to 659.9 million Euros as of December 31st, 2009.

Comments on the key figures of the Parent Company Tod's SpA

The Board of Director also approved the draft of the 2010 Annual Report for the parent company Tod's SpA, whose revenues were 577 million Euros, up 9.6% from the 526.5 million Euros revenues posted in the fiscal year 2009.

Net income was 83 million Euros, up 15.4% from 2009 and with a 14.4% margin on sales; net income per share was 2.71 Euro.

¹ On November 25th, 2010, Tod's SpA acquired Holpaf BV, the company owning the land and the building of the Omotesando palace. For all the details of this transaction, please refer to the related Disclosure Document on the corporate website www.todsgroup.com, in the Corporate Governance section.

During 2010, the parent company invested a total amount of 13.6 million Euros in tangible and intangible fixed assets, compared to 9.2 million Euros invested in the previous year.

As of December 31st, 2010 the parent company's net financial position was positive and equal to 56.9 million Euros, versus 120.1 million Euros as of 2009 year-end; the parent company's shareholders' equity was 552.9 million Euros (622.9 million Euros as of December 31st, 2009).

Dividend proposal

The Board approved also to propose the distribution of a dividend of Euro 2² per share, increased by more than 33% versus the previous year. The proposed dividend corresponds to a pay-out of approx. 56%, calculated on the Group's net income, better than the pay-out of the previous year ordinary dividend.

The clipping of the coupon nr. 12 is scheduled on May 23rd, 2011 for the dividend payment on May 26th, 2011.

This proposal will be submitted to the approval of the Annual General Meeting, taking place in the company's registered offices next April 20th, 2011, at 9.00 a.m. on first call (and on second call on April 27th, 2011 same place and time).

Diego Della Valle, Chairman and CEO of the Group, commented as follows: "In full year 2010 our Group achieved outstanding results in sales, and, even more, in profitability. Also the working capital management and the cash generation were excellent, thus confirming the very sound solidity of our Group. On top of the extra dividend paid last October, we decided to further increase the ordinary dividend, granting a very interesting remuneration for our shareholders. Clients are more and more loving and appreciating our iconic products and their highest quality. Considering also the strong start of the Spring Summer season in our stores and the positive signals we are receiving from the beginning of the Fall/Winter orders' collection, I'm confident that our Group will achieve excellent results also in the current year."

² Gross of withholding tax, if due.

The Board has today approved the Annual Report on Corporate Governance and assets, which will be available on the corporate website www.todsgroup.com according to the terms and in the ways required by the law.

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.

Please note that all the figures commented in the present press release have been drafted by the Board of Directors, are unaudited and must be submitted for approval to the next General Shareholders' Meeting, scheduled as described above.

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

TOD'S GROUP

Consolidated Profit & Loss

(Unaudited) In Euro 000's	Year 10	Year 09
Revenues		
Sales revenues	787,539	713,135
Others revenues and income	18,819	15,454
Total revenues and income	806,358	728,589
Operating Costs		
Change in inventories of work in process and finished goods	952	(48,111)
Costs of raw materials, supplies and material for consumption	(178,829)	(145,998)
Costs for services	(238,514)	(201,343)
Costs of use of third party assets	(58,714)	(51,377)
Costs of labour	(117,751)	(107,340)
Other operating charges	(20,443)	(15,767)
Total operating costs	(613,299)	(569,936)
EBITDA	193,059	158,653
Amortisation, depreciation and write-downs		
Amortisation of intangible assets	(7,599)	(7,242)
Depreciation of tangible assets	(24,476)	(23,237)
Other adjustments	-	(562)
Total amortisation, depreciation and write-downs	(32,075)	(31,041)
Provisions	(1,040)	(1,164)
EBIT	159,944	126,448
Financial income and charges		
Financial income	19,371	14,256
Financial charges	(15,963)	(14,159)
Total financial income (charges)	3,408	97
Income (losses) from equity investments	-	-
Profit before taxes	163,352	126,545
Income taxes	(52,566)	(40,405)
Consolidated net income	110,786	86,140
Minority interests	(1,710)	(472)
Net income of the Group	109,076	85,668
EPS (in euro)	3.56	2.80
EPS diluted (in euro)	3.56	2.80

TOD'S GROUP

Consolidated Statement of Financial position

(Unaudited) In Euro 000's	12.31.10	12.31.09
Non current assets		
Intangible non-current assets		
Assets with indefinite useful life	149,024	149,024
Key money	27,679	31,823
Others	12,380	10,613
Total intangible non-current assets	189,083	191,460
Property, plant and equipment		
Buildings and land	105,721	40,720
Plant and machinery	3,962	4,991
Equipment	12,573	11,852
Leasehold improvement	30,595	29,794
Others	21,252	18,550
Total property, plant and equipment	174,103	105,907
Other non-current assets		
Real estate investments	46	49
Equity investments	20	20
Deferred tax assets	32,027	22,472
Others	7,789	7,579
Total other non-current assets	39,882	30,120
Total non-current assets	403,068	327,487
Current assets		
Inventories	203,136	196,051
Trade receivables	119,560	107,999
Tax receivables	3,856	2,215
Derivative financial instruments	2,084	594
Others	12,263	9,006
Cash	171,729	204,009
Total current assets	512,628	519,874
Assets held for sale	-	-
Total assets	915,696	847,361

TOD'S GROUP

Consolidated Statement of Financial position (continuing)

(Unaudited)		
In Euro 000'		
	12.31.10	12.31.09
Shareholders' equity		
Share capital	61,219	61,219
Capital reserves	214,055	214,055
Treasury stock	-	-
Hedging and translation reserve	(4,263)	(5,333)
Retained earnings	231,451	299,042
Income for the period	109,076	85,668
Group interest in Shareholders' equity	611,538	654,651
Minority interest		
Minority interest in share capital and reserves	5,193	4,810
Minority interest in income for the period	1,710	472
Minority interest in shareholders' equity	6,903	5,282
Total shareholders' equity	618,441	659,933
Non-current liabilities		
Provisions for risks	1,369	825
Deferred tax liabilities	27,722	22,369
Reserve for employee severance indemnity	11,419	10,960
Bank borrowings	42,805	6,819
Total non-current liabilities	83,315	40,973
Current liabilities		
Trade payables	130,008	103,921
Tax payables	20,064	4,170
Derivative financial instruments	2,333	693
Others	29,106	17,670
Bank	32,429	20,001
Total current liabilities	213,940	146,455
Liabilities held for sale	-	-
Total shareholders' equity and liabilities	915,696	847,361

TOD'S GROUP

Consolidates Statement of Cash Flows

(Unaudited) In Euro 000's	Year 10	Year 09
Profit (loss) for the period of the Group	109,076	85,668
Non-cash adjustment:		
Amortisation, depreciation and write-downs	37,928	37,369
Change in employee severance indemnity reserve	1,077	1,121
Change in deferred tax/liabilities	(4,202)	(1,957)
Increase (reduction) in reserves for risk and charges	902	633
Cash flow (a)	144,780	122,834
Changes in current assets and liabilities:		
Inventories	(11,084)	40,278
Trade receivables	(11,915)	(195)
Tax receivables	(1,641)	(603)
Other current assets	(4,747)	7,024
Trade payables	26,087	(9,193)
Tax payables	15,894	(1,737)
Other current liabilities	11,576	(4,244)
Changes in operating working capital (b)	24,170	31,330
Cash flow from operation (c) = (a)+(b)	168,950	154,164
Net investments in intangible and tangible assets	(29,238)	(19,335)
Acquisition real estate asset (Holpaf B.V.)	(66,267)	-
Other changes in fixed assets	(2,389)	586
Reduction (increase) of other non-current assets	(207)	(1,387)
Cash flow generated (used) in investment activities (d)	(98,101)	(20,136)
Dividend paid	(153,047)	(38,262)
Changes in long term loans	(2,568)	(2,557)
Changes in bonds (Holpaf B.V.)	37,578	-
Capital increase	-	4,664
Other changes in shareholders' equity	858	4,610
Changes in minority interests	1,621	354
Cash flow generated (used) in financing (e)	(115,558)	(31,191)
Cash flow from continuing operations (f)=(c)+(d)+(e)	(44,708)	102,837
Cash flow from assets held for sale (g)	-	-
Cash flow generated (used) (h)=(f)+(g)	(44,708)	102,837
Net financial position at the beginning of the period	184,008	81,171
Net financial position at the end of the period	139,300	184,008
Change in current net financial position	(44,708)	102,837

TOD'S S.p.A

Profit & Loss

(Unaudited) In Euro 000's	Year 10	Year 09
Revenues		
Sales revenues	577,031	526,491
Others revenues and income	15,012	11,742
Total revenues and income	592,043	538,233
Operating Costs		
Change in inventories of work in process and finished goods	6,739	(29,820)
Costs of raw materials, supplies and material for consumption	(170,638)	(140,189)
Costs for services	(208,676)	(173,511)
Costs of use of third party assets	(7,263)	(6,456)
Costs of labour	(62,224)	(58,723)
Other operating charges	(11,437)	(8,942)
Total operating costs	(453,499)	(417,641)
EBITDA	138,544	120,592
Amortisation, depreciation and write-downs		
Amortisation of intangible assets	(3,419)	(3,010)
Depreciation of tangible assets	(10,044)	(10,063)
Other adjustments	-	-
Total amortisation, depreciation and write-downs	(13,463)	(13,073)
Provisions	(927)	(1,000)
EBIT	124,154	106,519
Financial income and charges		
Financial income	11,422	11,023
Financial charges	(9,735)	(10,686)
Total financial income (charges)	1,687	337
Income (losses) from equity investments	-	-
Profit before taxes	125,841	106,856
Income taxes	(42,867)	(34,935)
Net income	82,974	71,921
EPS (in Euro)	2.71	2.35
EPS diluted (in Euro)	2.71	2.35

TOD'S S.p.A

Statement of Financial Position

(Unaudited)		
In Euro 000'		
	12.31.10	12.31.09
Non-current assets		
Intangible non-current assets		
Assets with indefinite useful life	150,476	150,476
Others	12,339	10,574
Total intangible fixed assets	162,815	161,050
Property, plant and equipment		
Buildings and land	38,845	40,070
Leasehold improvement	666	981
Plant and machinery	3,289	4,252
Equipment	11,475	10,991
Others	4,137	4,360
Total property, plant and equipment	58,412	60,654
Other non-current assets		
Real estate investments	46	49
Equity investments	143,196	102,773
Deferred tax assets	7,251	3,119
Others	1,208	1,187
Total other non-current assets	151,701	107,128
Total non-current assets	372,928	328,832
Current assets		
Inventories	137,993	137,508
Trade receivables	165,460	167,452
Tax receivables	8,442	6,836
Derivative financial instruments	1,992	356
Others	7,407	7,701
Cash	63,747	128,390
Total current assets	385,041	448,243
Total assets	757,969	777,075

TOD'S S.p.A

Statement of Financial Position (continuing)

(Unaudited) In Euro 000's	12.31.10	12.31.09
Shareholders' equity		
Share capital	61,219	61,219
Capital reserves	213,975	213,975
Treasury stock	-	-
Hedging and translation reserve	74	21
Retained earnings	194,612	275,738
Income for the period	82,974	71,921
Shareholders' equity	552,854	622,874
Non-current liabilities		
Provisions for risks	1,200	665
Deferred tax liabilities	24,192	21,666
Reserve for employee severance indemnity	7,972	8,158
Bank borrowings	5,227	6,819
Total non-current liabilities	38,591	37,308
Current liabilities		
Trade payables	125,051	99,049
Tax payables	14,788	3,326
Derivative financial instruments	595	353
Others	24,499	12,644
Banks	1,591	1,521
Total current liabilities	166,524	116,893
Total Shareholders' equity and liabilities	757,969	777,075

TOD'S S.p.A

Statement of Cash Flows

(Unaudited) In Euro 000's	Year 10	Year 09
Profit (loss) for the period	82,974	71,921
Non-cash adjustment:		
Amortisation, depreciation, revaluation and write-downs	23,835	19,349
Change in employee severance indemnity reserve	321	379
Change in deferred tax/liabilities	(1,606)	1,152
Others changes	535	290
Cash flow (a)	106,059	93,091
Changes in current assets and liabilities:		
Inventories	(3,577)	25,879
Trade receivables	1,642	8,998
Tax receivables	(1,606)	(3,222)
Other current assets	(3,234)	3,329
Trade payables	26,002	(3,413)
Tax payables	11,462	(340)
Other current liabilities	5,167	(3,167)
Changes in operating working capital (b)	35,856	28,064
Cash flow from operation (c) = (a)+(b)	141,915	121,155
Net investments in intangible and tangible assets	(12,986)	(7,939)
Increase (decrease) of equity investments	(40,423)	-
Other changes in fixed assets	1,892	1,436
Decrease (increase) of other non-current assets	(18)	(736)
Cash flow generated (used) in investment activities (d)	(51,535)	(7,239)
Dividend paid	(153,047)	(38,262)
Changes in long term loans	(2,099)	(2,123)
Capital increase	-	4,664
Other changes in shareholders' equity	53	1,128
Cash flow generated (used) in financing (e)	(155,093)	(34,593)
Cash flow generated (used) (c+d+e)	(64,713)	79,323
Net financial position at the beginning of the period	126,869	47,546
Net financial position at the end of the period	62,156	126,869
Change in current net financial position	(64,713)	79,323