

Milan - March 13<sup>th</sup>, 2013

**TOD'S S.p.A.: significant growth of sales and profits in FY 2012 (Tod's brand: +16.8%); sound balance sheet. Proposal of a 2.70 Euro dividend per share (+8%)**

The Board of Directors approved the draft of 2012 Annual Report

Sales revenues: 963.1 million Euros, +7.8% as compared to 2011

EBITDA: 250.2 million Euros, +7.6%

EBIT: 208.8 million Euros, +7.3%

Group's net income: 145.5 million Euros, +7.8%

Positive net financial position: 103.7 million Euros,

Dividend: 2.70 Euro per share, +8%

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 2012 Annual Report.

### **Message of the Group's Chairman and CEO**

Diego Della Valle, Chairman and CEO of the Group, commented as follows: *"2012 figures confirmed the excellent results registered last year, despite the challenging domestic market and the impact of our strategic decision to make our Italian wholesale distribution even more selective, in order to preserve our brands' exclusivity and positioning, and to protect the very strong quality of our credit portfolio. On the back of our sound and solid balance sheet, the Board of Directors is proposing to the Shareholders' Meeting to increase the dividend also this year, thus knowing that we are leaving the Group with all the financial resources necessary to continue its successful development. Considering the initial positive results that we are seeing at our stores with the Spring Summer collections, I'm confident that also in the current year our Group will keep its growth trend, driven by the success of our products in all the international markets"*.

### **Profit & Loss key figures**

Consolidated sales were 963.1 million Euros in FY 2012, up 7.8% from 2011. In the fourth quarter of 2012, sales amounted to 213.2 million Euros, up 9.6% from the same quarter of 2011.

The operating profitability confirmed the excellent level posted last year: the Group's EBITDA was 250.2 million Euros, equal to 26% of sales. EBIT was 208.8 million Euros (+21.7% of revenues) and, finally, the Group's net income was 145.5 million Euros.

At constant exchange rates, meaning by using 2011 average exchange rates, sales would have been 937.2 million Euros, up 4.9% from FY2011<sup>1</sup>; EBITDA and EBIT would have been, respectively, 234.7 and 194.7 million Euros.

### **Breakdown of consolidated sales by brand: strong results for Tod's and Roger Vivier**

<i>million Euros</i>	<b>FY 2012</b>	FY 2011	% change
Tod's	<b>569.7</b>	487.5	+16.8%
Hogan	<b>243.4</b>	280.9	-13.3%
Fay	<b>74.5</b>	87.8	-15.2%
Roger Vivier	<b>74.5</b>	36.5	+104.2%
Other	<b>1.0</b>	0.9	n.m.
<b>TOTAL</b>	<b>963.1</b>	893.6	+7.8%

The Tod's brand confirmed its sound double-digit growth in full year 2012: its sales were 569.7 million Euros, up 16.8% from FY 2011 (+12.5% at constant exchange rates). Very strong results across all the product categories.

As already commented in the previous quarterly releases, the performances of Hogan and Fay were affected by the strategic decision to rationalize the Italian wholesale distribution, given the current situation of the domestic market, in order to preserve their exclusivity and positioning, and to protect the very strong quality of our credit portfolio. We underline that Tod's and Roger Vivier have already a strong brand awareness on the foreign markets, which represent the bulk of their sales.

In full year 2012, Hogan sales totalled 243.4 million Euros; the brand achieved positive results abroad, confirming the effectiveness of the brand's strategy to develop internationally.

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<sup>1</sup> In this press release we comment figures at reported rates, if not differently specified.

The revenues of Fay, which is still mainly a domestic brand, amounted to 74.5 million Euros.

Finally, Roger Vivier, which is more and more considered as one of the most exclusive brands of luxury shoes and accessories in the world, confirmed its excellent performance also in Q4. In 2012, its sales totalled 74.5 million Euros, more than doubled compared to 2011 (+93.3% at constant exchange rates), which makes us confident about the brand's targets.

### **Breakdown of consolidated sales by product: strong growth for leather goods**

<i>million Euros</i>	<b>FY 2012</b>	FY 2011	% change
Shoes	<b>710.4</b>	646.5	+9.9%
Leather goods and accessories	<b>165.5</b>	144.9	+14.2%
Apparel	<b>86.2</b>	101.6	-15.1%
Other	<b>1.0</b>	0.6	n.m.
<b>TOTAL</b>	<b>963.1</b>	893.6	+7.8%

Also in 2012, the Group strengthened its undisputed leadership in the core business of shoes. Revenues of this product category totalled 710.4 million Euros in FY 2012, up 9.9% from FY 2011 (+7.0% at constant exchange rates).

Sales from leather goods and accessories confirmed their solid double-digit growth and totalled 165.5 million Euros in FY 2012, up 14.2% from FY 2011 (+9.5% at constant exchange rates).

Finally, revenues from apparel were 86.2 million Euros in FY 2012; their trend broadly reflects the same performance of the Fay brand.

**Breakdown of consolidated sales by region: double-digit growth abroad (Europe: +10.1%, USA: +30.8%, Asia and RoW: +48.7%)**

<i>million Euros</i>	<b>FY 2012</b>	FY 2011	% change
Italy	<b>383.9</b>	449.3	-14.5%
Europe (excl. Italy)	<b>200.3</b>	182.0	+10.1%
North America	<b>81.6</b>	62.4	+30.8%
Asia and Rest of World	<b>297.3</b>	199.9	+48.7%
<b>TOTAL</b>	<b>963.1</b>	893.6	+7.8%

The sales performance by region reflects the Group's strategy to focus its growth on the foreign markets, mainly the Asian ones, which offer higher growth potential, while being highly prudent on the domestic market. As a result, the weight of foreign sales (60.2% in FY 2012, compared to 49.7% of FY 2011) grew significantly, driven by the excellent results of Tod's and Roger Vivier.

In FY 2012, domestic sales were 383.9 million Euros; the 14.5% difference, as compared to FY 2011, is due to the weak Italian environment and to the already commented strategic decision to rationalize the Italian wholesale distribution significantly.

Double-digit performance in the area "Rest of Europe", where the Group's sales totalled 200.3 million Euros in FY 2012, growing by 10.1% compared to FY 2011 (+8.8% at constant exchange rates).

The US market confirmed its excellent results also in the full year; the Group's sales amounted to 81.6 million Euros, up 30.8% from FY 2011 (+22.1% at constant exchange rates), despite the significant impact of Sandy hurricane on Q4 figures.

Finally, revenues of the area "Asia and Rest of the World" totalled 297.3 million Euros in FY 2012, up 48.7% from FY 2011 (+39.6% at constant exchange rates). Outstanding results in Greater China, which represents approx. 19% of the Group's revenues, and where the Group operates with 54 DOS and 3 franchised stores.

**Breakdown of consolidated sales by distribution channel: revenues from DOS grew by 21.1% (SSSG: 12.3%)**

<i>million Euros</i>	<b>FY 2012</b>	FY 2011	% change
Third parties (Franchised stores + Independent retailers)	<b>389.0</b>	419.3	-7.2%
DOS	<b>574.1</b>	474.3	+21.1%
<b>TOTAL</b>	<b>963.1</b>	893.6	+7.8%

In full year 2012, revenues to third parties totalled 389 million Euros; the 7.2% difference, compared to FY 2011, is due to the already commented rationalization of the Italian wholesale distribution.

Solid double-digit growth of revenues through DOS, driven by the widening of the distribution network and, even more, by the strong organic growth. In FY 2012, sales through DOS totalled 574.1 million Euros, up 21.1% from FY 2011 (+16.3% at constant exchange rates) and represent 59,6% of the Group's sales as of December 31<sup>st</sup>, 2012.

As of December 31<sup>st</sup>, 2012 the Group's distribution network was composed by 193 DOS and 78 franchised stores, compared to 176 DOS and 70 franchised stores as of the end of 2011.

In full year 2012, the organic growth confirmed its strong performance: the *Same Store Sales Growth* (SSSG) rate, calculated as the worldwide average of sales growth rates reported by DOS opened as of January 1<sup>st</sup>, 2011, was 12.3% in 2012 (+7.2% at constant exchange rates).

Also in the current year the organic growth is registering strong results: the SSSG rate, calculated at constant exchange rates as the worldwide average of sales growth rates reported by DOS opened as of January 1<sup>st</sup>, 2012, is +8.2% for the first 10 weeks of the year (from January 1<sup>st</sup> to March 10<sup>th</sup>, 2013).

**Comments on the Profit & Loss key figures**

In 2012 the Group's EBITDA was 250.2 million Euros, up 7.6% from 2011 and with a 26% margin on sales, the same registered last year.

The gross margin further improved, driven by the more favourable product and geographic sales mix. In the meantime, as already commented in the quarterly releases, the incidence on sales of rental costs increased (8.9% in 2012, compared to 7.2% in 2011), driven by the strong expansion of the DOS network into the Asian markets. Also the incidence on sales of labour costs was higher (14.8% in 2012, compared to 14.2% in 2011), due to the growth of the Group's headcount (3,878 employees as of December 31<sup>st</sup>, 2012, compared to 3,549 employees as of the end of 2011), mainly due to significant widening of the retail network.

The incidence on revenues of communication costs was broadly aligned to 2011.

In 2012, the Group's EBIT was 208.8 million Euros, up 7.3% from 2011 and with a 21.7% margin on sales, broadly aligned with the 2011 margin. Also the incidence on sales of amortisation and depreciation was broadly stable.

The Group's profit before taxes was 207.7 million Euros, up 5.5% from 2011.

Income taxes were 62 million Euros, with a 29.8% tax rate, which shows an improvement of 130 bps compared to 2011.

Consolidated net income was 145.7 million Euros, up 7.4% from 2011. Finally, net of minorities, the Group's net income was 145.5 million Euros, up 7.8% from 2011 and with a 15.1% margin on sales.

### **Comments on the Balance Sheet and Cash Flow key figures**

In 2012, the Group invested a total of 49.9 million Euros in tangible and intangible fixed assets, compared to 42.6 million Euros of FY 2011. We remind that 2011 capex must be increased by 19.3 million Euros, representing the intangible asset linked to the restoration of the Coliseum.

In 2012 the major part of the investments were devoted to the widening and refurbishment of the DOS network and of the show-rooms, to the normal update of the industrial and production structures, and to the development of the company software.

As of December 31<sup>st</sup>, 2012 the operating working capital (trade receivables + inventories – trade payables) totalled 278.5 million Euros, equal to 28.9% of revenues. The increase, compared to FY 2011 figures, is due to the normal increase of the inventories of finished goods, due to the significant widening of the DOS network, and to the lower amount of trade payables, mainly linked to the different timing in accounting payments made at year-end.

As of December 31<sup>st</sup>, 2012, the Group's net financial position was positive and equal to 103.7 million Euros, slightly lower than the balance as of the end of 2011, despite the already commented higher financing of the operating working capital.

As of December 31<sup>st</sup>, 2012 consolidated shareholders' equity was 764 million Euros, which compares to 688.8 million Euros as of December 31<sup>st</sup>, 2011.

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

The Board of Director also approved the draft of the 2012 Annual Report for the parent company Tod's SpA, whose revenues were 674.3 million Euros, up 1.4% from the 665.2 million Euros revenues posted in 2011.

Net income was 105 million Euros; for the comparison with the previous year, it might be considered that 2011 net income benefitted of higher dividends from controlled companies for approx. 19 million Euros. The incidence on sales of net income was 15.6%; net income per share was 3.43 Euro.

During 2012, the parent company invested a total amount of 25.9 million Euros in tangible and intangible fixed assets, compared to 39.2 million Euros invested in the previous year (this figure includes also the 19.3 million Euros intangible asset linked to the restoration of the Coliseum, as above commented in the consolidated figures).

As of December 31<sup>st</sup>, 2012 the parent company's net financial position was positive and equal to 59.1 million Euros, versus 75.7 million Euros as of the end of 2011; the parent company's shareholders' equity was 643.5 million Euros (610.3 million Euros as of December 31<sup>st</sup>, 2011).

### **Dividend proposal**

The Board approved also to propose the distribution of a dividend of Euro 2.70<sup>2</sup> per share, increased by 8% versus the previous year. The proposed dividend corresponds to a pay-out of 56.8%, calculated on the Group's net income, broadly aligned with the pay-out of the previous year.

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<sup>2</sup> Gross of withholding tax, if due.

The clipping of the coupon nr. 14 is scheduled on May 20<sup>th</sup>, 2013 for the record date on May 22<sup>nd</sup>, 2013 and dividend payment on May 23<sup>rd</sup>, 2013.

This proposal will be submitted to the approval of the Annual General Meeting, taking place in the company's registered offices next April 19<sup>th</sup>, 2013, at 9.00 a.m. on first call (and on second call on April 26<sup>th</sup>, 2013 same place and time).

**Please note that the audit process on the data presented in this press release has not been completed yet.**

*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.*

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**THE FOLLOWING PAGES CONTAIN THE CONSOLIDATED AND TOD'S S.P.A.  
FINANCIAL STATEMENTS**



# TOD'S GROUP

## Consolidated Profit & Loss

(Unaudited) In Euro 000's	Year 12	Year 11
<b>Revenues</b>		
Sales revenues	963,132	893,638
Others revenues and income	22,060	15,994
<b>Total revenues and income</b>	<b>985,192</b>	<b>909,632</b>
<b>Operating Costs</b>		
Change in inventories of work in process and finished goods	33,456	31,798
Costs of raw materials, supplies and material for consumption	(282,779)	(224,662)
Costs for services	(226,049)	(265,993)
Costs of use of third party assets	(85,747)	(64,671)
Costs of labour	(143,004)	(126,840)
Other operating charges	(30,902)	(26,847)
<b>Total operating costs</b>	<b>(735,025)</b>	<b>(677,215)</b>
<b>EBITDA</b>	<b>250,167</b>	<b>232,417</b>
<b>Amortisation, depreciation and write-downs</b>		
Amortisation of intangible assets	(8,935)	(9,957)
Depreciation of tangible assets	(29,154)	(25,845)
Other adjustments	(246)	(86)
<b>Total amortisation, depreciation and write-downs</b>	<b>(38,335)</b>	<b>(35,888)</b>
Provisions	(2,995)	(1,899)
<b>EBIT</b>	<b>208,837</b>	<b>194,630</b>
<b>Financial income and charges</b>		
Financial income	18,174	18,522
Financial charges	(19,294)	(16,266)
<b>Total financial income (charges)</b>	<b>(1,120)</b>	<b>2,256</b>
Income (losses) from equity investments	-	-
<b>Profit before taxes</b>	<b>207,717</b>	<b>196,886</b>
Income taxes	(61,980)	(61,198)
<b>Consolidated net income</b>	<b>145,737</b>	<b>135,688</b>
Minority interests	(276)	(691)
<b>Net income of the Group</b>	<b>145,461</b>	<b>134,997</b>
<b>EPS (in euro)</b>	<b>4.75</b>	<b>4.41</b>
<b>EPS diluted (in euro)</b>	<b>4.75</b>	<b>4.41</b>

# TOD'S GROUP

## Consolidated Statement of Financial position

(Unaudited)		
In Euro 000's		
	12.31.12	12.31.11
<b>Non current assets</b>		
<b>Intangible fixed assets</b>		
Assets with indefinite useful life	149,466	149,024
Key money	20,557	23,731
Others	28,417	29,250
<b>Total intangible fixed assets</b>	<b>198,440</b>	<b>202,005</b>
<b>Property, plant and equipment</b>		
Buildings and land	104,334	109,787
Plant and machinery	8,222	7,031
Equipment	15,060	13,613
Leasehold improvement	35,428	33,496
Others	31,678	27,072
<b>Total property, plant and equipment</b>	<b>194,722</b>	<b>190,999</b>
<b>Other assets</b>		
Real estate investments	39	42
Equity investments	20	20
Deferred tax assets	45,427	39,603
Others	13,403	9,661
<b>Total other assets</b>	<b>58,889</b>	<b>49,326</b>
<b>Total non current assets</b>	<b>452,051</b>	<b>442,330</b>
<b>Current assets</b>		
Inventories	265,389	236,631
Trade receivables	152,345	150,011
Tax receivables	15,519	12,839
Derivative financial instruments	5,370	1,320
Others	13,940	13,488
Cash	168,329	187,756
<b>Total current assets</b>	<b>620,892</b>	<b>602,045</b>
Assets held for sale	-	-
<b>Total assets</b>	<b>1,072,943</b>	<b>1,044,375</b>

# TOD'S GROUP

## Consolidated Statement of Financial position (continuing)

(Unaudited)		
In Euro 000's		
	12.31.12	12.31.11
<b>Shareholders' equity</b>		
Share capital	61,219	61,219
Capital reserves	214,055	214,055
Treasury stock	-	-
Hedging and translation reserve	1,235	(4,851)
Retained earnings	336,229	277,742
Income for the period	145,461	134,997
<b>Group interest in Shareholders' equity</b>	<b>758,199</b>	<b>683,162</b>
<b>Minority interest</b>		
Minority interest in share capital and reserves	5,512	4,934
Minority interest in income for the period	276	691
<b>Minority interest in shareholders' equity</b>	<b>5,788</b>	<b>5,625</b>
<b>Total shareholders' equity</b>	<b>763,987</b>	<b>688,787</b>
<b>Non-current liabilities</b>		
Provisions for risks	2,969	1,914
Deferred tax liabilities	32,261	30,902
Reserve for employee severance indemnity	11,130	11,565
Others	20,169	19,584
Bank borrowings	32,023	41,408
<b>Total non-current liabilities</b>	<b>98,552</b>	<b>105,373</b>
<b>Current liabilities</b>		
Trade payables	139,236	159,876
Tax payables	7,590	16,454
Derivative financial instruments	1,704	6,957
Others	29,309	31,329
Bank	32,565	35,599
<b>Total current liabilities</b>	<b>210,404</b>	<b>250,215</b>
Liabilities held for sale	-	-
<b>Total shareholders' equity and liabilities</b>	<b>1,072,943</b>	<b>1,044,375</b>

# TOD'S GROUP

## Consolidates Statement of Cash Flows

(Unaudited)		
In Euro 000's		
	Year 12	Year 11
<b>Profit (loss) for the period of the Group</b>	<b>145,461</b>	<b>134,997</b>
<b>Non-cash adjustment:</b>		
Amortisation, depreciation, revaluation and write-downs	41,702	39,585
Change in employee severance indemnity reserve	(435)	1,058
Change in deferred tax/liabilities	(4,465)	(4,396)
Increase (reduction) in reserves for risk and charges	1,055	778
<b>Cash flow (a)</b>	<b>183,318</b>	<b>172,022</b>
<b>Changes in current assets and liabilities:</b>		
Inventories	(30,878)	(36,378)
Trade receivables	(3,584)	(31,265)
Tax receivables	(2,680)	(8,983)
Other current assets	(4,502)	(461)
Trade payables	(20,640)	29,868
Tax payables	(8,864)	(3,610)
Other current liabilities	(7,273)	6,847
<b>Changes in operating working capital (b)</b>	<b>(78,421)</b>	<b>(43,982)</b>
<b>Cash flow from operation (c) = (a)+(b)</b>	<b>104,897</b>	<b>128,040</b>
<b>Net investments in intangible and tangible assets</b>	<b>(47,112)</b>	<b>(58,527)</b>
Acquisition real estate asset (Holpaf B.V.)	-	-
Other changes in fixed assets	8,622	(7,179)
Reduction (increase) of other non-current assets	(3,739)	(1,868)
<b>Cash flow generated (used) in investment activities (d)</b>	<b>(42,229)</b>	<b>(67,574)</b>
Dividend paid	(76,524)	(61,219)
Changes in long term loans and other non current liabilities	(8,800)	17,042
Capital increase	-	-
Other changes in shareholders' equity	6,100	(2,154)
Changes in minority interests	163	(1,278)
<b>Cash flow generated (used) in financing (e)</b>	<b>(79,061)</b>	<b>(47,609)</b>
<b>Cash flow from continuing operations (f)=(c)+(d)+(e)</b>	<b>(16,393)</b>	<b>12,857</b>
Cash flow from assets held for sale (g)	-	-
<b>Cash flow generated (used) (h)=(f)+(g)</b>	<b>(16,393)</b>	<b>12,857</b>
Net financial position at the beginning of the period	152,157	139,300
Net financial position at the end of the period	135,764	152,157
<b>Change in current net financial position</b>	<b>(16,393)</b>	<b>12,857</b>

# TOD'S S.p.A.

## Profit & Loss

(Unaudited) In Euro 000's	Year 12	Year 11
<b>Revenues</b>		
Sales revenues	674,315	665,181
Others revenues and income	20,171	12,793
<b>Total revenues and income</b>	<b>694,486</b>	<b>677,974</b>
<b>Operating Costs</b>		
Change in inventories of work in process and finished goods	15,350	14,562
Costs of raw materials, supplies and material for consumption	(266,725)	(211,862)
Costs for services	(175,048)	(226,970)
Costs of use of third party assets	(14,130)	(10,167)
Costs of labour	(72,184)	(65,599)
Other operating charges	(18,726)	(16,313)
<b>Total operating costs</b>	<b>(531,463)</b>	<b>(516,349)</b>
<b>EBITDA</b>	<b>163,023</b>	<b>161,625</b>
<b>Amortisation, depreciation and write-downs</b>		
Amortisation of intangible assets	(5,836)	(5,984)
Depreciation of tangible assets	(9,728)	(9,686)
Other adjustments	-	-
<b>Total amortisation, depreciation and write-downs</b>	<b>(15,564)</b>	<b>(15,670)</b>
<b>Provisions</b>	<b>(2,670)</b>	<b>(1,807)</b>
<b>EBIT</b>	<b>144,789</b>	<b>144,148</b>
<b>Financial income and charges</b>		
Financial income	11,158	11,743
Financial charges	(10,709)	(9,615)
<b>Total financial income (charges)</b>	<b>449</b>	<b>2,128</b>
Income (losses) from equity investments	6,201	25,000
<b>Profit before taxes</b>	<b>151,439</b>	<b>171,276</b>
Income taxes	(46,416)	(49,639)
<b>Net income</b>	<b>105,023</b>	<b>121,637</b>
EPS (in Euro)	3.43	3.97
EPS diluted (in Euro)	3.43	3.97

# TOD'S S.p.A.

## Statement of Financial Position

(Unaudited)		
In Euro 000's		
	12.31.12	12.31.11
<b>Non current assets</b>		
<b>Intangible fixed assets</b>		
Assets with indefinite useful life	150,919	150,476
Others	27,921	28,521
<b>Total intangible fixed assets</b>	<b>178,840</b>	<b>178,997</b>
<b>Property, plant and equipment</b>		
Buildings and land	41,055	37,730
Leasehold improvement	5,374	3,221
Plant and machinery	6,980	5,662
Equipment	13,245	12,201
Others	6,119	5,443
<b>Total property, plant and equipment</b>	<b>72,773</b>	<b>64,257</b>
<b>Other assets</b>		
Real estate investments	39	42
Equity investments	146,135	143,196
Deferred tax assets	9,631	8,488
Others	3,279	1,269
<b>Total other assets</b>	<b>159,084</b>	<b>152,995</b>
<b>Total non current assets</b>	<b>410,697</b>	<b>396,249</b>
<b>Current assets</b>		
Inventories	157,300	152,454
Trade receivables	205,189	207,861
Tax receivables	11,432	11,762
Derivative financial instruments	4,536	75
Others	8,156	7,595
Cash	62,763	80,932
<b>Total current assets</b>	<b>449,376</b>	<b>460,679</b>
<b>Total assets</b>	<b>860,073</b>	<b>856,928</b>

# TOD'S S.p.A.

## Statement of Financial Position (continuing)

(Unaudited) In Euro 000's	12.31.12	12.31.11
<b>Shareholders' equity</b>		
Share capital	61,219	61,219
Capital reserves	213,975	213,975
Treasury stock	-	-
Hedging and translation reserve	1,825	(2,882)
Retained earnings	261,480	216,367
Income for the period	105,023	121,637
<b>Shareholders' equity</b>	<b>643,522</b>	<b>610,316</b>
<b>Non-current liabilities</b>		
Provisions for risks	2,450	1,730
Deferred tax liabilities	28,899	26,820
Reserve for employee severance indemnity	7,484	7,850
Bank borrowings	1,821	3,562
Others	21,087	22,004
<b>Total non-current liabilities</b>	<b>61,841</b>	<b>61,966</b>
<b>Current liabilities</b>		
Trade payables	128,146	147,981
Tax payables	1,052	6,537
Derivative financial instruments	720	5,958
Others	22,968	22,505
Banks	1,824	1,665
<b>Total current liabilities</b>	<b>154,710</b>	<b>184,646</b>
<b>Total Shareholders' equity and liabilities</b>	<b>860,073</b>	<b>856,928</b>

# TOD'S S.p.A.

## Statement of Cash Flows

<b>(Unaudited)</b>		
<b>In Euro 000's</b>		
	<b>Year 12</b>	<b>Year 11</b>
<b>Profit (loss) for the period</b>	<b>105,023</b>	<b>121,637</b>
<b>Non-cash adjustment:</b>		
Amortisation, depreciation, revaluation and write-downs	19,095	18,626
Change in employee severance indemnity reserve	(366)	301
Change in deferred tax/liabilities	1,035	1,391
Others changes	720	530
<b>Cash flow (a)</b>	<b>125,507</b>	<b>142,485</b>
<b>Changes in current assets and liabilities:</b>		
Inventories	(7,137)	(16,617)
Trade receivables	1,432	(43,201)
Tax receivables	329	(3,320)
Other current assets	(4,934)	1,076
Trade payables	(19,835)	22,930
Tax payables	(5,485)	(8,251)
Other current liabilities	(4,775)	3,369
<b>Changes in operating working capital (b)</b>	<b>(40,405)</b>	<b>(44,014)</b>
<b>Cash flow from operation (c) = (a)+(b)</b>	<b>85,102</b>	<b>98,471</b>
<b>Net investments in intangible and tangible assets</b>	<b>(23,924)</b>	<b>(37,697)</b>
Increase (decrease) of equity investments	(2,939)	-
Other changes in fixed assets	(88)	653
Decrease (increase) of other non-current assets	(2,004)	(57)
<b>Cash flow generated (used) in investment activities (d)</b>	<b>(28,955)</b>	<b>(37,101)</b>
Dividend paid	(76,524)	(61,219)
Changes in long term loans and other non current liabilities	(2,658)	19,916
Capital increase	-	-
Other changes in shareholders' equity	4,707	(2,956)
<b>Cash flow generated (used) in financing (e)</b>	<b>(74,475)</b>	<b>(44,259)</b>
<b>Cash flow generated (used) (c+d+e)</b>	<b>(18,328)</b>	<b>17,111</b>
<b>Net financial position at the beginning of the period</b>	<b>79,267</b>	<b>62,156</b>
<b>Net financial position at the end of the period</b>	<b>60,939</b>	<b>79,267</b>
<b>Change in current net financial position</b>	<b>(18,328)</b>	<b>17,111</b>