**2018 Focus on Execution**

**Overall Good Performance in a Challenging Environment**
- Positive sales trends across all regions and categories
- Increased full-price sales
- Geopolitical environment causing uncertainty

**Transformation Plan Demonstrated Results**
- Targeted execution of our own (channels, merchandising, communication)
- Investing in foundations of platform for growth
- Technology and digital strategy in place and delivering
- Enhanced human capital

**Our Brands: A Unique Asset**
- No compromise on our core values
- Investment in brand, technology, production and organization
- Brand integrity at the heart of any decisions

**Channels**
- Leveraging omni-channel portfolio

- Driving excitement and customer engagement through pop-ups and store events
  - Roll-out of 48 pop-up stores
  - Roll-out of 50 Lexus RCF 2.0 special sets
  - +700 promotional events

- Continuous optimization of the retail network
  - 29 new openings
  - 20 closures
  - ~120 renovation and relocation projects

- Strong double-digit growth in e-commerce through own off-line platforms
- Selective approach when choosing our wholesale partners to manage a controlled growth strategy

**Merchandising**
- Incorporating market trends leveraging our brands’ unique heritage
- Leather Goods: improved offer across all, strategy, pricing points
- Ready-To-Wear: double-digit performance, confirming design leadership
- Footwear: successful reduction, building on longstanding expertise in lifestyle and sportswear

**Communication**
- Targeting new audiences through brand experience
  - Prada Mode
  - My Prada Club
  - 36th America’s Cup
  - Prada Cup Racing

- Building brand identity and awareness through global sponsorship

**Tech Roll-Out**
1. Ramping up e-commerce to reach global coverage by 2020
2. Investing in technology to boost operational efficiency and effectiveness
   - Enhanced customer service
   - New service functions launched in 5 regional hubs
   - Integrating CRM with AI
   - Implementing radio-frequency identification RFID
3. Digital projects driving brand engagement