

*Unless otherwise defined in this announcement, terms defined in the prospectus dated 13 June 2011 (the “**Prospectus**”) issued by PRADA S.p.A. (the “**Company**”) have the same meanings when used in this announcement.*

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares.

*The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States or Italy. These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or in Italy. The Shares mentioned herein have not been, and will not be, registered under the United States Securities Act 1933, as amended (the “**US Securities Act**”). The Shares mentioned herein may not be offered or sold in the United States or to or for the benefit of US Persons (as defined under Regulation S) except pursuant to registration or an applicable exemption from registration requirements under the US Securities Act, and any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements. No public offering of the Offer Shares will be made in the United States. No prospectus have been cleared or approved by CONSOB (the Italian public authority responsible for regulating the domestic securities market). Accordingly, no offer to the public will be made in Italy with respect to the Offer Shares.*

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

PRADA S.p.A.

Via A. Fogazzaro n. 28 Milan

Registry of Companies Milan, Italy: No. 10115350158

(Incorporated under the laws of Italy as a joint-stock company)

(**Stock Code: 1913**)

EXERCISE OF OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option has been fully exercised by the Joint Global Coordinators on behalf of the International Underwriters on June 30, 2011 to require Prada Holding B.V. to sell 63,489,000 additional Shares (the “**Over-allotment Shares**”), representing in aggregate approximately 15% of the Offer Shares initially offered under the Global Offering to cover over-allocations in the International Placing. The Over-allotment Shares will be sold by Prada Holding B.V. at HK\$39.50 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering.

The Company announces that the Over-allotment Option has been fully exercised by the Joint Global Coordinators on behalf of the International Underwriters on June 30, 2011 to require Prada Holding B.V. to sell 63,489,000 additional Shares, representing in aggregate approximately 15% of the Offer Shares initially offered under the Global Offering.

The Over-allotment Shares will be sold by Prada Holding B.V. at HK\$39.50 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Share under the Global Offering. The Over-allotment Shares will be used to cover over-allocations in the International Placing.

Listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Hong Kong Stock Exchange.

The shareholding structure of the Company immediately before and after the sale of the Over-allotment Shares by Prada Holding B.V. is as follows:

(A) IMMEDIATELY BEFORE THE SALE OF THE OVER-ALLOTMENT SHARES

Shareholders	Number of Shares	Approximate percentage of issued share capital (%)
Prada Holding B.V.	2,109,959,760	82.5%
Gipafin S.à r.l.	2,109,959,760	82.5%
Bellatrix S.à r.l.	2,109,959,760	82.5%
Ludo S.A.	2,109,959,760	82.5%
Miuccia Prada ⁽¹⁾	2,109,959,760	82.5%
Patrizio Bertelli ⁽²⁾	2,109,959,760	82.5%
Public Shareholders:		
Intesa Sanpaolo S.p.A. ⁽³⁾	25,588,240	1.0%
Other public shareholders	423,276,000	16.5%

(B) IMMEDIATELY AFTER THE SALE OF THE OVER-ALLOTMENT SHARES

Shareholders	Number of Shares	Approximate percentage of issued share capital (%)
Prada Holding B.V.	2,046,470,760	80.0%
Gipafin S.à r.l.	2,046,470,760	80.0%
Bellatrix S.à r.l.	2,046,470,760	80.0%
Ludo S.A.	2,046,470,760	80.0%
Miuccia Prada ⁽¹⁾	2,046,470,760	80.0%
Patrizio Bertelli ⁽²⁾	2,046,470,760	80.0%
Public Shareholders:		
Intesa Sanpaolo S.p.A. ⁽³⁾	25,588,240	1.0%
Other public shareholders	486,765,000	19.0%

Notes:

- (1) The entire issued share capital of Prada Holding B.V. is held by Gipafin S.à r.l. (“**Gipafin**”). Ms. Miuccia Prada owns, indirectly through Ludo S.A., 53.8% of the capital of Bellatrix S.à r.l., which in turn owns 65% of the capital of Gipafin. Ms. Prada is therefore deemed under the SFO to be interested in all the shares registered in the name of Prada Holding B.V. Mr. Bertelli, being Ms. Prada’s husband, is also deemed under the SFO to be interested in the shares in Prada Holding B.V. in which Ms. Prada is interested. Ms. Prada is also a director of Ludo S.A.
- (2) Patrizio Bertelli owns, indirectly through companies owned by him (PaBe1 S.A., PaBe2 S.A., PaBe3 S.A. and PaBe4 S.A.), 35% of the capital of Gipafin. Mr. Bertelli is therefore deemed under the SFO to be interested in all the shares registered in the name of Prada Holding B.V. Ms. Prada, being Mr. Bertelli’s wife, is also deemed under the SFO to be interested in the shares in Prada Holding B.V. in which Mr. Bertelli is interested.
- (3) Intesa Sanpaolo S.p.A. is the holding company of Banca IMI S.p.A., one of the Joint Global Coordinators.

The Company estimates that Prada Holding B.V. will receive additional net proceeds of approximately HK\$2.5 billion after the sale of the Over-allotment Shares, after deducting the fees and commissions and expenses payable by Prada Holding B.V. in relation to the Global Offering. The Company will not receive any of the net proceeds from the sale of the Over-allotment Shares by Prada Holding B.V.

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

Hong Kong, July 3, 2011

As of 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 MICCICHE and the Company's independent non-executive Directors are Mr. Gian Franco Oliviero MATTEI, Mr. Giancarlo FORESTIERI and Mr. Sing Cheong LIU.