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PRADA spa
(Stock Code: 1913)

ANNOUNCEMENT OF THE CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED APRIL 30, 2013

- Net revenues were Euro 782.3 million, recording an increase of 13.9% compared with the three months ended April 30, 2012
- Retail net sales were Euro 678.7 million, up by 19.1% compared with the three months ended April 30, 2012
- Retail Same Store Sales Growth was 8% compared with the three months ended April 30, 2012
- EBITDA was Euro 240.8 million, up by 20.4% compared with the three months ended April 30, 2012, and representing a margin of 30.8% on net revenues
- Group's net income amounted Euro 138.2 million, up by 13.5% compared to Euro 121.7 million for the three months ended April 30, 2012
- Net financial position as at April 30, 2013, was positive and improved further to Euro 360.5 million
- Net operating cash flow for the three months ended April 30, 2013, was Euro 244.6 million

Consolidated results for the three months ended April 30, 2013

The Board of Directors (the "Board") of PRADA S.p.A. (the "Company" or "PRADA spa") is pleased to announce the unaudited Consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended April 30, 2013, together with the unaudited comparative figures for the three months ended April 30, 2012.

Key financial information

Key information from the Income statement (amounts in thousands of Euro)	three months ended April 30 2012 unaudited	twelve months ended January 31, 2013 audited	three months ended April 30 2013 unaudited	% change vs April 30 2012
Net revenues	686,734	3,297,219	782,294	13.9%
EBITDA	200,097	1,052,469	240,825	20.4%
EBIT	164,782	889,781	195,719	18.8%
Income before tax	166,242	883,616	189,845	14.2%
Net income of the Group	121,718	625,681	138,158	13.5%
Average headcount (persons)	8,843	9,427	10,121	14.5%
Earnings per share	0.048	0.245	0.054	12.5%
EBITDA %	29.1%	31.9%	30.8%	
EBIT %	24.0%	27.0%	25.0%	

Key information from the Statement of financial position (amounts in thousands of Euro)	as at April 30 2012 unaudited	as at January 31, 2013 audited	as at April 30 2013 unaudited	change vs January 31 2013
Net operating working capital	337,628	317,714	287,265	(30,449)
Net invested capital	1,839,229	2,017,844	2,122,017	104,173
Net financial position surplus/(deficit)	122,422	312,648	360,516	47,868
Group shareholders' equity	1,948,993	2,320,022	2,468,116	148,094
Capital expenditure	55,250	351,129	178,252	-
Net operating cash flows	180,797	759,272	244,553	-

Highlights for the three months ended April 30, 2013

The net revenues recorded in the three months ended April 30, 2013, were Euro 782.3 million, a double-digit growth of +13.9% compared to Euro 686.7 million achieved in the same period of 2012. The increase at constant exchange rates was +15.2% while the Same Stores Sale Growth (SSSG) was +8%.

The business expansion was achieved thanks to the performance of the retail channel that, posting net sales of Euro 678.7 million in the three months ended April 30, 2013, contributed 87.9% to the Group's total.

The EBITDA for the three months ended April 30, 2013, totaled Euro 240.8 million, up by +20.4% over Euro 200.1 million posted in the same three months period of 2012. In terms of profitability the EBITDA margin improved to 30.8% of total net revenues (29.1% in the three months ended April 30, 2012).

In the three months ended April 30, 2013, the Group's net income amounted to Euro 138.2 million, or 17.7% on net revenues, posting an increase of +13.5% over Euro 121.7 million achieved in the same period of last year.

The cash flows generated from operations in the three months ended April 30, 2013, allowed to sustain the capital expenditure program as well as to take the Group's positive net financial position to stand at Euro 360.5 million.

Consolidated income statement for the three months ended April 30, 2013

(amounts in thousands of Euro)	Note	three months ended April 30 2013 unaudited	% on Net revenues	three months ended April 30 2012 unaudited	% on Net revenues
Net revenues	3	782,294	100.0%	686,734	100.0%
Cost of goods sold		(206,436)	-26.4%	(190,308)	-27.7%
Gross margin		575,858	73.6%	496,426	72.3%
Operating expenses	4	(380,139)	-48.6%	(331,644)	-48.3%
EBIT		195,719	25.0%	164,782	24.0%
Interest and other financial income/(expenses), net	5	(6,162)	-0.8%	1,460	0.2%
Dividends received from third parties	5	288	-	-	-
Income before taxes		189,845	24.3%	166,242	24.2%
Taxation	6	(47,958)	-6.1%	(42,956)	-6.3%
Net income from continuing operations		141,887	18.1%	123,286	18.0%
Net income for the period		141,887	18.1%	123,286	18.0%
Net income – Non-controlling interests		3,729	0.5%	1,568	0.2%
Net income – Group		138,158	17.7%	121,718	17.7%
Depreciation, amortization and impairment		45,106	5.8%	35,315	5.1%
EBITDA		240,825	30.8%	200,097	29.1%
Basic and diluted earnings per share (in Euro per share)	7	0.054		0.048	

Consolidated statement of financial position

(amounts in thousands of Euro)	Note	as at April 30 2013 unaudited	as at January 31 2013 audited
Assets			
Current assets			
Cash and cash equivalents		610,542	571,746
Trade receivables, net	9	251,890	304,525
Inventories, net	8	357,334	343,802
Derivative financial instruments – current		18,413	43,060
Receivables from and advance payments to parent company and other related parties	10	23,568	19,493
Other current assets	12	118,201	104,823
Total current assets		1,379,948	1,387,449
Non-current assets			
Property, plant and equipment	11	1,002,745	857,299
Intangible assets	11	879,101	878,750
Associated undertakings		18,866	23,024
Deferred tax assets		171,844	176,057
Other non-current assets	13	73,324	61,682
Derivative financial instruments non-current		524	1,018
Total non-current assets		2,146,404	1,997,830
Total Assets		3,526,352	3,385,279
Liabilities and Shareholders' equity			
Current liabilities			
Bank overdrafts and short-term loans		172,427	175,570
Payables to parent company and other related parties	14	6,217	5,599
Trade payables	15	321,959	330,613
Current tax liabilities		129,317	97,148
Derivative financial instruments – current		3,218	912
Obligations under finance leases - current		491	575
Other current liabilities	16	104,737	131,645
Total current liabilities		738,366	742,062
Non-current liabilities			
Long-term financial payables		72,848	78,830
Obligations under finance leases non-current		472	518
Post-employment benefits		49,653	45,538
Provision for risks and charges	17	47,551	46,914
Deferred tax liabilities		47,295	55,636
Other non-current liabilities		87,435	84,905
Derivative financial instruments non-current		199	384
Total non-current liabilities		305,453	312,725
Total Liabilities		1,043,819	1,054,787
Share capital			
Share capital		255,882	255,882
Other reserves		2,091,601	1,480,747
Translation reserve		(17,525)	(42,288)
Net profit for the period		138,158	625,681
Total Shareholders' equity – Group		2,468,116	2,320,022
Shareholders' equity – Non-controlling interests		14,417	10,470
Total Liabilities and Shareholders' equity		3,526,352	3,385,279
Net current assets		641,582	645,387
Total assets less current liabilities		2,787,986	2,643,217

Statement of changes in consolidated shareholders' equity (amounts in thousands of Euro, except for number of shares)

(amounts in thousands of Euro)	Number of Shares	Share Capital	Share premium reserve	Cash flow hedge reserve	Actuarial gain (losses) reserve	Available for sale reserve	Other reserves	Translation reserve	Net profit	Equity attributable to owners of the Group	Non-controlling interests	Total Equity
Balance at January 31, 2012 (audited)	2,558,824,000	255,882	410,047	(4,173)	(1,192)	(58)	747,548	(17,239)	431,929	1,822,744	8,224	1,830,968
Allocation of 2011 net profit	-	-	-	-	-	-	431,929	-	(431,929)	-	-	-
Dividends	-	-	-	-	-	-	(127,941)	-	-	(127,941)	(5,576)	(133,517)
Capital injection in subsidiaries	-	-	-	-	-	-	-	-	-	-	1,166	1,166
Comprehensive income for the year (recycled to P&L)	-	-	-	24,321	-	5,544	-	(25,049)	625,681	630,497	6,656	637,153
Comprehensive income for the year (not recycled to P&L)	-	-	-	-	(5,278)	-	-	-	-	(5,278)	-	(5,278)
Balance at January 31, 2013 (audited)	2,558,824,000	255,882	410,047	20,148	(6,470)	5,486	1,051,536	(42,288)	625,681	2,320,022	10,470	2,330,492
Allocation of 2012 net profit	-	-	-	-	-	-	625,681	-	(625,681)	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the year (recycled to P&L)	-	-	-	(11,709)	-	(3,118)	-	24,763	138,158	148,094	3,947	152,041
Comprehensive income for the year (not recycled to P&L)	-	-	-	-	-	-	-	-	-	-	-	-
Balance at April 30, 2013 (unaudited)	2,558,824,000	255,882	410,047	8,439	(6,470)	2,368	1,677,217	(17,525)	138,158	2,468,116	14,417	2,482,533

Under Italian law, the Company is required to allocate a portion of its net profit to non-distributable reserves and to provide additional information on the distribution of earnings for the period.

Summarized statement of consolidated cash flows

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited	three months ended April 30 2012 unaudited
Net cash flows from operating activities	244,553	180,797
Cash flows generated/(utilized) by investing activities	(205,793)	(76,507)
Cash flows generated/(utilized) by financing activities	(10,172)	15,634
Change in cash and cash equivalents, net of bank overdrafts	28,588	119,924

Statement of consolidated comprehensive income

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited	twelve months ended January 31 2013 audited
Net income for the period – Consolidated	141,887	633,277
A) Items recycled to P&L:		
Change in Translation reserve	24,981	(25,989)
Tax impact	-	-
Change in Translation reserve less tax impact	24,981	(25,989)
Change in Cash Flow Hedge reserve	(16,147)	33,530
Tax impact	4,438	(9,209)
Change in Cash Flow Hedge reserve less tax impact	(11,709)	24,321
Change in Fair Value reserve	(4,157)	7,391
Tax impact	1,039	(1,847)
Change in Fair Value reserve less tax impact	(3,118)	5,544
B) Item not recycled to P&L		
Change in Actuarial reserve	-	(6,369)
Tax impact	-	1,091
Change in Actuarial reserve less tax impact	-	(5,278)
Consolidated comprehensive income for the period	152,041	631,875
Comprehensive income for the period – Non-controlling Interests	3,497	6,656
Comprehensive income for the period – Group	148,094	625,219

Notes to the consolidated results for the three months ended April 30, 2013

1. Presentation of PRADA Group

PRADA spa (the "Company"), together with its subsidiaries (jointly the "Group"), is listed on the Hong Kong Stock Exchange (stock code: 1913). It 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 more than 70 countries worldwide through a network that included 462 Directly Operated Stores (DOS) at April 30, 2013, and a selected network of luxury department stores, independent retailers and franchise stores.

The Company is a joint-stock company, registered and domiciled in Italy. Its registered office is in Via Fogazzaro 28, Milan, Italy.

2. Basis of preparation

The consolidated financial information for the three months ended April 30, 2013, included in this Announcement refers to the Group of companies controlled by PRADA spa (the "Company"), holding company of the PRADA Group (the "Group"), and are based on its consolidated results. Such consolidated results for the three months ended April 30, 2013, were prepared on a consistent basis compared to the Consolidated financial statements of the Group for the twelve months ended January 31, 2013, with the exception of new and revised IFRS issued by the IASB and endorsed by the European Union that are effective for the PRADA Group starting from the current period's financial information.

IFRS also refer to all the International Accounting Standards ("IAS") and all the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously named the Standing Interpretations Committee ("SIC").

New standards and amendments issued by the IASB, endorsed by the European Union and applicable to the PRADA Group effective from the current financial period

- Amendments to "IAS 19 Employee benefits";
- "IFRS 13 Fair Value measurement";
- Amendments to "IAS 12 Income Taxes";
- Amendments to "IFRS 7 Financial Instruments: Disclosures";
- "IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine".

These new IFRS and amendments do not have any significant impact on the consolidated financial results of the PRADA Group for the three months ended April 30, 2013.

On December 29, 2012, the European Union endorsed the "IFRS 10 Consolidated Financial Statements", the "IFRS 11 Joint Arrangements", the "IFRS 12 Disclosure of Interests in Other Entities", the Amendments to "IAS 28 Investment in Associates and Joint Ventures" and the Amendments to "IAS 27 Separate Financial Statements" that, according to IASB, are effective from January 1, 2013, but, because of the timing of the endorsement process in the European Union, are applicable to the PRADA Group from February 1, 2014. The early adoption of these new IFRS and amendments would not have had any significant impact on the Consolidated financial information of the Prada Group for the three months ended April 30, 2013.

3. Net revenues analysis

Net revenues for the three months period ended April 30, 2013

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited		three months ended April 30 2012 unaudited		% change
Net sales by geographical area					
Italy	101,363	13.1%	110,065	16.3%	-7.9%
Europe	158,325	20.5%	148,018	22.0%	7.0%
Americas	94,155	12.2%	76,625	11.3%	22.9%
Asia Pacific	315,564	40.8%	252,772	37.6%	24.8%
Japan (including Hawaii)	79,032	10.2%	80,499	12.0%	-1.8%
Middle East	22,831	3.0%	3,715	0.6%	514.6%
Other countries	1,301	0.2%	1,583	0.2%	-17.8%
Total	772,571	100.0%	673,277	100.0%	14.7%
Net sales by brand					
Prada	638,838	82.6%	541,539	80.4%	18.0%
Miu Miu	112,659	14.6%	107,338	15.9%	5.0%
Church's	16,763	2.2%	16,304	2.4%	2.8%
Car Shoe	3,733	0.5%	6,301	0.9%	-40.8%
Other	578	0.1%	1,795	0.4%	-67.8%
Total	772,571	100.0%	673,277	100.0%	14.7%
Net sales by product line					
Clothing	108,045	14.0%	113,837	16.9%	-5.1%
Leather goods	538,376	69.7%	417,256	62.0%	29.0%
Footwear	118,220	15.3%	134,694	20.0%	-12.2%
Other	7,930	1.0%	7,490	1.1%	5.9%
Total	772,571	100.0%	673,277	100.0%	14.7%
Net sales by distribution channel					
DOS	678,709	87.9%	569,652	84.6%	19.1%
Independent customers and franchises	93,862	12.1%	103,625	15.4%	-9.4%
Total	772,571	100.0%	673,277	100.0%	14.7%
Net sales	772,571	98.8%	673,277	98.0%	14.7%
Royalties	9,723	1.2%	13,457	2.0%	-27.8%
Total net revenues	782,294	100.0%	686,734	100.0%	13.9%

Number of stores

	April 30 2013		January 31 2013		April 30 2012	
	DOS	franchises	DOS	franchises	DOS	franchises
Prada	284	22	283	20	251	19
Miu Miu	126	7	126	5	95	6
Church's	45	-	45	-	43	-
Car Shoe	7	-	7	-	6	-
Total	462	29	461	25	395	25

	April 30 2013		January 31 2013		April 30 2012	
	DOS	franchises	DOS	franchises	DOS	franchises
Italy	48	5	48	5	45	5
Europe	136	6	137	6	119	6
Americas	62	-	66	-	49	-
Asia Pacific	131	18	130	14	116	14
Japan (including Hawaii)	71	-	66	-	64	-
Middle East	11	-	11	-	2	-
Africa	3	-	3	-	-	-
Total	462	29	461	25	395	25

4. Operating expenses

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited	% on net revenues	three months ended April 30 2012 unaudited	% on net revenues
Product design and development costs	28,135	3.6%	25,366	3.7%
Advertising and communications costs	38,767	5.0%	35,290	5.1%
Selling costs	269,001	34.4%	228,105	33.2%
General and administrative costs	44,236	5.7%	42,883	6.2%
Total	380,139	48.6%	331,644	48.3%

5. Interest and other financial expenses, net

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited	three months ended April 30 2012 unaudited
Interests expenses on borrowings	(1,379)	(2,498)
Interest income	1,103	1,155
Exchange gains /(losses) – realized	(843)	3,318
Exchange gains/(losses) – unrealized	(3,725)	411
Other financial income/(expenses)	(1,318)	(926)
Dividends received from third parties	288	-
Total	(5,874)	1,460

6. Taxation

(amounts in thousands of Euro)	three months ended April 30 2013 unaudited	three months ended April 30 2012 unaudited
Current taxation	45,727	45,730
Deferred taxation	2,231	(2,774)
Income taxes	47,958	42,956

7. Earnings and dividends per share

Earnings per share

Earnings per share are calculated by dividing the net income attributable to Group's shareholders by the weighted average number of ordinary shares in issue.

	three months ended April 30 2013 unaudited	three months ended April 30 2012 unaudited
Group's net income in Euro	138,157,640	121,718,180
Weighted average number of ordinary shares in issue	2,558,824,000	2,558,824,000
Earnings per share in Euro, calculated on weighted average number of shares	0.054	0.048

Dividends per share

During the period ended April 30, 2013, PRADA spa did not distribute any dividend, but the Board of Directors of the Company held on April 5, 2013, recommended for the financial statements ended January 31, 2013, a final dividend of Euro 230,294,160 (or 9 Euro/cents per share) and the Annual General Meeting held on May 23, 2013, approved such dividend distribution. In accordance with "IAS 10 Events after the Balance Sheet Date" the Euro 230.3 million dividends payable was not recognized as a liability at April 30, 2013.

During the period ended January 31, 2013, the Company distributed dividends of Euro 127,941,200, as approved by the Annual General Meeting held on May 22, 2012, to approve the financial statements for the year ended January 31, 2012. The payment of the dividends and the related Italian withholding tax, arising, where applicable, from the application of the Italian ordinary withholding tax rate to the dividends, was completed by January 31, 2013.

8. Inventories, net

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Raw materials	93,375	79,559
Work in progress	25,018	24,620
Finished products	313,579	314,244
Allowance for obsolete and slow moving inventories	(74,638)	(74,621)
Total	357,334	343,802

The level of inventories increased just because of the raise in raw materials stocked, as in line with the needs of the seasonal phasing of the production cycles.

9. Trade receivables, net

Trade receivables are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Trade receivables from third parties	231,971	286,390
Allowance for bad and doubtful debts	(11,488)	(11,547)
Trade receivables from related parties	31,407	29,682
Total	251,890	304,525

The reduction in trade receivables, typical of this part of the year, was related to the collection of the wholesale deliveries.

10. Receivables from and advance payments to parent company and other related parties

Receivables from and advance payments to parent company and other related parties are detailed below:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Financial receivables from other related parties	1,414	1,413
Other receivables from PRADA Holding bv	280	249
Other receivables from other comp. controlled by PRADA Holding bv	4	3
Other receivables from other related parties	2,099	2,652
Advance payments to other related parties	19,771	15,176
Total	23,568	19,493

Advance payments to other related parties included Euro 17 million of advance payments made to Luna Rossa Challenge NZ Ltd and Luna Rossa Challenge srl in accordance with the contracts signed for sponsorship of the

Luna Rossa yacht in relation to its participation in the XXXIV edition of the America's Cup. The remaining Euro 2.8 million essentially consisted of advances paid to Progetto Prada Arte srl and Stichting Fondazione Prada for cultural initiatives to be undertaken after the reporting period.

11. Capital expenditure

Changes in the net book value of Property, plant and equipment in the period ended April 30, 2013, are as follows:

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improvements	Furniture & fittings	Other tangible	Assets under construction	Total net book value
Balance at January 31, 2013 (audited)	211,580	17,448	373,043	110,310	39,413	105,505	857,299
Additions	109,156	1,500	5,933	12,859	796	42,056	172,300
Depreciation	(1,817)	(1,856)	(25,547)	(7,140)	(1,649)	-	(38,009)
Disposals	-	(33)	-	-	(23)	(14)	(70)
Exchange differences	2,694	12	6,794	1,907	171	468	12,046
Other movements	6,079	48	5,101	3,788	174	(15,726)	(536)
Impairment	-	-	(68)	(211)	-	(6)	(285)
Balance at April 30, 2013 (unaudited)	327,692	17,119	365,256	121,513	38,882	132,283	1,002,745

Changes in the net book value of Intangible assets in the period ended April 30, 2013, are as follows:

(amounts in thousands of Euro)	Trade-marks	Goodwill	Store Lease Acquisitions	Software	Development costs	Assets in progress	Total net book value
Balance at January 31, 2013 (audited)	291,105	503,987	65,763	7,988	1,677	8,230	878,750
Additions	105	-	2,876	113	-	2,864	5,958
Amortization	(2,713)	-	(2,953)	(864)	(231)	-	(6,761)
Disposals	-	-	-	-	-	-	-
Exchange differences	803	134	263	8	-	29	1,237
Other movements	-	-	3,737	1,674	-	(5,444)	(33)
Impairment	-	-	-	-	-	(50)	(50)
Balance at April 30, 2013 (unaudited)	289,300	504,121	69,686	8,919	1,446	5,629	879,101

12. Other current assets

Other current assets are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
VAT	25,100	25,072
Income tax and other tax receivables	22,206	20,540
Other assets	17,378	16,731
Prepayments and accrued income	51,897	41,266
Deposits	1,620	1,214
Total	118,201	104,823

13. Other non-current assets

Other non-current assets are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Guarantee deposits	56,958	50,898
Deferred rental income	5,771	2,410
Other receivables	10,595	8,374
Total	73,324	61,682

14. Payables to parent company and other related parties

Payables to parent company and other related parties are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Financial payables to other related parties	5,202	5,018
Other payables to PRADA Holding bv	119	120
Other payables to other companies controlled by PRADA Holding bv	-	3
Other payables to other related parties	896	458
Total	6,217	5,599

15. Trade payables

Trade payables are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Trade payables – third parties	312,683	323,894
Trade payables – related parties	9,276	6,719
Total	321,959	330,613

16. Other current liabilities

Other current liabilities are detailed as follows:

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Payables for capital expenditure	29,963	57,969
Accrued expenses and deferred income	10,948	9,810
Other payables	63,826	63,866
Total	104,737	131,645

17. Provisions for risks and charges

Movements in provisions for risks and charges are summarized as follows:

(amounts in thousands of Euro)	Provision for litigation	Provision for tax disputes	Other provisions	Total
Balance at January 31, 2013 (audited)	1,775	27,467	17,672	46,914
Exchange differences	15	(38)	306	283
Reversals	(8)	-	(79)	(87)
Uses	(22)	-	(29)	(51)
Increases	-	371	121	492
Balance at April 30, 2013 (unaudited)	1,760	27,800	17,991	47,551

During the three months ended April 30, 2013, there were neither significant development regarding the outstanding litigations at January 31, 2013, nor new controversy occurred during the period so as to considerably adjust the estimates made to account for Provisions for risks and charges at January 31, 2013.

Management Discussion and Analysis for the three months ended April 30, 2013

Net revenues

In the three months ended April 30, 2013, the PRADA Group recorded net revenues of Euro 782.3 million, a double-digit growth of +13.9% compared to Euro 686.7 million posted in the three months ended April 30, 2012. At constant exchange rates the growth was +15.2%.

Distribution channels

The business expansion achieved by the Group was substantially supported by the enduring positive contribution of the retail channel which, counting on a total of 462 Directly Operated Stores (DOS) as at April 30, 2013, posted net sales of Euro 678.7 million and scored a progress of +19.1% on Euro 569.7 million recorded in the three months ended April 30, 2012. At constant exchange rates the growth was +20.8% and on a Same Store Sales Growth (SSSG) basis it was +8%. The contribution to total net sales climbed up to 87.9% from 84.6% related to the same period of 2012.

In these first three months of 2013 the Group opened a net of 1 store (2 openings and 1 closing).

The wholesale channel, contributing for the remaining 12.1% of total net sales, recorded a downturn of 9.4% compared to the same three months of 2012. As expected, business curtailment occurred in Italy and Europe, while new accounts and signs of recovery in the US market mitigated the shrinkage in the channel in the first three months of the year.

Markets

In terms of geographical areas, the three months ended April 30, 2013, showed different trends.

The Asia Pacific market recorded net sales of Euro 315.6 million, up by +24.8% compared to the three months ended April 30, 2012 (+23.1% at constant exchange rates). Thanks to the performances of both the retail and wholesale channels, the contribution of the region to the consolidated net sales rose from 37.6% to 40.8%. In particular, the DOS owned by the Group scored a +6% SSSG while new wholesale accounts, essentially the 4 DOS opened in franchising in South Korea, Singapore and Taiwan in the three months ended April 30, 2013, fueled further the pace of growth of the region. The Greater China area (China, Hong Kong and Macau) recorded net sales for Euro 200.9 million, an increase of +24.3% over Euro 161.6 million posted in the same period of last year (+22.9% at constant exchange rates and +9% SSSG).

In the three months ended April 30, 2013, Europe's net sales totaled Euro 158.3 million and grew +7% (+8.2% at constant exchange rates) compared to Euro 148.0 million posted in the three months ended April 30, 2012. The expansion achieved by the retail channel (+18.2% as reported, +19.7% at

constant exchange rates and +9% on a SSSG basis) was lowered by the persistent selective strategy over the wholesale business in the region.

The Italian market posted net sales of Euro 101.4 million in the first three months of the year, down by 7.9% compared to the same period of 2012. The reduction essentially arose from the wholesale channel that decreased by 35.9% as a result of timing differences in deliveries and, same as Europe, the ongoing selective strategy, in a persistent difficult market condition for this channel which is more oriented to the domestic demand. The domestic market was anyway well balanced by the performance of the retail channel that managed to gain a +9.1% increase over the three months ended April 30, 2013, notably +8% on a SSSG basis.

Net sales in the Americas amounted to Euro 94.2 million and achieved a +22.9% expansion compared to Euro 76.6 million posted in the three months ended April 30, 2012 (almost unchanged at constant exchange rates). The retail channel, contributing most of the net sales of the area and counting on a total of 62 DOS at April 30, 2013, generated a +26.7% increase compared to the same period of 2012 (+7% SSSG). During the period, the expansion project in South America went on with the opening of the first Prada store in Rio de Janeiro, Brazil. The wholesale channel delivered a growth of +9.9% compared to the same period of 2012 (almost unchanged at constant exchange rates).

In the three months ended April 30, 2013, the Japanese market generated net sales of Euro 79.0 million recording a 1.8% slowdown just because of the weakening of the Japanese Yen. In fact, at constant exchange rates, the area delivered a +12.2% growth, even more appreciable on a SSSG basis with a +11% increase.

Increasingly important, the Middle East market with its 11 DOS as at April 30, 2013, raised net sales of Euro 22.8 million and recorded a triple-digit growth over the same period of the previous year.

Products

In the three months ended April 30, 2013, the Leather goods contribution to the consolidated net sales climbed up to 69.7% from 62% contributed the same period of last year. Net sales generated by this product category were Euro 538.4 million, +29% compared to Euro 417.3 million posted in the three months ended April 30, 2012. In all geographical areas the Leather goods scored double-digit growth rates at constant exchange rates.

Essentially because of the reduction in the wholesale business, the Footwear product category, delivering net sales of Euro 118.2 million in the three months ended April 30, 2013, decreased by 12.2% over Euro 134.7 million recorded in the same period of 2012 (-11.4% at constant exchange rates).

Same as Footwear, but to a lesser extent, the trend in the wholesale business affected the performance of the Ready-to-wear that recorded net sales of Euro 108.0 million in the three months ended April 30, 2013, and posted a decrease of 5.1% compared to the same period of last year (-3.8% at constant exchange rates).

Conversely, the trend in retail for both Footwear and Ready-to-wear was slightly positive.

Brands

The Group's business expansion was mainly sustained by the Prada brand which scored net sales of Euro 638.8 million, a +18% double-digit growth compared to the three months ended April 30, 2012 (+19.1% at constant exchange rates). In the three months ended April 30, 2013, the Prada brand contribution to total net sales climbed up to 82.6% from 80.4% recorded in the same three months of 2012. The business development was totally generated in the retail channel that compensated the slowdown recorded in the wholesale channel.

In the three months ended April 30, 2013, Miu Miu brand generated net sales totaling Euro 112.7 million, +5% compared to Euro 107.3 million posted in the three months ended April 30, 2012 (+7.4% at constant exchange rates). The current market conditions together with the under representation of the brand in fast growing markets mitigated the development in the quarter.

Thanks to the wholesale channel and markets such as Americas and Europe, the Church's brand posted net sales of Euro 16.8 million, up by +2.8% compared to the same three months period of 2012 (+4.7% at constant exchange rates).

Car Shoes net sales amounted to Euro 3.7 million and heavily declined compared to Euro 6.3 million posted in the three months ended April 30, 2012, due in part to different delivering to wholesale.

Royalties

The business of the licensed products contributed net revenues of Euro 9.7 million compared to Euro 13.5 million posted in the three months ended April 30, 2012, the latter being boosted by the royalties coming from the licensing agreement with LG Electronics for the sale of the PRADA Phone by LG 3.0

Operating results

For the three months ended April 30, 2013, the consolidated EBITDA amounted to Euro 240.8 million, recording an increase of +20.4% compared to Euro 200.1 million reported in the same period of 2012. As a percentage on consolidated net revenues, the EBITDA increased from 29.1% for the three months ended April 30, 2012, to 30.8% in the current period. The improvement in the operating profitability was first achieved at gross margin level, mainly thanks to a more favorable mix of sales in terms of channel, product and geography, then slightly diluted following to the higher amount of operating expenses incurred in the first three months of 2013 compared to the same period of 2012.

The consolidated operating expenses for the three months ended April 30, 2013, totaled Euro 380.1 million, up by +14.6% compared to the same period of 2012. The selling expenses contributed the most to the increase, as

impacted by the fast expansion of the retail network occurred in the second half of the 2012 financial year. The growth of the business in general and a higher media spending made the rest of the increase.

As a result of the above, the consolidated EBIT achieved for the three months ended April 30, 2013, amounted to Euro 195.7 million, up by +18.8% compared to the Euro 164.8 million gained in the same period of 2012. As a percentage on net revenues, the EBIT grew from 24% in the first three months of 2012 to 25%.

The Group's net result raised to Euro 138.2 million in the three months ended April 30, 2013, up by +13.5% compared to the same period of last year, despite the negative contribution of financial income/expenses mainly attributable to exchange rate losses of Euro 4.6 million versus a gain of Euro 3.7 million in the same period of 2012.

Net invested capital

The following table contains the Statement of financial position reclassified in order to provide a better picture of the composition of the Net invested capital.

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Non-current assets (excluding deferred tax assets)	1,974,560	1,821,773
Trade receivables, net	251,890	304,525
Inventories, net	357,334	343,802
Trade payables	(321,959)	(330,613)
Net operating working capital	287,265	317,714
Other current assets (excluding financial position items)	158,768	165,962
Other current liabilities (excluding financial position items)	(238,288)	(230,285)
Other current assets/(liabilities), net	(79,520)	(64,323)
Provisions for risks	(47,551)	(46,914)
Post-employment benefits	(49,653)	(45,538)
Other long-term liabilities	(87,634)	(85,289)
Deferred taxation, net	124,550	120,421
Other non-current assets/(liabilities), net	(60,288)	(57,320)
Net invested capital	2,122,017	2,017,844
Shareholders' equity – Group	(2,468,116)	(2,320,022)
Shareholders' equity – Non Controlling Interests	(14,417)	(10,470)
Total consolidated Shareholders' equity	(2,482,533)	(2,330,492)
Long term financial payables	(73,320)	(79,348)
Short term financial , net surplus/(deficit)	433,836	391,996
Net financial position surplus/(deficit)	360,516	312,648
Shareholders' equity and Net financial position	(2,122,017)	(2,017,844)

At April 30, 2013, the Net invested capital stood at Euro 2,122.0 million, up by Euro 104.2 million compared to January 31, 2013, when it was equal to Euro 2,017.8 million. The increase arose from the strengthening in the Non-current assets, partially offset by the reduction in the Net operating working capital and other assets and liabilities. The Non-current assets, essentially tangible and intangible assets, increased following to the capital expenditure

for the three months period (Euro 178.3 million) and the currencies translation effect (Euro 13.3 million), net of the depreciation and amortization (Euro 45 million). The reduction in the Net operating working capital was driven by the collection of the receivables relating to the wholesale business.

The Shareholders' equity of the Group increased from Euro 2,320 million at January 31, 2013, to Euro 2,468.1 million at April 30, 2013, essentially because of the Group's net income for the three months ended April 30, 2013, totaling Euro 138.2 million, and the positive impact of the translation into Euro of the net assets denominated in foreign currencies. According to IFRS, the dividend payable on the 2012 financial statements amounting to Euro 230.3 million approved by the Annual General Meeting of PRADA spa held on May 23, 2013, was not included in these Condensed consolidated financial statements as occurred after the reporting date.

Net financial position surplus/(deficit)

(amounts in thousands of Euro)	as at April 30 2013 unaudited	as at January 31 2013 audited
Long-term debt	(72,848)	(78,830)
Obligations under finance leases	(472)	(518)
Long-term financial payables	(73,320)	(79,348)
Bank overdraft and short term loans	(172,427)	(175,570)
Payables to related parties	(5,202)	(5,018)
Receivables from related parties	1,414	1,413
Obligations under finance leases	(491)	(575)
Cash and cash equivalents	610,542	571,746
Short-term net financial surplus/(deficit)	433,836	391,996
Net financial position surplus/(deficit)	360,516	312,648

The free cash flow for the three months ended April 30, 2013, amounted to Euro 38.8 million and resulted from the generation of cash from operations for Euro 244.6 million and the utilization of funds for investing activities of Euro 205.8 million. The surplus funds gained in the three months allowed to rise further the positive net financial position to Euro 360.5 million, up by 47.9 million from Euro 312.6 million at January 31, 2013.

Analysis of capital expenditure

The capital expenditure in Property, plant and equipment and Intangible assets for the three months ended April 30, 2013, was allocated to the strengthening of the retail channel for Euro 160 million, to the production and logistics activities for Euro 4 million and to the corporate area for Euro 14 million. In particular, the retail network development included the purchase of a prestigious real estate in Old Bond Street, London, already operating as a Prada brand DOS under a lease agreement.

Outlook

The Group recorded another very positive quarter amid uncertain market conditions, due to enduring macroeconomic volatility.

The Management will remain focused on the development of the Group's worldwide retail operations with a close attention to cost and working capital management in order to preserve cash flow generation.

Corporate Governance Practices

Audit Committee

The Audit Committee, which comprises three independent non-executive directors, on June 11, 2013, reviewed the unaudited consolidated results of the Company and its subsidiaries for the three months ended April 30, 2013.

Compliance with the Corporate Governance Code of the Listing Rules

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the applicable code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rules during the three months ended April 30, 2013.

Purchase, Sale, or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended April 30, 2013.

Publication of Announcement on consolidated results for the three months ended April 30, 2013

This announcement on the unaudited consolidated results for the three months ended April 30, 2013, is published on the Company's website at www.pradagroup.com and on the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk.

By Order of the Board
PRADA S.p.A.
Mr. Carlo Mazzi
Deputy Chairman

Milan (Italy), June 11, 2013

As at the date of this announcement, the Company's executive directors are Ms. Miuccia PRADA BIANCHI, Mr. Patrizio BERTELLI, Mr. Carlo MAZZI and Mr. Donatello GALLI; the Company's non-executive directors are Mr. Marco SALOMONI and Mr. Gaetano MICCICHÈ and the Company's independent non-executive directors are Mr. Gian Franco Oliviero MATTEI, Mr. Giancarlo FORESTIERI and Mr. Sing Cheong LIU.