

PRESS RELEASE

PRADA GROUP PRELIMINARY SALES FIGURES FOR THE FIRST HALF OF 2015

Milan, August 7, 2015

The **consolidated net revenues** of the Prada Group for the six months ended July 31, 2015 amounted to Euro 1,823 million, with a 4% increase compared to the corresponding period in 2014, entirely thanks to the retail channel which more than compensated for a decrease in wholesale channel sales.

Indeed, the sales of the **wholesale** channel for the period ended July 31, 2015 totaled Euro 248 million and are down by 14% at current exchange rates, in keeping with the strategy of rationalization of the network of wholesale partners.

Retail channel by geographical area

Vice-versa, the sales of the Group's **retail network** have grown by 8% at current exchange rates to stand at Euro 1,552 million, benefiting from the positive effect of exchange rates accompanied by a general improvement in sales performance.

The **European market** has continued to grow with revenues up at both current exchange rates +12% and constant exchange rates +11%, thanks to a steady flow of tourists together with a recovery in consumption by domestic customers.

The **Japanese market** has also performed extremely well with growth at both current exchange rates +12% and constant exchange rates +5%; double digit rates of growth were achieved throughout the second quarter.

Meanwhile, the **Asia Pacific market** shows a similar negative trend, as in the first quarter of the year, offset by a positive rate exchange effect. Hong Kong and Macau remain the main drivers affecting the performance in this geographical area.

At current exchange rates, sales increased in the **Americas** and in the **Middle East** reaching 15% growth in both markets; in the Middle East, performance improved significantly in real terms in the second quarter.

Retail channel by brand

The **Prada** brand has recorded 5% growth at current exchange rates which is entirely attributable to the exchange rate effect, mainly because of the adverse economic situation in the Asian

PRADA spa

market. Meanwhile, **Miu Miu** continues to grow with revenues up at both current exchange rates +19% and constant exchange rates +6%, showing an acceleration in the second quarter of the year. **Church's** has also achieved sales growth, +19%, with the volumes trend also remaining largely positive. Finally, **Car Shoe** has performed broadly in line with prior year.

Patrizio Bertelli, Chief Executive Officer of Prada Spa, commented: *“Sales in the first half of 2015 reflect an economic and exchange rate landscape that remains rather volatile with the continuing weakness of important markets like Hong Kong and Macau and the uncertainty that is looming on other Asian markets. Our distribution structure, which has achieved an appropriate global presence, together with our awareness of the specific needs of the various markets, has enabled us to compensate for the drop in sales in Asia Pacific thanks to growth on markets which are currently more dynamic like Europe and Japan. We will continue to prioritize measures intended to sustain long-term growth focusing on our manufacturing tradition and innovation, as again confirmed recently by the success of our latest collections.”*

Full results for the first half of financial year 2015 will be announced upon approval by the Board of Directors at a meeting provisionally scheduled for September 30, 2015.

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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. Moreover, in 2014, Prada acquires the 80% of Angelo Marchesi srl, owners of the historic Milanese pastry shop founded in 1824. The Group operates, under licensing agreements, in the eyewear and fragrance sectors. Its products are sold in 70 countries worldwide through a network that included 605 directly operated stores (DOS) at July 31, 2015 and a select network of luxury department stores, independent retailers and franchise stores.