50 years of excellence

London – March 1, 2011
Forward looking statements

Certain statements in this investor presentation 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, our ability to manage the effect of the uncertain current global economic conditions on our business, our ability to successfully acquire new businesses and integrate their operations, our ability to predict future economic conditions and changes in consumer preferences, our ability to successfully introduce and market new products, our ability to maintain an efficient distribution network, our ability to achieve and manage growth, our ability to negotiate and maintain favorable license arrangements, the availability of correction alternatives to prescription eyeglasses, fluctuations in exchange rates, changes in local conditions, our ability to protect our proprietary rights, our ability to maintain our relationships with host stores, any failure of our information technology, inventory and other asset risk, credit risk on our accounts, insurance risks, changes in tax laws, as well as other political, economic, legal and technological factors and other risks and uncertainties described in our filings with the US Securities and Exchange Commission. These forward-looking statements are made as of the date hereof, and we do not assume any obligation to update them.
50 years of excellence

Andrea Guerra
Chief Executive Officer
50 years of excellence

Entrepreneurship & Growth

Brands

Vertical integration

Innovation

Execution

… who we are, simple and fast
“We see opportunities that others don’t and understand the value of taking risks. We trust our instincts and listen to our intuition so that we will continue to lead the industry.”

Leonardo Del Vecchio

- Milestones
  - 1990 US listing
  - 1995 LensCrafters
  - 1999 Ray-Ban
  - 2001 Sunglass Hut
  - 2003 OPSM
  - 2007 Oakley
  - … what’s next?

- Growth is in our DNA
  - €3.4 billion invested into the business in the last 6 years
  - 6-year sales CAGR over 10%
Brands are our assets.
We have created the best portfolio of house and licensed brands to reach a diversified audience: from lifestyle to sport to luxury, across price points, businesses & regions.

- Over 60,000,000 customers served each year
- 10-year Ray-Ban sales CAGR: mid-teens
- Oakley @ sporting events: more than 1,000 each year
- Over 7,500,000 patients helped since 1988
One of the competitive advantages underpinning our past and future successes is our vertically integrated business model, which is unique in the eyewear industry.

- Control of value chain drives
  - Efficiency through speed & flexibility
    - Reduction in lead time in supply chain: approx. 30 days in 3 years
    - Faster time to market dealing with portfolio complexity
  - Leadership in profitability
  - Best-in-class partnerships
Creativity and innovation are the foundations of our success and the way we work. We love what we do and believe we make a difference in people’s lives.

- Registered patent
- 5% of the mix
- Keep re-inventing: introducing Light Ray collection in sun and optical
- Over 600 patents and 1,000 trademarks
- HDO technology
- 1,500 athletes loyal to the brand
- The first 3D lenses ever made with high-wrap curvature
- Unique proposition
  - Structured assortment management
  - Fast replenishment
  - 2010 sales growth +42%
  - 4,500 doors by 2013
- www.ray-ban.com
  - 32 million visitors
  - 15 million viewed virals
  - 1.8 million Facebook fans
We believe in simplicity.
We focus on priorities so that we can quickly deliver results and drive changes. What we have built sustains us into the future.

Our track record

- Ability to quickly and successfully integrate acquisitions
  - Over 30 since the beginning
  - Oakley was the latest milestone
- Strong FCF\(^{(1)}\) generation
  - Exceeding €1.3 billion over the last two years

Eyewear industry: a long way to go

(1) Free cash flow is not a measure in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.
50 years of excellence

62,000 People

35 Languages

56% Generation Y

14% In emerging countries

... here we are
## 50 years of excellence: takeaway

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>5</th>
<th>&gt;7mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>Group</td>
<td>Creative hubs</td>
<td>OneSight patients</td>
</tr>
<tr>
<td></td>
<td>130 Countries</td>
<td>45 Brands</td>
<td>&gt;50mn Manufactured frames</td>
</tr>
<tr>
<td></td>
<td>62,000 People</td>
<td>&gt;6,000 Stores</td>
<td>&gt;60mn Customers</td>
</tr>
</tbody>
</table>
FY 2010 results

Enrico Cavatorta
Chief Financial Officer
2010 highlights - strong growth overall

- All-time high sales +13.8% (+7.1% at constant exchange rates\(^{(1)}\))
  - Wholesale +9.0% at constant exchange rates\(^{(1)}\)
    - Gain 1.8% in price mix
    - +19% in Ray-Ban sales thanks to strong Rx and price mix
    - Continued successful expansion in emerging markets +12.7% at constant exchange rates\(^{(1)}\)
  - Retail comps\(^{(2)}\) +4.4%
    - Strong growth in North America (comps\(^{(2)}\) +6.7%)
    - Double-digit growth in China (comps\(^{(2)}\) +10.7%)
    - Challenging performance in Australia, now improving (-12.3% comps\(^{(2)}\) in 1H10, -6.1% in 4Q10, +2.5% in February 2011)

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\(^{(1)}\) 2010 figures at constant exchange rates are calculated using the average exchange rates in effect during the corresponding period of the previous year. See Appendix.

\(^{(2)}\) Comparable store sales reflects the change in sales from one period to another that, for comparison purposes, includes in the calculation only stores open in the more recent period that also were open during the comparable prior period, and applies to both periods the average exchange rate for the prior period and the same geographic area.
2010 highlights - strong growth overall

- Solid operating leverage
  - A more efficient organization, heavily reinvesting into the business (marketing investments + 19%)
  - 50% completion of IT transformation program
  - Restructuring costs close to €20 million
  - Capex + 15%

- Strong deleverage (Net debt/EBITDA\(^{(1)}\) from 2.7x to 2.0x)
  - Again strong free cash flow generation\(^{(1)}\) (€616 million)
  - Continued working capital improvement (reduction of another 14 days, following 11 days in 2009)

(1) Free cash flow and Net debt/EBITDA are not measures in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix
P&L Results
Non-recurring items in 2010

- **Discontinued operation**

  The company recorded in 2010 the release of a provision for taxes of approximately US$27 million related to the sale of the Things Remembered retail chain in September 2006.

- **Impairment Australia**

  During 4Q 2010 the company recorded an impairment charge of approximately €20 million related to certain of Luxottica’s assets in the Australian region where the retail environment continues to be particularly challenging.
4Q 2010 consolidated results

Net sales (€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail</th>
<th>Wholesale</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>708</td>
<td>449</td>
<td>1,157</td>
</tr>
<tr>
<td>2010</td>
<td>833</td>
<td>513</td>
<td>1,346</td>
</tr>
</tbody>
</table>

Operating income (€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>74</td>
</tr>
<tr>
<td>2010</td>
<td>117</td>
</tr>
</tbody>
</table>

EBITDA (€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>145</td>
</tr>
<tr>
<td>2010</td>
<td>193</td>
</tr>
</tbody>
</table>

Net income (€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>29</td>
</tr>
<tr>
<td>2010</td>
<td>56</td>
</tr>
</tbody>
</table>

(1) 2010 figures at constant exchange rates are calculated using the average exchange rates in effect during the corresponding period of the previous year. See Appendix.
(2) Excluding impairment. See Appendix.
(3) Excluding impairment and discontinued operations. See Appendix.
FY 2010 consolidated results

Net sales (€ million)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>1,955</td>
<td>2,236</td>
</tr>
<tr>
<td>Wholesale</td>
<td>3,139</td>
<td>3,562</td>
</tr>
</tbody>
</table>

+14% c.fx (1) +7.1% 
+14% c.fx (1) +9%
+13% c.fx (1) +6%

EBITDA (€ million)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>857</td>
<td>1,034</td>
</tr>
<tr>
<td>Wholesale</td>
<td>299</td>
<td>403</td>
</tr>
</tbody>
</table>

+21% 
+21%
+35%
+35%

Operating income (€ million)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>571</td>
<td>733</td>
</tr>
<tr>
<td>Wholesale</td>
<td>2009</td>
<td>2010</td>
</tr>
</tbody>
</table>

+28% 
+28%
+140 bps
+140 bps

Net income (€ million)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>299</td>
<td>403</td>
</tr>
<tr>
<td>Wholesale</td>
<td>2009</td>
<td>2010</td>
</tr>
</tbody>
</table>

+35%
+35% (2)

(1) 2010 figures at constant exchange rates are calculated using the average exchange rates in effect during the corresponding period of the previous year. See Appendix.
(2) Excluding impairment. See Appendix.
(3) Excluding impairment and discontinued operations. See Appendix.
FY 2010 results confirm “2010 rule of thumb”

% growth vs. FY09

Sales growth: Mid-single digit  
\(+14\%\)  \((+7\% \text{ c.fx}(1))\)  \(\checkmark\)

Operating income\((2)\): 2x sales growth  
\(+28\%\)  \(\checkmark\)

Net income\((3)\): 3x sales growth  
\(+35\%\)  \(\checkmark\)

Net debt/EBITDA\((4)\): Approaching 2x  
\(2.0\times\)  \(\checkmark\)

The “rule of thumb” proved to be correct also at current exchange rate

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(1) 2010 figures at constant exchange rates are calculated using the average exchange rates in effect during the corresponding period of the previous year. See Appendix.
(2) Excluding impairment. See Appendix.
(3) Excluding impairment and discontinued operations. See Appendix.
(4) Net debt/EBITDA is not a measure in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.
Oakley: a successful acquisition

Net sales\(^{(1)}\) (US$ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>821</td>
<td>939</td>
<td>1,018</td>
<td>1,158</td>
</tr>
</tbody>
</table>

12% CAGR

EBIT\(^{(1)}\) (US$ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>107</td>
<td>114</td>
<td>152</td>
<td>172</td>
</tr>
</tbody>
</table>

23% CAGR

\(^{(1)}\) Oakley results are calculated on a theoretical “stand-alone” basis.
Cash Flow Results
1999 - 2010 Net debt / EBITDA

(1) Net debt/EBITDA is not a measure in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.

(2) EBITDA as of Dec. 31, 2010 excluding impairment. See Appendix.
2007-2010 free cash flow \(^{(1)}\)

Free cash flow is not a measure in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.

\(^{(2)}\) 2007 and 2008 figures are calculated in accordance with US GAAP

\(^{(3)}\) 2009 and 2010 figures are calculated in accordance with IFRS/IAS

\(^{(4)}\) Excluding non-recurring payment for royalties
### Net working capital effect (€ million)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-11</td>
<td>-14</td>
<td>-25</td>
</tr>
<tr>
<td>2008</td>
<td>-8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td>+12</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td>-5</td>
<td></td>
</tr>
</tbody>
</table>

(1) 2007 and 2008 figures are calculated in accordance with US GAAP

(2) 2009 and 2010 figures are calculated in accordance with IFRS/IAS

(3) DSO, Days sales outstanding; DSI, Days sales inventories; DPO, Days payable outstanding
Net debt\textsuperscript{(1)} evolution

\begin{align*}
\Delta \text{Net debt}\textsuperscript{(1)} & = 226 \text{ € mn} \\
\text{FCF}\textsuperscript{(1)} & = 616 \text{ € mn}
\end{align*}

(1) Free cash flow and Net debt are not measures in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.
## Group liquidity analysis

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>As of Dec. 31, 2010</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Outstanding</td>
<td>Available</td>
</tr>
<tr>
<td>Credit facility Club Deal 2004 – 2013</td>
<td>968</td>
<td>243</td>
<td>725</td>
</tr>
<tr>
<td>Credit facility Oakley Term 2007- 2013</td>
<td>898</td>
<td>898</td>
<td>-</td>
</tr>
<tr>
<td>Other committed lines</td>
<td>704</td>
<td>554</td>
<td>150</td>
</tr>
<tr>
<td>Capital market transaction</td>
<td>937</td>
<td>937</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total committed credit lines</strong></td>
<td><strong>3,507</strong></td>
<td><strong>2,632</strong></td>
<td><strong>875</strong></td>
</tr>
<tr>
<td>Other uncommitted lines</td>
<td>719</td>
<td>159</td>
<td>560</td>
</tr>
<tr>
<td>Cash and cash equivalent</td>
<td></td>
<td>(680)</td>
<td>680</td>
</tr>
<tr>
<td><strong>Total liquidity</strong></td>
<td><strong>4,226</strong></td>
<td><strong>2,111</strong></td>
<td><strong>2,115</strong></td>
</tr>
</tbody>
</table>
2011: a natural evolution from 2010
Looking ahead to grow through continuing leadership

Andrea Guerra
Chief Executive Officer
2011: a natural evolution from 2010

Geographies  Brands  Businesses

Solid growth expected
2011 expected sales growth by geography

<table>
<thead>
<tr>
<th>Geography</th>
<th>Wholesale</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>~+5-7%</td>
<td>-</td>
</tr>
<tr>
<td>North America</td>
<td>~+10%</td>
<td>~+4-7%</td>
</tr>
<tr>
<td>Emerging</td>
<td>~+20%</td>
<td>~+20%</td>
</tr>
<tr>
<td>Australia</td>
<td>~+10%</td>
<td>~+5%</td>
</tr>
</tbody>
</table>

- **Opportunities**
  - US: excellent momentum in sun business
  - Emerging markets: strong growth rates

- **Challenges**
  - Mediterranean Europe: monitoring macro environment
  - Australian comps: 1H10 -12.3%; 4Q10 -6.1%; Dec. 2010 slightly negative; Feb. 2011 +2.5%
2011 by brands: continuing the success story

- New global campaign: back to brand
- Continuing innovation: from Tech to Light Ray
- Emerging markets push: double-digit growth
- Ray-Ban Rx still an untapped opportunity: +20%

- Europe: another high teen growth year
- North America: continuing strong momentum
- Oakley Rx frames + lenses: +20%

- Back to normal: winning market share
- Special collections: styles increasing by over 70%
- A good balance of sun vs. Rx

- Clear positioning identifying priorities
- Deepening geographic segmentation to further meet local needs: Vogue “emerging markets”

Sales growth

Mid to high single digit
+Teens
Double digit
Mid single digit
2011 by brands: further exploiting our Retail presence

- Lens leadership
  - Digital measurements and DST for a more personalized offering
  - Strong push on AR in one hour: breakthrough
  - Reaping the full benefit in sun Rx

- Replicating strong sales results, beating 2010 record
  - SOP in North America above 20% since 2007
  - Great execution of a solid strategy

- The trend in Australia is improving
  - Better positioning, better merchandising, better people
  - February 2011 comps\(^{(1)}\): +2.5%

- Growing in emerging markets
  - China: 15-20\% comp\(^{(1)}\) growth, adding 50 stores
  - Latin America: scouting, entrance, push
    > Acquired 70 sun stores in Mexico
    > Opening 15 Sunglass Hut stores in Brazil

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\(^{(1)}\) Comparable store sales reflects the change in sales from one period to another that, for comparison purposes, includes in the calculation only stores open in the more recent period that also were open during the comparable prior period, and applies to both periods the average exchange rate for the prior period and the same geographic area.
2011 by businesses

**Wholesale**
- Brand-focused approach driving strong growth
- Rx sales driven by innovation in technology and style
- Continuing strong investment in emerging markets

**Retail**
- Continuing sound momentum in North America
- Further expanding Sunglass Hut worldwide: +270 stores, mostly through Macy’s roll out
- Australia: execution, execution, execution, back to positive sales

**Operations**
- Innovation: lenses, materials, decorations
- Improving lead time: greater speed and adaptability
- Further inventory days decrease
2011 “rule of thumb”

- **Sales growth**: High-single digit\(^{(1)}\)
- **Operating income / Net Income**: 2x sales growth\(^{(1)}\)
- **Net debt/EBITDA**: Approaching 1.6 - 1.7x

\(^{(1)}\) Percentage growth on a like-for-like basis, i.e. constant exchange rates and excluding non-recurring costs or gains.
\(^{(2)}\) Net debt is not a measure in accordance with IAS/IFRS. For additional disclosure regarding non-IAS/IFRS measures, see Appendix.
Sunglass Hut

Fabio d’Angelantonio
Executive Vice President Sun & Luxury Retail
2010: great execution on a solid strategy

All-time high sales: €730 million, +21%
- Worldwide comps\(^{1}\): +8.4%, North America: +11.1%
- Polarized penetration to record level: 50%
- Further improved store experience
  - Increased flow of new products and visual merchandising
  - More effective marketing and PR activities
- Successful rollout of Sunglass Hut@Macy's in US
- Solid profitability growth in North America: over 200bps in 2010, traffic by far the main driver

\(^{1}\) Comparable store sales reflects the change in sales from one period to another that, for comparison purposes, includes in the calculation only stores open in the more recent period that also were open during the comparable prior period, and applies to both periods the average exchange rate for the prior period and the same geographic area
Further improving in-store experience and storytelling

- Displaying sunglasses as only an expert can do!
  - Animating the assortment and educating consumer on the way
  - Connecting Brand to Products
- Digitalizing the experience
  - More than 150 “social sun stations” in key stores around the world
Step change in Marketing

- Sunglass Hut is acquiring its recognisable identity
- Three initiatives put in place during 2010 proved to be successful
  - Targeting young women 20-25 years old
  - Linking Sunglass Hut to young and fresh celebrities
  - Expressing the brand into the digital world
- Strategic use of PR to build status in the retail arena and a sexy fashion angle
Strengthening brand equity with flagships

- 2010
  - New York: 5th Avenue
  - London: Oxford Street

- Opening soon
  - Broadway, NY
  - Orlando, Disney
  - Santa Monica
  - Covent Garden, London
2011: strengthening Sunglass Hut as global sun brand

- Further growth in core markets: North America, Australia and UK

- Strengthening presence beyond core markets
  - Further growth in South Africa, Middle East, India
  - Reach a solid position in newly launched markets (Brazil, Mexico, Turkey)
  - Redesign an aggressive development plan for Asia

- Exploit all channel opportunities
  - Roll-out expansion in all Macy’s stores (+230 stores, to a total of 670)
  - Travel retail expansion
  - Develop e-commerce globally

- Organization
  - Keep increasing our fast-fashion Retail know-how
  - Consolidate the regional hub structure with the new hubs in Latin America & Asia

Building on 2010 success, beating 2010 record sales

- High-single digit to double-digit sales growth
- +270 New stores
- +3 New countries
Expanding through new geographies and channels

- Focus on worldwide sun belt, prioritizing emerging markets
  - Already an established presence in: North America, Australia and New Zealand, UK, Middle East, Singapore, South Africa, India, Thailand and Philippines
  - New markets: Mexico, acquired 70 stores; Brazil, ready to enter

- Department stores
  - Improved store format and sharpened dedicated marketing strategy
  - Globally leveraged expertise

- Travel retail expansion
  - In discussion with major travel retail operators
  - Best-in-class experience in the channel
www.sunglasshut.com going global

- Leveraging [www.sunglasshut.com](http://www.sunglasshut.com) e-commerce platform
  - US sales doubled in 2010, expecting to double again in 2011
  - Roll out in new regions

- Grow online community to increase consumer retention
  - Successful engagement strategy targeting young fashion sensitive
    > Full time fabulous blogger search resulting in a 10% increase in traffic and in positive impacts on brand sentiment online
Sunglass Hut takeaway

4,000 stores by 2015
Luxottica Retail North America

Kerry Bradley
Chairman, Vision Development
North America: #1 market, unique mix of assets

- Wholesale
  - Covering 12,000 doors
- Leading US brands
  - Ray-Ban
  - Oakley
- Retail
  - Approx. 3,000 optical stores
  - Over 1,800 sun stores
- EyeMed
  - 29 million lives
- Labs network
  - 5 central labs
  - Approx. 1,000 in-store labs

Each business growing individually
Currently exploiting only half the possible synergies

<table>
<thead>
<tr>
<th>Sunglass Hut</th>
<th>Wholesale</th>
<th>Optical retail</th>
<th>Labs</th>
<th>EyeMed</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Ray-Ban" /></td>
<td><img src="image2.png" alt="Oakley" /></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Future opportunities
- Minor synergy
- Major existing synergies, more quick wins available

...exploring how to connect more
Exploring opportunities to create value for final consumers, Wholesale and Retail

| Ray-Ban “Rox” lenses | Expansion to wholesale customers  
<table>
<thead>
<tr>
<th></th>
<th>Use to strengthen/differentiate EyeMed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oakley</td>
<td>Use to strengthen/differentiate EyeMed</td>
</tr>
</tbody>
</table>
| Wholesale            | Bundled offering  
|                     | Stronger support to Pearle franchisees |
| Labs                 | Produce Ray-Ban “Rox” and other branded lenses  
|                     | Support “bundled” frame/lab options for wholesale  
|                     | Lower cost structure for EyeMed |
| EyeMed               | Tailor insurance programs to support wholesale product offerings  
|                     | Drive Rx sun overall – Ray-Ban/Oakley new customers  
|                     | Promote premium lenses |
LensCrafters: boosting brand differentiation

- Boosting lens leadership
  - Further investing in digital technologies
    - Digital measurement
    - DST lenses
  - Pushing one-hour
    - AR in one hour in 200 stores

- Expand Rx sun
  - Frames assortment: offering the greatest selection of styles and brands
  - Enhance lens options
  - National TV campaign and front door visuals in peak sun season

- Innovative customer service: "ready to wear program"
  - No compromise between "premium" and "one-hour" service
Oakley

Colin Baden
Chief Executive Officer, Oakley
Sales increased at double-digit rates for the 5th year in a row

- Strong sales momentum in sunglasses
- Rx grew 15% driven by:
  - New launches
  - Launch of Oakley True Digital™ technology lens in North America
- Sound results in all regions driven by EMEA and Latin America
- Significant increase in Polarized and Custom
- Global Oakley.com sales grew by over 25% in 2010
Expand and strengthen distribution globally

Increase brand awareness worldwide, focusing on EMEA and emerging markets

- Own the Mountain
- Showcase Oakley Custom in major markets in Europe and through major events
- 362 Oakley athletes participated in the 2010 Winter Olympic Games, earning 65 medals. Start build-up for London Olympics 2012
- Grow penetration in India, China and Brazil

Continue to build Luxottica Retail partnership

- First Sunglass Hut - Oakley worldwide Shaun White collection launch in July
- Increased HD Polarized marketing efforts and associate training
- Introduction of new merchandise concepts at LensCrafters
Expand Oakley’s online brand presence worldwide
  ‣ Rebels microsite & global “Join the Rebellion” video contest
  ‣ Mobile-optimized experiences
  ‣ Virtual on-model try on

International e-commerce
  ‣ Launch of Oakley Europe site in 17 countries, expecting 50% sales growth
  ‣ Expand e-commerce in Japan
  ‣ Begin planning Brazil

Key strategic initiatives
  ‣ Cross-channel Retail integration
  ‣ Rx online sales
  ‣ Improved online customer care

www.oakley.com
  ‣ 18 million unique visitors in the US
Own the Last Mile

Investing in consumer experience, 2011 focus areas

- Optical Channel Training – Oakley True Digital
- Sport Channel – Switchlock and HD Polarized
- Emerging Markets – establish brand differentiation
- Consumer Experience – sales associate ambassadors, CRM

600 Global Retail Ambassador Events

Omatter.com Online Learning Community

Rolling O Tech Labs

Product Launch Selling Tools
Provide consumers what they want: Oakley Custom Product (OCP)

- Over 30% of Oakley Retail eyewear sales
- Approximately 50% of Oakley.com eyewear sales
- 2006 – 2010: CAGR over 50%
- Launched touch-screen kiosks in limited Sunglass Hut locations

Custom growth tactics in 2011

- Expanded distribution
  - Continue to increase revenue growth in current channels: O Stores and Oakley.com
  - Launch touch-screen kiosks in 50 European wholesale locations
- Expand product offerings and multi-channel integration within Oakley Retail and Oakley.com
Inspire sun

Men’s sun expecting double-digit sales growth in 2011

- Product innovation and a balanced portfolio of new releases
- Simplification of lens tint assortment and story-telling
- Rolling out Oakley custom in Wholesale

Growth in women’s sun: +mid-teens in 2011

- Brand-positive “Perform Beautifully” campaign is resonating with consumers and driving sales
- Delivering exciting new products
Win in Rx

Rx, the long term growth driver, now represents 15% of Wholesale Optics sales

- Brand objective is to lead the category of Sport Rx, driven by innovative design and technology
- 2012 launch of new concept of Sport Rx frame collection

- Oakley True Digital™ to be rolled out in EMEA and Asia Pacific
- Local designs and accessible price points for India, China
Exploiting goggles

Innovation and strong athlete associations will drive goggle sales in 2011

- Solidify our position as premium performance market leader

Airbrake featuring Switchlock™ - The world’s best goggle lens interchangeability system

First time users can change a lens in less than 10 seconds

- Shaun White Collection: signature series product available in an array of price points and performance packages
“Selected launch in 4Q 2010 was received positively…. … but we have much to do in 2011”

- Expand the optical platform to Spherical HDO-3D Lens Technology
- Focus on the Oakley optical platform opportunities
  - Interchangeable lenses
  - Luxottica brand portfolio
- Create interactive 3D consumer experiences within the Group distribution channels
- Continue to develop and pursue partnerships
  - Movie Studios
  - TV Manufacturers
  - Gaming
  - Retail
- Continue to benefit from the brand exposure and momentum

“I think this is the best 3D experience I’ve ever had.”
- Jon Fortt, Technology Correspondent, CNBC
Emerging markets

Antonio Miyakawa
Head of Marketing, Style and Product

Paolo Alberti
Executive Vice President, Wholesale Division
Creative intelligence & product development hubs

- Los Angeles: Creative research and design
- New York / Cincinnati: Creative research, design, and product development
- Milan / Agordo: HQ of creative direction and product development
- Tokyo: Creative research, design, and product development
- Shanghai: New hub
Asian design
Why Asian fit and design?

Technical features, due to different fitting needs

- Asian features
  - Lower nose saddle
  - Prominent cheekbones
  - Oval face shape

- Western features
  - Prominent nose saddle
  - Lower cheekbones
  - Longer face shape

Adaptations:
- nose pads, bridge, temple width, temple length, lens base, front curve, angle of temple

Stylistic features, due to different sensibility to fashion

- Materials: mainly metal/titanium for optical and acetate for sun without flex hinges
- Shapes: round and rimless
- Decors/Logo: recognizable on the temple but discreet
- Lens color: mainly gradient lenses, with light colors like red wine, violet, grey
- End piece: emphasized with decors or logo often very close to the front
- Temple tip: tick in order to balance the style
Boosting Ray-Ban as the aspirational & authentic brand

<table>
<thead>
<tr>
<th>Asian design</th>
<th>28%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refit of international, “must have” with new Asian fitting</td>
<td>44%</td>
</tr>
<tr>
<td>International</td>
<td>28%</td>
</tr>
</tbody>
</table>
Now presenting
Be ready for....

BURBERRY
ESTABLISHED 1856

PRADA

D&G
Eyewear industry: a long way to go

Untapped potential
First mover advantage: the leader in eyewear

- Successful early expansion strategy in emerging markets
- Accelerating growth
  - Last 5-year wholesale sales CAGR: +21%
  - Last 5-year Group sales CAGR: +26%

An opportunity already in the making

Further broadening our reach:
- Group sales +220% vs. 2005
- Wholesale sales +156% vs. 2005

Strengthening our presence:
- China
- Russia
- Korea
Seize the growth: a segmented approach

- **Big emerging**
  (China, India, Brazil and Mexico)

- **Mature emerging**
  (Singapore, HK, Malaysia, Taiwan, Argentina and Chile)

- **New emerging**
  (Thailand, Vietnam, Indonesia, Colombia, Perù and Ecuador)

- Shaped the most appropriate commercial organization
- Identified proper product offering and marketing activities
- Accelerating investments
Wholesale expansion in Asia: a highly adaptive approach

**Big emerging**
- Investing in local management and sales force
- Strong investments to raise category penetration and brand awareness
- Strengthening dedicated Ray-Ban “emerging market” collections, launching Vogue and Oakley

**Mature emerging**
- Leveraging Singapore hub
- Building client segmentation
- Strong investments to support brand awareness

**New emerging**
- Working with distributors while exploring synergies with Singapore hub
- Strong investments to raise category penetration and brand awareness

<table>
<thead>
<tr>
<th>3-year volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>+120%</td>
</tr>
<tr>
<td>+30%</td>
</tr>
<tr>
<td>+60%</td>
</tr>
</tbody>
</table>
Asia: the new frontier for retail

Greater China

- Entering 2011 with:
  - Double-digit growth in 2010 sales with 20% lower store base
  - LensCrafters perceived as the destination for sun, already at 30% of the mix
  - Store base rationalization complete; ready for new openings
- Ready for:
  - Rolling out a new store format, already 2 stores remodeled, 35 in the pipeline
  - New openings: + 50 stores
  - New channel to be explored:
    > Eyewear corners in young multi-brand fashion stores
    > Department stores
    > E-commerce
  - New city-entry strategy: targeting 10 new tier 2 cities

500 LensCrafters stores by 2013

India

- Sunglass Hut on track to become the largest sun premium chain
  - Expecting approx. 40 stores by year end
Wholesale expansion in Latin America: a highly adaptive approach

Big emerging
- Long-term established presence in these dynamic and fast-growing regions
- Brazil, among top 10 Wholesale markets
  - Leveraging new organizational structure
- Mexico
  - Further strengthening brands positioning
- Focusing on Ray-Ban and Vogue emerging collections

New emerging
- Working with distributors while exploring synergies with hub in Chile
- Strong investment to build the category

3-year volume growth
- +40%
- +60%
## Latin America: targeting over 1,000 stores

<table>
<thead>
<tr>
<th>Country</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mexico</strong></td>
<td>- Acquired two sunglass specialty retail chains totaling 70 stores</td>
</tr>
<tr>
<td></td>
<td>- Closing expected by the end of 2Q11</td>
</tr>
<tr>
<td></td>
<td>- Rebranding into Sunglass Hut</td>
</tr>
<tr>
<td><strong>Brazil</strong></td>
<td>- Opening a Sunglass Hut hub in Sao Paulo</td>
</tr>
<tr>
<td></td>
<td>- 1st Sunglass Hut store opening in 1H 2011, 15 stores by year end</td>
</tr>
<tr>
<td><strong>Chile, Perù, Ecuador and Colombia</strong></td>
<td>- 40% stake in Multiopticas</td>
</tr>
<tr>
<td></td>
<td>- Option to acquire the remaining 60%</td>
</tr>
<tr>
<td></td>
<td>- Currently managing 490 stores</td>
</tr>
</tbody>
</table>
**Takeaway: emerging market growth on track**

Sales % of Wholesale\(^{(1)}\) in emerging markets

<table>
<thead>
<tr>
<th>Year</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012E</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Number of stores in emerging markets (% of total)

<table>
<thead>
<tr>
<th>Year</th>
<th>0%</th>
<th>1%</th>
<th>6%</th>
<th>12%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>2012E</td>
<td></td>
<td></td>
<td></td>
<td>12%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) 2000 and 2005 Wholesale sales are pro forma figures that reflect the inclusion of the consolidated results of Oakley Inc., a subsidiary that was acquired in November 2007, as if it was acquired on January 1, 2000.
Speed and Flexibility

Massimo Vian
Group Chief Operations Officer
Faster global supply chain through operational excellence

Speed and flexibility in inventory planning are key to enhance efficiency

- New products introduction
- Time to market
- Faster with lean program across all manufacturing plants
- Concentrating inventories in the primary distribution centers
- Excellence in direct shipments
A unique global engineering organization is offering new opportunities in efficiency and speed of industrialization phases. Advanced design and rapid prototyping enable the launch of the trial samples in parallel with the first mass production.

<table>
<thead>
<tr>
<th>AUGUST</th>
<th>SEPTEMBER</th>
<th>OCTOBER</th>
<th>NOVEMBER</th>
<th>DECEMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week</td>
<td>35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- 1 Week

- 3 Weeks

4 weeks closer to the market
Italian factories: lead time reduction

Lead time evolution (metal)

Lead time evolution (acetate)
Chinese factories: lead time reduction

Lead time evolution (metal)

Lead time evolution (acetate)
Speed and flexibility drive efficiency

- More efficient planning
- Manufacturing: lead time reduction
- Faster logistic
- SAP rollout

Inventory days down by 20% in the next 3 years
Conclusions

Andrea Guerra
Chief Executive Officer
Beyond 2011

Well positioned to capitalize on growth opportunities...

... expecting sustainable sales growth and ongoing margin improvements
A Luxottica foundation, OneSight’s mission is to restore and preserve clear vision for the 314 million adults and children worldwide who cannot afford or do not have access to primary vision care.

Our vision is a world where primary eye care is a reality for everyone. Through OneSight, we donate our expertise in eye care and eyewear to give back to those in need. We’ve helped more than 7.5 million people since 1988.

2010 Results

- **Global Eye Care:**
  - 15 Global Clinics to 11 different countries
  - 149,412 people helped

- **Regional Eye Care:**
  - 34 Regional and Vision Van Clinics across North America, China and Australia
  - 26,335 people helped

- **Community Eye Care:**
  - 164,908 helped through in-store and community outreach programs across North America and Asia-Pacific

- **Preventative Eye Care:**
  - The OneSight Research Foundation awarded US$250,000 to each of eight organizations that support diabetic retinopathy research
  - 20 optometry students received scholarships from the OneSight Research Foundation totaling $40,000

OneSight Clinic volunteers were able to help a 74-year old woman who did not have glasses. She was blind in one eye and incredibly far-sighted in the other. The team found a perfect prescription match which allowed her to see clearly for the first time in 5 years.

**Thailand Global Clinic, 2010**
Appendix
2011 financial calendar

April 28
1Q 2011 results
AGM

July 25
2Q 2011 results

October 24
3Q 2011 results
Wholesale sales breakdown

Sales breakdown for 4Q10

Wholesale sales: +7.4%\(^{(1)}\)

(Sales breakdown by region, 4Q10)\(^{(1)}\)

- Western Europe: +4.4%
- North America: +8.5%
- Emerging markets: +3.6%
- RoW: +18.3%

(Sales breakdown by region, FY10)\(^{(1)}\)

- Western Europe: 43%
- North America: 22%
- Emerging markets: 17%
- RoW: 18%

(YoY% changes by region, 4Q10)\(^{(1)}\)

- Western Europe: +7.2%
- North America: +6.2%
- Emerging markets: +12.7%
- RoW: +16.4%

(YoY% changes by region, FY10)\(^{(1)}\)

- Western Europe: 46%
- North America: 24%
- Emerging markets: 14%
- RoW: 16%

(1) Wholesale sales at constant exchange rates calculated using the average exchange rates during the corresponding period in the previous year. See Appendix.
<table>
<thead>
<tr>
<th>Region</th>
<th>4Q10</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Optical North America</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LensCrafters</td>
<td>+5.6%</td>
<td>+6.1%</td>
</tr>
<tr>
<td>Pearle Vision</td>
<td>+3.4%</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Licensed brands</td>
<td>+7.0%</td>
<td>+7.7%</td>
</tr>
<tr>
<td><strong>Optical Australia/New Zealand</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-7.6%</td>
<td>-12.0%</td>
</tr>
<tr>
<td><strong>Sunglass Hut worldwide</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+12.9%</td>
<td>+8.4%</td>
</tr>
</tbody>
</table>

(1) Comparable store sales reflects the change in sales from one period to another that, for comparison purposes, includes in the calculation only stores open in the more recent period that also were open during the comparable prior period, and applies to both periods the average exchange rate for the prior period and the same geographic area.
### Major currencies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>€1 = US$</td>
<td>1.47794</td>
<td>1.39467</td>
<td>1.35827</td>
<td>1.32572</td>
</tr>
<tr>
<td>€1 = AUD</td>
<td>1.62499</td>
<td>1.77281</td>
<td>1.37471</td>
<td>1.44231</td>
</tr>
<tr>
<td>€1 = GBP</td>
<td>0.90482</td>
<td>0.89104</td>
<td>0.85944</td>
<td>0.85784</td>
</tr>
<tr>
<td>€1 = CNY</td>
<td>10.09048</td>
<td>9.52693</td>
<td>9.04049</td>
<td>8.97123</td>
</tr>
<tr>
<td>€1 = JPY</td>
<td>132.69246</td>
<td>130.31404</td>
<td>112.10182</td>
<td>116.23857</td>
</tr>
</tbody>
</table>
Non-IAS/IFRS measure: Adjusted measures

In order to provide a supplemental comparison of current period results of operations to prior periods, we have adjusted for certain non-recurring transactions or events.

We have made such adjustments to the following measures: EBITDA, EBITDA margin, operating income, operating margin, net income and earnings per share. For comparative purposes, management has adjusted each of the foregoing measures by excluding, as applicable, the following:

(a) a non-recurring gain in 2010 from the release of a provision for taxes of approximately USD 27 million (approximately Euro 20 million at December 31, 2010) related to the sale of the Things Remembered retail chain in 2006; and
(b) a non-recurring loss in the fourth quarter of 2010 from the impairment charge recorded of approximately Euro 20 million related to certain of the Company assets in the Australian region, where the retail environment continues to be particularly challenging.

The Company believes that these adjusted measures are useful to both management and investors in evaluating the Company’s operating performance compared with that of other companies in its industry because they exclude the impact of non-recurring items that are not relevant to the Company’s operating performance.

The adjusted measures referenced above are not measures of performance in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS). We include these adjusted comparisons in this presentation in order to provide a supplemental view of operations that excludes items that are unusual, infrequent or unrelated to our ongoing core operations.

These adjusted measures are not meant to be considered in isolation or as a substitute for items appearing on our financial statements prepared in accordance with IAS/IFRS. Rather, these non-IAS/IFRS measures should be used as a supplement to IAS/IFRS results to assist the reader in better understanding the operational performance of the Company. The Company cautions that these adjusted measures are not defined terms under IAS/IFRS and their definitions should be carefully reviewed and understood by investors. Investors should be aware that Luxottica Group’s method of calculating these adjusted measures may differ from methods used by other companies.

The Company recognizes that there are limitations in the usefulness of adjusted comparisons due to the subjective nature of items excluded by management in calculating adjusted comparisons. We compensate for the foregoing limitation by using these adjusted measures as a comparative tool, together with IAS/IFRS measurements, to assist in the evaluation of our operating performance.

See the tables on the following pages for a reconciliation of the adjusted measures discussed above to their most directly comparable IAS/IFRS financial measures or, in the case of adjusted EBITDA and adjusted EBITDA margin, to EBITDA and EBITDA margin, respectively, which are also non-IAS/IFRS measures. For a discussion of EBITDA and EBITDA margin and a reconciliation of EBITDA and EBITDA margin to their most directly comparable IAS/IFRS financial measures, see the tables on the pages immediately following the reconciliation of the adjusted measures.
Non-IAS/IFRS measure: reconciliation between reported and adjusted P&L items

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net sales</td>
<td>EBITDA</td>
<td>Operating income</td>
<td>Net income</td>
<td>EPS</td>
</tr>
<tr>
<td>Reported</td>
<td>5,798.0</td>
<td>1,013.8</td>
<td>712.2</td>
<td>402.2</td>
<td>0.88</td>
</tr>
<tr>
<td>▶ Adj. for goodwill impairment charge</td>
<td>20.4</td>
<td>20.4</td>
<td>20.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▶ Adj. for tax provision relating discontinued operations</td>
<td></td>
<td></td>
<td></td>
<td>(19.9)</td>
<td></td>
</tr>
<tr>
<td>Adjusted</td>
<td>5,798.0</td>
<td>1,034.2</td>
<td>732.6</td>
<td>402.7</td>
<td>0.88</td>
</tr>
</tbody>
</table>
Non-IAS/IFRS measure: reconciliation between reported and adjusted P&L items

Millions of Euro

<table>
<thead>
<tr>
<th></th>
<th>4Q10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net sales</td>
</tr>
<tr>
<td>Reported</td>
<td>1,346.5</td>
</tr>
<tr>
<td>Adj. for goodwill impairment charge</td>
<td>20.4</td>
</tr>
<tr>
<td>Adj. for tax provision relating discontinued operations</td>
<td></td>
</tr>
<tr>
<td>Adjusted</td>
<td>1,346.5</td>
</tr>
</tbody>
</table>
EBITDA represents net income before non-controlling interest, taxes, other income/expense, depreciation and amortization. **EBITDA margin** means EBITDA divided by net sales.

The Company believes that EBITDA is useful to both management and investors in evaluating the Company’s operating performance compared with that of other companies in its industry.

Our calculation of EBITDA allows us to compare our operating results with those of other companies without giving effect to financing, income taxes and the accounting effects of capital spending, which items may vary for different companies for reasons unrelated to the overall operating performance of a company’s business.

EBITDA and EBITDA margin are not measures of performance under International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS).

We include them in this presentation in order to:

- improve transparency for investors;
- assist investors in their assessment of the Company’s operating performance and its ability to refinance its debt as it matures and incur additional indebtedness to invest in new business opportunities;
- assist investors in their assessment of the Company’s cost of debt;
- ensure that these measures are fully understood in light of how the Company evaluates its operating results and leverage;
- properly define the metrics used and confirm their calculation; and
- share these measures with all investors at the same time.

EBITDA and EBITDA margin are not meant to be considered in isolation or as a substitute for items appearing on our financial statements prepared in accordance with IAS/IFRS. Rather, these non-IAS/IFRS measures should be used as a supplement to IAS/IFRS results to assist the reader in better understanding the operational performance of the Company.

The Company cautions that these measures are not defined terms under IAS/IFRS and their definitions should be carefully reviewed and understood by investors.

Investors should be aware that Luxottica Group’s method of calculating EBITDA may differ from methods used by other companies. The Company recognizes that the usefulness of EBITDA has certain limitations, including:

- EBITDA does not include interest expense. Because we have borrowed money in order to finance our operations, interest expense is a necessary element of our costs and ability to generate profits and cash flows. Therefore, any measure that excludes interest expense may have material limitations;
- EBITDA does not include depreciation and amortization expense. Because we use capital assets, depreciation and amortization expense is a necessary element of our costs and ability to generate profits. Therefore, any measure that excludes depreciation and expense may have material limitations;
- EBITDA does not include provision for income taxes. Because the payment of income taxes is a necessary element of our costs, any measure that excludes tax expense may have material limitations;
- EBITDA does not reflect cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- EBITDA does not allow us to analyze the effect of certain recurring and non-recurring items that materially affect our net income or loss.

We compensate for the foregoing limitations by using EBITDA as a comparative tool, together with IAS/IFRS measurements, to assist in the evaluation of our operating performance and leverage.

See the tables on the following pages for a reconciliation of EBITDA to net income, which is the most directly comparable IAS/IFRS financial measure, as well as the calculation of EBITDA margin on net sales.
Non-IAS/IFRS measure: EBITDA and EBITDA margin

<table>
<thead>
<tr>
<th>Millions of Euro</th>
<th>4Q10</th>
<th>4Q09</th>
<th>FY10</th>
<th>FY09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income/(loss) (+)</td>
<td>55.1</td>
<td>29.3</td>
<td>402.2</td>
<td>299.1</td>
</tr>
<tr>
<td>Net income attributable to non-controlling interests (+)</td>
<td>0.9</td>
<td>0.8</td>
<td>5.1</td>
<td>5.8</td>
</tr>
<tr>
<td>Provision for income taxes (+)</td>
<td>32.0</td>
<td>14.6</td>
<td>218.2</td>
<td>159.9</td>
</tr>
<tr>
<td>Adjustment to provision for taxes relating to discontinued operations (-)</td>
<td>(19.9)</td>
<td>-</td>
<td>(19.9)</td>
<td>-</td>
</tr>
<tr>
<td>Other (income)/expense (+)</td>
<td>2.3</td>
<td>2.2</td>
<td>8.1</td>
<td>4.1</td>
</tr>
<tr>
<td>Interest expense (+)</td>
<td>25.8</td>
<td>27.3</td>
<td>98.5</td>
<td>102.2</td>
</tr>
<tr>
<td>Depreciation &amp; amortization (+)</td>
<td>76.2</td>
<td>71.2</td>
<td>301.6</td>
<td>285.4</td>
</tr>
<tr>
<td><strong>EBITDA</strong> (=)</td>
<td><strong>172.3</strong></td>
<td><strong>145.3</strong></td>
<td><strong>1,013.8</strong></td>
<td><strong>856.5</strong></td>
</tr>
<tr>
<td><strong>Net sales (/)</strong></td>
<td><strong>1,346.5</strong></td>
<td><strong>1,157.1</strong></td>
<td><strong>5,798.0</strong></td>
<td><strong>5,094.3</strong></td>
</tr>
<tr>
<td><strong>EBITDA margin (=)</strong></td>
<td><strong>12.8%</strong></td>
<td><strong>12.6%</strong></td>
<td><strong>17.5%</strong></td>
<td><strong>16.8%</strong></td>
</tr>
</tbody>
</table>
**Net debt to EBITDA ratio**: Net debt means the sum of bank overdrafts, current portion of long-term debt and long-term debt, less cash. EBITDA represents net income before non-controlling interest, taxes, other income/expense, depreciation and amortization.

The Company believes that EBITDA is useful to both management and investors in evaluating the Company's operating performance compared with that of other companies in its industry. Our calculation of EBITDA allows us to compare our operating results with those of other companies without giving effect to financing, income taxes and the accounting effects of capital spending, which items may vary for different companies for reasons unrelated to the overall operating performance of a company's business. The ratio of net debt to EBITDA is a measure used by management to assess the Company's level of leverage, which affects our ability to refinance our debt as it matures and incur additional indebtedness to invest in new business opportunities. The ratio also allows management to assess the cost of existing debt since it affects the interest rates charged by the Company's lenders.

EBITDA and the ratio of net debt to EBITDA are not measures of performance under International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS). We include them in this presentation in order to:

- Improve transparency for investors;
- Assist investors in their assessment of the Company’s operating performance and its ability to refinance its debt as it matures and incur additional indebtedness to invest in new business opportunities;
- Assist investors in their assessment of the Company’s cost of debt;
- Ensure that these measures are fully understood in light of how the Company evaluates its operating results and leverage;
- Properly define the metrics used and confirm their calculation; and
- Share these measures with all investors at the same time.

EBITDA and the ratio of net debt to EBITDA are not meant to be considered in isolation or as a substitute for items appearing on our financial statements prepared in accordance with IAS/IFRS. Rather, these non-IAS/IFRS measures should be used as a supplement to IAS/IFRS results to assist the reader in better understanding the operational performance of the Company. The Company cautions that these measures are not defined terms under IAS/IFRS and their definitions should be carefully reviewed and understood by investors. Investors should be aware that Luxottica Group’s method of calculating EBITDA and the ratio of net debt to EBITDA may differ from methods used by other companies.

The Company recognizes that the usefulness of EBITDA and the ratio of net debt to EBITDA as evaluative tools may have certain limitations, including:

- EBITDA does not include interest expense. Because we have borrowed money in order to finance our operations, interest expense is a necessary element of our costs and ability to generate profits and cash flows. Therefore, any measure that excludes interest expense may have material limitations;
- EBITDA does not include depreciation and amortization expense. Because we use capital assets, depreciation and amortization expense is a necessary element of our costs and ability to generate profits. Therefore, any measure that excludes depreciation and expense may have material limitations;
- EBITDA does not include provision for income taxes. Because the payment of income taxes is a necessary element of our costs, any measure that excludes tax expense may have material limitations;
- EBITDA does not reflect cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- EBITDA does not allow us to analyze the effect of certain recurring and non-recurring items that materially affect our net income or loss; and
- The ratio of net debt to EBITDA is net of cash and cash equivalents, restricted cash and short-term investments, thereby reducing our debt position.

Because we may not be able to use our cash to reduce our debt on a dollar-for-dollar basis, this measure may have material limitations. We compensate for the foregoing limitations by using EBITDA and the ratio of net debt to EBITDA as two of several comparative tools, together with IAS/IFRS measurements, to assist in the evaluation of our operating performance and leverage.

See the tables on the following pages for a reconciliation of net debt to long-term debt, which is the most directly comparable IAS/IFRS financial measure, as well as the calculation of the ratio of net debt to EBITDA. For a reconciliation of EBITDA to net income, which is the most directly comparable IAS/IFRS financial measure, see the tables on the preceding pages.
### Non-IAS/IFRS measure: Net debt and Net debt/EBITDA

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term debt (+)</td>
<td>2,435.1</td>
<td>2,401.8</td>
</tr>
<tr>
<td>Current portion of long-term debt (+)</td>
<td>197.6</td>
<td>166.3</td>
</tr>
<tr>
<td>Bank overdrafts (+)</td>
<td>158.6</td>
<td>149.0</td>
</tr>
<tr>
<td>Cash (-)</td>
<td>(679.9)</td>
<td>(380.1)</td>
</tr>
<tr>
<td><strong>Net debt (=)</strong></td>
<td>2,111.4</td>
<td>2,336.9</td>
</tr>
<tr>
<td>LTM EBITDA</td>
<td>1,034.2</td>
<td>856.5</td>
</tr>
<tr>
<td><strong>Net debt/EBITDA</strong></td>
<td><strong>2.0x</strong></td>
<td><strong>2.7x</strong></td>
</tr>
<tr>
<td>Net debt @ avg. exchange rates (1)</td>
<td>2,116.2</td>
<td>2,381.7</td>
</tr>
<tr>
<td>Net debt @ avg. exchange rates (1)/EBITDA</td>
<td><strong>2.0x</strong></td>
<td><strong>2.8x</strong></td>
</tr>
</tbody>
</table>

(1) Net debt figures are calculated using the average exchange rates for the applicable period used to calculate the EBITDA figures. See the average exchange rates set forth at the beginning of these tables.
Free cash flow represents net income before non-controlling interests, taxes, other income/expense, depreciation and amortization (i.e. EBITDA – see tables on the preceding pages) plus or minus the decrease/(increase) in working capital over the prior period, less capital expenditures, plus or minus interest income/(expense) and extraordinary items, minus taxes paid. The Company believes that free cash flow is useful to both management and investors in evaluating the Company’s operating performance compared with other companies in its industry. In particular, our calculation of free cash flow provides a clearer picture of the Company’s ability to generate net cash from operations, which is used for mandatory debt service requirements, to fund discretionary investments, pay dividends or pursue other strategic opportunities.

Free cash flow is not a measure of performance under International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS). We include it in this presentation in order to:

- Improve transparency for investors;
- Assist investors in their assessment of the Company’s operating performance and its ability to generate cash from operations in excess of its cash expenses;
- Ensure that this measure is fully understood in light of how the Company evaluates its operating results;
- Properly define the metrics used and confirm their calculation; and
- Share this measure with all investors at the same time.

Free cash flow is not meant to be considered in isolation or as a substitute for items appearing on our financial statements prepared in accordance with IAS/IFRS. Rather, this non-IAS/IFRS measure should be used as a supplement to IAS/IFRS results to assist the reader in better understanding the operational performance of the Company.

The Company cautions that this measure is not a defined term under IAS/IFRS and its definition should be carefully reviewed and understood by investors.

Investors should be aware that Luxottica Group’s method of calculation of free cash flow may differ from methods used by other companies. The Company recognizes that the usefulness of free cash flow as an evaluative tool may have certain limitations, including:

- The manner in which the Company calculates free cash flow may differ from that of other companies, which limits its usefulness as a comparative measure;
- Free cash flow does not represent the total increase or decrease in the net debt balance for the period since it excludes, among other things, cash used for funding discretionary investments and to pursue strategic opportunities during the period and any impact of the exchange rate changes; and
- Free cash flow can be subject to adjustment at the Company’s discretion if the Company takes steps or adopts policies that increase or diminish its current liabilities and/or changes to working capital.

We compensate for the foregoing limitations by using free cash flow as one of several comparative tools, together with IAS/IFRS measurements, to assist in the evaluation of our operating performance.

See the table on the following page a reconciliation of free cash flow to EBITDA and the tables on preceding pages for a reconciliation of EBITDA to net income, which is the most directly comparable IAS/IFRS financial measure.
### FY10: debt overview

<table>
<thead>
<tr>
<th></th>
<th>FY 2009</th>
<th>FY 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong>&lt;sup&gt;(1)&lt;/sup&gt; &lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>857</td>
<td>1,034</td>
</tr>
<tr>
<td>Δ working capital</td>
<td>205</td>
<td>103</td>
</tr>
<tr>
<td>Capex</td>
<td>(200)</td>
<td>(230)</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>862</td>
<td>907</td>
</tr>
<tr>
<td>Financial charges&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>(102)</td>
<td>(98)</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>(71)</td>
<td>(186)</td>
</tr>
<tr>
<td>Extraordinary charges&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td>(3)</td>
<td>(7)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong>&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>686</td>
<td>616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 2009</th>
<th>Dec. 31, 2010</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net US$ debt&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>(1,943)</td>
<td>(1,693)</td>
<td>250</td>
</tr>
<tr>
<td>Net € debt&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>(1,035)</td>
<td>(890)</td>
<td>145</td>
</tr>
<tr>
<td>Translation adj.</td>
<td>(102)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>€ 1 = US$</td>
<td>1.4332</td>
<td>1.3362</td>
<td></td>
</tr>
<tr>
<td><strong>Net debt&lt;sup&gt;(1)&lt;/sup&gt;&lt;sup&gt;(€)&lt;/sup&gt;</strong></td>
<td>(2,337)</td>
<td>(2,111)</td>
<td>226</td>
</tr>
<tr>
<td><strong>Net debt/EBITDA</strong>&lt;sup&gt;(1)&lt;/sup&gt;&lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>2.7X</td>
<td>2.0X</td>
<td></td>
</tr>
<tr>
<td><strong>Net debt/EBITDA</strong>&lt;sup&gt;(1)&lt;/sup&gt;&lt;sup&gt;(4)&lt;/sup&gt; excluding exchange rate effect</td>
<td>2.8X</td>
<td>2.0X</td>
<td></td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Free cash flow, EBITDA, net debt and net debt/EBITDA are non-IAS/IFRS measures. For additional disclosure regarding non-IAS/IFRS measures and a reconciliation to IAS/IFRS measures, see Appendix.

<sup>(2)</sup> Equals interest income minus interest expenses

<sup>(3)</sup> Equals extraordinary income minus extraordinary expenses

<sup>(4)</sup> EBITDA as of Dec. 31, 2010 excludes impairment
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