Milan – May 12th, 2011

TOD'S S.p.A.: outstanding results in the first quarter of 2011; sales revenues +17.1%, EBITDA +33.6% , EBIT +36.2%

<u>The Board of Directors approved Tod's Group Q1 2011 Interim Report</u>

<u>Group's sales: 243.7 million Euros, +17.1% compared to Q1 2010</u>
<u>EBITDA: 65.1 million Euros, +33.6%</u>
<u>EBIT: 55.9 million Euros, +36.2%</u>

The Board of Directors of Tod's S.p.A., the Italian company listed on the Milan Stock Exchange and holding of the luxury goods group of the same name operating in luxury and quality shoes, accessories and apparel with the Tod's, Hogan, Fay and Roger Vivier brands, today approved the Group's interim report for the first quarter of 2011 (January 1st – March 31st, 2011).

Consolidated sales were 243.7 million Euros in the first quarter of 2011, up 17.1% from Q1 2010. All the brands, all the product categories and all the regions posted outstanding performances; also the organic growth rate of the DOS network was excellent.

The outstanding sales results generated also a very strong improvement of operating profitability[1].
The Group's EBITDA was 65.1 million Euros in the first quarter of 2011 (+33.6% compared to Q1 2010) with a 26.7% margin on sales (+330 basis points versus Q1 2010).
EBIT was 55.9 million Euros (+36.2% compared to Q1 2010) with a 23% margin on sales (19.7% EBIT margin in Q1 2010).

At constant exchange rates, meaning by using Q1 2010 average exchange rates, sales revenues would have been 241.2 million Euros, with growth of 15.9%, EBITDA and EBIT would have been 63.4 and 54.3 million Euros, respectively.

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[1] As already highlighted in our previous press releases, analyzing quarterly figures is not fully meaningful, due to the discrepancies in the flow of industrial revenues and costs on a monthly basis – and this situation is particularly evident in the first quarter, when volumes are not significant in absolute terms. Therefore, annualizing quarterly figures would be misleading.

Breakdown of Consolidated Sales by Brand: all the brands achieved outstanding results

million Euros	QI 2011	QI 2010	% change	FY 2010
Tod's	121.2	101.6	+ 19.3%	407.0
Hogan	91.8	80.2	+ 14.5%	268.3
Fay	23.9	21.9	+ 9.5%	89.7
Roger Vivier	6.6	4.2	+ 54.7%	21.7
Other	0.2	0.2	n.m.	0.8
TOTAL	243.7	208.1	+ 17.1%	787.5

Strong start of the year for the Tod's brand: all the product categories achieved double-digit growth rates; very good results in all the regions where the brand is distributed. The brand's sales totalled 121.2 million Euros in QI 2011, up 19.3% from QI 2010 (+17.4% at constant exchange rates).

Also the Hogan brand registered a sound double-digit growth: in QI 2011, its revenues were 91.8 million Euros, up 14.5% from QI 2010. Double-digit increase in Italy and in the rest of Europe, and in all the brand's product categories.

The Fay brand posted a brilliant performance, too; its sales were 23.9 million Euros in QI 2011, with a 9.5% growth from QI 2010, mainly driven by the Italian market.

Finally, the Roger Vivier brand totalled 6.6 million Euros of revenues in QI 2011, up 54.7% from QI 2010. As already reminded, it's not yet fully meaningful analyzing the performance of this brand, which is still consolidating its positioning among the most exclusive luxury brands worldwide.

Breakdown of Consolidated Sales by Product: double-digit growth for all the product categories

million Euros	Q1 2011	Q1 2010	% change	FY 2010
Shoes	181.0	155.7	+16.2%	564.6
Leather goods and accessories	34.6	28.5	+21.6%	123.2
Apparel	28.0	23.7	+17.8%	99.1
Other	0.1	0.2	n.m.	0.6
TOTAL	243.7	208.1	+17.1%	787.5

The core business of shoes posted a sound double-digit growth in Q1 2011, with 181 million Euros of revenues, up 16.2% from Q1 2010 (+15.3% at constant exchange rates).

Sales from leather goods and accessories posted an outstanding performance, mainly driven by the excellent results of the Tod's brand in the entire collection of handbags and accessories. The Group's revenues of this product category totalled 34.6 million Euros in Q1 2011, up 21.6% from Q1 2010 (+18.5% at constant exchange rates).

Also sales from apparel grew double-digit and totalled 28 million Euros in Q1 2011, up 17.8% from Q1 2010.

Breakdown of Consolidated Sales by Region: growth in all the regions

million Euros	Q1 2011	Q1 2010	% change	FY 2010
Italy	140.5	121.6	+15.5%	425.7
Europe (excl. Italy)	49.9	44.0	+13.5%	163.7
North America	12.2	11.6	+5.3%	53.4
Asia and Rest of World	41.1	30.9	+32.9%	144.7
TOTAL	243.7	208.1	+17.1%	787.5

Sales posted a significant double-digit growth in Italy, where the Group confirms its undisputed leadership with all its brands. In Q1 2011, domestic revenues totalled 140.5 million Euros, up 15.5% from Q1 2010.

Also in the rest of Europe, sales posted a double-digit growth, totalling 49.9 million Euros in QI 2011 (+13.5% from QI 2010).

In the US market, the DOS channel posted a sound double-digit growth, while the Group decided to reduce the number of the independent clients, consistently with the Group's distribution strategies. In QI 2011, the Group's sales in the US totalled 12.2 million Euros (+5.3% from QI 2010; +3.8% at constant exchange rates).

Revenues for the area "Rest of World" totalled 41.1 million Euros in QI 2011, with growth of 32.9% from QI 2010 (+27.3% at constant exchange rates). The Group posted excellent results in mainland China, Hong Kong and Macao; Japan is recovering vigorously and with tenacity from the tragic events which hit the country severely.

<u>Breakdown of Consolidated Sales by Distribution Channel: double-digit growth in both the channels; outstanding organic growth</u>

million Euros	QI 2011	QI 2010	% change	FY 2010
Third parties (Franchised stores + Independent retailers)	148.4	129.7	+14.4%	383.7
DOS	95.3	78.4	+21.6%	403.8
TOTAL	243.7	208.1	+17.1%	787.5

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

In QI 2011, revenues to third parties totalled 148.4 million Euros, with growth of 14.4% from QI 2010.

The DOS network posted very good results, in all the regions; revenues through DOS globally amounted to 95.3 million Euros in QI 2011, up 21.6% from QI 2010 (+18.9% at constant exchange rates).

As of March 31st, 2011 the Group's distribution network was composed by 158 DOS and 68 franchised stores, compared to 149 DOS and 72 franchised stores as of the end of March 2010.

Outstanding organic growth: 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 15.3% for the first 19 weeks of 2011 (from January 1st to May 8th, 2011).

Comments to the operating and financial interim results

In the first quarter of 2011, the Group's EBITDA was 65.1 million Euros, up 33.6% from Q1 2010 and with a 26.7% margin on sales, higher by more than 300 basis points compared to the Q1 2010 EBITDA margin (23.4%).

The main driver was the significant improvement of the gross margin, also due to a more favourable product and area mix of Q1 2011 turnover, compared to Q1 2010.

The positive effect of the operating leverage contributed also to reduce the incidence on sales of rental costs (6% in Q1 2011, compared to 6.5% in Q1 2010) and of the labour cost (12.8% of sales in Q1 2011, compared to 13.5% of Q1 2010), despite the continuous growth of the Group's headcount (3,297 employees as of March 31st, 2011, versus 2,958 as of March 31st, 2010).

The Group's EBIT was 55.9 million Euros in Q1 2011, up 36.2% from Q1 2010 and with a 23% margin on sales, higher by more than 300 basis points compared to the Q1 2010 EBIT margin. The incidence on sales of depreciation and amortisation was 3.7% in Q1 2011, broadly in line with Q1 2010.

In the first quarter of 2011, the Group invested a total of 11.1 million Euros in tangible and intangible fixed assets (compared to 8.5 million Euros in Q1 2010). The major part of the investments were devoted to the distribution network, for the opening of new DOS and the refurbishment of some important boutiques in Europe. The remaining part was invested in industrial, logistic and production structures, including also the expenditures for the widening and renovation of the Milan show-rooms.

As of March 31st, 2011, the Group's net financial position was positive and equal to 88.8 million Euros; the small decrease versus the balance as 2010 year-end is due to the normal use of cash for the temporary financing of trade receivables, which will be cashed in in the second quarter.

Excellent management of the operating working capital, which totalled 252 million Euros as of March 31st, 2011, compared to 235.4 million Euros as of March 31st, 2010, with a much lower incidence on sales.

Diego Della Valle, Chairman and CEO of the Group, commented as follows: "I'm really satisfied with the outstanding Q1 results: sound sales growth, for all the brands, in all the product categories and across all the geographical areas, outstanding organic growth, huge improvement of operating profitability. Considering the same good results of the orders' collection for the next Fall/Winter season, I believe that our Group will deliver strong results also in the current year, confirming its huge growth potential, based on the high quality of products and the exclusivity of our brands, more and more appreciated by customers."

Amendment to the Financial Calendar for the year 2011

The Board has also deliberated to unify in one session the approval of the first half 2011 results, which will be approved and released on August 5th, 2011.

Consequently, the 2011 Financial Calendar is amended as follows:

August 5th, 2011 Board of Directors for the approval of H1 2011 consolidated results

Instead of:

July 21st, 2011	Board of Directors for the approval of H1 2011 preliminary sales results
August 25th, 2011	Board of Directors for the approval of H1 2011 consolidated results

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

Pursuant to article 154 ter, paragraph 5, of Legislative Decree n. 58/98 (the "Unified Financial Act") the interim management statement as at March 31st 2011, approved by the Board of Directors today, is available to Shareholders and the public at the registered office of the Company and at Borsa Italiana S.p.A. The document will also be published under the Section "Financial Statements" on the website of the Company www.todsgroup.com.

Please note that the interim management statement as at March, 31st 2011, drafted pursuant to article 154 ter, paragraph 5, is not subject to audit.

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

OPERATING AND FINANCIAL INTERIM FIGURES OF THE TOD'S GROUP

Million Euros	Q1 2011	Q1 2010	FY 2010
Sales revenues	243.7	208.1	787.5
EBITDA	65.1	48.7	193.1
EBIT	55.9	41.1	159.9

Million Euros	March 31st, 2011	March 31st, 2010	December 31st, 2010
Net working capital (1)	252.0	235.4	192.7
Net financial position	88.8	180.2	96.5
Investments	11.1	8.5	96.1

(1) Trade receivables + Inventories – Trade payables