

**PRESS RELEASE**

**PRADA GROUP APPROVES ITS INTERIM REPORT AT JULY 31, 2013:  
REVENUE AND PROFIT GROWTH**

**Consolidated net revenues of € 1,728.1 million, +11,7%**

**EBITDA of € 551.1 million, +17.4%**

**EBIT of € 458.3 million, +16.1%**

**Group Net Income of € 308.2 million, +7.6%**

**Net financial position shows net cash of € 195.6 million**

**Milan, September 17, 2013** – The Prada SpA Board of Directors today examined and approved the interim report for the six months ended July 31, 2013.

**CONSOLIDATED NET REVENUES** totaled € 1,728.1 million, an 11.7% increase (+14.8% at constant exchange rates) on the € 1,547.4 million reported in the first half of 2012.

**EBITDA** amounted to € 551.1 million – reaching 31.9% of consolidated net revenues – and increased by 17.4% compared to the first half of 2012.

**EBIT** stood at € 458.3 million - or 26.5% of consolidated net revenues – with a 16.1% increase on the first half of 2012.

**NET INCOME** totaled € 308.2 million, 17.8% of consolidated net revenues.

**Distribution channels**

Sales by **Directly Operated Stores** (491 DOS at July 31, 2013) totaled € 1,422.5 million with a significant 15.7% increase compared to the first half of 2012 (+19.5% at constant exchange rates).

Meanwhile the **wholesale channel** with sales of € 285.1 million at July 31, 2013 recorded a 3.3% decrease (- 2.7% at constant exchange rates), as a result of the selective strategy the Group has been following for some years now. Once more, in the first half of 2013, this strategy led to a significant reduction in the number of wholesale

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partners.

## **Markets**

**Asia Pacific** – and Greater China, in particular – have recorded above average revenue growth of 17.9% (+18.7% at constant exchange rates).

In the **Americas**, revenue growth, +13.4% (+15.9% at constant exchange rates), was achieved thanks to the retail channel, which marked an acceleration compared to the first quarter.

Revenue growth of 5.6% has been achieved on the **European** market (+6.6% at constant exchange rates), but with contrasting performances in the two distribution channels: sales through the retail network recorded double digit growth, largely thanks to a strong flow of travelers/tourists, while the wholesale channel saw a drop in revenues.

Sales in **Japan** accelerated in the second quarter to a 16.4% revenue growth, at constant exchange rates, though the ongoing weakness of the Yen meant that Euro revenues actually fell.

## **Brands**

The **Prada** brand again enjoyed solid, double digit growth of 14.3% (+17.4% at constant exchange rates). Revenue growth was also achieved by **Miu Miu**, +4.1% (+8.2% at constant exchange rates) and **Church's**, +5.4% (+8% at constant exchange rates). Meanwhile, **Car Shoe** revenues fell, largely because of the decline of the wholesale channel.

## **Investment**

During the period capex, totaling Euro 293 million, was mainly invested in the retail segment to open new stores and to expand and renovate existing ones.

Patrizio Bertelli, Chief Executive Officer of Prada Spa commented: *“We are satisfied with the results achieved in the first half of 2013: revenues have increased in all geographical areas where the Group operates and we have further improved our operating margins. Our business model, based on a balanced global geographical presence and on the*

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*strength of our brands, has enabled us effectively to face the challenges thrown down by an international economic environment which remains uncertain and extremely volatile. The objectives achieved to date, the flexibility of our organizational structure and constant monitoring of the markets mean we can look ahead with confidence to the near future”.*

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**PRADA Group**

The PRADA Group –HKSE Code: 1913 – is one of the world leaders in the luxury goods sector where it operates with the Prada, Miu Miu, Church's and Car Shoe brands in the design, production and distribution of luxury handbags, leather goods, footwear, apparel and accessories. The Group also operates, under licensing agreements, in the eyewear, fragrances and mobile telephone sectors. Its products are sold in 70 countries worldwide through a network that included 491 directly operated stores (DOS) at July 31, 2013 and a select network of luxury department stores, independent retailers and franchise stores.