

PRESS RELEASE

**PRADA SPA APPROVES GROUP RESULTS FOR FIRST QUARTER OF 2013:
POSITIVE TREND OF GROWTH CONFIRMED**

CONSOLIDATED NET REVENUES of Euro 782 million, +14%

EBITDA of Euro 241 million, +20%

EBIT of Euro 196 million, +19%

NET INCOME of Euro 138 million, +14%

Positive NET FINANCIAL POSITION of Euro 360.5 million

Milan, June 11, 2013 – The Prada spa Board of Directors today reviewed and approved the consolidated results for the quarter ended April 30, 2013 which show steady revenue and earnings growth.

Consolidated net revenues amounted to Euro 782.3 million, a 13.9% increase (+15.2% at constant exchange rates) on the Euro 686.7 million reported for 1Q12.

EBITDA amounted to Euro 240.8 million, a 20.4% increase on 1Q12, and represented 30.8% of consolidated net revenues.

EBIT amounted to Euro 195.7 million and represented 25% of consolidated net revenues, improved from 24% reported in 1Q12.

Net income increased by 13.5% from Euro 121.7 million in 1Q12 to Euro 138.2 million in 1Q13.

The positive **Net Financial Position** improved to Euro 360.5 million from Euro 312.6 million at January 31, 2013.

Analysis of revenues

Distribution channels

Revenues for the quarter followed contrasting trends in the two main distribution

channels. Sales through Directly Operated Stores (462 DOS at April 30, 2013) amounted to Euro 678.7 million and increased by 19.1% (+20.8% at constant exchange rates); they were also sustained by solid Same Store Sales Growth of +8%. Meanwhile, sales in the wholesale channel fell by 9.4%, in line with expectations and as a result of the selective approach to independent customers.

Markets

The **Asia Pacific** market grew by 24.8% (+23.1% at constant exchange rates) thanks to the strong contribution of Directly Operated Stores in Greater China.

A similar trend was seen in the **Americas** with +23% growth at constant exchange rates. In the Americas, growth in the retail channel was accompanied by a healthy increase in the wholesale channel, confirming the strength of the US market.

The **European** market remained broadly unchanged (+1.3% growth at constant exchange rates) with contrasting dynamics in each of the two main distribution channels: sales through the retail network, primarily boosted by the healthy flow of travelers, continued to enjoy double figure growth while the wholesale channel recorded a significant drop in revenues.

The **Japanese** market recovered well with revenue growth of 12.2% at constant exchange rates, though the weakening of the Yen resulted in a 1.8% drop in revenues in Euro.

Brands

The **Prada** brand achieved +18% revenue growth (+19.1% at constant exchange rates), confirming its solidity. **Miu Miu** also performed well with +5% growth (+7.4% at constant exchange rates) as did **Church's** with a +2.8% increase (+4.7% at constant exchange rates). However, the revenues of **Car Shoe** fell because of the overall reduction in the wholesale channel.

Products

Revenues from sales of **leather goods** again grew strongly with a +29% increase and reached almost 70% of consolidated net revenues for the quarter. Meanwhile, **apparel and footwear**, more exposed to the wholesale channel, recorded revenue decreases of

PRADA spa

5.1% and 12.2%, respectively.

Patrizio Bertelli, Chief Executive Officer of Prada Spa, commented: *“In an international economic environment that remains extremely volatile and uncertain, the Prada Group has recorded another highly positive quarter, continuing along its path of development founded on solid and lasting growth. In 2013, we will again concentrate on the international expansion of our retail network but without moving away from tight control over costs and working capital, also in order to safeguard our cash flow generation”.*

For further information, please contact:

Prada Press Office

Tel. +39.02.541921

e-mail: ufficio.stampa@prada.com

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 462 directly operated stores (DOS) at April 30, 2013 and a select network of luxury department stores, independent retailers and franchise stores.