3Q04 Conference Call
October 28, 2004
Safe Harbour Statement

Certain statements in this press release may constitute “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those which are anticipated. Such risks and uncertainties include, but are not limited to, fluctuations in exchange rates, economic and weather factors affecting consumer spending, the ability to successfully introduce and market new products, the ability to effectively integrate recently acquired businesses, the ability to successfully launch initiatives to increase sales and reduce costs, the availability of correction alternatives to prescription eyeglasses, risks that the integration with Cole National’s operations will not succeed as currently planned, that expected synergies from the acquisition of Cole National will not be realized as planned, that the combination of Luxottica Group’s managed vision care business with Cole National’s will not be as successful as planned, as well as other political, economic and technological factors and other risks referred to in the Group’s filings with the U.S. Securities and Exchange Commission. These forward-looking statements are made as of the date hereof, and Luxottica Group does not assume any obligation to update them.
Talking Points

- Highlights For The quarter
- Key Drivers For The Quarter: Retail
  - Luxottica Retail North America
  - OPSM Group
- Key Drivers For The Quarter: Wholesale
  - Markets & Products
- Other Breakdowns
- In Summary
Highlights For The Quarter

- **Positive sales growth momentum**
  - +9.5% (constant exchange rates)

- **Both divisions contributing to the growth**
  - Strong wholesale sales to third parties results: +9.3%
  - Comp sales build on positive YTD momentum: +4.0%

- **Accelerating operating profitability**
  - 17.9% improvement in operating income
  - Operating margin up by 220 bps to 18.0%

- **Net income line reflects positive trend, despite:**
  - Increased tax rate: 34% vs. 30%
  - Significantly lower extraordinary gains

- **Strong cash flow generation:**
  - 3Q04: €117.5 million
  - YTD: €282.4 million before €95.5 million paid in dividends in 1H04

- **Improvement on working capital**
Key Drivers For The Quarter:
Retail

Luxottica Retail North America

Business continues to be strong
- Positive comparable store sales at both LC and SHI

Main drivers
- Targeting the higher-ticket, more profitable segment of the market
- Multiple pairs, premium frames and lenses choices: higher average ticket
- Focus on fashion brands
  - Includes roll out of PRADA and Versace to 700 stores
- Emphasis on brands, quality, service NOT on promotions
- Ongoing focus on customer-oriented sales training supported by incentives

Note: 3Q04 Consolidated and Retail results do not include Cole National business
Key Drivers For The Quarter: Retail

OPSM Group

- Integration continues to move forward
- Extremely focused strategic approach – to increase profitability
  - Three brand strategy in Australia
  - Review of brand positioning, presence in other markets; Australia, New Zealand and Hong Kong remain priority
- Good execution at the store level
  - Improved store format starting to bear fruit
  - Good customer response to improved product assortment
  - Sales and leadership training as key to continued growth of business
- Synergies with Luxottica Group structure
  - Best practices
  - Sourcing, other
- Favorable economic environment especially in Australia

Note: 3Q04 results include three months of OPSM Group vs. two months in 3Q03
Key Drivers For The Quarter: Wholesale

- **Exceptional quarter across the board**
  - Sales up by 12.1%, by 15.7% assuming constant exchange rate
  - +71.9% in operating income, margin to 21.0%

- **Positive contribution from licenses signed in 2003, other key licenses**
  - Chanel, Prada and Versace

- **House brands continue to play key role**
  - Ray-Ban now represents approx. 15% of consolidated sales
  - Leveraging the strength and penetration of the #1 sun brand in the world
    - Ray-Ban Ophthalmic has now reached approx. 20% of total Ray-Ban sales
  - Vogue

- **Continued to strengthen leadership in key markets**
  - Europe, even where market as a whole is not growing
  - U.S.: sales up, profitability up – focus on fashion brands
Other Breakdowns

- **Prescription / Sun Mix** (units, approx., %)
  - Quarter
    - Wholesale to third parties: 45-55
    - Retail: 48-52
  - Nine-month period
    - Wholesale to third parties: 37-63
    - Retail: 48-52

- **House brands / Designer** (units, approx., % – total wholesale only)
  - Quarter
    - 68-32
  - Nine-month
    - 68-32
In Summary

- Solid quarter across both businesses
- Improved product portfolio is reflected in the performance especially of the wholesale business
  - Strength of fashion brands
  - House brands show potential, further growth will require more development, support to unleash it
- Existing retail business strengthened further across all trading brands
- Integration of Cole National just begun
  - Initial positive impact expected in the medium term
  - Other learnings
Luxottica Group Investor & Media Contacts

- Luca Biondolillo, Director, Corporate Communications
  - Tel. +39 (02) 8633 4668
  - Email: LucaBiondolillo@Luxottica.com

- Alessandra Senici, Manager, Investor Relations
  - Tel. +39 (02) 8633 4662
  - Email: AlessandraSenici@Luxottica.com