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 OF FINANCIAL YEAR 2016

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 financial year ended January 31, 2017.

- Improving trend evident in last months: the fiscal year ended with the month of January back to positive results

- Europe and Asia are the most dynamic areas: from the third quarter China returned to growth, with a strong, accelerating trend

- Recent product and marketing initiatives producing clear and satisfactory results

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 financial year ended January 31, 2017. 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 Group ended its 2016 fiscal year with consolidated revenues of Euro 3,184 million, down by 9% at constant exchange rates (-10% at current exchange rates), in line with market expectations.

In more detail, the total sales by country are as follow:

- Asia Pacific (-12% at constant exchange rates) was very dynamic in the second half of the year: China resumed rapid growth in the third quarter and Hong Kong and Macau saw reduced level of sales contractions versus past years. Greater China reported higher sales in the last quarter of the year;

- the European market (-5% at constant exchange rates) was adversely affected for most of the year by the reduction of tourist flows, especially in Italy and France, although France showed clear signs of recovery in the fourth quarter. Particularly positive was the performance of Russia, with double-digit growth, and the U.K., which reversed the decline of the first six months to end the year with strong growth;

- the American market (-12% at constant exchange rates) continued to be affected by falling tourist flows in the U.S.A., as well as generally soft spending patterns since the first part of the year, whereas Mexico and Brazil had positive growth;

- after five years of consecutive growth, in 2016 sales declined in Japan (by 13% at constant exchange rates) essentially as a consequence of the reduced flow of tourists from China due in part to the yen appreciation;

- the Middle East presents a decrease by 10% at constant exchange rates compared to the prior fiscal year.

With respect to each brand and the various types of products, both Prada and Miu Miu showed improving trend.

The efforts of recent months to make the shopping experience more exclusive and immersive and to enrich the offer with highly creative and innovative products are already producing concrete results in the ready-to-wear segment, which saw improved results throughout the entire second half of the year, along with footwear and leather goods, where we saw an excellent market response to the latest collections.

With respect to the retail channel, the Group's 620 directly operated stores produced revenues of Euro 2,635 million in 2016, a decline of 13% at constant exchange rates and 14% at current exchange rates. However positive progress in sales trend were seen in the second half of the year, particularly in December 2016 and January 2017.

As far as the wholesale channel is concerned, initial encouraging results from the recent collaboration with leading electronic retailers ("e-tailers") are evident, in a segment where the Group has implemented an important business plan. Sales across the entire wholesale channel rose to Euro 504 million, up by 14% at constant exchange rates and 13% at current exchange rates.

Licensed business grew by 3%; both eyewear and fragrances experienced positive trends, with royalties of Euro 45 million.

Mr. Patrizio Bertelli, Chief Executive Officer of the Company, commented: "*As noted in my comments on the first six-month results, this past year we implemented a profound phase of business process rationalization - still underway - and identified important strategies to secure the Group's future growth.*
This included revising our digital strategy with the creation of a highly skilled team with professional experience from the digital technology and new media industries. In the meantime we are strengthening the retail management structure with the aim of integrating online channels with traditional channels in a truly innovative dimension.
I am confident that this new global vision will enable our brands to fully express their strong potential, and generate sustainable growth: high-quality products, high level of creativity in both communications and customer relationships."

The information contained in this announcement is based on a preliminary assessment of the management accounts of the Group for the financial year ended January 31, 2017, 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 audited consolidated results of the Group for the financial year ended January 31, 2017 will be published following the approval by the Board of Directors at the meeting which will take place in the first half of April 2017.

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

Milan, Italy, February 13, 2017

As at the date of this announcement, the Company's executive directors are Mr. Carlo MAZZI, Ms. Miuccia PRADA BIANCHI, Mr. Patrizio BERTELLI and Ms. Alessandra COZZANI; the Company's non-executive directors are Mr. Stefano SIMONTACCHI and Mr. Maurizio CEREDA and the Company's independent non-executive directors are Mr. Gian Franco Oliviero MATTEI, Mr. Giancarlo FORESTIERI and Mr. Sing Cheong LIU.