

Milan - July 28th, 2004

TOD'S Group: outstanding sale results in the first half of 2004, revenues: +14.4%.

TOD'S - 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 its preliminary figures of consolidated sales for the first half of 2004.

At constant exchange rates, the Group turnover is 198.3 million Euros in the first half of 2004, showing a 14.4% growth as compared to the same period of 2003; net of the unfavorable exchange rate impact, sales are 194.5 million Euros, with a 12.1% increase as compared to the same period of the previous year.

Breakdown of consolidated sales by brand: strong growth for Tod's and Hogan

<i>million Euros</i>	H1 2004	H1 2003	% change	FY 2003
Tod's	115.7	103.1	+12.2%	213.7
Hogan	50.2	43.9	+14.3%	86.7
Fay	23.8	24.0	-1.1%	64.9
other	4.8	2.4	n.m.	6.1
TOTAL	194.5	173.4	+12.1%	371.4

Preliminary and unaudited results

Tod's and Hogan achieved comparable growth rates at constant exchange rates, respectively 15.5% and 15.2% in the first half of 2004. In absolute terms, Tod's gives the main contribution to the growth of the Group turnover and remains the main brand of the Group, representing 59.5% of consolidated sales as of June 30th, 2004.

The Hogan brand confirms the positive trend, already shown in the first quarter of the year, also outside of Italy. Revenues increase by 14.3% at reported rates. As of June 30th, 2004, Hogan sales represent 25.8% of the Group turnover.

Fay revenues are broadly flat (-1.1%). In the first half of 2004 Fay consolidates the strong growth achieved in the previous year; as of June 30th, 2004 revenues of this brand represent 12.2% of consolidated turnover.

Breakdown of consolidated sales by product: strong double digit growth for shoes and leather goods

<i>million Euros</i>	H1 2004	H1 2003	% change	FY 2003
shoes	132.2	118.6	+11.4%	237.9
leather goods	38.6	31.6	+21.8%	69.4
apparel	23.1	23.1	-	63.3
other	0.6	0.1	n.m.	0.8
TOTAL	194.5	173.4	+12.1%	371.4

Preliminary and unaudited results

In the first half of 2004 revenues from shoes increase, at constant rates, by 13.4%; shoes remain the main product category of the Group, representing 68% of consolidated sales. The new projects launched in the first semester have received an excellent acceptance by our customers.

In line with the continuous widening of the Group product offer, revenues from leather goods continue to grow strongly; the increase in H1 2004 is 26.5%, at constant rates. Also the relative impact of this category out of the Group turnover is increasing: 19.8% as of June 2004, as compared to 18.2% of the previous year.

Revenues from apparel are flat as compared to the same semester of the previous year, broadly in line with Fay performance, and represent 11.9% of consolidated sales as of June 30th, 2004.

Breakdown of consolidated sales by region: all our markets are growing quite strongly, Asia: +72%

<i>million Euros</i>	H1 2004	H1 2003	% change	FY 2003
Italy	89.2	82.4	+8.2%	181.5
Europe (excl. Italy)	56.2	51.4	+9.4%	104.6
North America	24.9	25.5	-2.5%	53.1
Asia and rest of world	24.2	14.1	+71.9%	32.2
TOTAL	194.5	173.4	+12.1%	371.4

Preliminary and unaudited results

Italy is still the main market of the Group, representing 45.8% of consolidated sales as of June 30th, 2004; domestic revenues increase by 8.2% in the first half of 2004. The simultaneous higher growth rates posted by sales in our foreign markets causes the increase of the relative weight of non domestic turnover.

Also in the rest of Europe, revenues accelerate their growth during the second quarter; the increase in the first half of 2004, at constant rates, is 9.5%.

US market confirms also in the first half of 2004 the recovery signals already shown in the previous months. At constant rates, revenues in this region grow by 8.4% in the period; in fact, the 2.5% decrease is entirely due to the negative impact of exchange rate fluctuations.

Finally, Asian markets are still achieving excellent results, in line with our forecasts, thus confirming the enormous growth potential of all our brands in this area: the increase in the first half of 2004 is 78.7% at constant exchange rates. The total impact of this region on the Group turnover is 12.5% as of June 30th, 2004, showing an increase as compared to 8.1% of the previous year.

Breakdown of consolidated sales by distribution channel: very strong growth of revenues through DOS, important like-for-like contribution

<i>million Euros</i>	H1 2004	H1 2003	% change	FY 2003
DOS	103.7	81.3	+27.5%	177.7
Franchised stores and independent retailers	90.8	92.1	-1.4%	193.7
TOTAL	194.5	173.4	+12.1%	371.4

Preliminary and unaudited results

Revenues through DOS increase by 30.9%, at constant rates, in the first half of 2004. The drivers of the strong growth are both the new openings (14 additional stores as compared to the end of June 2003), and the positive like-for-like growth trend.

The Same Store Growth (SSG) rate, calculated as the worldwide average of sale growth rates registered in the 71 DOS opened before January 1st, 2003, is 10% for the first six months of the year.

As of June 30th, 2004, revenues through DOS represent 53.3% of consolidated turnover.

As far as the wholesale channel is concerned, we confirm that the rationalization of the distribution network has been almost completed, as already anticipated and consistently with the Group's plans; in fact, at constant rates, sales to third parties are broadly flat in the semester, while revenues through DOS are strongly increasing.

In the second quarter of 2004, two stores in Naples, under the Fay and the Hogan brands, and an additional Tod's store in Hong Kong were opened.

As of June 30th, 2004 the Group distribution network consists of 102 DOS and 29 franchised stores.

Diego Della Valle, Chairman and Managing Director of Tod's SpA, commented as follows: "We are very much satisfied with the half-year sale results, which show the very good acceptance that our products continue to receive in all our markets. These sale figures allow us to fully confirm our growth potential in the medium and long term and our forecasts to achieve a meaningful increase of revenues for the year underway together with an improvement in profitability. "

It should be noticed that all the figures related to H1 2004 sales reported in the present press release are preliminary and unaudited. H1 2004 results will be approved by the Board of Directors within September 13th, 2004.