

**TIFFANY'S STRONG PACE CONTINUES IN FIRST QUARTER; SALES INCREASE 26% AND NET EARNINGS RISE 88%**

NEW YORK, May 16, 2000 – Tiffany & Co. (NYSE-TIF) announced that 26 percent growth in worldwide sales in its first quarter, combined with improved margins, resulted in net earnings growth of 88 percent. The sales performance was highlighted by U.S. comparable store sales growth of 28 percent, as well as strong increases in international markets.

In the first quarter ended April 30, 2000, net sales of \$343,252,000 were 26 percent higher than \$272,277,000 in the prior year. Net earnings rose 88 percent to \$30,425,000, or 40 cents per diluted share, compared with \$16,157,000, or 22 cents per diluted share, in 1999's first quarter. Net earnings per share in 1999 are adjusted to reflect a two-for-one stock split in July 1999.

Sales results in Tiffany's three channels of distribution were as follows:

- U.S. Retail sales rose 28 percent to \$169,192,000. Comparable store sales increased 28 percent due to geographically broad-based growth. Four new stores also generated strong initial results; however, such new store sales were offset by the Company's discontinuation of its U.S. wholesale trade business in January 2000.
- International Retail sales increased 26 percent to \$147,446,000. Comparable store sales growth was strong in all key regions, highlighted by a 15 percent increase in local currency in Japan, Tiffany's largest international market.
- Direct Marketing sales rose 15 percent to \$26,614,000 primarily due to growth in corporate and catalog sales, along with results from Tiffany's e-commerce initiative that commenced in November 1999.

Michael J. Kowalski, President and Chief Executive Officer, said, "These results are certainly an excellent way to start 2000. They confirm both the consistent strength of worldwide demand for fine jewelry and gifts, as well as Tiffany's continuing ability to gain share in a very large market."

Tiffany & Co. is the internationally renowned jeweler and specialty retailer. Sales are made primarily through TIFFANY & CO. stores and boutiques in the Americas, Asia-Pacific, Europe and the Middle East. Direct Marketing includes Tiffany's corporate division, catalog and Internet sales. Additional information can be found on Tiffany's Web site, [www.tiffany.com](http://www.tiffany.com), and on its shareholder information line (800) TIF-0110.

The Company will host a conference call today to review these results at 8:30 a.m. (EST). Interested parties may listen to the Web broadcast by accessing [www.shareholder.com/tiffany](http://www.shareholder.com/tiffany) on the Internet.

