

Milan – August 3rd, 2017

TOD'S S.p.A. - In the first half of 2017 Group's sales totaled 483 million Euros (Roger Vivier: +11%); net income was 34.7 million Euros.

The Board of Directors approved Tod's Group 2017 Half-Year Report

Group's sales: 483 million Euros, -2.9% from H1 2016

EBITDA: 75.7 million Euros, equal to 15.7% of sales

EBIT: 52.3 million Euros, equal to 10.8% of sales

Group's Net Income: 34.7 million Euros, equal to 7.2% of sales

Net Financial Position: 35.5 million Euros

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 report for the first half of 2017 (January 1st – June 30th, 2017).

Message from the Group's Chairman and CEO

Diego Della Valle, Chairman and CEO of the Group, commented as follows:

"The results presented today are in line with our expectations. The excellent market feedback received for our product confirms that we are on the right path, even though we need to speed up our execution plan.

Our primary goal is to keep our products in the highest range of craftsmanship and as expression of the best Italian lifestyle in the world. That's the reason why we are aiming at having more and more exclusive and expensive products, although this forces us to be more selective in distribution.

We are doing a great job on the visibility and innovation of our collections and on an aggressive product delivery model, based on a production capacity fitting the new market demands.

The managers who will guide the future company's development are partially in place and the team will be completed soon.

Considering the above, we are confident to register significant improvement in sales and margins in the future."

Comments to the Group's sales¹

Consolidated sales were 483 million Euros in the first half of 2017, down 2.9% from H1 2016.

In the second quarter, revenues were 244.5 million Euros, down 1.4% from Q2 2016.

At constant exchange rates, meaning by using the average exchange rates of H1 2016, including the related effects of hedging contracts, sales would have been 481.7 million Euros, down 3.2% from the same period of last year.

Breakdown of consolidated sales by brand

<i>million Euros</i>	H1 2017	H1 2016	% change at reported rates	% change at constant rates	FY 2016
Tod's	265.3	282.5	- 6.1%	- 6.5%	559.0
Hogan	98.7	106.1	-6.9%	-6.8%	214.2
Fay	25.9	24.9	+4.1%	+4.1%	62.6
Roger Vivier	92.6	83.4	+11.0%	+10.6%	166.3
Other	0.5	0.7	n.m.	n.m.	1.9
TOTAL	483.0	497.6	-2.9%	-3.2%	1,004.0

Tod's sales totalled 265.3 million Euros in the first half of 2017; the 6.1% difference, compared to the first half of 2016, is mainly due to the performance of shoes, which is the category with the highest exposure to the wholesale channel. The Spring Summer collection of handbags achieved good results.

Hogan revenues were 98.7 million Euros; the 6.9% decrease, compared to the first half of 2016, is mainly due to the weakness of the Italian market.

¹ As regularly reminded, the analysis of quarterly figures is not fully meaningful, due to the discrepancies in the flow of industrial revenues and costs on a monthly basis; therefore, annualizing quarterly figures would be misleading.

Revenues of the Fay brand were 25.9 million Euros, up 4.1% from the first half of 2016; good results in all the regions where the brand is distributed.

Finally, Roger Vivier confirmed the double-digit growth rate of the first quarter. Its sales totalled 92.6 million Euros; strong results in all markets, excepted for the US one, which continued to be penalized by the sharp drop of traffic in the stores.

Breakdown of consolidated sales by product category

<i>million Euros</i>	H1 2017	H1 2016	% change at reported rates	% change at constant rates	FY 2016
Shoes	386.3	400.3	-3.5%	-3.7%	791.3
Leather goods and accessories	68.1	69.3	-1.7%	-2.6%	142.5
Apparel	28.1	27.3	+2.8%	+2.7%	68.3
Other	0.5	0.7	n.m.	n.m.	1.9
TOTAL	483.0	497.6	-2.9%	-3.2%	1,004.0

Revenues from shoes were 386.3 million Euros. The performance of this category, which has the highest exposure to the wholesale channel, has been affected by the prudent attitude taken toward this channel, in order to preserve the brands' prestige and the outstanding quality of credit receivables.

Sales of leather goods and accessories totalled 68.1 million Euros, with a small decrease compared to the first half of 2016, partially due to a different timing of deliveries.

Finally, sales of apparel were 28.1 million Euros, up 2.8% from the first half of 2016. The performance broadly reflects the Fay's one.

Breakdown of consolidated sales by region

<i>million Euros</i>	H1 2017	H1 2016	% change at reported rates	% change at constant rates	FY 2016
Italy	145.4	148.8	-2.2%	-2.2%	311.5
Europe (excl. Italy)	119.3	120.1	-0.6%	+1.2%	250.0
Americas (*)	40.5	48.7	-16.9%	-19.7%	96.7
Greater China (**)	108.5	107.0	+1.4%	+1.3%	210.3
Rest of World	69.3	73.0	-5.1%	-8.1%	135.5
TOTAL	483.0	497.6	-2.9%	-3.2%	1,004.0

(*) *This line includes the whole American continent (Northern and Southern America).*

(**) *This line includes: mainland China, Hong Kong, Macao and Taiwan.*

In the first half of 2017, domestic sales were 145.4 million Euros, slightly lower than in the same period of 2016. The growth registered in the second quarter is mainly due to the different timing of deliveries; the Italian market confirms its weakness, mainly in secondary cities.

In the rest of Europe, the Group's revenues totalled 119.3 million Euros, broadly in line with the first half of 2016. The retail network posted positive results; on the contrary, the wholesale performance was affected by the already commented cautious approach taken by the Group toward some independent clients.

In the Americas sales amounted to 40.5 million Euros, down 16.9% from the first half of 2016. The trend commented in the first quarter was confirmed; the market remains weak: the retail is still suffering from lower traffic in the stores and the wholesale is affected by the difficulties faced by major department stores.

The Group's revenues in Greater China totalled 108.5 million Euros, up 1.4% from the first half of 2016. Mainland China registered positive results; Hong Kong is showing timid signs of improvement.

Finally, in the area "Rest of the World" the Group's sales were 69.3 million Euros, down 5.1% from the first half of 2016. Japan posted positive results, while the sales performance in Korea was negatively affected by international political tensions.

Breakdown of consolidated sales by distribution channel

<i>million Euros</i>	H1 2017	H1 2016	% change at reported rates	% change at constant rates	FY 2016
DOS	310.6	311.2	-0.2%	- 0.4%	630.3
Third parties (Franchised stores + Independent retailers)	172.4	186.4	-7.5%	-7.9%	373.7
TOTAL	483.0	497.6	-2.9%	-3.2%	1,004.0

In the first half of 2017, sales through DOS totalled 310,6 million Euros, broadly in line with the figure of the same period of 2016.

The *Same Store Sales Growth* (SSSG) rate, calculated as the worldwide average of sales growth rates at constant exchange rates registered by the DOS already existing as of January 1st, 2016, is -2.7% in the first half of the year, showing a slight improvement as compared to the first quarter of this year.

As of June 30th, 2017 the Group's distribution network was composed by 270 DOS and 108 franchised stores, compared to 261 DOS and 103 franchised stores as of June 30th, 2016.

Revenues to third parties totalled 172.4 million Euros; the decrease from the first half of 2016 is mainly due to the prudent attitude the Group has maintained toward this channel, also considering the weakness experienced by some important markets.

Comments on the Profit & Loss key figures

In the first half of 2017, the Group's EBITDA was 75.7 million Euros, with a 15.7% margin on sales. Despite the slight improvement of the industrial margin, the EBITDA margin was affected by the increase of labour costs (their incidence on sales was 20.1% in H1 2017, compared to 19.1% of H1 2016) and of costs for the use of third parties assets (their incidence was 12.5% in H1 2017,

compared to 12% in H1 2016). Both the increases are mainly related to the ongoing widening of the DOS network.

Also the Group's headcount continues to grow: 4,606 employees as of June 30th, 2017, compared to 4,531 as of June 2016.

The incidence on sales of cost for services was broadly flattish: 23.7% in H1 2017, compared to 23.5% of H1 2016.

In the first half of 2017, the Group's EBIT was 52.3 million Euros, with a 10.8% margin on sales; the incidence on sales of depreciation, amortisation and provisions was stable.

At constant exchange rates, EBITDA and EBIT would have been, respectively, 75.5 million Euros and 52.2 million Euros.

The Group's profit before taxes was 46.4 million Euros; taxes for the period amounted to 12 million Euros, with a tax rate of 25.8%, significantly lower than in the first half of the previous year, also thanks to the benefit of the so-called "Patent box" regime.

Net of minority interests, the Group's net income amounted to 34.7 million Euros, with a margin on sales of 7.2% .

Comments on the Balance Sheet and Cash Flow key figures

In the first six months of 2017, the Group invested 16.4 million Euros in tangible and intangible fixed assets, slightly lower than the "ordinary" amount of H1 2016, equal to 18.6 million Euros, net of the price paid to acquire the Roger Vivier brand (415 million Euros). The majority of these investments were devoted to the widening and update of the DOS network, the normal update of the industrial and production structures (including the start of the work for the new Arquata del Tronto plant, which the Group wanted to build as a tangible support to the Marche region, hit by the earthquake) and the development of the Company's software.

The operating working capital totalled 265.7 million Euros as of June 30th, 2017; the approx. 37 million decrease, compared to the balance as of the end of June 2016, is mainly due to lower inventories.

As of June 30th, 2017, the Group's net financial position shows a negative balance of 35.5 million Euros, in line with the balance as of December 2016.

As of June 30th, 2017, consolidated shareholders' equity was 1,061 million Euros, compared to the 1,041 million balance as of June 2016.

The figures commented in this press release have not been audited yet.

The Financial Report for the first half of 2017 will be released according to the law provisions.

The manager responsible for preparing the company's financial reports, Mr. Rodolfo Ubaldi, declares, pursuant to article 154 bis, paragraph 2, of Legislative Decree n. 58/98 (the "Unified Financial Act"), that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Should you need explanations, please contact: Investor Relations Office - tel. +39 02 77 22 51
e-mail: c.oglio@todsgroup.com
Corporate website: www.todsgroup.com

THE FOLLOWING PAGES CONTAIN THE CONSOLIDATED FINANCIAL STATEMENTS

ATTACHMENTS

TOD'S Group

Consolidated Income Statement

Unaudited data

euro 000's	H1 17	H1 16	FY 16
Revenue			
Sales revenue	483,043	497,628	1,004,021
Other income (1)	4,998	30,030	36,026
Total revenue and income	488,041	527,658	1,040,047
Operating Costs			
Change in inventories of work in progress and finished goods (2)	(5,195)	(23,071)	(55,346)
Cost of raw materials, supplies and materials for consumption (2)	(118,491)	(129,274)	(238,625)
Costs for services	(114,501)	(117,191)	(228,894)
Costs of use of third party assets	(60,432)	(59,827)	(117,370)
Personnel costs	(96,913)	(94,906)	(186,208)
Other operating charges	(16,823)	(17,080)	(32,698)
Total operating costs	(412,355)	(441,347)	(859,140)
EBITDA	75,686	86,311	180,908
Amortisation, depreciation and write-downs			
Amortisation of intangible assets	(4,318)	(4,491)	(9,209)
Depreciation of tangible assets	(18,213)	(18,934)	(36,956)
Other adjustment			(4,431)
Total amortisation, depreciation and write-downs	(22,531)	(23,425)	(50,596)
Provisions	(838)	(916)	(1,951)
EBIT	52,317	61,970	128,361
Financial income and expenses			
Financial income	10,513	10,700	20,184
Financial expenses	(15,770)	(18,432)	(33,579)
Total financial income (expenses)	(5,257)	(7,732)	(13,395)
Income (losses) from equity investments	(625)		
Profit before taxes	46,436	54,238	114,967
Income taxes (3)	(11,986)	(17,108)	(29,198)
Profit/(loss) for the period	34,450	37,130	85,768
Non-controlling interests	262	305	524
Profit/(loss) of the Group	34,711	37,435	86,292
EPS in (euro)	1.05	1.14	2.62
EPS diluted in (euro)	1.05	1.14	2.62

(1) Of which non-recurring for 25 million euros in the first half of 2016 and the year 2016.

(2) Of which non-recurring for 24.2 million euros in the first half of 2016 and the year 2016.

(3) Of which non-recurring for -0.3 million euros in the first half of 2016 and the year 2016.

TOD'S Group

Consolidated Statement of Comprehensive Income

Unaudited data

euro 000's	H1 17	H1 16
Profit (loss) for the period (A)	34,450	37,130
Other comprehensive income that will be reclassified subsequently to profit and loss:		
Gain/(Losses) on derivative financial instruments (cash flow hedge)	3,093	3,651
Gain/(Losses) on currency translation of foreign subsidiaries	(12,377)	3,945
Gains/(Losses) on net investments in foreign operations	2,155	
Total other comprehensive income that will be reclassified subsequently to profit and loss (B)	(7,129)	7,596
Other comprehensive income that will not be reclassified subsequently to profit and loss:		
Cumulated actuarial gains/(losses) on defined benefit plans		
Total other comprehensive income that will not be reclassified subsequently to profit and loss (C)		
Total Comprehensive Income (A) + (B) + (C)	27,321	44,726
Of which:		
Attributable to Shareholders of the Parent company	27,679	45,129
Attributable to non-controlling interests	(358)	(403)

TOD'S Group

Consolidated Statement of Financial Position

Unaudited data

euro 000's	06.30.17	12.31.16	06.30.16
Non current assets			
<i>Intangible fixed assets</i>			
Assets with indefinite useful life	565,881	565,881	565,352
Key money	16,597	15,847	16,872
Other intangible assets	22,432	23,907	26,568
Total Intangible fixed assets	604,910	605,635	608,793
<i>Tangible fixed assets</i>			
Buildings and land	111,572	114,467	119,349
Plant and machinery	12,241	12,452	12,986
Equipment	11,060	12,180	12,937
Leasehold improvement	36,882	40,454	43,413
Others	34,431	37,336	40,303
Total Tangible fixed assets	206,186	216,888	228,988
<i>Other assets</i>			
Investment properties	23	25	27
Equity investments		20	20
Deferred tax assets	60,275	58,885	58,623
Others	20,037	21,367	21,014
Total others assets	80,335	80,298	79,683
Total non current assets	891,431	902,821	917,463
Current assets			
Inventories	299,172	291,892	330,148
Trade receivables	104,685	118,142	106,554
Tax receivables	22,553	28,646	15,258
Derivative financial instruments	5,635	2,857	5,747
Others	39,651	36,635	33,797
Cash and cash equivalents	203,343	227,706	271,373
Total current assets	675,040	705,879	762,877
Total assets	1,566,471	1,608,700	1,680,340

To be continued

TOD'S Group

Consolidated Statement of Financial Position

Unaudited data

euro 000's (continuing)	06.30.17	12.31.16	06.30.16
Equity			
Share capital	66,187	66,187	66,187
Capital reserves	416,588	416,588	416,588
Hedging and translation	16,318	25,505	20,324
Retained earnings	524,907	492,640	498,056
Profit/(loss) attributable to the Group	34,711	86,292	37,435
Total Equity attributable to the Group	1,058,711	1,087,212	1,038,589
Non-controlling interest			
Share capital and reserves	2,521	3,793	3,827
Profit/(loss) attributable to non-controlling interests	(262)	(524)	(305)
Total Equity attributable to non-controlling interests	2,260	3,269	3,522
Total Equity	1,060,971	1,090,481	1,042,112
Non-current liabilities			
Provisions for risks	5,879	6,059	5,745
Deferred tax liabilities	39,035	32,739	24,353
Employee benefits	15,040	14,787	12,664
Derivative financial instruments	1,767	2,687	6,255
Bank borrowings	172,436	197,139	310,884
Others	15,075	15,910	17,124
Total non-current liabilities	249,232	269,321	377,025
Current liabilities			
Trade payables	138,126	130,804	134,138
Tax payables	5,529	8,241	5,923
Derivative financial instruments	3,677	8,046	6,049
Others	42,492	35,859	41,930
Bank	66,444	65,948	73,163
Total current liabilities	256,268	248,898	261,203
Total Equity and liabilities	1,566,471	1,608,700	1,680,340

TOD'S Group

Consolidated Statement of Cash Flows

Unaudited data

euro 000's	Jan. - Jun. 17	Jan. - Jun. 16
Profit/(Loss) for the period	34,450	37,130
Adjustments to reconcile net profit (loss) to net cash provided by (used in) operating activities:		
Amortizat., deprec., revaluat., and write-downs	23,146	50,573
Other non monetary expenses/(income)	(2,682)	1,392
Income taxes for the period	11,986	17,108
Changes in operating assets and liabilities:		
Trade receivables	12,959	4,861
Inventories	(7,398)	(5,885)
Tax receivables and tax payables	(1,190)	(298)
Trade payables	7,322	(11,721)
Other assets and liabilities	4,188	3,147
Change in reserve for employee	253	349
Cash flows from operating activities	83,034	96,657
Interests (paid)/collected	(886)	(959)
Income taxes (paid)/refunded	(2,508)	(30,654)
Net cash flows from operating activities (A)	79,640	65,044
Net investments in intangible and tangible assets	(16,216)	(18,419)
Acquisition of Roger Vivier brand		(415,000)
Acquisition of Roger Vivier Paris Sas legal entity net of cash and cash equivalents		(17,297)
Other changes in fixed assets	20	
Cash flows generated (used) in investing activities (B)	(16,196)	(450,716)
Dividends paid	(56,259)	(66,187)
Capital increase		207,500
Others change in Equity		(247)
Repayments of financial liabilities	(24,906)	(5,157)
Proceeds from financial liabilities		300,000
Cash flows generated (used) in financing (C)	(81,165)	435,909
Translation differences (D)	(7,834)	(123)
Cash flows from continuing operations (E)=(A)+(B)+(C)+(D)	(25,555)	50,114
Cash flow from assets held for sale (F)		
Cash flows generated (used) (G)=(E)+(F)	(25,555)	50,114
Net cash and cash equivalents at the beginning of the period	211,993	204,063
Net cash and cash equivalents at the end of the period	186,438	254,178
Change in net cash and cash equivalents	(25,555)	50,114

TOD'S Group

Consolidated Statement of Changes in Equity

Unaudited data

January - June 2017	euro 000's	Share capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Group interests	Non-controlling interests	Total
Balances as of 01.01.17		66,187	416,588	25,505	578,932	1,087,212	3,269	1,090,481
Profit & Loss account					34,711	34,711	(262)	34,450
Direct in Equity				(9,188)	2,155	(7,033)	(96)	(7,129)
Total Comprehensive Income				(9,188)	36,867	27,679	(358)	27,321
Dividend paid					(56,259)	(56,259)		(56,259)
Capital increase								
Share based payments								
Other					79	79	(652)	(573)
Balances as of 06.30.17		66,187	416,588	16,318	559,618	1,058,711	2,260	1,060,971

January - June 2016	euro 000's	Share capital	Capital reserves	Hedging and reserve for translation	Retained earnings	Group interests	Non-controlling interests	Total
Balances as of 01.01.16		61,219	214,055	12,630	574,127	862,032	4,048	866,081
Profit & Loss account					37,435	37,435	(305)	37,130
Direct in Equity				7,694		7,694	(98)	7,596
Total Comprehensive Income				7,694	37,435	45,129	(403)	44,726
Dividend paid					(66,187)	(66,187)		(66,187)
Capital increase		4,968	202,532			207,500		207,500
Share based payments								
Other					(9,884)	(9,884)	(124)	(10,008)
Balances as of 06.30.16		66,187	416,588	20,324	535,491	1,038,589	3,522	1,042,112