TIFFANY & CO.

Tiffany Reports Fourth Quarter and Year Results; Provides Financial Outlook for 2010

New York, N.Y., March 22, 2010 - Tiffany & Co. (NYSE: TIF) reported today that worldwide sales rose 17% in its fourth quarter ended January 31, 2010. This increase reflected broad-based growth in the Americas, Asia-Pacific and European regions. Net earnings from continuing operations were $1.09 per diluted share in the quarter. Full year sales declined 5% to $2.7 billion and net earnings from continuing operations increased 15% to $2.12 per diluted share (earnings in both years included nonrecurring charges - see attached "Non-GAAP Measures" schedule). Management also introduced its financial objectives for 2010, which are enumerated in this news release.

In the three months (fourth quarter) ended January 31, 2010:

- Net sales increased 17% to $981.4 million, compared with $837.6 million in last year's fourth quarter. On a constant-exchange-rate basis, which excludes the effect of translating foreign-currency-denominated sales into U.S. dollars, worldwide net sales rose 13% and comparable store sales rose 8% (see attached "Non-GAAP Measures" schedule).

- Net earnings from continuing operations were $138.2 million, or $1.09 per diluted share, versus $37.4 million, or $0.30 per diluted share, in last year's fourth quarter. In last year's fourth quarter, the Company recorded nonrecurring items which, in total, reduced net earnings from continuing operations by $0.56 per diluted share. Net earnings were $140.4 million, or $1.10 per diluted share, versus $31.1 million, or $0.25 per diluted share, in last year's fourth quarter.

In the full year (fiscal 2009) ended January 31, 2010:

- Net sales were $2.71 billion, or 5% below $2.85 billion in the prior year. On a constant-exchange-rate basis, worldwide net sales and comparable store sales declined 5% and 8%.

- Net earnings from continuing operations were $265.7 million, or $2.12 per diluted share, compared with $232.2 million, or $1.84 per diluted share, in the prior year. In fiscal 2009, the Company recorded various nonrecurring items that benefited net earnings from continuing operations by $0.08 per diluted share. In fiscal 2008, the Company recorded nonrecurring items that reduced net earnings from continuing operations by $0.55 per diluted share. Net earnings were $264.8 million, or $2.11 per diluted share, versus $220.0 million, or $1.74 per diluted share, in 2008.

Financial results for the Iridesse subsidiary are classified as discontinued operations for the current and prior-year periods. This change in classification began in the second quarter of 2009.

Michael J. Kowalski, chairman and chief executive officer, said, "We were very pleased with the sales results in the fourth quarter which reflected growth in most countries, product categories and price points. Notwithstanding the global economic challenges over the past year, the decisive measures we took to control spending were successful and, combined with the considerable and growing international awareness of the TIFFANY & CO. brand, helped us to generate strong earnings and free cash flow."

Net sales by segment were as follows:

- In the Americas, sales increased 14% to $523.5 million in the fourth quarter. Sales of $1.41 billion in the fiscal year were 11% below the prior year. Comparable U.S. store sales rose 11% in the fourth quarter and declined 15% in the fiscal year. Sales in the New York flagship store and comparable U.S. branch stores increased 22% and 8% in the fourth quarter, and declined 15% and 15% in the fiscal year. During the quarter, the Company opened a store in Las Vegas, NV. Combined Internet and catalog sales in the U.S. increased 16% in the quarter and declined 1% in the year.

- In the Asia-Pacific region, sales rose 14% to $318.0 million in the fourth quarter due to strong growth in all countries except Japan. Sales increased 4% to $957.2 million in the year. On a constant-exchange-rate basis, sales rose 7% in the fourth quarter and were unchanged in the year; comparable store sales increased 3% and declined 3% in those periods. During the quarter, the Company opened stores in Shenzhen, China and Melbourne, Australia.

- In Europe, sales increased 29% to $122.9 million in the fourth quarter and 10% to $311.8 million in the year due to strong growth in most countries. On a constant-exchange-rate basis, sales rose 18% in the fourth quarter and 16% in the year; comparable store sales increased 14% and 9%. During the quarter, the Company opened a store in Amsterdam, the Netherlands and a second location in London's Heathrow Airport.

- The Company operated 220 TIFFANY & CO. stores and boutiques at January 31, 2010 (91 in the Americas, 102 in Asia-

Pacific and 27 in Europe), versus 206 locations a year ago (86 in the Americas, 96 in Asia-Pacific and 24 in Europe).

- Other sales were $17.1 million in the fourth quarter versus $3.7 million in the prior year, and in the full year were $29.9 million versus $55.6 million in the prior year. The changes in both periods were affected by the levels of wholesale sales of rough diamonds.

Other financial highlights were:

- Gross margin (gross profit as a percentage of net sales) declined to 58.7% in the fourth quarter (versus 59.4% in the prior year) due to increased wholesale sales of rough diamonds that generate minimal, if any, profit. Gross margin declined to 56.5% in the year (versus 57.8% last year) primarily due to higher product costs.

- Selling, general and administrative (SG&A) expenses increased 7% in the fourth quarter, primarily due to management incentive compensation expense related to improved financial performance. Such compensation was curtailed last year. SG&A expenses declined 6% in the year, due to substantial savings realized from reductions in staffing and marketing costs.

- Interest and other expenses, net in the fourth quarter and year were above the prior year primarily due to increased interest expense related to issuances of long-term debt over the past year.

- Effective income tax rates were 34.2% in the fourth quarter (versus 40.2%) and 31.9% in the fiscal year (versus 36.5%). The full year reduction was due to the recording of favorable reserve adjustments at the conclusion of certain tax audits and at the expiration of statutory periods; these adjustments benefited net earnings from continuing operations by $0.09 per diluted share in the year.

- Accounts receivable at January 31, 2010 were 3% below the prior year-end.

- Net inventories declined 11% in the fiscal year to $1.43 billion at January 31, 2010 due to a reduction in finished goods inventories, consistent with management's objective, as well as the effect from higher-than-planned sales in the fourth quarter.

- Capital expenditures were $75 million in the year, compared with $154 million in the prior year. The lower spending resulted from fewer store openings in 2009 and other cost containment initiatives.

- Balance sheet liquidity at January 31, 2010 included: cash and cash equivalents of $786 million (versus $160 million a year ago), and total short-term borrowings and long-term debt of $754 million (versus $709 million a year ago).

Mr. Kowalski added, "In 2010, we will remain focused on meaningful opportunities to expand our global store base, realize market share gains in a changing competitive environment and enhance profitability. We believe that Tiffany has the ability to deliver healthy sales and earnings growth and, in fact, have begun the year with worldwide sales growth exceeding our first quarter plan which calls for a high-teens percentage increase. Tiffany has the necessary components for ongoing success -- compelling products, organizational and financial strength, an efficient infrastructure and a premium brand that is increasingly recognized for lasting value."

2010 Outlook:

Management's outlook for fiscal 2010 is based on the following assumptions which may or may not prove valid:

a) A worldwide sales increase of approximately 11%.
b) By region, sales are expected to increase by a low-double-digit percentage in the Americas, a high-single-digit percentage in Asia-Pacific (including a low-single-digit percentage decline in Japan and at least 20% growth elsewhere), and a mid-teens percentage in Europe. Other sales are expected to decline 5%;
c) The opening of 17 new Company-operated stores (six in the Americas, eight in Asia-Pacific and three in Europe);
d) An increase in the operating margin primarily due to a higher gross margin as well as a modestly improved ratio of SG&A expenses to sales;
e) Other expenses, net of approximately $50 million;
f) An effective income tax rate of approximately 35%;
g) Net earnings from continuing operations of $2.45 - $2.50 per diluted share;
h) Capital expenditures of approximately $200 million; and
i) A high-single-digit percentage increase in net inventories.

Today's Conference Call:

The Company will host a conference call today at 8:30 a.m. (Eastern Time) to review these actual results and its outlook. Investors may listen at http://investor.tiffany.com ("Events and Presentations").

Next Scheduled Announcement:

The Company expects to report its first quarter 2010 financial results on May 27, 2010 with a conference call at 8:30 a.m. (Eastern Time). To receive notifications of news releases, please register at http://investor.tiffany.com ("E-Mail Alerts").

Tiffany & Co. operates jewelry stores and manufactures products through its subsidiary corporations. Its principal subsidiary is Tiffany and Company. The Company operates TIFFANY & CO. retail stores and boutiques in the Americas, Asia-Pacific and Europe and engages in direct selling through Internet, catalog and business gift operations. For additional information, please visit www.tiffany.com or call our shareholder information line at 800-TIF-0110.

This document contains certain "forward-looking" statements concerning the Company's objectives and expectations with respect to sales, store openings, gross margin, SG&A expenses, interest expense, effective income tax rate, net earnings, inventories and capital expenditures. Actual results might differ materially from those projected in the forward-looking statements. Information concerning risk factors that could cause actual results to differ materially is set forth in the Company's 2008 Annual Report on Form 10-K and in other reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

TIFFANY & CO. AND SUBSIDIARIES
(unaudited)

NON-GAAP MEASURES

Net Sales

The Company's reported sales reflect either a translation-related benefit from strengthening foreign currencies or a detriment from a strengthening U.S. dollar.

The Company reports information in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). Internally, management monitors its sales performance on a non-GAAP basis that eliminates the positive or negative effects that result from translating international sales into U.S. dollars ("constant-exchange-rate basis"). Management believes this constant-exchange-rate basis provides a more representative assessment of sales performance and provides better comparability between reporting periods.

The Company's management does not, nor does it suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. The Company presents such non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate the Company's operating results. The following table reconciles sales percentage increases (decreases) from the GAAP to the non-GAAP basis versus the previous years:

	Fourth Quarter 2009 vs. 2008			Year-to-date 2009 vs. 2008		
	GAAP Reported	Translation Effect	Constant-Exchange-Rate Basis	GAAP Reported	Translation Effect	Constant-Exchange-Rate Basis
Net Sales:						
Worldwide	17 %	4 %	13 %	(5)%	-	(5)%
Americas	14 %	1 %	13 %	(11)%	-	(11)%
U.S.	12 %	-	12 %	(12)%	-	(12)%
Asia-Pacific	14 %	7 %	7 %	4 %	4 %	-
Japan	(6)%	3 %	(9)%	(4)%	7 %	(11)%
Other Asia-Pacific	51 %	13 %	38 %	18 %	(1)%	19 %
Europe	29 %	11 %	18 %	10 %	(6)%	16 %
Comparable Store Sales:						
Worldwide	11 %	3 %	8 %	(7)%	1 %	(8)%
Americas	11 %	1 %	10 %	(14)%	-	(14)%
U.S.	11 %	-	11 %	(15)%	-	(15)%
Asia-Pacific	8 %	5 %	3 %	1 %	4 %	(3)%
Japan	(7)%	2 %	(9)%	(4) %	7 %	(11)%
Other Asia-Pacific	36 %	12 %	24 %	8 %	-	8 %
Europe	25 %	11 %	14 %	3 %	(6)%	9 %

Net Earnings from Continuing Operations

The accompanying press release presents net earnings from continuing operations and highlights current-year and prior-year nonrecurring items in the text. Management believes excluding such items presents the Company's fourth quarter and full year results on a more comparable basis to the corresponding periods in the prior year, thereby providing investors with an additional perspective to analyze the results of operations of the Company at January 31, 2010. The following table reconciles GAAP net earnings from continuing operations and net earnings from continuing operations per diluted share ("EPS") to the non-GAAP net earnings from continuing operations and net earnings from continuing operations per diluted share, as adjusted:

(in thousands, except per share amounts)	Three Months Ended January 31, 2010 $ (after tax)	Three Months Ended January 31, 2010 Diluted EPS	Three Months Ended January 31, 2009 $ (after tax)	Three Months Ended January 31, 2009 Diluted EPS
Net earnings from continuing operations, as reported	$ 138,207	$ 1.09	$ 37,413	$ 0.30
Restructuring charges	–	–	59,006	0.47
Impairment of investments and loans [a, b]	–	–	8,335	0.07
Diamond facility closing charge [a]	–	–	2,198	0.02
Net earnings from continuing operations, as adjusted	$ 138,207	$ 1.09	$ 106,952	$ 0.86

[a] On a pre-tax basis includes a $14,444,000 charge within SG&A for the three months ended January 31, 2009.

[b] On a pre-tax basis includes $1,311,000 charge within interest and other expenses, net for the three months ended January 31, 2009.

(in thousands, except per share amounts)	Full Year Ended January 31, 2010 $ (after tax)	Full Year Ended January 31, 2010 Diluted EPS	Full Year Ended January 31, 2009 $ (after tax)	Full Year Ended January 31, 2009 Diluted EPS
Net earnings from continuing operations, as reported	$ 265,676	$ 2.12	$ 232,155	$ 1.84
Diamond sourcing agreement [a]	3,440	0.03	–	–
Loan recovery [a]	(2,676)	(0.02)	–	–
Tax benefit [b]	(11,220)	(0.09)	–	–
Restructuring charges	–	–	59,006	0.46
Impairment of investments and loans [a, c]	–	–	8,335	0.07
Diamond facility closing charge [a]	–	–	2,198	0.02
Net earnings from continuing operations, as adjusted	$ 255,220	$ 2.04	$ 301,694	$ 2.39

[a] On a pre-tax basis includes a benefit of $442,000 and a charge of $14,444,000 within SG&A for the years ended January 31, 2010 and 2009.

[b] Includes $11,220,000 of tax benefits within the provision for income taxes for the year ended January 31, 2010.

[c] On a pre-tax basis includes a $1,311,000 charge within interest and other expenses, net for the year ended January 31, 2009.

TIFFANY & CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited, in thousands, except per share amounts)

	Three Months Ended January 31,		Years Ended January 31,	
	2010	2009	**2010**	2009
Net sales	$ **981,384**	$ 837,593	$ **2,709,704**	$ 2,848,859
Cost of sales	**405,639**	340,170	**1,179,485**	1,202,417
Gross profit	**575,745**	497,423	**1,530,219**	1,646,442
Selling, general and administrative expenses	**351,138**	327,443	**1,089,727**	1,153,944
Restructuring charge	**-**	97,839	**-**	97,839
Earnings from continuing operations	**224,607**	72,141	**440,492**	394,659
Interest and other expenses, net	**14,620**	9,606	**50,518**	28,900
Earnings from continuing operations before income taxes	**209,987**	62,535	**389,974**	365,759
Provision for income taxes	**71,780**	25,122	**124,298**	133,604
Net earnings from continuing operations	**138,207**	37,413	**265,676**	232,155
Net earnings (loss) from discontinued operations	**2,160**	(6,328)	**(853)**	(12,133)
Net earnings	$ **140,367**	$ 31,085	$ **264,823**	$ 220,022
Net earnings from continuing operations per share:				
Basic	$ **1.10**	$ 0.30	$ **2.14**	$ 1.86
Diluted	$ **1.09**	$ 0.30	$ **2.12**	$ 1.84
Net earnings per share:				
Basic	$ **1.12**	$ 0.25	$ **2.13**	$ 1.76
Diluted	$ **1.10**	$ 0.25	$ **2.11**	$ 1.74
Weighted-average number of common shares:				
Basic	**125,097**	123,363	**124,345**	124,734
Diluted	**127,265**	123,793	**125,383**	126,410

TIFFANY & CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands)

	January 31, 2010	January 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 785,702	$ 160,445
Accounts receivable, net	158,706	164,447
Inventories, net	1,427,855	1,601,236
Deferred income taxes	6,651	13,640
Prepaid expenses and other current assets	66,752	108,966
Total current assets	2,445,666	2,048,734
Property, plant and equipment, net	685,101	741,048
Other assets, net	357,593	312,501
	$ 3,488,360	$ 3,102,283
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 27,642	$ 242,966
Current portion of long-term debt	206,815	40,426
Accounts payable and accrued liabilities	231,913	223,566
Income taxes payable	67,513	27,653
Merchandise and other customer credits	66,390	67,311
Total current liabilities	600,273	601,922
Long-term debt	519,592	425,412
Pension/postretirement benefit obligations	219,276	200,603
Other long-term liabilities	137,331	152,334
Deferred gains on sale-leasebacks	128,649	133,641
Stockholders' equity	1,883,239	1,588,371
	$ 3,488,360	$ 3,102,283

Contacts:
James N. Fernandez
(212) 230-5315

Mark L. Aaron
(212) 230-5301