

**PRESS RELEASE**

**PRADA SPA APPROVES GROUP RESULTS FOR THE FIRST NINE MONTHS OF 2012**

**CONSOLIDATED NET REVENUES of € 2,339.3 million, + 35%**

**EBITDA of € 727.9 million, + 50%**

**EBIT of € 612.5 million, +56%**

**NET INCOME of € 408.6 million, +50%**

**Milan, December 6 2012** – The Prada SpA Board of Directors today examined and approved the Interim Consolidated Report for the nine months ended October 31, 2012 which confirmed the Group's ability to maintain excellent rates of growth.

**CONSOLIDATED NET REVENUES** amount to € 2,339 million, up by 35% (+27% at constant exchange rates) on the € 1,730 million reported for the first nine months of prior year and confirming the trend already seen in the first half of the year.

**EBITDA**, representing 31% of consolidated net revenues, reached € 727.9 million with a 50% increase on 2011.

**EBIT** amounts to € 612.5 million, 26% of consolidated net revenues and up by 56% on the first nine months of prior year.

**NET INCOME** has increased by 50% from € 273.2 million in 2011 to € 408.6 million and represents 17.5% of consolidated net revenues.

The net financial position is positive and has improved from Euro 14 million at the start of February to Euro 211 million, benefiting from strong cash generation which has also made it possible to finance capex for the period and distribute dividends totaling Euro 131 million to the shareholders.

## **Analysis of revenues**

### Distribution channels

In line with the strategy pursued by the Group for several years now, in the first nine months of 2012, the retail channel again made the greatest contribution towards revenue growth. Sales made by Directly Operated Stores generated revenues of Euro 1,917 million, a 43% increase (+34% at constant exchange rates). Revenue growth has been achieved by both new stores – 63 new stores have opened in the last 12 months – and existing stores which, at constant exchange rates, have continued to register strong growth : +18%, *Same Store Sales Growth*.

The wholesale channel generated net revenues of €390 million and a 6% increase on prior year.

### Brands

All of the Group's brands performed well, especially Prada which enjoyed 39% growth. Meanwhile, Miu Miu grew by 21%, Church's by 15% and Car Shoe by 8%.

### Markets

Double digit growth – also at constant exchange rates – was achieved on all markets including Europe where revenues grew by 33% (+32% at constant exchange rates) thanks to the steady flow of tourists and Asia Pacific where revenues increased by 41% (+28% at constant exchange rates). Highly positive results were also achieved on the American market with revenues up by 28% (+16% at constant exchange rates) and in Japan where revenues grew by 27% (+15% at constant exchange rates).

### Products

Leather goods grew by 51% and now account for 63% of consolidated sales; meanwhile clothing and footwear both recorded increases of 15%.

## **Strategy and development**

The Group continued with the international expansion of its retail network in the third quarter of the year and has now opened 42 new stores in the first nine months of the year. Some of the most significant new store openings have seen Prada enter the market in Brazil, Mexico, Morocco and Ukraine while Miu Miu has entered the market in Brazil, Mexico, Morocco and Kuwait.

At October 31, 2012, the retail network comprised a total of 428 Directly Operated Stores, including 270 Prada stores, 108 Miu Miu, 44 Church's and 6 Car Shoe; 13 more stores have been opened in the five weeks since October 31.

Patrizio Bertelli, Chief Executive Officer of Prada Spa, commented: *"It has been another extremely satisfactory quarter. The Group has continued to grow at a rate that has exceeded our expectations but great care has still been paid to cost control and working capital management. This has enabled us further to improve our profitability and cash flow. The Prada Group has again shown that it has the necessary ability and spirit of initiative to generate positive results, even in the difficult current international economic climate."*

For further information, please contact:

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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 428 directly operated stores (DOS) at October 31, 2012 and a select network of luxury department stores, independent retailers and franchise stores.