

PRESS RELEASE

**THE GROUP APPROVES THE HALF-YEARLY FINANCIAL STATEMENT
AS OF 31 JULY 2011**

CONSOLIDATED REVENUES at € 1,134.3 million, +21.1%

EBITDA at € 315 million, +39.9%

EBIT at € 253.4 million, +47.1%

NET PROFIT at € 179.5 million, +74.2%

Milano, September 19th, 2011 – The Board of Directors of Prada SpA approved the half-yearly Consolidated Financial Statement closed at July 31st, 2011.

The development of the retail network and the continuous success of the collections, always characterised by top levels of quality and innovation, allowed the Group to post excellent results, both in terms of sales volumes and of profitability, thus achieving growth rates amongst the highest in the global luxury goods market.

CONSOLIDATED REVENUES were € 1,134.3 million, i.e. a 21.1% increase (+24.1% at constant exchange rates) as against € 936.5 million in the first half of 2010.

EBITDA was € 315 million, i.e. 27.8% of revenues and a 39.9% increase over the first half of 2010.

EBIT was € 253.4 million, or 22.3% of revenues, up 47.1% from the same period of the previous fiscal year.

NET PROFIT increased to € 179.5 million, i.e. a sharp growth equal to 74.2%, from € 103 million of the first half of 2010.

The investment made in this period, mainly dedicated to the expansion of the retail network, totalled 134.7 million Euros, that was easily covered by the operating cash flow.

The Group's Net Financial Position as of July 31st, 2011, was € 135.2 million with a

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sharp improvement over € 408.6 million as of the end of January; this was the outcome of the combined effect of the € 206.6 million capital increase reserved to the market and of the free cash flow from operations.

Sales analysis

The first half of the 2011 fiscal year was again characterised by the strong growth of the retail channel, +33.4%, +22% on a like for like basis, that accounts 74.8% of consolidated sales.

The wholesale channel, in keeping with the Group's distribution strategy, is in line with the first half of last year and has reached € 282 million, which accounts for about 25.2% of the Group's sales.

All the brands experienced a positive trend: Prada, which grew by 21.3%, accounts for 78.6% of total sales, whilst Miu Miu, that posted a faster growth rate of 24.9%, accounts for 17.8%.

In terms of the geographical breakdown, Asia-Pacific is once again the Group's largest market with sales equal € 368 million, a 35.4% increase, +41.1% at constant exchange rates.

All the other markets also posted a positive trend: Europe with +17.2%, the United States with +16.4% (+26% at constant exchange rates) and Japan that also recorded a good recovery, with a 8.2% growth, +6% at constant exchange rates.

As far as product categories are concerned, leather goods grew by 35.3%, and now account for over 55% of total sales. Ready-to-wear was stable, whilst footwear grew by 13.3% over 2010.

Strategy and development

The company's strategy focuses on the expansion of its retail network, by means of a plan that includes an average of 80 new store openings each year for the next three years and that will allow the Group to have about 550 DOSs by the end of 2013.

This plan is destined to extend the Group's presence both in countries that experience a

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high growth rate in the luxury industry, and in areas where the Group's brands are still under-represented.

Hence, we expect, at the end of 2013, about half of the new stores will be in Asia, with around 50 in China, and to develop a significant network also in Russia, in the Gulf region and in Latin America, that were previously served through franchising agreements.

During the last half year, the Group opened 29 new stores, plus 15 more in the following weeks, which brought the retail network to the current number of 358 DOSs.

Patrizio Bertelli, CEO of Prada SpA, commented: *“I am particularly satisfied with the results obtained in these six months, that confirm our expectations based on the Group's expansion strategy, which was presented to the investors during the roadshow leading to the IPO on the Hong Kong Stock Exchange. Achieving these results confirms the soundness of our decisions and, in perspective, lies the foundations on which we will base our trust in the future growth of the Group.”*

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PRADA S.p.A.

PRADA S.p.A. – HKSE stock code 1913 - is one of the world's leaders in the luxury goods sector, operating actively with the Prada, Miu Miu, Church's and Car Shoe brands to produce and market high-quality handbags, leather goods, footwear, clothing and accessories. Furthermore, the Group operates in the eyewear and fragrances sectors on the basis of license agreements. Its products are distributed in more than 70 countries around the world through 345 directly operated stores (DOS) as of 31 July 2011 and a network of selected luxury department stores, multi-brand stores and franchisees.