Milan - May 14th, 2014

TOD'S S.p.A.: the Group continues its international development. Strengthening of the financial position.

The Board of Directors approved Tod's Group Q1 2014 Interim Report

Group's sales: 253.8 million Euros, +0.1% from Q1 2013 (or 2.2% at constant exchange rates)
EBITDA: 56.8 million Euros, equal to 22.4% of sales
EBIT: 46.3 million Euros, equal to 18.3% of sales
Positive Net Financial Position: 144.8 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 interim report for the first quarter of 2014 (January 1st – March 31st, 2014).

Message of the Group's Chairman and CEO

Diego Della Valle, Chairman and CEO of the Group, commented as follows: "*The results released today are coherent with our expectations and reflect the high sales volatility and the weakness of some key markets for luxury goods, such as the Chinese one. Despite this environment, our Group continues to invest in the development of the distribution network and in production capacity, adopting, as usual, an industrial mid-term perspective, sure to have all the necessary human and financial resources. I'm particularly satisfied with the results registered by the Tod's brand in leather goods and, therefore, I'm more and more convinced that our strategic decision of hiring a Creative Director for the Tod's brand is correct and will enhance the brand prestige also beyond the core business of shoes. Therefore, we will continue to invest according to this strategy, sure to collect further positive results in the mid term. Also our Winter Collections received a positive feedback from the specialized press and the retailers. Our products are highly appreciated by clients, for their quality, exclusivity and iconic creativity.*"

Comments to the Group's sales

Consolidated sales were 253.8 million Euros in the first quarter of 2014, up 0.1% from Q1 2013.

At constant exchange rates, meaning by using the average exchange rates of the Q1 2013, including the related effects of hedging contracts, sales would have been 259 million Euros, up 2.2% from Q1 2013.

As already commented in the past, also Q1 2014 sales results have been impacted by the strategic decision to rationalize the wholesale distribution, mainly on the domestic market, with the goal to preserve the brands' exclusivity and positioning, but also to improve the already very good quality of the credit portfolio. The rationalization affected all the brands, but it was mainly evident on the results of Hogan and Fay, which are the brands, among the Group's portfolio, with the higher exposure to the Italian market and to the wholesale channel.

Breakdown of consolidated sales by brand: Tod's and Roger Vivier continue to grow

million Euros	**Q1 2014**	Q1 2013	% change at reported rates	% change at constant rates	FY 2013
Tod's	**142.6**	141.6	+0.8%	+3.6%	578.1
Hogan	**65.7**	70.8	-7.2%	-7.0%	217.0
Fay	**14.0**	14.9	-6.0%	-6.0%	57.6
Roger Vivier	**31.3**	26.0	+20.0%	+24.2%	113.7
Other	**0.2**	0.2	n.m.	n.m.	1.1
TOTAL	**253.8**	253.5	+0.1%	+2.2%	967.5

The Tod's brand registered 142.6 million Euros in sales, up 3.6% at constant exchange rates from Q1 2013, also thanks to the excellent results of "Rest of the World" and Europe.

Hogan sales were 65.7 million Euros, with a decrease of approx. 7%, mainly due to the already commented rationalization of the Italian distribution network. Sound double-digit growth on all the international markets, where the brand is currently focusing its international expansion.

Revenues of the Fay brand were 14 million Euros, with a 6% decrease, due to the already commented rationalization of the Italian distribution network.

Finally, Roger Vivier continued to grow double-digit, confirming to be one of the most prestigious *maison* of luxury accessories and shoes in the most exclusive segment of luxury goods, worldwide. In the period, its revenues totalled 31.3 million Euros, up 24.2% at constant rates from Q1 2013.

Breakdown of consolidated sales by product category: solid growth for leather goods and accessories

million Euros	**Q1 2014**	Q1 2013	% change at reported rates	% change at constant rates	FY 2013
Shoes	**195.9**	198.2	-1.1%	+0.6%	739.7
Leather goods and accessories	**41.3**	37.7	+9.4%	+13.9%	160.9
Apparel	**16.4**	17.3	-5.7%	-5.3%	65.8
Other	**0.2**	0.3	n.m.	n.m.	1.1
TOTAL	**253.8**	253.5	+0.1%	+2.2%	967.5

Revenues from shoes totalled 195.9 million Euros in Q1 2014, broadly aligned with the value registered in Q1 2013, confirming the undisputed Group's leadership in the core business of shoes.

Sales from leather goods and accessories returned to grow, driven by the excellent results of the Tod's products. Positive acceptance of the new collection, currently in the stores. Revenues of this category totalled 41.3 million Euros, up 13.9%, at constant rates.

Finally, sales of apparel were 16.4 million Euros; the difference, as compared to Q1 2013, broadly reflects the performance of the Fay brand.

Breakdown of consolidated sales by region: sales growth in all the foreign markets, at constant rates

million Euros	**Q1 2014**	Q1 2013	% change at reported rates	% change at constant rates	FY 2013
Italy	**88.9**	98.9	-10.1%	-10.1%	323.0
Europe (excl. Italy)	**56.1**	50.4	+11.4%	+11.8%	207.8
Americas (*)	**18.9**	19.4	-2.9%	+1.4%	90.3
Greater China (**)	**56.1**	57.2	-2.0%	+1.5%	237.5
Rest of World	**33.8**	27.6	+22.3%	+30.4%	108.9
TOTAL	**253.8**	253.5	+0.1%	+2.2%	967.5

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

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

In Q1 2014, domestic sales were 88.9 million Euros; the decrease, compared to Q1 2013, is mainly due to the already commented rationalization of the wholesale distribution. Positive performance of the Italian DOS network.

In the rest of Europe, revenues grew double-digit and totalled 56.1 million Euros, up approx. 12%, at constant exchange rates. Positive results in all the main countries where the Group operates.

As already commented by other luxury players, the performance of the US market was affected by unfavourable weather conditions on the Eastern Coast in the first months of the year. The Group's sales in the Americas totalled 18.9 million Euros, up 1.4% at constant exchange rates.

Greater China confirmed the slowdown shown last year, due to the general and deep contraction of luxury goods consumption by local clients. The Group's sales in Greater China were 56.1 million Euros, up 1.5% at constant exchange rates, and represent 22.1% of consolidated turnover as of March 31st, 2014.

Finally, the area "Rest of the World" registered a very good performance, driven by the solid double-digit growth of all the main countries where the Group operates. Sales of this area totalled 33.8 million Euros, up 30.4% at constant exchange rates.

Breakdown of consolidated sales by distribution channel: sales through DOS continue to grow

million Euros	**Q1 2014**	Q1 2013	% change at reported rates	% change at constant rates	FY 2013
DOS	**135.3**	132.3	+2.2%	+5.7%	617.7
Third parties (Franchised stores + Independent retailers)	**118.5**	121.2	-2.2%	-1.6%	349.8
TOTAL	**237.8**	253.5	+0.1%	+2.2%	967.5

Consistently with the Group's strategy, the weight of sales through DOS continues to grow, even if this phenomenon is less visible in the first quarter of the year; in fact, due to the different timing in accounting Group's revenues, deliveries made to DOS are accounted as stock inventory in the consolidated results as of the end of March and are translated into revenues only in the second quarter, when the products are sold by the stores to the final customers.

In Q1 2014, sales through DOS globally amounted to 135.3 million Euros, up 5.7% at constant exchange rates from Q1 2013.

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, 2013, is -6.7% in the first 19 weeks of the year (from January 1st to May 11th, 2014); the weekly results continue to show a lot of volatility.

As of March 31st, 2014 the Group's distribution network was composed by 223 DOS and 85 franchised stores, compared to 198 DOS and 79 franchised stores as of March 31st, 2013.

Revenues to third parties totalled 118.5 million Euros; the difference, compared to Q1 2013, was mainly due to the already commented rationalization of the independent distribution.

Comments to the operating and financial interim results

As already highlighted in our previous press releases, analyzing quarterly figures is not fully meaningful, due to the discrepancies in the flow of industrial revenues and costs on a monthly basis, which are particularly evident in the first quarter of the year, when volumes are lower; therefore, annualizing quarterly figures would be misleading.

In the first quarter of 2014, the Group's EBITDA was 56.8 million Euros, with a 22.4% margin on sales.

In comparison with Q1 2013, it has to be considered the different timing of marketing expenses, which are more concentrated in the first quarter this year, while they were more homogeneously distributed last year.

As happened in the last few years, the industrial margin improved further, driven by the more favourable geographical and channel sales mix. However, also the incidence on sales of rental costs is growing (10.2% in Q1 2014, compared to 9.3% of Q1 2013), mainly due to the expansion of the DOS network into the Asian markets. Also the incidence on sales of labour costs increased (15.4% of sales in Q1 2014, compared to 14.7% of Q1 2013), due to the continuous growth of the Group's headcount (4,159 employees as of March 31st, 2014, compared to 3,968 as of March 31st, 2013), mainly due to the widening of the DOS network.

The Group's EBIT was 46.3 million Euros, with a 18.3% margin on sales. The incidence on sales of depreciation and amortisation was broadly flat and equal to 4.1% in Q1 2014.

At constant exchange rates, EBITDA and EBIT would have been, respectively, 60.1 million Euros (with a 23.2% margin on sales) and 49.5 million Euro (19.1% of sales).

In the first quarter of 2014, the Group invested a total of 18.3 million Euros in tangible and intangible fixed assets. They were devoted to the widening and refurbishment of the DOS network, to the normal update of the industrial and production structures, and to the development of the Company's software. The strong increase, compared to 9.4 million Euros in Q1 2013, is mainly due to the acquisition of a new plant, close to the Company's offices, and the building of an additional large factory for the production of shoes, inside the perimeter of Group's headquarters, in the Marche region.

The operating working capital totalled 288.3 million Euros as of March 31st, 2014; the slight growth, compared to the 279 million Euros balance as of March 31st, 2013, is due to the physiological increase of inventories, linked to the widening of the DOS network.

As of March 31st, 2014, the Group's net financial position was positive and equal to 144.8 million Euros, showing an approx. 13 million Euros increase, compared to the balance as of the end of March 2013.

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.

Pursuant to article 154 ter, paragraph 5, of Legislative Decree n. 58/98 (the "Unified Financial Act") the interim management statement as of March 31st, 2013, approved by the Board of Directors today, is available to Shareholders and the public at the registered office of the Company and it will also be published under the Section "Financial Reports" on the website of the Company www.todsgroup.com.

Please note that the interim management statement as of March, 31st 2013, drafted pursuant to article 154 ter, paragraph 5, is not subject to audit.

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**

ATTACHMENT

OPERATING AND FINANCIAL INTERIM FIGURES OF THE TOD'S GROUP

Million Euros	**Q1 2014**	Q1 2013	FY 2013
Sales revenues	**253.8**	253.5	967.5
EBITDA	**56.8**	63.6	236.3
EBIT	**46.3**	53.4	193.2

Million Euros	**March 31st, 2014**	March 31st, 2013	December 31st, 2013
Net operating working capital (1)	**288.3**	279.0	224.1
Positive Net Financial Position	**144.8**	131.7	181.1
Investments	**18.3**	9.4	51.4

(1) Trade receivables + Inventories – Trade payables