

Milan - January 28<sup>th</sup>, 2004

**TOD'S S.p.A.: significant growth of 2003 consolidated revenues (+8.1% at constant exchange rates). Impressive response from the Asian market.**

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 preliminary figures of consolidated sales for the year 2003. At constant exchange rates, the Group turnover was 387 million Euro, growing by 8.1% as compared to 2002; at reported rates consolidated revenues were 371.4 million Euro, with a 3.7% growth on the previous year.

**Breakdown of consolidated sales by brand: strong growth for Fay along the year**  
(million Euro)

BRAND	FY 2003	FY 2002	% change
Tod's	213.7	213.1	+0.3%
Hogan	86.7	90.6	-4.3%
Fay	64.9	52.1	+24.5%
other	6.1	2.4	n.s.
TOTAL	371.4	358.2	+3.7%

*Preliminary and unaudited results*

Tod's is still the main brand of the Group, representing 57.6% of total revenues. At constant exchange rates, Tod's revenues increased by approx. 7% in 2003. Tod's is the most international brand of the Group, and, consequently, was more heavily affected by unfavourable exchange rate fluctuations.

Hogan revenues, in spite of an incidental 4.3% decrease, represent 23.3% of the Group turnover as of December 31<sup>st</sup>, 2003.

Fay, finally, confirms also in the full year the outstanding results already commented in the previous quarterly reports; the growth of this brand in the full year 2003 was 24.5%. As of December 31<sup>st</sup>, 2003, Fay revenues represent 17.5% of the Group turnover.

**Breakdown of consolidated sales by product: excellent results from new product categories**

(million Euro)

PRODUCT	FY 2003	FY 2002	% change
shoes	237.9	247.1	-3.7%
leather goods	69.4	58.5	+18.6%
apparel	63.3	52.3	+21.0%
other	0.8	0.3	n.s.
TOTAL	371.4	358.2	+3.7%

*Preliminary and unaudited results*

Sales of shoes were broadly flat, at constant exchange rates; in line with the Group strategy to widen the product range, shoes reduced their impact on consolidated revenues (64.1% as of December 31<sup>st</sup>, 2003 as compared to 69% at the end of 2002).

Leather goods achieved very good results, with a 18.6% growth in 2003 or 29% at constant rates, helped also by the success achieved by the recently introduced product categories. Revenues from leather goods and accessories represent globally 18.7% of consolidated sales as of December 31<sup>st</sup>, 2003.

In line with Fay performance, also revenues from apparel posted excellent results (a 21% growth in 2003). As of December 31<sup>st</sup>, 2003 this product category represents 17.0% of the Group turnover (as compared to 14.6% of the previous year).

**Breakdown of consolidated revenues by region: impressive growth in Asia**  
(million Euro)

REGION	FY 2003	FY 2002	% change
Italy	181.5	169.2	+7.2%
Europe (excl. Italy)	104.6	107.0	-2.3%
North America	53.1	59.2	-10.2%
Asia and rest of world	32.2	22.8	+41.2%
TOTAL	371.4	358.2	+3.7%

*Preliminary and unaudited results*

Italy is still the main market of the Group, representing 48.9% of consolidated revenues. Sales in this region increased by 7.2% in 2003.

In the rest of Europe, sales were broadly flat at constant exchange rates (-0.8%); the total impact of this area on the Group turnover was 28.2% as of December 31<sup>st</sup>, 2003.

US market showed more evident recovery signals, posting a 7.3% growth of revenues at constant exchange rates. This region represents 14.3% of consolidated revenues as of December 31<sup>st</sup>, 2003.

Finally, Asian markets are still achieving impressive results, posting a 41% increase of revenues (57.6% at constant rates). The impact of this region on consolidated sales as of December 31<sup>st</sup>, 2003 increased to 8.6%, as compared to 6.4% at the end of 2002.

**Breakdown of consolidated sales by distribution channel: the growth of DOS channel is still going on**  
(million Euro)

DISTRIBUTION CHANNEL	FY 2003	FY 2002	% change
DOS	177.7	141.8	+25.3%
Franchised stores and independent retailers	193.7	216.4	-10.5%
TOTAL	371.4	358.2	+3.7%

*Preliminary and unaudited results*

Full year figures are a further confirmation of the trend already commented in the previous quarterly reports, as a result of the Group strategy to increase the impact of the direct channel of distribution.

Revenues through DOS were 177.7 million Euro, increasing by 25.3% as compared to 2002, and represent approx. 48% of the Group turnover. At constant exchange rates, the increase climbs to approx. 34%. The most important growth driver is represented by new DOS openings (during the year 24 new DOS were opened).

On a like-for-like basis, the organic growth for the full year, calculated as the worldwide average on DOS opened before January 1<sup>st</sup>, 2002, was 2.2%.

Along with new DOS openings, in order to preserve the exclusivity of the brands, the Group has continued the wholesale channel rationalisation, which is gradually under way of completion. Revenues to third parties decreased by 10.5% as compared to 2002 (-8.9% at constant exchange rates).

In the fourth quarter of 2003, the Group opened the first Hogan boutique in London and a new Tod's store at Tamagawa in Japan. Two new Tod's franchised stores were inaugurated in Seoul and in Manila.

As of December 31<sup>st</sup>, 2003, the Group distribution network consisted of 95 DOS and 29 franchised stores (compared, respectively, to 71 and 37 as of the end of 2002).

Diego Della Valle, Chairman and CEO of Tod's SpA, commented as follows: " We are satisfied with the Group sales figures, which confirm the appreciation from the market of our brands and products, despite the current unfavourable market conditions. We are extremely pleased with the success gained by newly introduced product categories among our customers. This, together with the ongoing consolidation of new openings, will allow the Group to achieve additional growth in terms of both turnover and profitability in the medium term".

**It should be noticed that all the figures related to FY 2003 sales reported in the present press release are preliminary and unaudited. FY 2003 results will be approved by the Board of Directors within March 31<sup>st</sup>, 2004.**