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## **PRADA S.p.A.**

*Via A. Fogazzaro n. 28, Milan, Italy*  
*Registry of Companies of Milan, Italy: No. 10115350158*  
*(Incorporated under the laws of Italy as a joint-stock company)*  
**(Stock Code: 1913)**

### **PRELIMINARY SALES FIGURES FIRST HALF OF FINANCIAL YEAR 2014**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Section 307B(1) of the Securities and Futures Ordinance. PRADA S.p.A. provides its preliminary sales figures for the six months ended July 31, 2014.

PRADA S.p.A. (the “**Company**” and, together with its subsidiaries, the “**Group**”) is pleased to announce the preliminary sales figures of the Group for the six months ended July 31, 2014. This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Section 307B(1) of the Securities and Futures Ordinance.

The consolidated net revenues of the Group for the six months ended July 31, 2014 amount to Euro 1,750 million, a slight increase compared to the same period in 2013, +1%.

Performance in the six month period was conditioned by unfavorable exchange rate trends: at constant exchange rates, revenues grew by +4%.

Wholesale channel sales recovered in the second quarter and recorded an overall increase of +1%, +2% at constant exchange rates, to stand at Euro 288 million.

In a market environment characterized by a general fall in consumption, also the retail channel, representing more than 83% of total sales, has held up well, recording revenues of Euro 1,442 million with a +1% increase compared to the first half of 2013; at constant exchange rates, the 566 directly operated stores achieved revenue growth of +5%.

The trend differed somewhat from one geographical area to another:

- the Asia Pacific markets recorded overall revenue growth of +2% at constant exchange rates (-2% decrease at current exchange rates) with performance remaining weak in Korea, Hong Kong and Singapore while China accelerated in second quarter, achieving 12% growth at constant exchange rates, and the other Asian markets managed steady rates of growth;

- the positive trend in the Americas continues. The retail channel recorded +14% growth at constant exchange rates (+8% at current exchange rates) and was sustained by both domestic consumptions and a greater contribution from tourist spending;

- revenues have fallen slightly compared to the first half of 2013 in Europe, -1% both at constant and current exchange rates, with the market again penalized primarily by a fall in the volume of tourism and by the negative general economic environment which has hit domestic consumption;

- Japan again achieved another positive growth despite the expected slowdown in purchases after the VAT increase at the beginning of April: +19% at constant exchange rates and +10% at current exchange rates;

- the revenue trend in the Middle East was excellent with strong growth in the first half of the year of +21% at constant exchange rates and +16% at current exchange rates.

Prada brand revenues increased by +5% at constant exchange rates while, at current exchange rates, there was growth of +1%.

The development for the Miu Miu brand continues: +7% at constant exchange rates and +3% at current exchange rates. Except in Europe, the brand continues to achieve high rates of growth on all markets.

Church's, +12% at constant exchange rates and +14% at current exchange rates, and Car Shoe, +3% at constant exchange rates and +2% at current exchange rates, also enjoyed positive revenue trends.

Clothing and footwear performed extremely well with growth of +18% and +23%, respectively, at constant exchange rates (+14% and +19% at current exchange rates). Meanwhile, revenues from sales of leather goods decreased by -1% at constant exchange rates (-5% at current exchange rates) because of the fall in the number of tourists whose spending is more oriented towards this product category. The men's segment again enjoyed double digit growth, in line with Group strategy which aims to develop sales of men's collections in all geographical areas.

Mr. Patrizio Bertelli, Chief Executive Officer of the Company, commented: “*In the first six months of the 2014, the Group has operated in a more difficult political and macroeconomic environment than expected with unfavorable exchange rates and a general fall in consumption. Against this background, we have continued to focus our efforts on medium/long-term growth: our industrial, marketing and retail investments to sustain the quality of our products and our relationships with clients will continue to bear fruit, supporting the growth of the Group on all markets. In the coming months, our priority commitment shall be towards monitoring market trends and performance without, however, interrupting the implementation of our plans for growth. At the same time, we will implement a rigorous cost control program with the aim of protecting margins. Upon approval of the results for the first half of 2014, the Board of Directors shall - in light of the results achieved in the first half of the year and with a clearer view of the outlook for the months ahead - update its guidance for the year as a whole*”.

The information contained in this announcement is based on a preliminary assessment of the management accounts of the Group for the six months ended July 31, 2014, which have not been audited or reviewed by the Company’s auditors. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

The unaudited interim consolidated results of the Group for the six months ended July 31, 2014 are tentatively scheduled to be announced by the Company on September 19, 2014.

By Order of the Company  
**PRADA S.p.A.**  
**Mr. Carlo Mazzi**  
*Chairman*

Milan, Italy, August 6, 2014

*As at the date of this announcement, the Company’s executive directors are Mr. Carlo MAZZI, Ms. Miuccia PRADA BIANCHI, Mr. Patrizio BERTELLI, Mr. Donatello GALLI and Ms. Alessandra COZZANI; the Company’s non-executive director is Mr. Gaetano MICCICHÈ and the Company’s independent non-executive directors are Mr. Gian Franco Oliviero MATTEI, Mr. Giancarlo FORESTIERI and Mr. Sing Cheong LIU.*