

TOD'S

TOD'S s.p.a.

GUIDELINES FOR SIGNIFICANT TRANSACTIONS

s.p.a.

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SOLELY FOR THE CONVENIENCE OF INTERNATIONAL READERS)
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Tod's S.p.A.

Guidelines for significant transactions

1. Purpose

1.1 The following “Guidelines for significant transactions (hereinafter, the “Guidelines”) identify significant transactions carried out by TOD’S S.p.A. and by its subsidiaries (hereinafter jointly referred as “TOD’S Group”), the preliminary examination and approval of which, pursuant to the Corporate Governance of Listed companies, are within the competence of the Board of Directors of TOD’S S.p.A.

2. Identification of significant transactions carried out by the TOD’S Group

2.1 Besides the subject matters which cannot be delegated by law, the following transactions should be considered significant transactions, and therefore should always be subject to the examination and approval of the Board of Directors of TOD’S S.p.A., even if formally are included in the subject matters which can be delegated:

A) transactions which require the publication by TOD’S S.p.A. of a disclosure document drafted pursuant to the provisions of the Consob regulations¹.

B) Transactions with an overall value exceeding the 2% of the consolidated Shareholders’ Equity of the Tod’s Group as reported in the most recently published Consolidated Balance sheet (Annual report or Half year report).

¹ As an example, at the time of approval of the present document, the following transactions: relevant acquisitions and disposals as defined by the general criteria established by Consob under art. 71 of the Consob Regulation n. 11971/99; relevant merger, de-merger and capital increase by way of a contribution in kind transactions under art. 70 of the Consob Regulation n. 11971/99.

If the economic conditions of the transactions are determined, the value of the transaction shall be:

- i) in case of cash settled transactions, the amount paid to/by the contractual counterparty;
- ii) in case of financial instruments settled transactions, their *fair value* at the date of the transaction, established pursuant to the IAS/IFRS accounting standards;
- iii) in case of transactions concerning the provision of finance and/or collateral and guarantee, the maximum amount payable.

C) Acquisitions and disposal of equity investments, with an effect on the scope of consolidation, when the following ratios, individually considered:

- i) the relationship between the total Assets of the target company and the total Assets of the TOD'S Group, as reported in the most recently published Consolidated Balance sheet (Annual report or Half year report);
 - ii) the relationship between the total Liabilities of the target and the total Liabilities of the TOD'S Group, as reported in the most recently published Consolidated Balance sheet (Annual report or Half year report);
- exceed 5%.

As far as acquisitions and disposals of equity investments do not impact the scope of consolidation, the value of the numerator is as follows:

- i) in case of acquisitions, the total counter value of the transaction increased by the value of the liabilities of the target which are acquired by the buyer company, if any;
- ii) in case of disposals, the counter value of the asset sold.

As far as acquisitions and disposals of other assets are concerned (different from the acquisition of shareholdings in a company), the value of the numerator is as follows:

- i) in case of acquisitions, the higher between the counter value and the value of the asset which will be recorded in the balance sheet;

ii) in case of disposals, the value of the asset which will be recorded in the balance sheet.

D) Transactions involving the setting up of a new company.

E) Transactions concerning the acquisition and disposal of trademarks and licenses.

2.2 The Board of Directors of TOD'S S.p.A., according to the operations of the TOD'S Group and always safeguarding the interests of the different group's companies, preliminarily examines and evaluates the significant transactions (i.e. those complying with the parameters stated above), even if the transactions are carried out by subsidiaries of TOD'S S.p.A.. In this respect, the chief executive officers of the companies of the TOD'S Group are made familiar with these "Guidelines".

2.3 In order to guarantee the efficient operation of the TOD'S Group, in case of particular urgency, the significant transactions can be executed by the executive officers of the TOD'S Group companies: in these cases the executive officers present the Board of Directors of TOD'S S.p.A. with a complete information on the execution of the transactions, for the following relevant ratification.

2.4 At the moment when the significant transactions are examined and approved, the Board of Directors of TOD'S S.p.A. is provided by the executive officers with all the relevant information concerning the interest of the TOD'S Group in the execution of the transaction, its economic feasibility, its consistency with the strategic plans of the TOD'S Group.

3. Exceptions

3.1 Departing from the provisions under point 2.1 above, transactions which are typical and usual or which are anyway executed according to standard

conditions are not considered of a “particular relevance” and therefore are not previously examined and approved by the Board of Directors.

3.2 Transactions which, according to their object and nature, characteristic and conditions are carried out in the normal course of business of the Company and those which are free from any particular criticality in relation to their characteristic or the time of execution, are considered typical and usual.

Transactions which are executed at the same conditions which usually apply to any entity in transactions of the same nature, value and risk are considered to be executed at standard conditions.

4. Related parties transactions

Related parties transactions are governed by the “Procedure on Related Parties Transactions of Tod’s S.p.A”.