SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you, and is qualified in its entirety by, and should be read in conjunction with, the full text of this prospectus. You should read the whole prospectus before you decide whether to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide whether to invest in the Offer Shares.

OVERVIEW

We are one of the world's most prestigious fashion and luxury goods groups. We design, manufacture, promote and sell high-end leather goods, ready-to-wear and footwear through the Prada, Miu Miu, Church's and Car Shoe brands. Our Prada and Miu Miu brands provide our customers with a wide array of high-quality luxury goods, including leather goods, ready-to-wear and footwear and, through licensing agreements, eyewear and fragrances. Our Church's and Car Shoe brands target the niche luxury footwear market, offering footwear made of high-quality leather with handmade craftsmanship. We believe our dedication to offering innovative products of the highest quality, combining innovation in design and materials with our unique understanding of luxury and style, has enabled us to be a market leader in fashion and style.

Each of our brands is associated with creativity, quality and exclusivity, while at the same time enjoying its own identity created and maintained by separate design product development and communications teams. We manage each brand with a focus on protecting and enhancing its integrity and prestige, and we carefully manage our communications strategies for each brand to avoid brand dilution. We use brand-specific and in some cases unconventional communication tools, ranging from fashion shows to sponsorships of arts, cultural and sports events, landmark Prada Epicenters and various campaigns, to reinforce each brand's identity and to highlight its distinctive elements and values.

We maintain our production know-how and industrialization capabilities internally for each of our product categories through our 11 directly-managed production facilities, of which ten are located in Italy and one, specifically for the manufacture of Church's footwear, is located in the United Kingdom. Currently, we produce the vast majority of our prototypes, most of our samples and a portion of our finished products in our factories, and we outsource the remainder of our production to external manufacturers with most of whom we have stable and long-term relationships. We rigorously monitor our entire production cycle with our quality control team and inspectors to ensure our in-house and outsourced production maintains the same high quality standards that we and our customers require. We believe that our production model enables us to retain control over our production know-how, production costs and maintain a flexible capacity throughout the entire manufacturing process, while assuring high product quality.

We distribute our products through retail and wholesale channels. As at January 31, 2011, our retail channel consisted of 319 stores that we operate directly (Directly-Operated Stores ("**DOS**")), including our Prada Epicenters in New York, Los Angeles and Tokyo, and 18 outlets. We plan to open approximately 80 additional DOS net of store closings in the financial year ending January 31, 2012, of which approximately 25 DOS net of store closings will be opened in Asia Pacific. All of our DOS are strategically located in prime locations that are specifically selected to align with the image of our brands. Our wholesale channel consists of sales to prestigious luxury multi-brand and department stores as well as franchise stores. As at January 31, 2009, 2010 and 2011, we had approximately 1,800, 1,400 and 1,400 wholesale clients, respectively, and we had 32, 35 and 33 franchise stores, respectively, during the same period. We constantly monitor our wholesale relationships to protect our brand integrity. Our two-pronged distribution strategy allows us to maintain a global reach, with distribution points in over 70 countries as at January 31, 2011.

The following table sets forth our DOS breakdown by brand and geographic area for the periods indicated.

	As at January 31, 2009					As at January 31, 2010					As at January 31, 2011				
Area	Prada	Miu Miu	Church's	Car Shoe	Total	Prada	Miu Miu	Church's	Car Shoe	Total	Prada	Miu Miu	Church's	Car Shoe	Total
Italy	19	4	6	2	31	18	4	6	3	31	19	8	7	3	37
Rest of Europe	31	10	22	—	63	36	13	24	—	73	46	18	24	—	88
North America	14	3	3	—	20	15	5	1	—	21	26	7	1	—	34
Japan	42	10	—	—	52	41	12	—	—	53	43	13	—	—	56
Asia Pacific	60	9	3	—	72	67	17	3	—	87	73	25	4	2	104
Total	166	36	34	2	238	177	51	34	3	265	207	71	36	5	319

During the Track Record Period, our net revenues grew from €1,643.6 million for the financial year ended January 31, 2009 to €2,046.7 million for the financial year ended January 31, 2011 (representing a CAGR of 11.6%), while EBITDA in the same period grew from €282.6 million to €535.9 million (representing a CAGR of 37.7%), resulting in an improvement in our EBITDA margin from 17.2% for the financial year ended January 31, 2009 to 26.2% for the financial year ended January 31, 2011.

SUMMARY

The following table sets forth our net sales by distribution channel and as a percentage of our net sales, for the periods indicated.

	Year Ended January 31,						
	2009		2010		2011		CAGR
	(€ in millions, except percentages)						
Retail	871.3	54.3%	991.5	64.8%	1,427.4	70.8%	28.0%
Wholesale	732.9	45.7%	539.1	35.2%	589.7	29.2%	(10.3)%
Total	1,604.2	100.0%	1,530.6	100.0%	2,017.1	100.0%	12.1%

The following table sets forth our net sales by geographic area and as a percentage of our total revenues, for the periods indicated.

	Year Ended January 31,						
	2009		2010		2011		CAGR
	(€ in millions, except percentages)						
Italy	385.2	24.0%	330.0	21.6%	393.3	19.5%	1.0%
Rest of Europe	436.3	27.2%	373.0	24.4%	450.5	22.3%	1.6%
North America	290.0	18.1%	227.8	14.9%	294.9	14.6%	0.8%
Asia Pacific	282.7	17.6%	396.1	25.9%	645.7	32.0%	51.1%
Japan	186.8	11.6%	189.4	12.4%	220.9	11.0%	8.7%
Other countries	23.1	1.5%	14.2	0.8%	11.8	0.6%	(28.5)%
Total	1,604.1	100.0%	1,530.6	100.0%	2,017.1	100.0%	12.1%

The following table sets forth our net revenues by product line and as a percentage of our net sales attributable to each product, for the periods indicated.

	Year Ended January 31,						
	2009		2010		2011		CAGR
	(€ in millions, except percentages)						
Leather goods	634.1	39.5%	711.6	46.5%	1,013.6	50.3%	26.4%
Ready-to-wear	470.8	29.4%	396.4	25.9%	483.6	24.0%	1.3%
Footwear	488.4	30.4%	410.5	26.8%	503.1	24.9%	1.5%
Other(1)	10.8	0.7%	12.0	0.8%	16.8	0.8%	24.4%
Total	1,604.1	100.0%	1,530.6	100.0%	2,017.1	100.0%	12.1%

(1) Other includes sales mainly for eyewear and fragrances.

SUMMARY

The table below sets forth the net revenues and EBITDA percentage by brand for the periods indicated.

	Year Ended January 31,					
	2009		2010		2011	
	(€ in millions, except percentages)					
	Net Revenues	EBITDA %	Net Revenues	EBITDA %	Net Revenues	EBITDA %
Prada	1,302.4	19.2%	1,238.1	20.2%	1,614.8	28.1%
Miu Miu	241.9	12.5%	254.0	16.5%	354.5	21.8%
Church's	50.0	2.7%	43.8	2.4%	53.1	12.7%
Car Shoe	34.3	6.7%	18.5	(10.4)%	17.9	(11.1)%
Other[1]	15.1	(10.8)%	6.9	(10.0)%	6.3	2.4%
Total	1,643.6	17.2%	1,561.2	18.6%	2,046.7	26.2%

1 Primarily consisting of production for third parties.

During the Track Record Period, the Group was involved in two tax disputes in each of France, Korea and Italy, and one tax dispute in each of Japan and Germany, which we consider to be material or potentially material. In aggregate, we were involved in a total of 18 tax disputes over the Track Record Period. Please see the risk factor headed "We are subject to tax risks related to our multinational operations" in the Risk Factors section of and Note 23 of the Accountants' Report in Appendix I to this prospectus for more information.

COMPETITIVE STRENGTHS

- A leading luxury group, underpinned by a century-long heritage
- A relentless focus on innovation and quality
- Strong brand portfolio with iconic brands
- Stable and visionary management team
- Well-balanced and focused product portfolio
- Direct control over our entire value chain
- Well-diversified global presence with strong focus on Asian markets, particularly Greater China
- Strong network of DOS in prime locations
- Recent track record of delivering growth and profitability, even in difficult market conditions

OUR STRATEGIES

- Continue to expand our network of DOS
- Strengthen our global coverage
- Capture the high growth potential of Miu Miu
- Continue to improve margins and profitability

RISK FACTORS

There are certain risks involved in our operations. These risks can be categorized into (i) risks related to our business; (ii) risks related to the international luxury industry and (iii) risks related to the Global Offering. A detailed discussion of the risk factors are set forth in the section headed "Risk Factors" in this prospectus. The following is a list of the risk factors.

Risks Related to Our Business

- We are dependent on brand recognition, integrity and image
- Our success depends on our ability to anticipate trends and respond to changing consumer preferences
- We face intense competition
- Our business success has been driven by certain key personnel
- We are dependent on the strength of our trademarks and other intellectual property rights
- Our success depends on our ability to manage the expansion of our network of directly-operated stores
- We may be unable to control our wholesale distribution channel satisfactorily
- Operations at our manufacturing, warehouse or distribution facilities are subject to disruption
- We are subject to risks associated with third-party production
- We are exposed to interest rate risks
- We are exposed to a significant risk from exchange rate fluctuations
- We are exposed to foreign exchange hedging risk
- We are subject to tax risks related to our multinational operations

- We have had net current liabilities at times during the Track Record Period
- We are restricted from operating any Prada mono-brand stores in Milan
- We may be exposed to claims or disputes in our ordinary course of business, and media speculation concerning these claims and disputes

Risks Related to the International Luxury Industry

- A downturn in the economy or consumer confidence may affect sales of our products
- Our business is dependent on tourist traffic and demand
- The sale of counterfeit products may affect our reputation and profitability
- We are subject to risks associated with international markets
- The March 2011 earthquake and tsunami in Japan may adversely affect our business in Japan, which may negatively affect our operating results
- Our operating results are subject to seasonal fluctuations

Risks Related to the Global Offering

- The interests of Prada Holding B.V., our controlling shareholder, or its shareholders, may differ from the interests of other shareholders
- The price for our Shares may differ significantly from the initial offer price, and the liquidity of any trading market that may develop could be limited
- Payment of dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors
- US shareholders may not be able to exercise preemptive rights, and as a result may experience substantial dilution upon future issuances of shares
- There is doubt as to the enforceability of civil liability provisions of US federal or state securities laws
- Shareholders are subject to exchange rate risk
- Italian legal, regulatory and corporate governance requirements may differ from requirements in other jurisdictions

- Holders of physical shares in our Company may be required to take further actions or incur further costs if our Shares are required to be dematerialized under Italian law

- Due to a gap of up to four business days between pricing and trading of the Offer Shares, the initial trading price of the Offer Shares could be lower than the Offer Price

- We strongly caution you not to place any reliance on any information contained in press articles or other media regarding us and the Global Offering

ITALIAN LAW AND TAXATION

As we are an Italian company, our Shareholders will have the rights, obligations and protections ordinarily afforded to shareholders under Italian law (which may differ from those afforded to shareholders of Hong Kong companies), as well as duties under the Italian taxation regime. Hong Kong resident Shareholders should note that there is currently no double tax treaty in force between Italy and Hong Kong.

Hong Kong resident Shareholders will be liable to capital gains tax on gains earned on a sale of our Shares and will be subject to a withholding tax on dividends. There will be no exemption and no refund available to Hong Kong resident Shareholders (both individuals and corporates) in respect of capital gains tax and withholding tax.

Capital gains

In the case of Hong Kong resident Shareholders (including those subscribing for or purchasing our Shares in this Global Offering) (i) capital gains realized through the sale of a <u>non-substantial participation</u> in our Company on each and every transaction will be subject to 12.5% capital gains tax and (ii) a proportion of capital gains realized through the sale of a <u>substantial participation</u> in our Company will be subject to capital gains tax at progressive rates. In either case, the taxpayer (i.e. the beneficial owner of our Shares) will be required to file a tax return and pay capital gains tax to the Italian Revenue Agency. In this context and in the case of our Company, a participation is currently considered to be 'non-substantial' when it entitles the holder to not more than 20% of the voting rights in our Company.

Shareholders not resident in Hong Kong (including those subscribing for or purchasing our Shares in this Global Offering) may also be subject to capital gains tax in Italy on any gains earned on the sale of our Shares.

Our Company intends to produce a booklet (in English and Chinese) for Shareholders, which will be available on the Company's website, explaining the steps that need to be taken in order to file a tax return before the deadline set out below. This booklet will be available as soon as practicable after Listing.

In summary, in order to comply with the obligations imposed under Italian law, a non-Italian resident shareholder (with no permanent establishment in Italy) who is liable to capital gains tax must:

- Apply for an Italian Tax Identification Code
- File the proper tax return in printed paper form, electronic form or through an Italian authorized intermediary

Submitting the tax return

- **For non-Italian resident individuals**: submit the tax return before the deadline of (i) June 30 (if the tax return is submitted through an Italian post office in Italy) or (ii) September 30 (if the tax return is posted from abroad, submitted electronically or filed via an Italian authorized intermediary), of the tax period following the one in which the capital gain is realized. For individuals, the tax period coincides with the calendar year (i.e. January 1 to December 31)
- **For non-Italian resident companies**: submit the tax return before the last day of the ninth month following the end of the relevant company's fiscal year in which the gain is realized

Deadline for payment

- **For non-Italian resident individuals**: the deadline for payment is June 16 of the tax period following the one in which the capital gain is realized
- **For non-Italian resident companies**: the deadline for payment is the 16th day of the 6th month following the end of the relevant company's fiscal year in which the capital gain is realized

Prospective investors should note, therefore, that **payment is due before the deadline for filing the tax return.**

Method of payment

- Payment may be made online, via internet banking for taxpayers who have a bank account in Italy or by wire transfer to an Italian correspondent bank. Payment by cheque is not permitted
- Payment must be made in Euro

- Penalties apply in relation to unpaid capital gains tax or the failure to submit a tax return in Italy

Even if our Shareholders trade Shares through an intermediary, it is the beneficial owner himself/herself/itself who needs to submit the tax return and pay capital gains tax.

However, a full exemption from capital gains tax in Italy for the sale of a non-substantial participation applies to Shareholders resident in countries which allow the exchange of information with Italy. There is currently no such arrangement in place between Hong Kong and Italy.

In summary, therefore, all Shareholders resident in Hong Kong will be subject to capital gains tax.

More details in relation to the capital gains tax liability and procedures for payment of capital gains tax are set out in the section headed "F. Summary of Main Italian Tax Aspects Relevant to Shareholders of the Company — 2. Capital Gains" in Appendix IV of this prospectus.

Withholding tax

Dividends we pay to non-Italian resident shareholders (who do not carry on business in Italy through a permanent establishment situated therein) generally are subject to a 27% final withholding tax (which will be withheld by our Company upon payment of a dividend). Where no income tax treaty is applicable (and there is currently no such tax treaty in force between Hong Kong and Italy), non-Italian resident shareholders, including Hong Kong resident shareholders, may claim a refund (a "credit refund") equal to the lower of 4/9ths of the tax withheld and the amount of tax actually paid in their home jurisdiction on the dividend. However, **if the dividend is not subject to final taxation in Hong Kong (for example), the relevant Hong Kong resident shareholder will not be entitled to receive any credit refund.**

A credit refund request, if any, must be filed with the Italian tax authorities either by the shareholder or by the withholding agent, not later than 48 months after the date the tax on the dividend is finally paid by the shareholder. In order to be entitled to the credit refund, the non-resident shareholder must provide evidence of the final taxation in its home jurisdiction, by way of a certificate issued by the relevant tax authority in that jurisdiction.

A summary of certain provisions of Italian law and taxation applicable to an Italian company whose shares are listed on the Hong Kong Stock Exchange is set out in paragraphs B and F of Appendix IV of this prospectus. Prospective investors should consult their own advisors as to the effect of any laws, including Italian tax laws, to which they may be subject.

SUMMARY OF HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth summary consolidated financial information of our Group. We have derived the consolidated financial information for the three years ended January 31, 2009, 2010 and 2011 from the Accountants' Report in Appendix I to this prospectus. The summary consolidated financial information should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements set forth in the Accountants' Report in Appendix I to this prospectus, including the related notes.

Consolidated Statements of Financial Position

	As at January 31,		
Assets	2009	2010	2011
	(€ in millions)		
Current assets			
Cash and cash equivalents	86.9	98.6	96.6
Trade receivables, net	250.5	224.2	274.2
Inventories	251.2	231.5	280.4
Derivative financial instruments	3.4	0.2	7.4
Amounts due from parent company, associates and related parties	22.3	56.4	36.3
Other current assets	130.5	74.7	70.2
Assets held for sale	1.4	1.4	4.9
Total current assets	746.2	687.0	770.0
Non-current assets			
Property, plant and equipment	379.2	418.0	536.7
Intangible assets	901.1	893.3	869.1
Investments in associates	1.7	1.7	1.7
Investment in a jointly-controlled entity	8.2	7.8	—
Other Investments	0.0	0.0	0.0
Deferred tax assets	106.2	111.4	141.4
Derivative financial instruments	—	—	2.1
Other non-current assets	33.4	28.4	44.9
Total non-current assets	1,429.8	1,460.5	1,596.0
Total assets	2,176.1	2,147.5	2,366.0

Liabilities and Shareholders' equity	As at January 31, 2009	2010	2011
	(€ in millions)		
Current liabilities			
Bank overdrafts and short-term loans	366.5	459.3	194.2
Amounts due to parent company, associates and related parties	3.2	5.6	1.1
Other shareholders' loans	0.5	0.5	0.6
Trade payables	230.5	196.4	233.9
Current tax liabilities	33.9	62.2	107.6
Derivative financial liabilities	21.3	9.3	5.3
Obligations under finance leases	3.4	5.5	5.0
Other current liabilities	93.4	90.7	111.5
Total current liabilities	752.8	829.6	659.2
Non-current liabilities			
Long-term debt	264.0	111.4	303.4
Obligations under finance leases	7.7	7.7	2.5
Post-employment benefits	36.1	36.8	34.8
Provision for contingencies and commitments	14.1	13.1	52.7
Deferred tax liabilities	64.5	59.4	52.7
Other non-current liabilities	22.4	32.6	50.2
Derivative financial instruments	2.1	0.2	0.3
Total non-current liabilities	411.0	261.3	496.7
Total liabilities	1,163.8	1,090.8	1,155.9
Equity and reserves			
Share capital	250.0	250.0	250.0
Reserves	753.1	797.9	954.4
Equity attributable to owners of the Company	1,003.1	1,047.9	1,204.4
Non-controlling interests	9.2	8.8	5.8
Total liabilities and equity	2,176.1	2,147.5	2,366.0
Net current liabilities	(6.5)	(142.6)	110.9
Total assets less current liabilities	1,423.3	1,317.9	1,706.8

SUMMARY

Consolidated Income Statements

	Year Ended January 31,		
Continuing operations	2009	2010	2011
	(€ in millions)		
Net revenues	1,643.6	1,561.2	2,046.7
Cost of goods sold	(690.5)	(586.6)	(658.8)
Gross profit	953.1	974.7	1,387.9
Interest income	10.1	2.5	1.3
Other gains and losses	(2.1)	(7.9)	(4.7)
Product and development expenses	(88.2)	(96.8)	(97.2)
Advertising and promotion expenses	(99.5)	(75.8)	(85.1)
Selling expenses	(428.1)	(484.6)	(642.5)
General and administration expenses	(146.3)	(130.4)	(144.7)
Finance cost	(46.2)	(26.0)	(22.6)
Share of profit (loss) of jointly-controlled entity	1.0	(0.4)	(4.2)
Profit before tax	153.8	155.2	388.2
Income tax expense	(52.6)	(52.5)	(134.7)
Profit for the year from continuing operations	101.2	102.6	253.6
Discontinued operations			
Loss for the year from discontinued operations	(0.6)	(2.3)	—
Profit for the year	100.6	100.3	253.6
Profit (loss) for the year attributable to:			
Owners of the Company			
- Profit for the year from continuing operations	99.4	102.5	250.8
- Loss from the year from discontinued operations	(0.6)	(2.3)	—
Profit for the year attributable to owners of the Company	98.8	100.2	250.8
Non-controlling interests			
- Profit for the year from continuing operations	1.8	0.2	2.7
- Loss for the year from discontinued operations	—	—	—
Profit for the year attributable to non-controlling interests	1.8	0.2	2.7
Total	100.6	100.3	253.6
Earnings per share (expressed in Euro per share)			
From continuing and discontinued operations - Basic	0.0395	0.0401	0.1003
From continuing operations - Basic	0.0398	0.0410	0.1003

Consolidated Statement of Cash Flows

	Year Ended January 31,		
	2009	2010	2011
	(€ in millions)		
Profit before tax from continuing operations	153.8	155.2	388.2
Loss before tax from discontinued operations	(0.6)	(2.3)	—
Total profit before tax	153.2	152.8	388.2
Adjustments for:			
Depreciation and amortization from discontinued operations	0.2	0.5	—
Depreciation and amortization from continuing operations	79.9	93.8	111.5
Impairment of/written off non-current assets	11.8	9.4	6.1
Finance income and expenses	28.9	29.6	19.3
Share of (profit) loss of a jointly controlled entity	(1.1)	0.4	4.2
Other non-monetary changes	(0.5)	4.8	26.8
Operating cash flows before movements in working capital	272.4	291.3	556.1
Other non current assets and liabilities	(4.2)	3.8	(10.0)
Trade receivables	8.6	24.4	(46.1)
Inventories	41.8	15.0	(46.4)
Trade payables	(8.9)	(33.5)	36.9
Other current assets and liabilities	(10.3)	39.4	(10.0)
	299.4	340.5	480.7
Interests paid, net	(35.4)	(21.2)	(22.8)
Income taxes paid, net	(98.1)	(39.4)	(90.2)
Cash flows generated from operations	165.9	279.9	367.7
Investing activities			
Purchase of assets	(144.3)	(132.8)	(187.6)
Acquisition of investments	(7.8)	(9.3)	(4.0)
Cash flow used in investing activities	(152.1)	(142.1)	(191.6)

	Year Ended January 31,		
	2009	2010	2011
	(€ in millions)		
Financing activities			
Dividends paid to shareholders	—	(47.8)	(58.9)
Dividends paid to non-controlling interests	(1.3)	(0.3)	(0.5)
Repayment of loans to other shareholders	—	—	(0.1)
Repayment of short-term portion of long-term borrowings - third parties	(117.5)	(114.6)	(179.7)
Proceeds from long-term borrowings - third parties	37.3	23.0	307.3
Change in short-term borrowings - third parties	94.7	38.5	(201.8)
Change in short-term borrowings - parent company and related parties	(29.6)	(24.0)	(35.6)
Cash flow used in financing activities	(16.4)	(125.1)	(169.3)
Change in cash and cash equivalents, net of bank overdraft	(2.6)	12.7	6.8
Opening cash and cash equivalents, net of bank overdraft	55.1	59.9	69.2
Exchange differences	7.3	(3.3)	3.5
Closing cash and cash equivalents, net of bank overdrafts	59.9	69.2	79.5
Cash and cash equivalents	86.9	98.6	96.6
Bank overdraft	(27.0)	(29.4)	(17.1)
Closing cash and cash equivalents, net of bank overdrafts	59.9	69.2	79.5

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$2,438.9 million (assuming an Offer Price of HK$42.25 per Share, being the mid-point of the estimated Offer Price range), after deducting the underwriting fees and commissions and estimated expenses.

In line with our strategies, we intend to use the net proceeds we will receive from the Global Offering for the following purposes:

- approximately 75% of the net proceeds, or approximately HK$1,829.2 million, will be used for the expansion of our DOS network and the floor space expansion, renovation or relocation of our existing DOS over the course of the next 12 to 18 months;*

- approximately 15% of the net proceeds, or approximately HK$365.8 million, will be used for the repayment of bank loans, including among others, the US$22 million Post Development Corp. and Sovereign Bank mortgage loan agreement and certain short-term revolving credit facilities; and

- the remaining amount will be used to provide funding for working capital and other general corporate purposes.

In the event that the Offer Price is set at HK$36.50 per Share (being the low end of the estimated Offer Price range of HK$36.50 to HK$48.00 per Share as stated in this prospectus), the net proceeds we will receive will be reduced by approximately HK$334.2 million. In the event that the Offer Price is set at HK$48.00 per Share (being the high end of the estimated Offer Price range of HK$36.50 to HK$48.00 per Share as stated in this prospectus), the net proceeds we will receive will be increased by approximately HK$334.2 million.

To the extent our net proceeds are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis. To the extent that proceeds are not used immediately for the purposes stated, they will be invested in short-term demand deposits with licensed banks and money market instruments.

We estimate that our Selling Shareholders will receive net proceeds of approximately HK$15,111.7 million (assuming an Offer Price of HK$42.25 per Share, being the mid-point of the estimated Offer Price range) after deducting

* As at April 30, 2011, we had incurred approximately HK$350 million and committed approximately HK$241 million in expenditure related to our DOS expansion budget. These figures were converted from Euro at the exchange rate of € 1.00 = HK$11.54 as at April 29, 2011.

the underwriting fees and commissions and estimated expenses payable by the Selling Shareholders in relation to the Global Offering and assuming the Over-allotment Option is not exercised. We will not receive any of the net proceeds of the Global Offering from the sale of Shares by the Selling Shareholders.

PROFIT FORECAST

We estimate that, on the bases set out in "Appendix III — Profit Forecast" in this prospectus, the forecast of the consolidated profit attributable to the owners of our Company for the six months ending July 31, 2011 is unlikely to be less than approximately € 150.7 million (HK$1,710.4 million).[1]

INTERIM REPORT

In accordance with Rule 11.18 of the Listing Rules, our Company's interim report for the six months ending July 31, 2011 will be audited if our Shares are listed on the Hong Kong Stock Exchange.

OFFERING STATISTICS (1)

	Based on an Offer Price of HK$36.50	Based on an Offer Price of HK$48.00
Market capitalization of our Shares (2)	**HK$93,397.1 million**	**HK$122,823.6 million**
Unaudited pro forma adjusted net tangible assets value per Share (3)	**€ 0.20 (HK$2.31)**	**€ 0.23 (HK$2.57)**

Notes:

(1) All statistics in this table assume that the Over-allotment Option is not exercised.

(2) The calculation of market capitalization is based on 2,558,824,000 Shares expected to be in issue immediately following completion of the Global Offering.

(3) The unaudited pro forma adjusted net tangible assets value per Share is calculated after making the adjustments referred to in the section headed "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus, on the basis that 2,558,824,000 Shares were in issue assuming that the Global Offering and the one-for-ten share split as detailed in Appendix V to this prospectus had been completed on January 31, 2011. The unaudited pro forma adjusted net tangible assets value per Share is converted into Hong Kong dollars at the rate of € 1.00 to HK$11.35. No adjustment has been made to the unaudited pro forma adjusted net tangible assets of our Group to reflect any trading result or other transaction of our Group entered into subsequent to January 31, 2011. In particular, the unaudited pro forma adjusted net tangible assets of the Group has not taken into account the payment of dividend of € 35 million which was approved by the shareholders' meeting on March 28, 2011.

1. This figure was converted from Euro at the exchange rate of € 1.00 = HK$11.35 as at June 3, 2011.

DIVIDENDS AND DIVIDEND POLICY

During the financial year ended January 31, 2009, we did not pay any dividend.

During the financial year ended January 31, 2010, we distributed a dividend of € 0.191 per share*, representing a total dividend of € 47.8 million. The dividend was paid on September 30, 2009.

During the financial year ended January 31, 2011, at our shareholders' meeting on April 28, 2010 our shareholders approved a distribution of € 0.32 per share*, representing a total dividend of € 80.0 million. This dividend was paid on July 27, 2010 for an amount of € 27.9 million and on the same date an amount of € 52.1 million was offset against a receivable owed to us by Prada Holding B.V., our controlling shareholder. In addition, the shareholders' meeting on January 27, 2011 approved a distribution of € 0.124 per share*, representing a total dividend of € 31.0 million which was entirely paid on the same date.

Furthermore, at our shareholders' meeting on March 28, 2011 our shareholders approved a distribution of € 0.14 per share*, representing a total dividend of € 35.0 million to be paid by June 30, 2011. This dividend was paid on April 29, 2011 for an amount of € 2.5 million and on the same date an amount of € 32.5 million was offset against a receivable owed to us by Prada Holding B.V., our controlling shareholder.

We may distribute dividends subject to the approval of our shareholders in the ordinary shareholders' meeting. The amount of any future dividend payments we may make will depend upon our strategy, future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors, including applicable provisions of Italian law and our By-laws. In addition, our controlling shareholder will be able to influence our dividend policy.

According to Italian law, we may pay dividends out of our actual annual net profits in the balance sheet that has been approved by our shareholders in the ordinary shareholders' meeting, after setting aside a portion not lower than 5% of the annual net profits to a non-distributable reserve until this reserve is equal to 20% of the share capital of our Company. As at January 31, 2009, 2010 and 2011, our legal reserve amounted to approximately € 6.9 million, € 6.9 million and € 9.9 million, respectively, and they are accounted for as retained earnings in our Group's financial statements. As at January 31, 2011, our Company had distributable reserves of € 361.9 million, not including our Company's profit for the year ended January 31, 2011, which is distributable only after approval by our shareholders in the ordinary shareholders' meeting in accordance with Italian law.

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* The one-for-ten share split approved by our shareholders' meeting on May 26, 2011 as detailed in Appendix V to this prospectus has not been taken into account.

Cash dividends on our Shares, if any, will be paid in Euro, except that we will make arrangements to effect payment in Hong Kong dollars of any cash dividends payable to shareholders resident in Hong Kong.

Please see the sections headed "F. Summary of Main Italian Tax Aspects Relevant to Shareholders of the Company — 1. Dividends Payments" in Appendix IV to this prospectus for information on the tax treatments on dividends paid by our Company to our shareholders.