

TOD'S

TOD'S Group

D'S

QUARTERLY REPORT ON OPERATIONS
AT MARCH 31st 2012

Group

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Company's data

Registered office

TOD'S S.p.A.
Via Filippo Della Valle, 1
63811 Sant'Elpidio a Mare (Fermo) - Italy
Tel. +39 0734 8661

Legal data Parent company

Share Capital resolved euro 61,218,802
Share 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 and Showrooms

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
New York - 450, West 15th Street
Paris – Rue Royale, 20
Seoul – 89-10, Cheongdam-dong, Kangnam-ku
Shanghai - 1717 Nanjing West Road, Wheelock Square 45/F
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 Andrea Della Valle Luigi Abete Maurizio Boscarato Luigi Cambri Luca Cordero di Montezemolo Emanuele Della Valle Fabrizio Della Valle Emilio Macellari Pierfrancesco Saviotti Stefano Sincini Vito Varvaro	Chairman Vice - Chairman
Executive Committee	Diego Della Valle Andrea Della Valle Fabrizio Della Valle Emilio Macellari Stefano Sincini Vito Varvaro	Chairman
Compensation Committee	Luigi Abete Luigi Cambri Pierfrancesco Saviotti	Chairman
Internal Control and Corporate Governance Committee	Luigi Cambri Maurizio Boscarato Pierfrancesco Saviotti	Chairman
Independent Directors Committee	Pierfrancesco Saviotti Luigi Abete Luigi Cambri	Chairman
Board of statutory Auditors ⁽²⁾	Enrico Colombo Gilfredo Gaetani ⁽³⁾ Fabrizio Redaelli Massimo Foschi Aldo Bisoli ⁽³⁾	Chairman Acting stat. auditor Acting stat. auditor Substitute auditor Substitute auditor
Independent Auditors ⁽⁴⁾	PricewaterhouseCoopers S.p.A.	
Manager charged with preparing a company's financial report	Rodolfo Ubaldi	

⁽¹⁾ Term of the office: 2012-2014 (resolution of the Shareholders' meeting as of April 19th, 2012)

⁽²⁾ Term of the office: 2010-2012 (resolution of the Shareholders' meeting as of April 22nd, 2010)

⁽³⁾ Appointed by the Shareholder meeting as of April 19th, 2012

⁽⁴⁾ Term of the office: 2012-2020 (resolution of the Shareholders' meeting as of April 19th, 2012)

TOD'S Group

TOD'S S.p.A.

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

Del.Com. S.r.l.

Subholding for operation of national 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.

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 (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 distributes and promotes products in Great Britain and manages DOS in Great Britain.

Webcover Ltd

Company that operates DOS in Great Britain.

Cal.Del. Usa Inc.

Company that operates DOS in California (USA).

Deva Inc.

Company that distributes and promotes products in North America, and manages DOS in the State of NY (USA).

Flor. Del. Usa Inc.

Company that operates DOS in Florida (USA).

Hono. Del. Inc.

Company that operates DOS in Hawaii (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).

E-TOD'S Inc.

E-commerce company for US market.

Holpaf B.V.

Real estate company.

Alban.Del Sh.p.k.

Production company.

Sandel SA

Not operating company.

Un.Del. Kft

Production company.

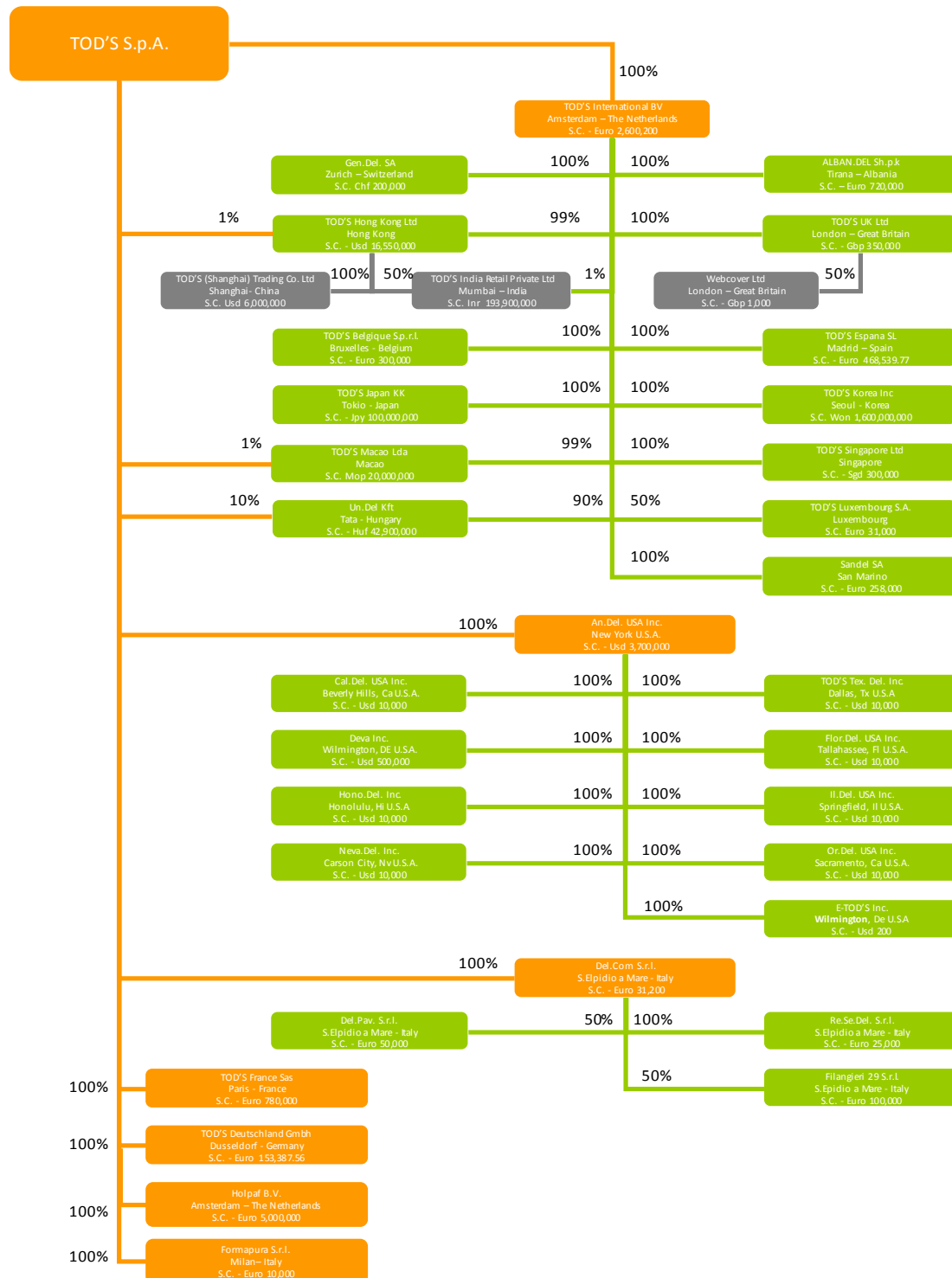
Re.Se.Del. S.r.l.

Company for services.

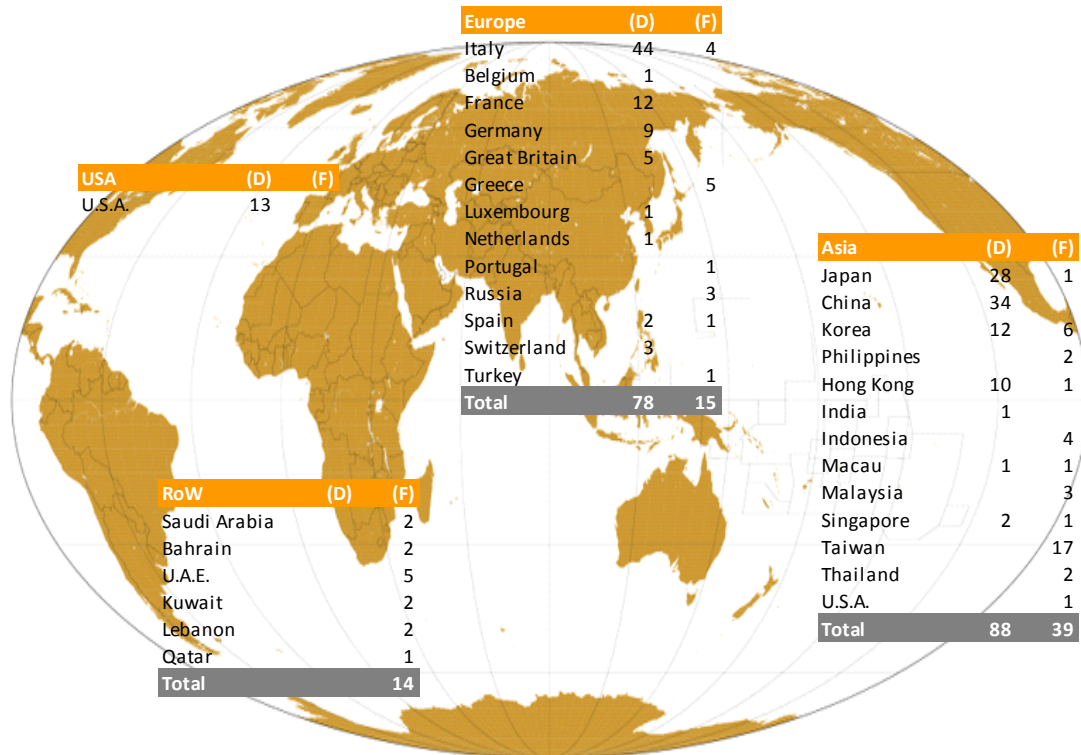
Formapura S.r.l.

Company for services.

Group's organizational chart



Distribution network as of March 31st 2012



(D)=DOS (F)=FRANCHISED STORES

DOS, 2012 new openings

Far East	
Hefei	(China)
Xi'an ⁽¹⁾	(China)
Shenyang ⁽¹⁾	(China)
Shanghai ⁽¹⁾	(China)

Franchised stores, 2012 new openings

Europe	
Mosca	(Russia)

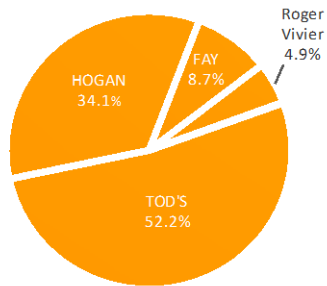
Far East	
Kaohsiung	(Taiwan)

⁽¹⁾ Franchised stores take over

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

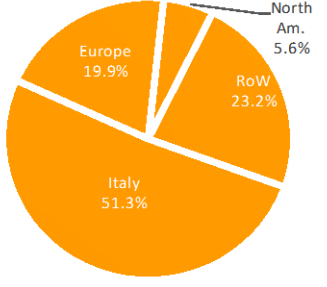
Q1 12 Revenues - % by brand



P&L key figures (Euro mn)

	Q1 2012	Q1 2011	Q1 2010	Q1 2009
Revenues	263.2	243.7	208.1	201.3
EBITDA	66.7 25.3%	65.1 26.7%	48.7 23.4%	44.7 22.2%
EBIT	57.3 21.8%	55.9 23.0%	41.1 19.7%	36.9 18.3%

Q1 12 Revenues - % by region



Key Balance Sheet figures (Euro mn)

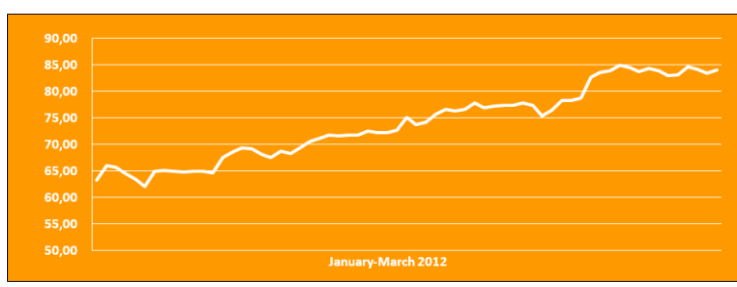
	03.31.12	12.31.11	03.31.11
Net working capital ⁽¹⁾	273.9	226.8	252.0
Net financial position	110.3	110.7	88.8
Capital expenditures	14.7	61.9	11.1

⁽¹⁾Trade receivables + inventories – trade payables

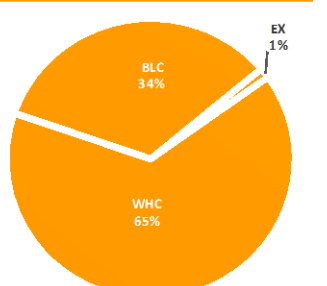
Q1 12 Revenues - % by product



Stock performance (Euro)



2012 Group employees



The Group employees

	03.31.12	12.31.11	03.31.11	03.31.10
Year to date	3,643	3,549	3,297	2,958

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

Highlights of results

Revenues: revenues totalled 263.2 million euros (the effect of exchange rate fluctuations is 2.1 million euros, positive), for growth of 8.0% from Q1 2011. The sales performance of DOS network was particularly satisfying (+18.9%).

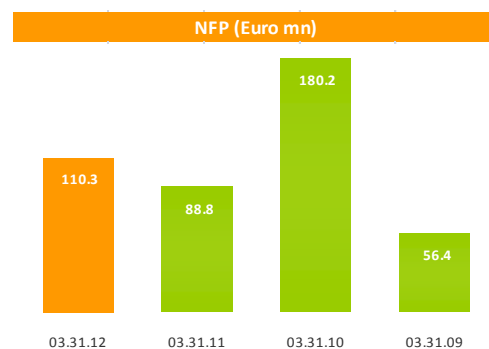
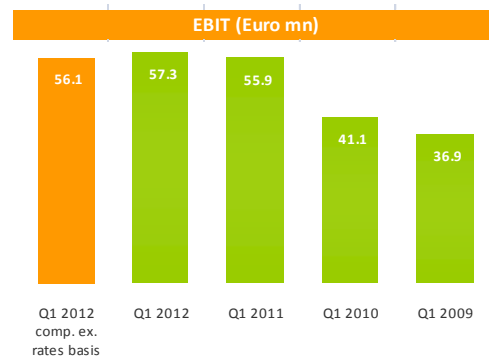
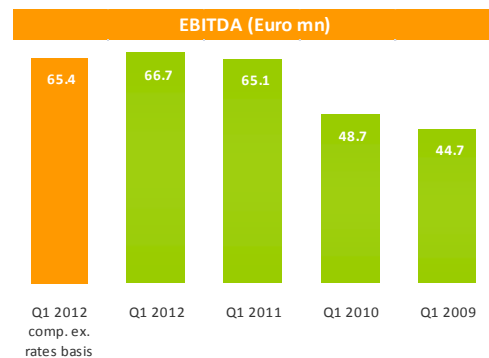
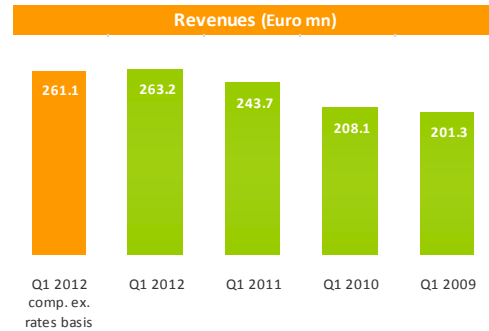
EBITDA: growth of this result which is 66.7 million euros in Q1 2012, representing a 25.3% on Group sales (in Q1 2011: 65.1 million euros).

EBIT: this totalled 57.3 million euros, against 55.9 million euros of Q1 2011 (+2.4%).

Net financial position (NFP): Group liquid assets amount to 180.2 million euro at March 31st, 2012. Net financial position was 110.3 million euros at the same date (88.8 million euros at March 31st 2011).

Capital expenditures: these totalled 14.7 million euros in Q1 2012 (11.1 million euros in Q1 2011).

Distribution network: at March 31st, the single brand distribution network comprised 179 DOS (increased by 21 units compared to March 31st, 2011) and 68 franchised stores.



TOD'S

TOD'S Group

D'S

REPORT ON OPERATIONS

Group

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 Company's mission is to offer global customers top-quality products that satisfy their functional requirements and aspirations.

Group's brands



The TOD'S brand is known for shoes and luxury leather goods, with styles that have become icons of modern living; Tod's is known in the luxury goods sector as a symbol of the perfect combination of tradition, quality and modernity. Each product is hand-crafted with highly-skilled techniques, intended, after laborious reworking, to become an exclusive, recognisable, modern and practical object. Some styles, like the Driving Shoe and the D bag, are cherished by celebrities and ordinary people worldwide, and have become icons and forerunners of a new concept of elegance, for both women and men.



Begun in the 80s with shoe collections for women, men and children, the HOGAN brand now also crafts various leather goods items. The HOGAN brand is distinctive for high quality, functionality and design. Every product stems from a highly skilled design technique and is created using quality materials with a particular passion for details and a search for perfection. HOGAN products are the highest expression of a "new luxury" lifestyle. HOGAN is meant for someone who cherishes the type of luxury associated with product excellence, innovative original design and consummate practicality. The Traditional and the Interactive shoe styles endure as continuing "best sellers".

Fay

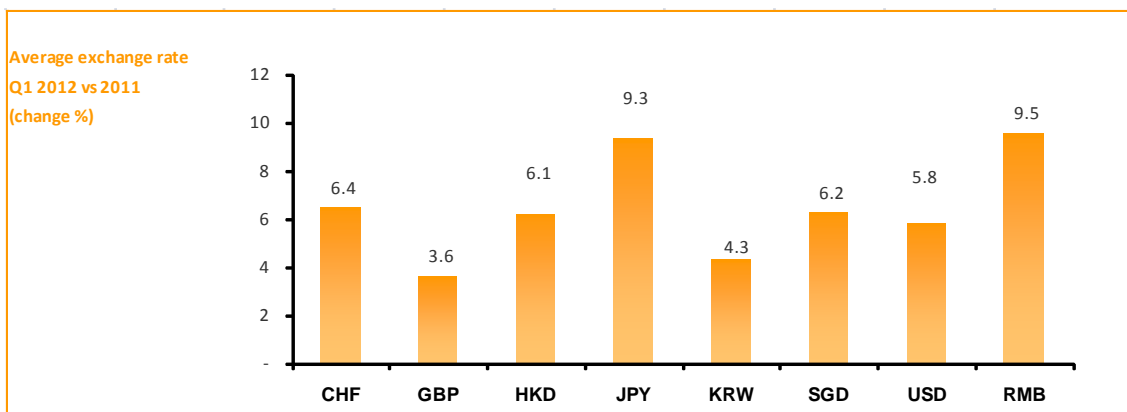
FAY products are wearable everywhere: from the stadium to the office, in urban areas and in the countryside. The line, which has seasonal men's, women's and junior's collections, focuses on classic evergreen styles, continuously modified and refreshed with innovative and recognisably eye-catching design.

Roger Vivier
PARIS

The Fabergé of shoes, and creator of the first stiletto heel in the 1950's, Roger Vivier designed extravagant and luxuriously decorated shoes that he described as being "sculptures." Today, the artistic heritage and excellent traditional roots of the Vivier fashion house have been revived. Under the management of Creative Director Bruno Frisoni, Vivier's work and vision endure. New chapters are added to this unique life story every year, which goes beyond the world of footwear to include handbags, small leather goods, jewellery and sunglasses.

Foreign currency markets

Average exchange rates of the first quarter of 2012, compared to figures for the same period of the previous year, showed a broadly weakening of euro, especially against the Japanese yen and the Chinese Renmimbi.



Main events and operations during the period

The Group enjoyed further growth in Q1 2012, notwithstanding the challenging comparison with the brilliant results reported in Q1 2011.

Sales revenue performance at the DOS was extremely significant. Once again, very strong growth was reported by the directly operated sales network in Q1 2012 (+18.9% compared with the same period of 2011), being driven by the Asian markets, where all distributed brands posted double-digit growth rates. The focus of these results is concentrated on China and Hong Kong, which confirmed their status as the principal drivers of sales growth. Spending in support of brands (advertising, marketing and promotion) has significantly increased on these two markets, in view of consolidating the image of and giving long-term continuity to the strong appeal that these brands and products have for consumers in that geographical area.

The distribution network in mainland China (PRC) was expanded further. Following the take-over in Q1 2012 of existing franchised stores, on March 31st the Group assumed 100% control of distribution. It has 34 directly operated stores, representing all brands with the sole exception of FAY.

Excellent results were also reported on the American market, which confirm the excellent sales performance. The e-commerce project was launched on this market (USA) in March, involving only the TOD'S brand during the initial phase. This project, whose initial response has been positive (although it is absolutely not significant in absolute terms), will be gradually extended from the end of this year to the other markets where the Group operates. The schedule of implementation will vary from area to area, according to the organisational demands of setting up the e-commerce platform.

During the quarter, the Group also made an additional commitment to social responsibility projects. It contributed approximately 1 million euros to a project in collaboration with *Save the Children*, to help Japanese children in Miyagi and Iwate Prefectures affected by the March 11th, 2011 earthquake.

Finally, in view of integrating in its organisation a whole series of outsourced strategic marketing and promotion activities, the Group acquired, through the parent TOD'S S.p.A., 100% of the units of Formapura s.r.l., an Italian company with which it had a collaboration relationship involving the aforementioned activities for several years. On May 10th, 2012 the Board of Directors of TOD'S S.p.A. resolved to take over Formapura S.r.l. through merger in order to complete the integration and streamlining of its activities, organisation and functions.

Group's results in Q1 2012

In the first quarter of 2012, TOD'S Group generated sales totalling 263.2 million euros, up by 19.5 million euros or 8% over figures for the same period of the previous year. Exchange-rate effect was positive: maintaining cross rates constant, sales revenues would have amounted to 261.1 million euros, reflecting a year-on-year increase of 7.1%.

EBITDA and EBIT amounted to 66.7 million euros and 57.3 million euros respectively and they continued to grow in respect of last March 31st, 2011 when they were 65.1 and 55.8 million euros. EBITDA and EBIT represent respectively 25.3% and 21.8% of total consolidated sales revenues.

(Euro 000's)					
FY 11	Main economic indicators	Q1 2012	Q1 2011	Change	%
893,638	Sales revenues	263,174	243,670	19,504	8.0
232,417	EBITDA	66,704	65,112	1,592	2.4
(37,787)	Deprec., amort. and write-downs	(9,440)	(9,171)	(269)	2.9
194,630	EBIT	57,264	55,941	1,323	2.4
	Foreign exchange impact on revenues	(2,091)			
	Adjusted Sales revenues	261,083	243,670	17,413	7.1
	Foreign exch. impact on operating costs	758			
	Adjusted EBITDA	65,371	65,112	259	0.4
	Foreign exch. impact on deprec./amort.	201			
	Adjusted EBIT	56,132	55,941	191	0.3
	EBITDA %	25.3	26.7		
	EBIT %	21.8	23.0		
	Adjusted EBITDA %	25.0	26.7		
	Adjusted EBIT %	21.5	23.0		

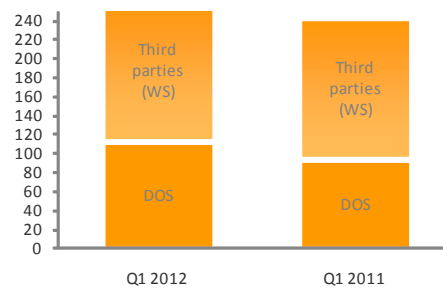
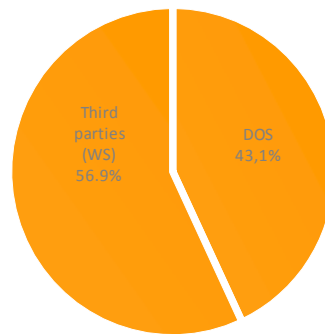
(Euro 000's)				
03.31.11	Main Balance sheet indicators	03.31.12	12.31.11	Change
251,991	Net working capital (*)	273,891	226,766	47,125
88,808	Net financial position	110,313	110,749	(436)
11,063	Capital expenditures	14,735	61,882	n.s.

(*) Trade receivables + Inventories – Trade payables

Revenues. Consolidated turnover in the first quarter of 2012 amounted to 263.2 million euros, up by 8% over the same period in 2011; the growth is even more noteworthy, if considering the challenging comparison basis (+17.1% last first quarter 2011). 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 Q1 2012, revenues to third parties totalled 149.9 million euros, with growth of 1% from Q1 2011. The DOS network posted very good results; revenues through DOS globally amounted to 113.3

(Euro mn)	Q1 2012	%	Q1 2011	%	Change	%
DOS	113.3	43.1	95.3	39.1	18.0	18.9
Third parties (WS)	149.9	56.9	148.4	60.9	1.5	1.0
Total	263.2	100.0	243.7	100.0	19.5	8.0



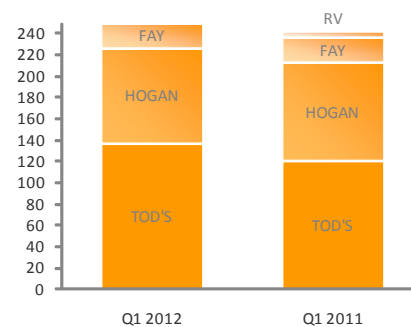
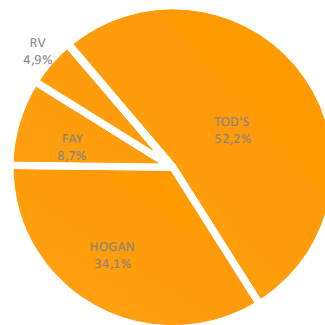
million euros in Q1 2012, up 18.9% from Q1 2011 (+16.7% at constant exchange rates). Also this year the Group is registering a strong organic growth, despite the challenging comparison basis: the Same Store Sales Growth (SSSG) rate, calculated as the worldwide average of sales growth rates reported by DOS opened as of January 1st, 2011, was 7.8% for the first 19 weeks of 2012 (from January 1st to May 6th, 2012).

As of March 31st, 2012 the Group's distribution network was composed by 179 DOS and 68 franchised stores, compared to 158 DOS and 68 franchised stores as of the end of March 2011.

In Q1 2012, the TOD'S brand achieved a significant double-digit sales growth, in all its product categories, confirming the outstanding results of the last months. Its revenues totalled 137.5 million euros in the period, up 13.4% from Q1 2011 (+11.5% at constant exchange rates).

HOGAN brand totaled 89.6 million euros of sales in Q1 2012, compared to 91.8 million euros of the same period of 2011. The brand's performance was affected by the selective distribution strategy adopted in Italy aiming at preserving the brand exclusivity and at

(Euro mn)	Q1 2012	%	Q1 2011	%	Change	%
TOD'S	137.5	52.2	121.2	49.7	16.3	13.4
HOGAN	89.6	34.1	91.8	37.7	(2.2)	(2.4)
FAY	23.0	8.7	23.9	9.8	(0.9)	(4.0)
RV	12.9	4.9	6.6	2.7	6.3	98.1
Other	0.2	0.1	0.2	0.1	0.0	n.s.
Total	263.2	100.0	243.7	100.0	19.5	8.0



enhancing the quality of the clients; in line with the expectations, HOGAN brand is achieving strong results abroad, mainly in the Asian markets, where its international expansion is currently focused.

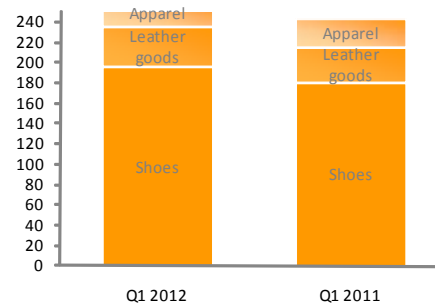
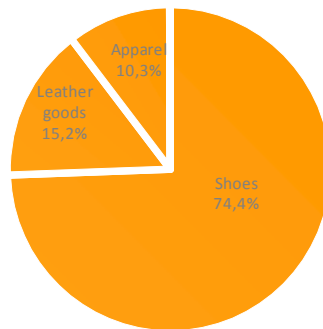
Also for the FAY brand, the performance of the domestic sales reflects the selective distribution strategy adopted in the last months, with the same purposes commented for HOGAN. FAY is posting positive results abroad, mainly in the European markets, where its international expansion is currently focused. In Q1 2012, FAY revenues totaled 23 million euros, compared to 23.9 million euros of Q1 2011.

Finally, ROGER VIVIER totaled 12.9 million euros of revenues in Q1 2012, almost the double than in Q1 2011, confirming the enormous success of this prestigious brand of luxury accessories, more and more appreciated and loved by clients, in Italy and on the international markets.

Revenues from shoes totaled 195.9 million euros in Q1 2012, up 8.3% from Q1 2011; the growth is even more noteworthy, if considering the challenging comparison basis: +16.2% in Q1 2011. At constant exchange rates, the increase would have been 7.5%.

Solid double-digit sales growth for leather goods and accessories, mainly driven by the excellent results of the Tod's brand, in the entire collection of handbags and accessories. Sales of this product category totaled 39.9 million euros in Q1 2012, up 15.3%

(Euro mn)	Q1 2012	%	Q1 2011	%	Change	%
Shoes	195.9	74.4	181.0	74.3	14.9	8.3
Leather goods	39.9	15.2	34.6	14.2	5.3	15.3
Apparel	27.2	10.3	28.0	11.5	(0.8)	(3.0)
Other	0.2	0.1	0.1	0.0	0.1	n.s.
Total	263.2	100.0	243.7	100.0	19.5	8.0



from Q1 2011 (+13.3% at constant exchange rates).

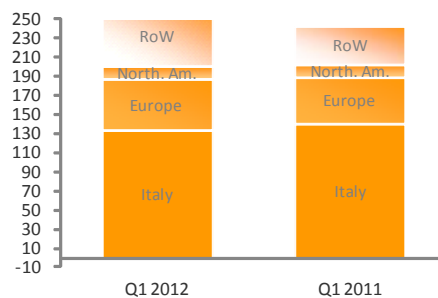
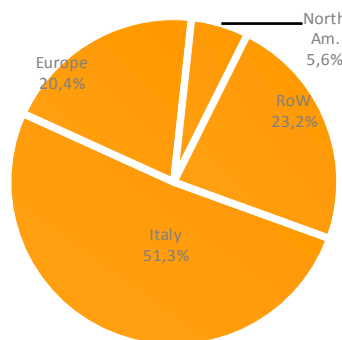
In Q1 2012, revenues from apparel were 27.2 million euros; the small reduction compared to Q1 2011 broadly reflects the performance of the FAY brand, as earlier commented.

In Q1 2012, domestic sales totaled 134.9 million euros, despite the small reduction compared to Q1 2011, the Group consolidated the excellent results posted last year and confirming the

leadership of the Group's brands. The Group achieved positive results in the rest of Europe,

where sales totaled 52.4 million euros in Q1 2012 (+5% compared to Q1 2011). The US market posted a double-digit growth; revenues

(Euro mn)	Q1 2012	%	Q1 2011	%	Change	%
Italy	134.9	51.3	140.5	57.7	(5.6)	(4.0)
Europe	52.4	19.9	49.9	20.4	2.5	5.0
North America	14.8	5.6	12.2	5.0	2.6	21.2
RoW	61.1	23.2	41.1	16.9	20.0	48.7
Total	263.2	100.0	243.7	100.0	19.5	8.0



totalled 14.8 million euros in Q1 2012, up 21.2% from Q1 2011 (+18.8% at constant exchange rates). The Group registered outstanding results both in the DOS network and in the wholesale

channel, the latter returning to post important growth rates after the rationalization implemented last year. Finally, in the area “Asia and Rest of the World”, sales totaled 61.1 million euros in Q1 2012, up 48.7% from Q1 2011 (+45.4% at constant exchange rates). The Group confirmed the excellent results of the last quarters in mainland China, Hong Kong and Macao; significant growth also in Japan.

Operating results. EBITDA was 66.7 million euros in Q1 2012, and represents 25.3% of consolidated revenues. The comparable figure for Q1 2011 was 65.1 million euros, or 26.7% of sales. On a comparable exchange rate basis, EBITDA would have been 65.4 million euros, or 25.0% of sales.

Euro 000's	Q1 2012	Q1 2011	FY 2011
Revenues			
Sales revenues	263,174	243,670	893,638
Other revenues and incomes	3,059	4,563	15,994
Total revenues	266,233	248,233	909,632
Operating costs			
Change in inventories of work in prog. and finis. goods	4,900	(8,614)	31,798
Costs for raw materials, supplies and material for cons.	(77,292)	(50,818)	(224,662)
Costs for services	(65,589)	(72,203)	(265,993)
Costs for use of third party assets	(18,975)	(14,651)	(64,671)
Costs of labour	(34,929)	(31,261)	(126,840)
Other operating charges	(7,644)	(5,574)	(26,847)
Total Operating costs	(199,529)	(183,121)	(677,215)
EBITDA	66,704	65,112	232,417
Amortisation, depreciation and write-downs			
Amortisation of intangible assets	(2,229)	(2,490)	(9,957)
Depreciation of tangible assets	(7,011)	(6,481)	(25,845)
Other adjustments	-	-	(86)
Total amortisation, depreciation and write-downs	(9,240)	(8,971)	(35,888)
Provisions	(200)	(200)	(1,899)
EBIT	57,264	55,941	194,630

Net operating income was also up. After charging about 9.2 million euros for depreciation and amortisation, EBIT in January-March 2012 was 57.3 million euros and represents 21.8% of consolidated sales. In Q1 2011, EBIT was 55.9 million euros, equal to 23.0% of consolidated sales. On a comparable exchange rate basis, EBIT would have been 56.1 million euros, or 21.5% of sales.

In Q1 2012 Group operating profit was influenced by the significant increase in advertising, promotion and marketing expenditure (up almost two percentage points as a percentage of sales), with much of this expenditure stemming from the different timing of incurring costs. Thus, this effect will be steadily absorbed over the course of the year.

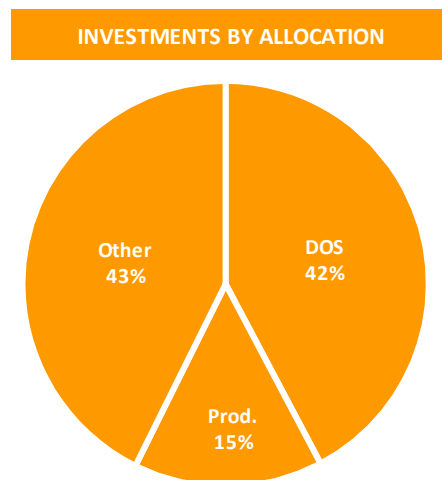
The previously mentioned programme undertaken with *Save the Children* in the Japanese regions hit by the March 2011 earthquake had an impact of about 1.0 million euros on profits and margins in Q1 2012.

Lease and rental costs (accounted for by location leases and royalties for use of licenses) rose from 14.7 million euros in Q1 2011 to 19.0 million euros in the current period, mainly following the strong expansion of the DOS network as compared with Q1 2011. The impact on revenue increased, rising from 6.0% in the previous year to 7.2% in Q1 2012.

Group headcount continued to grow, rising by 346 persons from March 31st, 2011 (from 3,297 employees to 3,643 at March 31st, 2012). The total cost for personnel was 34.9 million euros (31.3 million euros in Q1 2011), growing by 11.7%. Personnel costs as a percentage of sales rose from 12.8% in Q1 2011 to 13.3% in Q1 2012.

Capital expenditures. Capital expenditure totalled 14.7 million euros in Q1 2012 (11.1 million euros in Q1 2011). Expenditure dedicated to the DOS network totalled about 6.2 million euros, and was earmarked both for setting up the new DOS, and for renovations carried out during the period, including the HOGAN boutiques in Via Montenapoleone in Milan and Rue du Faubourg Saint-Honoré in Paris.

The remainder of capital expenditure made during the period covered not only normal modernisation of structures and industrial equipment (mainly forms, lasts and moulds), but mostly the remodelling of Company offices in Milan and development of business software, including that used for the e-commerce project.



The net financial position. At the end of the quarter under consideration, net cash balances totalled 110.3 million euros, substantially in line with respect to the beginning of the year (110.7 million euros at December 31st, 2011), inclusive of assets valued at 180.2 million euros and liabilities of 69.9 million euros.

Net financial position (Euro 000's)				
03.31.11		03.31.12	12.31.11	Change
	Current financial assets			
157,546	Cash and cash equivalents	180,177	187,756	(7,579)
157,546	Cash	180,177	187,756	(7,579)
	Current financial liabilities			
(25,648)	Current account overdraft	(28,069)	(29,743)	1,674
(4,818)	Current share of medium-long term financing	(5,261)	(5,856)	595
(30,466)	Current financial liabilities	(33,330)	(35,599)	2,269
127,080	Current net financial position	146,847	152,157	(5,310)
	Non-current financial liabilities			
(38,272)	Financing	(36,534)	(41,408)	4,874
(38,272)	Non-current financial liabilities	(36,534)	(41,408)	4,874
88,808	Net financial position	110,313	110,749	(436)

Net financial position shows a very important result especially because the first three months of the year are marked by the use of resources, due to the temporary financing of the working capital growth, mainly due to trade receivables, resulting from the wholesale component of revenues, which will free up cash resources in the following quarter. This important result has been favoured even by trade receivables collections, which they increased at the end of last year due to market difficulties occurred during last months of 2011.

Net working capital (Euro 000's)				
03.31.11		03.31.12	12.31.11	Change
198,113	Inventories	242,328	236,631	5,697
192,296	Trade receivables	210,816	150,011	60,805
(138,418)	Trade payables	(179,254)	(159,876)	(19,378)
251,991	Net working capital	273,890	226,766	47,124

At the financial level, the FY 2011 dividend coupon is scheduled to be paid on May 21st, as approved by the Shareholders' Meeting of the parent company TOD'S S.p.A. on April 19th, 2012. The dividend, totalling 76.5 million euros, at the rate of 2.50 (two/50) per each of the 30,609,401 shares comprising the share capital at the payment date, will be paid to all the shareholders entered on the Register of Shareholders at the coupon payment date.

Significant events occurring after the end of the period

There have not been any significant operating events affecting the Group's activities since March 31st, 2012.

Business outlook

Considering the results achieved in Q1 2012 and the positive reports received from the distribution network, we may reasonably confirm the sales and operating results growth expectations for FY 2012 made in the 2011 Annual Report.

Guidelines for preparation of the Quarterly Report

TOD'S Group Quarterly Report on Operations at March 31st, 2012 was prepared pursuant to Article 154 ter (5) of the Consolidated Law on Financial Intermediation ("TUF") introduced by Legislative Decree 195/2007, in implementation of Directive 2004/109/EC (the "Transparency Directive").

Quarterly reports were approved by the Board of Directors of TOD'S S.p.A. on May 10th, 2012, and on the same date that body authorized its publication.

Accounting policies

The accounting policies applied to prepare the financial figures reported on the Quarterly Report at March 31st, 2012 was prepared by applying IAS/IFRS, issued by IASB and approved by the European Union at the reporting date. IAS/IFRS refers to the *International Accounting Standards* (IAS), *International Financial Reporting Standards* (IFRS), and all interpretative documents issued by the IFRIC (previously called the Standing Interpretations Committee).

The same accounting standards used to prepare the consolidated financial statements at December 31st, 2011 were used to prepare this Report.

Preparation of the financial figures reported on the Quarterly Report at March 31st, 2012 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 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. - Mar. 2012		Jan. - Mar. 2011	
	Exch. Rate at March 31 st	Average exch. rate	Exch. Rate at March 31 st	Average exch. rate
US Dollar	1.336	1.311	1.421	1.391
UK Pound	0.834	0.834	0.884	0.866
Swiss Franc	1.205	1.208	1.301	1.291
Hong Kong Dollar	10.371	10.172	11.056	10.834
Japanese Yen	109.560	103.810	117.610	114.410
Hungarian Fiorint	294.920	296.490	265.720	270.050
Singapore Dollar	1.678	1.657	1.790	1.767
Korean Won	1,512.98	1,482.65	1,554.51	1,548.73
Chinese Renminbi	8.409	8.269	9.304	9.140
Indian Rupia	68.042	65.864	63.345	62.943
Macao Pataca	10.676	10.472	11.386	11.154

Alternative indicators of performances

In order to strip the effects of changes in exchange rates from the average values of the first three months of 2011 from the results for the three months of 2012, the typical economic indicators (Revenues, EBITDA, EBIT) have been recalculated by applying the average exchange rates for the three months of 2011, thereby rendering them fully comparable with those of the previous period.

However, it should be pointed out that these principles for measuring corporate performance represent a method of interpreting results that is not envisaged in IAS/IFRS, while they must not be considered substitutes for the results calculated according to those principles.

Furthermore, although the aggregate annual sales of TOD'S Group are not subject to severe seasonal or cyclical variations in aggregate annual sales, its revenues and costs do fluctuate from quarter to quarter, largely in tandem with changes in the volumes of its industrial activity.

For this reason, analysis of the interim operating results and financial indicators (revenues, EBITDA, EBIT, financial position and working capital) cannot be considered fully representative, and it would be incorrect to consider the period indicators referred to in this report as proportionate to the whole year's results.

Scope of consolidation

As previously mentioned, the parent company TOD'S S.p.A. acquired Formapura S.r.l. effective January 1st, 2012. Line-by-line consolidation of this company represents the only change in the scope of consolidation as compared with the Consolidated Financial Statements at December 31st, 2011. Moreover, the subsidiary E-TOD'S Inc. became fully operational in Q1 2012 (after being incorporated in 2011). This latter this business unit is responsible for e-commerce in the United States.

Compared with the interim management report at March 31st, 2011, it should also be mentioned that the indirect subsidiary Tod's Saint Barth Sas – which was non-operating for all of FY 2011 – was deconsolidated effective December 31st, 2011.

Milan, May 10th 2012

The Chairman of the Board of Directors
Diego Della Valle

Declaration pursuant to Article 154bis (2) of the Consolidated Law on Financial Intermediation

The manager charged with preparing the company's financial reports certifies, pursuant to Article 154bis (2) of the Consolidated Law on Financial Intermediation, that the accounting information presented in this document corresponds to the accounting documents, books, and ledger entries.

The manager charged with preparing the company's financial reports
Rodolfo Ubaldi