Milan – September 12th, 2006

TOD'S S.p.A.: The Board of Directors approved the 2006 Consolidated Half-year Report.
Excellent results in the first half of 2006; net income: +44.5%, sales: +15.4%, EBITDA: +33.4%
Group's revenues: 273.3 million Euros, growing by 15.4% as compared to the first half of 2005; EBITDA: 62.7 million Euros, increasing by 33.4%; EBIT: 50.8 million Euros, with a 43.1% growth; Net income: 29.3 million Euros, increasing by 44.5%

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 shoes, leather goods and apparel with the Tod's, Hogan and Fay brands, today approved the Group's Report for the first half of 2006[1].

The Group's turnover was 273.3 million Euros, growing by 15.4% as compared to H1 2005.
At constant exchange rates (applying the average H1 2005 exchange rates), revenues were 271.9 million Euros, with a 14.8% growth versus H1 2005; the impact of currency fluctuations is mainly due to the Euro/USD rate movements.

Breakdown of Consolidated Sales by Brand: strong growth for all the brands

million Euros	H1 2006	H1 2005	% change	FY 2005
Tod's	164.2	142.6	+15.1%	288.5
Hogan	75.4	60.9	+23.9%	126.1
Fay	29.5	27.4	+7.7%	77.1
Roger Vivier	2.7	1.6	+72.2%	3.8
Other	1.5	4.4	n.m.	7.5
TOTAL	273.3	236.9	+15.4%	503.0

All the Group's brands reported outstanding growth rates in the first six months of the year.
Tod's revenues grew by 15.1% and represented 60.1% of consolidated sales as of June 30th, 2006.
Hogan revenues achieved excellent results, with a 23.9% growth in the first half of the year, and represented 27.6% of the Group's sales as of June 30th, 2006.
Fay revenues grew by 7.7% and represented 10.8% of consolidated turnover.
As far as Roger Vivier[2], the prestigious and exclusive brand for luxury shoes and accessories, produced and distributed by the Group under licence agreement, revenues were 2.7 million Euros in the first half of 2006, growing by more than 70% as compared to the corresponding period of the previous year.

[1] The herein commented figures have been drawn up in compliance with the International Financial Reporting Standards IAS/IFRS.

[2] Roger Vivier sales have been previously accounted in "other revenues".

Breakdown of Consolidated Sales by Product: important growth in all the product categories

million Euros	H1 2006	H1 2005	% change	FY 2005
Shoes	178.4	157.8	+13.0%	314.7
Leather goods and accessories	65.7	51.8	+26.9%	111.9
Apparel	28.8	26.8	+7.5%	75.4
Other	0.4	0.5	n.m.	1.0
TOTAL	273.3	236.9	+15.4%	503.0

Sales by product category confirm the Group's strategic focus on developing leather goods and accessories. Revenues of this category grew by 26.9% in the first semester and represented 24% of the Group's turnover as of June 30th, 2006, two percentage points higher than the corresponding period of 2005.

Also revenues from shoes reported an outstanding performance, growing by 13% in the semester and representing 65.3% of the Group's turnover as of June 30th, 2006.

Finally, sales from apparel grew by 7.5% in the first six months of 2006, in line with the Fay performance, and represented 10.5% of consolidated revenues as of June 30th, 2006.

Breakdown of Consolidated Sales by Region: excellent growth in all the markets

million Euros	H1 2006	H1 2005	% change	FY 2005
Italy	126.0	107.2	+17.6%	241.4
Europe (excl. Italy)	72.4	69.6	+4.0%	134.3
North America	29.5	26.8	+9.8%	57.0
Asia and rest of world	45.4	33.3	+36.4%	70.3
TOTAL	273.3	236.9	+15.4%	503.0

Half-year results showed significant growth rates in all the markets where the Group operates.

The domestic market continued to grow strongly; revenues increased by 17.6% in the first half of 2006 and represented 46.1% of consolidated turnover as of June 30th, 2006.

In the rest of Europe sales grew by 4.0% in the period or by 8.7% net of the revenues generated by the production for other brands (included in "Other revenues" in the breakdown by brand).

The US market showed very positive indications; revenues grew by 9.8% in the first half of the year.

Finally, the Asian markets confirmed the brilliant growth rates, already posted in the previous years; revenues increased by 36.4% in the first semester. As of June 30th, 2006 this region represented 16.6% of the Group's turnover, versus 14.1% in the corresponding period of the previous year.

Breakdown of Consolidated Sales by Distribution Channel: double-digit growth in all the channels

million Euros	H1 2006	H1 2005	% change	FY 2005
DOS	133.9	121.6	+10.1%	258.8
Franchised stores and independent retailers	139.4	115.3	+21.0%	244.2
TOTAL	273.3	236.9	+15.4%	503.0

The analysis of the sales breakdown by distribution channel is positively influenced by the strong development of the franchised stores network, mainly in the Asian markets.

In the first six months of 2006, revenues from third parties increased by 21.0% globally.

Also sales through DOS achieved outstanding results, increasing by 10.1% in the first six months of 2006, also driven by the 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, 2005, was 7.3% for the first half of 2006 and accelerated to 7.9% for the first eight months of the year.

As of June 30th, 2006 the Group's distribution network was composed by 106 DOS and 55 franchised stores (compared to 105 DOS and 37 franchised stores as of June 30th, 2005). Including also the openings made in Q3, as of today the distribution network numbers 108 DOS and 55 franchised stores.

Comments to the main Profit & Loss figures

Before analyzing the key financial figures, we remind once again that the nature of the industrial activities leads to discrepancies in month-on-month revenue and cost fluxes. As a result, it would be misleading to annualise half-year results.

In the first half of 2006, the Group's EBITDA was 62.7 million Euros, growing by 33.4% as compared to the same period of 2005. EBITDA margin on sales was 22.9%, more than three percentage points higher than in the first half of 2005 (19.8%).

The very strong improvement in profitability is mainly due a higher efficiency in production, which has more than offset the higher incidence on sales of costs for services (which includes also A&P expenses). Despite the continuous growth of the Group's headcount (2,236 employees as of June 30th, 2006 versus 2,177 as of

June 30th, 2005), the incidence on sales of labour costs decreased further (14.9% in H1 2006 versus 15.5% in H1 2005).

The Group's EBIT was 50.8 million Euros in the first half of 2006, increasing by 43.1% as compared to the same period of 2005. The margin on sales was 18.6%, showing a strong improvement as compared to the H1 2005 margin (15%). The incidence on sales of depreciation and amortisation was still decreasing (4.3% in H1 2006 versus 4.8% in H1 2005).

Since the result of financial operations was broadly neutral, profit before taxes reflected the brilliant growth of operating result. In the first six months of 2006, profit before taxes was 50.4 million Euros, increasing by 41% as compared to H1 2005 and representing a 18.5% margin on sales.

Income taxes were 20.8 million Euros in the first half of 2006 (with a 41.3% tax rate, more than 100 basis points better than in H1 2005).

Consolidated net income was 29.6 million Euros, increasing by 44.3% versus the first half of 2005. Net of minorities, the Group's net income was 29.3 million Euros, growing by 44.5% versus H1 2005 and with a 10.7% margin on sales (versus 8.6% of H1 2005).

Comments on the Balance Sheet and Cash Flow key figures

In the first six months of 2006, the Group invested a total amount of 15.4 million Euros in fixed assets, which compares to 11.4 millions of H1 2005. In addition to the resources required by the normal development of industrial, commercial and administrative structures, this amount includes the investments for the start of the building of a new production plant in Tuscany (for leather goods) and the refurbishment of the Group's offices and showrooms in New York.

As of June 30th, 2006 the net financial position is positive and equal to 78.2 million Euros, growing by 7.6 million as compared to end of June 2005. The 18.8 million change versus the balance as of December 31st, 2005 is mainly due to the dividend payment (30.2 million Euros in H1 2005 versus 12.7 million Euros in 2005) and to the temporary financing of the inventory of finished goods (we remind that at the end of June the winter products - ready to be delivered in the third quarter - are stored in the Group's warehouses).

Consolidated shareholders' equity was 480.5 million, which compares to 443.4 as of June 30th, 2005 and to 478.5 million as of December 31st, 2005.

Diego Della Valle, Chairman and CEO of the Group, commented as follows: "The results released today confirm the effectiveness of our strategy, which led to a sound and strong growth, both in terms of revenues and profitability, in line with our expectations. I'm very satisfied with the great success recorded by the winter collections now in our stores and by the preliminary positive indications from the Spring-Summer 2007 orders' backlog. Therefore, I'm really confident in the Group's ability to achieve its targets for the current year and to continue to grow both in sales and, even more, in profitability also in the next years".

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ATTACHMENTS

TOD'S GROUP

Key figures of Profit & Loss (compliant with IAS/IFRS principles)

Figures in million Euros	**H1 2006**	**H1 2005**	**FY 2005**
Revenues	273.3	236.9	503.0
EBITDA	62.7	47.0	112.9
EBIT	50.8	35.5	90.1
Profit before taxes	50.4	35.8	91.9
Net income	29.6	20.5	53.9
Of which: Group's net income	*29.3*	*20.3*	*53.4*
minorities	*0.3*	*0.2*	*0.5*

Key figures of Balance Sheet (compliant with IAS/IFRS principles)

Figures in million Euros	**June 30th, 2006**	**June 30th, 2005**	**December 31st, 2005**
Operating net working capital (1)	128.3	96.4	114.5
Tangible and intangible fixed assets	281.6	281.8	279.7
Other assets/(liabilities), net	(7.6)	(5.3))	(12.7)
Total Invested Capital	402.3	372.9	381.5
Net financial position (positive)	(78.2)	(70.5)	(97.0)
Consolidated Shareholders' equity	480.5	443.4	478.5

(1) Trade receivables + Inventory – Trade payables

Key figures of Cash Flow (compliant with IAS/IFRS principles)

Figures in million Euros	**6 months 2006**	**6 months 2005**
Operating Cash Flow	24.6	43.6
Cash flow generated/(used) by investing activities	(14.1)	(12.1)
Cash Flow generated/(used) by financing activities	(30.4)	(14.8)
Free Cash Flow generated/(used)	(19.8)	16.7

PARENT COMPANY TOD'S SpA

Key figures of Profit & Loss (compliant with IAS/IFRS principles)

Figures in million Euros	**H1 2006**	**H1 2005**	**FY 2005**
Revenues	219.7	186.5	397.0
EBITDA	49.5	35.5	84.5
EBIT	44.7	30.6	75.5
Profit before taxes	43.9	30.1	76.9
Net income	25.5	17.3	44.3

Key figures of Balance Sheet (compliant with IAS/IFRS principles)

Figures in million Euros	**June 30th, 2006**	**June 30th, 2005**	**December 31st, 2005**
Operating net working capital (1)	149.2	117.9	140.3
Tangible and intangible fixed assets	215.1	211.3	212.5
Other assets/(liabilities), net	73.8	76.8	71.4
Total Invested Capital	438.1	406.0	424.2
Net financial position (positive)	(51.0)	(54.0)	(65.4)
Shareholders' equity	489.1	460.0	489.6

(1) Trade receivables + Inventory – Trade payables

Key figures of Cash Flow (compliant with IAS/IFRS principles)

Figures in million Euros	**6 months 2006**	**6 months 2005**
Operating Cash Flow	21.3	35.2
Cash flow generated/(used) by investing activities	(7.8)	(6.8)
Cash Flow generated/(used) by financing activities	(28.6)	(16.8)
Free Cash Flow generated/(used)	(15.1)	11.6