

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong 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 spa
(Stock Code: 1913)

ANNOUNCEMENT OF THE CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED APRIL 30, 2015

- Net revenues were Euro 828.2 million, recording an increase of 6.5% compared with the three months ended April 30, 2014 (-5.4% at constant exchange rates)
- Retail net sales were Euro 749.4 million, up by 7.4% compared with the three months ended April 30, 2014 (-5.1% at constant exchange rates)
- EBIT was Euro 90.7 million, representing a margin of 11% on net revenues
- Group's net income amounted to Euro 58.7 million
- Net financial position standing positive at Euro 127.4 million as at April 30, 2015

Consolidated results for the three months ended April 30, 2015

The Board of Directors (the "Board") of PRADA S.p.A. (the "Company", or "PRADA spa") announces the unaudited Consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended April 30, 2015, together with the unaudited comparative figures for the same three months period ended April 30, 2014. The following financial information has been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union. The Consolidated results of the Group for the year ended January 31, 2015, were audited by Deloitte & Touche S.p.A.

Key financial information

| Key information from the Income statement (amounts in thousands of Euro) | three months ended Apr 30 2015 (unaudited) | twelve months ended Jan 31 2015 (audited) | three months ended Apr 30 2014 (unaudited) | % change vs Apr 30 2014 |
|---|---|--|---|-------------------------------|
| Net revenues | 828,188 | 3,551,696 | 777,740 | 6.5% |
| EBITDA | 162,708 | 954,249 | 213,947 | -23.9% |
| EBITDA % | 19.6% | 26.9% | 27.5% | - |
| EBIT | 90,715 | 701,551 | 156,342 | -42.0% |
| EBIT % | 11.0% | 19.8% | 20.1% | - |
| Income before tax | 90,344 | 667,702 | 150,757 | -40.1% |
| Net income of the Group | 58,745 | 450,730 | 105,331 | -44.2% |
| Earnings per share (Euro) | 0.023 | 0.176 | 0.041 | -43.9% |
| Capital expenditure | 92,576 | 449,735 | 116,653 | - |
| Net operating cash flows | 26,068 | 483,597 | 178,334 | -85.4% |
| Average number of employees | 12,209 | 11,962 | 11,665 | 4.7% |

| Key information from the Statement of financial position (amounts in thousands of Euro) | as at Apr 30 2015 (unaudited) | as at Jan 31 2015 (audited) | as at Apr 30 2014 (unaudited) | change vs Jan 31 2015 |
|--|--|--------------------------------------|--|-----------------------------|
| Net operating working capital | 631,025 | 563,409 | 393,159 | 67,616 |
| Net invested capital | 2,973,712 | 2,829,359 | 2,443,611 | 144,353 |
| Net financial position surplus/(deficit) | 127,423 | 188,788 | 349,050 | (61,365) |
| Group shareholders' equity | 3,081,608 | 3,000,737 | 2,774,452 | 80,871 |

Highlights for the three months ended April 30, 2015

The Prada Group's net revenues for the three months ended April 30, 2015 amounted to Euro 828.2 million, a 6.5% increase compared to the corresponding period in 2014. The strengthening of major currencies against the Euro led to the Group's revenue growth: at constant exchange rates, net revenues actually decreased by 5.4%. The sales growth was achieved entirely in the retail channel while the wholesale channel recorded a decrease, even though said channel was not significant in the quarter just ended compared to the annual volume of business. The Group's main operating expenses i.e. rental costs, labor costs and depreciation and amortization increased in the first three months of 2015 compared to the same period in 2014. Indeed, operating expenses increased both in absolute terms, because of an increase in costs relating to the retail network and the strengthening of major currencies against the Euro, and in percentage terms, because sales increased by less than costs. Consequently, EBIT for the period amounted to Euro 90.7 million (or 11% of net revenues) with a 42% decrease compared to the first three months of 2014, when it was Euro 156.3 million (or 20.1% of net revenues). After net financial expenses and taxation, the Group's net income for the first three months of 2015 stood at Euro 58.7 million.

Net cash flow from operating activities for the period amounted to Euro 26 million. It was employed, together with funds already available, to support capital expenditure which amounted to Euro 92.6 million and concentrated on improving the retail network, mainly for the refurbishment and relocation of existing stores, as well as the industrial and corporate divisions. The net financial position at April 30, 2015 showed a net cash surplus of Euro 127.4 million.

Consolidated income statement for the three months ended April 30, 2015

| (amounts in thousands of Euro) | Note | three months ended April 30 2015 (unaudited) | % on Net revenues | three months ended April 30 2014 (unaudited) | % on Net revenues |
|--|------|--|-------------------|--|-------------------|
| Net revenues | 3 | 828,188 | 100.0% | 777,740 | 100.0% |
| Cost of goods sold | | (227,875) | -27.5% | (202,243) | -26.0% |
| Gross margin | | 600,313 | 72.5% | 575,497 | 74.0% |
| Operating expenses | 4 | (509,598) | -61.5% | (419,155) | -53.9% |
| EBIT | | 90,715 | 11.0% | 156,342 | 20.1% |
| Interest and other financial income/(expenses), net | 5 | (1,933) | -0.2% | (6,040) | -0.8% |
| Dividends received from third parties | | 1,562 | 0.2% | 455 | 0.1% |
| Income before taxes | | 90,344 | 10.9% | 150,757 | 19.4% |
| Taxation | 6 | (30,000) | -3.6% | (41,332) | -5.3% |
| Net income for the period | | 60,344 | 7.3% | 109,425 | 14.1% |
| Net income – Non-controlling interests | | 1,599 | 0.2% | 4,094 | 0.5% |
| Net income – Group | | 58,745 | 7.1% | 105,331 | 13.6% |
| Depreciation, amortization and impairment | | 71,993 | 8.7% | 57,605 | 7.4% |
| EBITDA | | 162,708 | 19.6% | 213,947 | 27.5% |
| Basic and diluted earnings per share (in Euro per share) | 7 | 0.023 | | 0.041 | |

Consolidated statement of financial position

| (amounts in thousands of Euro) | Note | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|------|--|--|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | 591,217 | 708,966 |
| Trade receivables, net | 9 | 285,124 | 346,284 |
| Inventories, net | 8 | 738,995 | 654,545 |
| Derivative financial instruments - current | | 6,433 | 6,287 |
| Receivables from and advance payments to related parties - current | 10 | 20,531 | 3,240 |
| Other current assets | 12 | 200,358 | 180,633 |
| Total current assets | | 1,842,658 | 1,899,955 |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 1,499,211 | 1,474,218 |
| Intangible assets | 11 | 955,145 | 943,304 |
| Associated undertakings | | 28,964 | 30,529 |
| Deferred tax assets | | 291,881 | 280,983 |
| Other non-current assets | 13 | 96,310 | 91,353 |
| Derivative financial instruments non-current | | 1,463 | 1,106 |
| Receivables from and advance payments to related parties – non-current | 10 | 2,000 | 17,429 |
| Total non-current assets | | 2,874,974 | 2,838,922 |
| Total Assets | | 4,717,632 | 4,738,877 |
| Liabilities and Shareholders' equity | | | |
| Current liabilities | | | |
| Bank overdrafts and short-term loans | | 79,965 | 263,335 |
| Payables to related parties - current | 14 | 3,099 | 3,083 |
| Trade payables | 15 | 393,094 | 437,420 |
| Current tax liabilities | | 128,862 | 133,914 |
| Derivative financial instruments - current | | 53,400 | 56,772 |
| Obligations under finance leases - current | | 13 | 21 |
| Other current liabilities | 16 | 231,773 | 220,480 |
| Total current liabilities | | 890,206 | 1,115,025 |
| Non-current liabilities | | | |
| Long-term financial payables | | 382,178 | 255,203 |
| Post-employment benefits | | 82,157 | 85,754 |
| Provision for risks and charges | 17 | 67,251 | 63,695 |
| Deferred tax liabilities | | 39,709 | 41,634 |
| Other non-current liabilities | | 141,710 | 128,752 |
| Derivative financial instruments non-current | | 13,286 | 17,283 |
| Payables to related parties – non-current | 14 | - | 13,384 |
| Total non-current liabilities | | 726,291 | 605,705 |
| Total Liabilities | | 1,616,497 | 1,720,730 |
| Share capital | | 255,882 | 255,882 |
| Total other reserves | | 2,615,440 | 2,163,129 |
| Translation reserve | | 151,541 | 130,996 |
| Net profit for the period | | 58,745 | 450,730 |
| Total Shareholders' equity – Group | | 3,081,608 | 3,000,737 |
| Shareholders' equity – Non-controlling interests | | 19,527 | 17,410 |
| Total Liabilities and Shareholders' equity | | 4,717,632 | 4,738,877 |
| Net current assets | | 952,452 | 784,930 |
| Total assets less current liabilities | | 3,827,426 | 3,623,852 |

Statement of changes in consolidated shareholders' equity (amounts in thousands of Euro, except for number of shares)

| (amounts in thousands of Euro) | Number of Shares | Share Capital | Translati on Reserve | Share premium reserve | Cash flow hedge reserve | Actuarial Reserve | Fair Value Available for sale Reserve | Other reserves | Total Other Reserves | Net income for the period | Equity | | |
|--|------------------|---------------|----------------------|-----------------------|-------------------------|-------------------|---------------------------------------|----------------|----------------------|---------------------------|--|---------------------------|--------------|
| | | | | | | | | | | | Equity attributable to owners of Group | Non-controlling interests | Total Equity |
| Balance at January 31, 2014 (audited) | 2,558,824,000 | 255,882 | (49,438) | 410,047 | 3,699 | (11,452) | 4,108 | 1,446,923 | 1,853,325 | 627,785 | 2,687,554 | 13,986 | 2,701,540 |
| Allocation of 2013 net income | - | - | - | - | - | - | - | 627,785 | 627,785 | (627,785) | - | - | - |
| Acquisition of Marchesi Angelo srl | - | - | - | - | - | - | - | (2,450) | (2,450) | - | (2,450) | 106 | (2,344) |
| Capital injection in subsidiaries | - | - | - | - | - | - | - | - | - | - | - | 291 | 291 |
| Comprehensive income for the three months (recyclable to P&L) | - | - | (17,195) | - | (206) | - | 1,418 | - | 1,212 | 105,331 | 89,348 | 3,825 | 93,173 |
| Balance at April 30, 2014 (unaudited) | 2,558,824,000 | 255,882 | (66,633) | 410,047 | 3,493 | (11,452) | 5,526 | 2,072,258 | 2,479,872 | 105,331 | 2,774,452 | 18,208 | 2,792,660 |
| Dividends | - | - | - | - | - | - | - | (281,471) | (281,471) | - | (281,471) | (9,378) | (290,849) |
| Acquisition of Marchesi Angelo srl | - | - | - | - | - | - | - | (16) | (16) | - | (16) | 1 | (15) |
| Capital injection in subsidiaries | - | - | - | - | - | - | - | - | - | - | - | 1,834 | 1,834 |
| Comprehensive income for the nine months (recyclable to P&L) | - | - | 197,629 | - | (38,816) | - | 5,589 | - | (33,227) | 345,399 | 509,801 | 6,748 | 516,549 |
| Comprehensive income for the nine months (not recyclable to P&L) | - | - | - | - | - | (2,029) | - | - | (2,029) | - | (2,029) | (3) | (2,032) |
| Balance at January 31, 2015 (audited) | 2,558,824,000 | 255,882 | 130,996 | 410,047 | (35,323) | (13,481) | 11,115 | 1,790,771 | 2,163,129 | 450,730 | 3,000,737 | 17,410 | 3,018,147 |
| Allocation of 2014 net income | - | - | - | - | - | - | - | 450,730 | 450,730 | (450,730) | - | - | - |
| Capital injection in subsidiaries | - | - | - | - | - | - | - | - | - | - | - | 409 | 409 |
| Transactions with non-controlling interests | - | - | - | - | - | - | - | (715) | (715) | - | (715) | (39) | (754) |
| Comprehensive income for the three months (recyclable to P&L) | - | - | 20,545 | - | 3,471 | - | (1,175) | - | 2,296 | 58,745 | 81,586 | 1,747 | 83,333 |
| Balance at April 30, 2015 (unaudited) | 2,558,824,000 | 255,882 | 151,541 | 410,047 | (31,852) | (13,481) | 9,940 | 2,240,786 | 2,615,440 | 58,745 | 3,081,608 | 19,527 | 3,101,135 |

Condensed statement of consolidated cash flows

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | three months ended April 30 2014 (unaudited) |
|---|--|--|
| Net cash flows from operating activities | 26,068 | 178,334 |
| Cash flows generated/(utilized) by investing activities | (88,870) | (122,483) |
| Cash flows generated/(utilized) by financing activities | (62,438) | 69,123 |
| Change in cash and cash equivalents, net of bank overdrafts | (125,239) | 124,974 |

Statement of consolidated comprehensive income

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | twelve months ended January 31 2015 (audited) | three months ended April 30 2014 (unaudited) |
|---|--|---|--|
| Net income for the period – Consolidated | 60,344 | 459,218 | 109,425 |
| A) Items recyclable to P&L: | | | |
| Change in Translation reserve | 20,693 | 182,519 | (17,464) |
| Tax impact | - | - | - |
| Change in Translation reserve less tax impact | 20,693 | 182,519 | (17,464) |
| Change in Cash Flow Hedge reserve | 4,534 | (52,817) | (124) |
| Tax impact | (1,063) | 13,795 | (82) |
| Change in Cash Flow Hedge reserve less tax impact | 3,471 | (39,022) | (206) |
| Change in Fair Value reserve | (1,567) | 9,343 | 1,890 |
| Tax impact | 392 | (2,336) | (472) |
| Change in Fair Value reserve less tax impact | (1,175) | 7,007 | 1,418 |
| B) Item not recyclable to P&L: | | | |
| Change in Actuarial reserve | - | (2,338) | - |
| Tax impact | - | 306 | - |
| Change in Actuarial reserve less tax impact | - | (2,032) | - |
| Consolidated comprehensive income for the period | 83,333 | 607,690 | 93,173 |
| Comprehensive income for the period – Non-controlling Interests | 1,747 | 10,570 | 3,825 |
| Comprehensive income for the period – Group | 81,586 | 597,120 | 89,348 |

Notes to the consolidated results for the three months ended April 30, 2015

1. Presentation of PRADA Group

PRADA spa (the "Company"), together with its subsidiaries (jointly the "Group"), is listed on the Hong Kong Stock Exchange (HKSE code: 1913). It 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 and fragrances sectors. Its products are sold in 70 countries worldwide through a network that included 603 Directly Operated Stores (DOS) at April 30, 2015, and a selected network of luxury department stores, independent retailers and franchise stores. The Company is a joint-stock company, registered and domiciled in Italy. Its registered office is in Via Antonio Fogazzaro 28, Milan, Italy.

2. Basis of preparation

The financial information for the three months ended April 30, 2015, included in this Announcement refers to the Group of companies controlled by PRADA spa, holding company of the PRADA Group (the "Group"), and is based on its relevant Consolidated financial statements. Such consolidated results for the three months ended April 30, 2015, were prepared on a consistent basis compared to the Consolidated financial statements of the Group for the twelve months ended January 31, 2015, with the exception of the revised IFRS issued by the International Accounting Standard Board ("IASB") below reported. IFRS also refer to all the International Accounting Standards ("IAS") and all the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously named the Standing Interpretations Committee ("SIC").

Amendments issued by the IASB, endorsed by the European Union and applicable to the PRADA Group from February 1, 2015

The following amendments to IFRS have been endorsed by the European Union and are applicable to the PRADA Group effective from February 1, 2015. These changes did not have any significant impact on the figures reported in this Announcement:

- Amendments to "IFRS 3 Business Combinations";
- Amendments to "IFRS 13 Fair Value Measurement";
- Amendments to "IAS 40 Investment Property";
- Amendments to "IAS 19 Employee Benefits";
- Amendments to "IFRS 2 Share-based Payment";
- Amendments to "IFRS 8 Operating Segments";
- Amendments to "IAS 16 Property, Plant and Equipment";
- Amendments to "IAS 24 Related Party Disclosure";
- Amendments to "IAS 38 Intangible Assets";

3. Net revenues analysis

Net revenues for the three months ended April 30, 2015 (unaudited)

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | | three months ended April 30 2014 (unaudited) | | % change |
|--|---|---------------|---|---------------|-------------|
| Net sales by geographical area | | | | | |
| Italy | 103,088 | 12.6% | 96,953 | 12.6% | 6.3% |
| Europe | 163,715 | 20.1% | 151,761 | 19.8% | 7.9% |
| Americas | 111,062 | 13.6% | 93,471 | 12.2% | 18.8% |
| Asia Pacific | 309,065 | 37.8% | 307,368 | 40.0% | 0.6% |
| Japan | 98,773 | 12.1% | 92,388 | 12.0% | 6.9% |
| Middle East | 29,997 | 3.7% | 25,617 | 3.3% | 17.1% |
| Other countries | 1,066 | 0.1% | 893 | 0.1% | 19.4% |
| Total | 816,766 | 100.0% | 768,451 | 100.0% | 6.3% |
| Net sales by brand | | | | | |
| Prada | 662,300 | 81.1% | 640,920 | 83.4% | 3.3% |
| Miu Miu | 131,718 | 16.1% | 107,186 | 13.9% | 22.9% |
| Church's | 19,250 | 2.4% | 17,191 | 2.2% | 12.0% |
| Car Shoe | 2,328 | 0.3% | 2,664 | 0.4% | -12.6% |
| Other | 1,170 | 0.1% | 490 | 0.1% | 138.8% |
| Total | 816,766 | 100.0% | 768,451 | 100.0% | 6.3% |
| Net sales by product line | | | | | |
| Clothing | 127,304 | 15.6% | 118,686 | 15.4% | 7.3% |
| Leather goods | 516,740 | 63.3% | 517,147 | 67.3% | -0.1% |
| Footwear | 156,836 | 19.2% | 120,163 | 15.7% | 30.5% |
| Other | 15,886 | 1.9% | 12,455 | 1.6% | 27.5% |
| Total | 816,766 | 100.0% | 768,451 | 100.0% | 6.3% |
| Net sales by distribution channel | | | | | |
| DOS | 749,359 | 91.7% | 697,811 | 90.8% | 7.4% |
| Independent customers and franchises | 67,407 | 8.3% | 70,640 | 9.2% | -4.6% |
| Total | 816,766 | 100.0% | 768,451 | 100.0% | 6.3% |
| Net sales | 816,766 | 98.6% | 768,451 | 98.8% | 6.3% |
| Royalties | 11,422 | 1.4% | 9,289 | 1.2% | 23.0% |
| Total net revenues | 828,188 | 100.0% | 777,740 | 100.0% | 6.5% |

Number of stores

| | as at April 30 2015 | | as at January 31 2015 | | as at April 30 2014 | |
|--------------|---------------------------|------------|-----------------------------|------------|---------------------------|------------|
| | DOS | franchises | DOS | franchises | DOS | franchises |
| Prada | 368 | 25 | 362 | 27 | 335 | 24 |
| Miu Miu | 173 | 9 | 169 | 8 | 155 | 8 |
| Church's | 54 | - | 55 | - | 53 | - |
| Car Shoe | 8 | - | 8 | - | 8 | - |
| Total | 603 | 34 | 594 | 35 | 551 | 32 |

| | as at April 30 2015 | | as at January 31 2015 | | as at April 30 2014 | |
|--------------|---------------------------|------------|-----------------------------|------------|---------------------------|------------|
| | DOS | franchises | DOS | franchises | DOS | franchises |
| Italy | 52 | 5 | 51 | 6 | 51 | 6 |
| Europe | 167 | - | 167 | 3 | 154 | 6 |
| Americas | 111 | - | 110 | - | 97 | - |
| Asia Pacific | 181 | 25 | 175 | 22 | 158 | 20 |
| Japan | 70 | - | 70 | - | 72 | - |
| Middle East | 17 | 4 | 17 | 4 | 16 | - |
| Africa | 5 | - | 4 | - | 3 | - |
| Total | 603 | 34 | 594 | 35 | 551 | 32 |

4. Operational expenses

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | % on net revenues | three months ended April 30 2014 (unaudited) | % on net revenues |
|--------------------------------------|--|----------------------|--|----------------------|
| Product design and development costs | 29,719 | 3.6% | 28,539 | 3.7% |
| Advertising and communication costs | 54,610 | 6.6% | 41,212 | 5.3% |
| Selling costs | 369,504 | 44.6% | 302,078 | 38.8% |
| General and administrative costs | 55,765 | 6.7% | 47,326 | 6.1% |
| Total | 509,598 | 61.5% | 419,155 | 53.9% |

5. Interest and other financial income/(expenses), net

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | three months ended April 30 2014 (unaudited) |
|--------------------------------------|--|--|
| Interests expenses on borrowings | (3,474) | (2,658) |
| Interest expenses others | (44) | (137) |
| Interest income | 750 | 878 |
| Exchange gains/(losses) – realized | (101) | 1,756 |
| Exchange gains/(losses) – unrealized | 1,748 | (5,213) |
| Other financial income/(expenses) | (812) | (666) |
| Total | (1,933) | (6,040) |

6. Taxation

| (amounts in thousands of Euro) | three months ended April 30 2015 (unaudited) | three months ended April 30 2014 (unaudited) |
|--------------------------------|--|--|
| Current taxation | 42,077 | 39,046 |
| Deferred taxation | (12,077) | 2,286 |
| Income taxes | 30,000 | 41,332 |

7. Earnings and dividends per share

Earnings per share

Earnings per share are calculated by dividing the net income attributable to Group's shareholders by the weighted average number of ordinary shares in issue.

| | three months ended April 30 2015 (unaudited) | three months ended April 30 2014 (unaudited) |
|--|--|--|
| Group net income in Euro | 58,745,001 | 105,331,365 |
| Weighted average number of ordinary shares in issue | 2,558,824,000 | 2,558,824,000 |
| Earnings per share in Euro, calculated on weighted average number of shares | 0.023 | 0.041 |

Dividend per share

During the period ended April 30, 2015, PRADA spa did not distribute any dividends. However, the Board of Directors' Meeting held on March 27, 2015 to approve the financial statements for the year ended January 31, 2015 recommended a final dividend of Euro 281,470,640 (or Euro 0.11 per share). The annual Shareholders' Meeting held on May 26, 2015 approved said dividend distribution and payment will be made on or about June 15, 2015.

During the year ended January 31, 2015, the Company distributed dividends of Euro 281,470,640, as approved by the Shareholders' Meeting held on May 22, 2014 to approve the financial statements for the year ended January 31, 2014.

8. Inventories, net

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Raw materials | 135,513 | 106,843 |
| Work in progress | 35,153 | 40,786 |
| Finished products | 632,459 | 571,115 |
| Allowance for obsolete and slow moving inventories | (64,130) | (64,199) |
| Total | 738,995 | 654,545 |

The increase in raw materials inventory reflects the natural procurement cycle typical of the first few months of the fiscal year. Meanwhile, the increase in inventory of finished products is due to the fact that sales were lower than forecast and to the strengthening of major currencies against the Euro with an effect on the retail stocks of the Group' subsidiaries.

Movements on the allowance for obsolete and slow moving inventories are analyzed as follows:

| (amounts in thousands of Euro) | Raw materials | Finished Products | Total |
|---------------------------------------|------------------|----------------------|--------|
| Balance at January 31, 2015 (audited) | 26,798 | 37,401 | 64,199 |
| Exchange differences | 3 | 4 | 7 |
| Utilization | - | (76) | (76) |
| Balance at April 30, 2015 (unaudited) | 26,801 | 37,330 | 64,130 |

9. Trade receivables, net

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Trade receivables from third parties | 256,624 | 317,147 |
| Allowance for bad and doubtful debts | (7,764) | (7,784) |
| Trade receivables from related parties | 36,264 | 36,921 |
| Total | 285,124 | 346,284 |

The reduction in trade receivables from third parties is mainly due to collection of receivables for shipments to independent retail customers towards the end of the 2014 fiscal year.

10. Receivables from, and advance payments to, related parties - current and non-current

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|---|--|--|
| Financial receivables - other related parties | 11 | 11 |
| Other receivables - PRADA Holding spa and subsidiaries | - | 5 |
| Other receivables and advance payments - other related parties | 20,520 | 3,224 |
| Receivables from, and advance payments to, related parties - current | 20,531 | 3,240 |

Receivables from, and advance payments to, related parties non-current are detailed as follows:

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|---|--|--|
| Prepaid sponsorship | - | 12,379 |
| Deferred rental income – long-term | 1,259 | 4,309 |
| Loans | 741 | 741 |
| Receivables from, and advance payments to, related parties – non-current | 2,000 | 17,429 |

11. Capital expenditure

Changes in the net book value of Property, plant and equipment in the period ended April 30, 2015, are as follows:

| (amounts in thousands of Euro) | Land and buildings | Production plant and machinery | Leasehold improvements | Furniture & fittings | Other tangibles | Assets under construction | Total net book value |
|--|--------------------|--------------------------------|------------------------|----------------------|-----------------|---------------------------|----------------------|
| Balance at January 31, 2015 (audited) | 477,940 | 21,176 | 513,302 | 178,661 | 70,273 | 212,866 | 1,474,218 |
| Additions | 4,008 | 1,008 | 18,149 | 2,832 | 642 | 46,139 | 72,778 |
| Depreciation | (2,614) | (2,249) | (42,668) | (11,645) | (2,638) | - | (61,814) |
| Disposals | - | - | (2,274) | (41) | (3) | (6) | (2,324) |
| Exchange differences | 9,174 | 28 | 5,155 | 1,024 | 81 | 1,448 | 16,910 |
| Other movements | 4,542 | - | 43,557 | 6,318 | 136 | (54,560) | (7) |
| Impairment | - | (24) | (492) | (18) | (16) | - | (550) |
| Balance at April 30, 2015 (unaudited) | 493,050 | 19,939 | 534,729 | 177,131 | 68,475 | 205,887 | 1,499,211 |

Changes in the net book value of Intangible assets in the period ended April 30, 2015, are as follows:

| (amounts in thousands of Euro) | Trade-marks | Goodwill | Store Lease Acquisitions | Software | Development costs and other intangible assets | Assets in progress | Total net book value |
|---------------------------------------|-------------|----------|--------------------------|----------|---|--------------------|----------------------|
| Balance at January 31, 2015 (audited) | 277,232 | 513,214 | 106,492 | 10,828 | 16,725 | 18,813 | 943,304 |
| Additions | 47 | - | 225 | 627 | - | 18,899 | 19,798 |
| Amortization | (2,913) | - | (5,235) | (978) | (503) | - | (9,629) |
| Disposals | - | - | - | - | - | - | - |
| Exchange differences | 1,911 | 341 | (354) | (18) | - | (8) | 1,872 |
| Other movements | - | - | 14,894 | 1,182 | - | (16,276) | (200) |
| Impairment | - | - | - | - | - | - | - |
| Balance at April 30, 2015 (unaudited) | 276,277 | 513,555 | 116,022 | 11,641 | 16,222 | 21,428 | 955,145 |

12. Other current assets

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--------------------------------------|---------------------------------|---------------------------------|
| VAT | 75,403 | 56,934 |
| Income tax and other tax receivables | 38,737 | 53,307 |
| Other assets | 16,840 | 11,454 |
| Prepayments and accrued income | 66,160 | 54,642 |
| Deposits | 3,218 | 4,296 |
| Total | 200,358 | 180,633 |

13. Other non-current assets

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--------------------------------|---------------------------------|---------------------------------|
| Guarantee deposits | 70,920 | 70,004 |
| Deferred rental income | 11,698 | 9,056 |
| Pension fund surplus | 2,599 | 2,515 |
| Other long-term assets | 11,093 | 9,778 |
| Total | 96,310 | 91,353 |

14. Payables to related parties - current and non-current

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Financial payables - other related parties | 2,390 | 2,371 |
| Other payables - other related parties | 709 | 712 |
| Payables to related parties – current | 3,099 | 3,083 |

The non-current portion of payables to related parties is detailed as follows:

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Other payables – other related parties | - | 13,384 |
| Payables to related parties – non-current | - | 13,384 |

As a result of transactions with Non-controlling shareholders of a Group's subsidiary during the three months ended April 30, 2015, Fin-reta srl is no longer a related party but a third party. Consequently, the payables in question are now reported under "Other non-current liabilities".

15. Trade payables

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|----------------------------------|--|--|
| Trade payables – third parties | 370,901 | 410,977 |
| Trade payables – related parties | 22,193 | 26,443 |
| Total | 393,094 | 437,420 |

16. Other current liabilities

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--------------------------------------|--|--|
| Payables for capital expenditure | 128,140 | 128,346 |
| Accrued expenses and deferred income | 18,262 | 17,354 |
| Other payables | 85,371 | 74,780 |
| Total | 231,773 | 220,480 |

17. Provisions for risks and charges

Movements in provisions for risks and charges are summarized as follows:

| (amounts in thousands of Euro) | Provision for litigation | Provision for tax disputes | Provisions for other charges | Total |
|--|--------------------------|----------------------------|------------------------------|---------------|
| Balance at January 31, 2015 (audited) | 1,876 | 25,537 | 36,282 | 63,695 |
| Exchange differences | 4 | - | 412 | 416 |
| Other | - | - | - | - |
| Reversals | - | - | (49) | (49) |
| Uses | - | - | (106) | (106) |
| Increases | 51 | 151 | 3,093 | 3,295 |
| Balance at April 30, 2015 (unaudited) | 1,931 | 25,688 | 39,632 | 67,251 |

During the three months ended April 30, 2015, there were no significant developments regarding litigation ongoing as of January 31, 2015. Moreover, no new contingencies requiring significant adjustment to the provisions for risks and charges reported at January 31, 2015 have emerged.

Management Discussion and Analysis for the three months ended April 30, 2015

Distribution channels

Retail sales for the three months ended April 30, 2015 totaled Euro 749.4 million with a 7.4% increase at current exchange rates but a 5.1% decrease at constant exchange rates. Performance varied greatly from one geographical area to another with growth achieved in Europe at both current and constant exchange rates while the other areas benefited almost exclusively from favorable exchange rate trends. The Group's overall performance in terms of Same Store Sales Growth for the period was negative. In the first three months of 2015, the number of Directly Operated Stores rose from 594 at January 31, 2015 to 603 at April 30, 2015 (11 openings and 2 closures).

The wholesale channel generated net sales of Euro 67.4 million, down by 4.6% at current exchange rates and by 12.8% at constant exchange rates compared to the corresponding period in prior year. The fall in sales mainly related to the Asia Pacific area where shipments to franchise customers in South Korea were exceptionally high in the first quarter of 2014.

Markets

In Europe, net sales amounted to Euro 163.7 million, an increase of 7.9% at current exchange rates and 5.4% at constant exchange rates. Sales growth in Europe was driven by the retail channel - thanks to existing stores (positive SSSG) and new openings (net increase of 13 DOS since May 1, 2014 but no new openings in the first three months of 2015) - and benefited from an increase in tourist flows. Net sales in the wholesale channel were down compared to the corresponding period in prior year - even at current exchange rates - also because of the Group's highly selective policy in relation to independent retailers; in any case, the wholesale channel accounted for a small percentage of total net sales for the period.

The Italian market generated net sales of Euro 103.1 million. Essentially thanks to increased tourist flows, it reversed the previous negative trend and recorded a 6.3% increase compared to the first quarter of 2014. The growth was achieved largely thanks to the existing DOS network because the only new opening in the last twelve months was the Prada Store in Galleria Vittorio Emanuele II, Milan (it became a directly operated store from April 1, 2015 after a period when it was operated under a franchise agreement by a related party). Sales to independent retailers decreased significantly as they were affected by weak local demand, especially in smaller cities.

In the three months ended April 30, 2015, the Asia Pacific market generated net sales of Euro 309.1 million, a 0.6% increase at current exchange rates but down by 17.2% at constant exchange rates. The decrease in local consumption and tourist flows, especially in Hong Kong and Macao, prolonged a period of stagnation that has now been underway for several months. The Greater China area (Hong Kong, Macao and China) contributed net sales of Euro 199.3 million, a decrease of 0.4% at current exchange rates

and 19.2% at constant exchange rates.

Net sales on the American market, amounting to Euro 111.1 million for the three months ended April 30, 2015 (Euro 93.5 million in the corresponding period in 2014), have benefited from exchange rate trends, recording 18.8% growth at current exchange rates compared to the first quarter of 2014 but a 3.1% decrease at constant exchange rates. An increase in sales to independent customers on the American market partially compensated for the decrease in the volumes of retail sales.

Net sales on the Japanese market for the first quarter of 2015 were higher than for the corresponding period of 2014, totaling Euro 98.8 million compared to Euro 92.4 million. The 6.9% increase at current exchange rates becomes a 2.1% decrease at constant exchange rates. However, this performance must be considered positive in light of the fact that the first quarter of 2014 benefited from the impact of customers making purchases ahead of a VAT increase that came into force from April 2014. In the month of April 2015 the Japanese market started again to grow.

The Middle East market generated net sales of Euro 30 million, a 17.1% increase at current exchange rates but a 4.7% decrease at constant exchange rates; it was affected, in particular, by a decrease in tourist flows. As was the case for the 2014 fiscal year as a whole, sales growth in this market in the first three months of 2015 was driven by the footwear division.

Products

Leather goods recorded net sales of Euro 516.7 million. At current exchange rates, this was in line with the figure of Euro 517.1 million reported for the three months ended April 30, 2014 but, at constant exchange rates, it represents an 11.4% decrease. The largest decreases were recorded in the Americas and in Asia Pacific. However, it is worth noting that Europe and Italy increased. From a brand perspective, Miu Miu achieved sales growth, also at constant exchange rates. Net sales of leather goods decreased from 67.3% of Group net sales in the first three months of 2014 to 63.3% in the three months ended April 30, 2015.

Clothing recorded net sales of Euro 127.3 million, a 7.3% increase compared to the corresponding period of 2014. At constant exchange rates, net sales were down by 4.9% but it is worth noting that Japan recorded strong organic growth rates. Net sales of apparel increased from 15.4% of Group net sales in the first three months of 2014 to 15.6% in the three months ended April 30, 2015.

The footwear division recorded net sales of Euro 156.8 million, a 30.5% increase compared to the first three months of 2014. At constant exchange rates, net sales also grew by a total of 15.6% with increases recorded in all regions. Net sales of footwear increased from 15.7% of Group net sales in the first three months of 2014 to 19.2% in the three months ended April 30, 2015.

Brands

The Prada brand generated net sales of Euro 662.3 million, a 3.3% increase compared to the first quarter of 2014 but down by 8.5% at constant exchange rates. The decrease essentially regarded the Leather goods division which recorded sales growth only in Europe.

The Miu Miu brand generated net sales of Euro 131.7 million with increases of 22.9% at current exchange rates and 8.8% at constant exchange rates. In absolute terms, the growth was driven by the retail channel with leather goods and footwear both performing well. All geographical areas recorded sales growth at constant exchange rates, except for Japan which showed a small decrease for the reasons outlined above.

In the three months ended April 30, 2015, the Church's brand generated net sales of Euro 19.3 million, with 12% growth at current exchange rates and 3% growth at constant exchange rates compared to the first quarter of 2014. Double digit growth was achieved in Europe, the brand's primary market.

Car Shoe brand sales were particularly affected by the decline in the wholesale channel. However, the brand achieved sales growth in the retail channel, also at constant exchange rates.

Royalties

In the three months ended April 30, 2015, licensing agreements generated royalties of Euro 11.4 million, a 23% increase compared to Euro 9.3 million for the first three months of 2014. The growth of this business was driven by new Prada and Miu Miu eyewear lines.

Operating results

Gross margin for the three months ended April 30, 2015 amounted to Euro 600.3 million, a 4.3% increase compared to the corresponding period in 2014. As a percentage of net revenues, Gross margin decreased from 74% to 72.5% mainly because of a less favorable geographical and product mix than in the first quarter of 2014.

Operating expenses increased from Euro 419.2 million to Euro 509.6 million, rising from 53.9% of net revenues to 61.5%, partly because of the negative exchange rate effect. In terms of specific operating expense items, retail network expansion led to increases in depreciation and amortization, rent and sales personnel costs i.e. the main component items of selling costs which increased from Euro 302.1 million to Euro 369.5 million. Advertising and communications expenses went from Euro 41.2 million to Euro 54.6 million, increasing from 5.3% of net revenues to 6.6%, essentially as a result of higher expenditure on events and sponsorships concentrated in the first few months of the year; the impact of these factors will reduce as the year progresses, also because of cost containment policies focused on media spending and events. Product design and development costs amounted to Euro 29.7 million for the three months ended April 30, 2015, almost unchanged compared to Euro 28.5 million for the corresponding period in 2014. General and administrative costs increased from Euro 47.3 million to Euro 55.8 million in the first three months of 2015. The higher level of

expenditure is partly explained by a number of one-off expenses incurred in the first three months of 2015 in order to carry out the reorganization of business processes and structures planned during the previous year. Another factor is the presence of non-recurring income in the three months ended April 30, 2014.

The increase in operating costs during the period led to lower EBITDA (down from Euro 213.9 million in the first three months of 2014 to Euro 162.7 million) and EBIT (down from Euro 156.3 million in the first three months of 2014 to Euro 90.7 million). Costs increased by more than sales, as a consequence the EBITDA margin also decreased (from 27.5% to 19.6%) as did EBIT margin (from 20.1% to 11%).

Net financial expenses for the first three months of 2015 amounted to Euro 0.4 million (Euro 5.6 million in the first three months of 2014) and benefited from the restatement at current exchange rates of cash assets denominated in currencies other than the Euro. This income statement caption also includes borrowing costs which increased because average bank borrowing was higher than in the first three months of 2014. The effective tax rate for the period was 33.2%, higher than the 27.4% rate recorded in the first three months of 2014, essentially because of a less favorable geographical distribution of income.

The Group's net income for the first three months of 2015 was Euro 58.7 million.

Net invested capital

The following table contains the Statement of financial position reclassified in order to provide a better picture of the composition of the Net invested capital.

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Non-current assets (excluding deferred tax assets) | 2,582,351 | 2,557,198 |
| Trade receivables, net | 285,124 | 346,284 |
| Inventories, net | 738,995 | 654,545 |
| Trade payables | (393,094) | (437,420) |
| Net operating working capital | 631,025 | 563,409 |
| Other current assets (excluding financial position items) | 227,312 | 190,149 |
| Other current liabilities (excluding financial position items) | (414,744) | (411,878) |
| Other current assets/(liabilities), net | (187,432) | (221,729) |
| Provisions for risks | (67,251) | (63,695) |
| Post-employment benefits | (82,157) | (85,754) |
| Other long-term liabilities | (154,996) | (159,419) |
| Deferred taxation, net | 252,172 | 239,349 |
| Other non-current assets/(liabilities), net | (52,232) | (69,519) |
| Net invested capital | 2,973,712 | 2,829,359 |
| Shareholders' equity – Group | (3,081,608) | (3,000,737) |
| Shareholders' equity – Non Controlling Interests | (19,527) | (17,410) |
| Total consolidated Shareholders' equity | (3,101,135) | (3,018,147) |
| Long term financial payables | (381,437) | (254,462) |
| Short term financial , net surplus/(deficit) | 508,860 | 443,250 |
| Net financial position surplus/(deficit) | 127,423 | 188,788 |
| Shareholders' equity and Net of positive financial position | (2,973,712) | (2,829,359) |
| Debt to Equity ratio | n.a. | n.a. |

At April 30, 2015, Net invested capital stood at Euro 2,973.7 million, Euro 144.4 million more than reported at January 31, 2015.

At April 30, 2015, non-current assets, excluding deferred tax assets, amounted to Euro 2,582.4 million, slightly more than the total of Euro 2,557.2 million reported at January 31, 2015. Capital expenditure for the period of Euro 92.6 million was partially offset by depreciation and amortization. Total investments on intangible assets and property, plant and equipment included Euro 63 million in the retail area, mainly for the refurbishment and relocation of existing stores; it also included Euro 29.6 million in the industrial and corporate areas.

At April 30, 2015, net operating working capital totaled Euro 631 million compared to Euro 563.4 million at January 31, 2015. The increase is essentially due to higher levels of raw materials inventory - typical of procurement during this period of the year - and finished goods inventory - mainly because sales volumes for the first three months of the year were below forecast.

Total other current liabilities, net, have decreased from Euro 221.7 million at January 31, 2015 to Euro 187.4 million at April 30, 2015, essentially because of advances paid during the three month period.

Total other non-current liabilities, net, amounts to Euro 52.2 million, slightly lower than at January 31, 2015 when it totaled Euro 69.5 million. The decrease is mainly due to higher temporary differences between the tax value and consolidated reporting value of finished goods inventory.

At April 30, 2015, Group shareholders' equity amounts to Euro 3,081.6 million. The increase compared to January 31, 2015 is due to a positive change in the translation reserve due to an increase in shareholders' equity expressed in currencies other than the Euro and because of net income for the period. In accordance with IAS/IFRS, the dividend liability of Euro 281.5 million (or Euro 0.11 per share), arising on May 26, 2015 following approval by the Shareholders' Meeting of PRADA spa, has not been recorded in the Consolidated Statement of Financial Position at April 30, 2015.

Net financial position surplus/(deficit)

| (amounts in thousands of Euro) | as at April 30 2015 (unaudited) | as at January 31 2015 (audited) |
|--|--|--|
| Long-term debt | (382,178) | (255,203) |
| Long-term financial receivables due from related parties | 741 | 741 |
| Long-term financial payables | (381,437) | (254,462) |
| Bank overdraft and short-term loans | (79,965) | (263,335) |
| Payables to related parties | (2,390) | (2,371) |
| Receivables from related parties | 11 | 11 |
| Obligations under finance leases | (13) | (21) |
| Cash and cash equivalents | 591,217 | 708,966 |
| Short-term net financial surplus/(deficit) | 508,860 | 443,250 |
| Net financial position surplus/(deficit) | 127,423 | 188,788 |

At April 30, 2015, the Group's net financial position showed a cash surplus of Euro 127.4 million. Operating cash flows for the three months then ended amounted to Euro 26 million and, together with existing cash, were used to finance capital expenditure. It is worth highlighting that, during the period, in order to give itself more financial flexibility, the Group took advantage of the favorable conditions on the credit market and arranged new medium/long-term Euro and Japanese Yen loans for a total amount of approximately Euro 140 million.

Events after the reporting period

On May 26, 2015, the Shareholders' Meeting of PRADA spa approved the separate financial statements for the twelve months ended January 31, 2015, allocating part of net income for the period to payment of a dividends of Euro 0.11 per share, a total of Euro 281,470,640.

Outlook

In the first few months of 2015, Asia Pacific markets, especially Hong Kong and Macao, have not shown any clear signs of recovery compared to the final months of 2014. This ongoing situation continues to significantly affect the Group's operating results. Also in light of the general economic situation which remains somewhat uncertain, management is assessing what measures should be taken to counter the negative effects on margins of the lack of retail sales growth. At the same time, the Group continues the rationalization program of the operational processes started in the previous months and aimed at increasing the overall efficiency in relation to both the supply chain and retail stores. After a lengthy period of growth which saw the Group more than double in size over a few years, management is now implementing an extensive plan to overhaul the entire value chain. This plan aims to start again a growth trend as well as to rationalise operational processes to increase efficiency, so as to achieve a return at the levels of profitability enjoyed until the recent past.

Corporate governance practices

Audit Committee

The Audit Committee, which comprises three independent non-executive directors, on June 12, 2015, has reviewed the unaudited consolidated results of the Company and its subsidiaries for the three months ended April 30, 2015.

Compliance with the Corporate Governance Code of the Listing Rules

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the applicable code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rules during the three months ended April 30, 2015.

Purchase, Sale, or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended April 30, 2015.

Publication of Announcement on Consolidated results for the three months ended April 30, 2015

This announcement on the consolidated results for the three months ended April 30, 2015, is published on the Company's website at www.pradagroup.com and on the Hong Kong Stock Exchanges' website at www.hkexnews.hk.

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

Milan (Italy), June 12, 2015

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.