

Film Noir Edition
The Phoenix Arrow Reborn

A work of
Persol®



LUXOTICA

1Q 2014 results

Milan, April 29, 2014

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 uncertain global economic conditions on our business, fluctuations in exchange rates, 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, 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.

This investor presentation contains measures that were not prepared in accordance with IAS/IFRS. For a reconciliation of non-IAS/IFRS measures used in these materials, see the Company’s press release titled “Luxottica: solid and balanced growth in the first quarter of 2014” dated April 29, 2014, available on the company’s website www.luxottica.com under the Investors tab.

DELIVERING SOLID SALES

+4.2% at constant forex₍₁₎

- › Wholesale sales +7.9% at constant forex₍₁₎
 - Strong growth in Europe
 - Solid North America
 - Sound consumer environment and 2Q order portfolio in emerging markets
- › Retail comps₍₂₎ +1.9%
 - Sunglass Hut net sales up by 11% at constant forex₍₁₎
 - Robust contribution from emerging markets
 - North America challenged by weather: LensCrafters comps₍₂₎ -1.8%

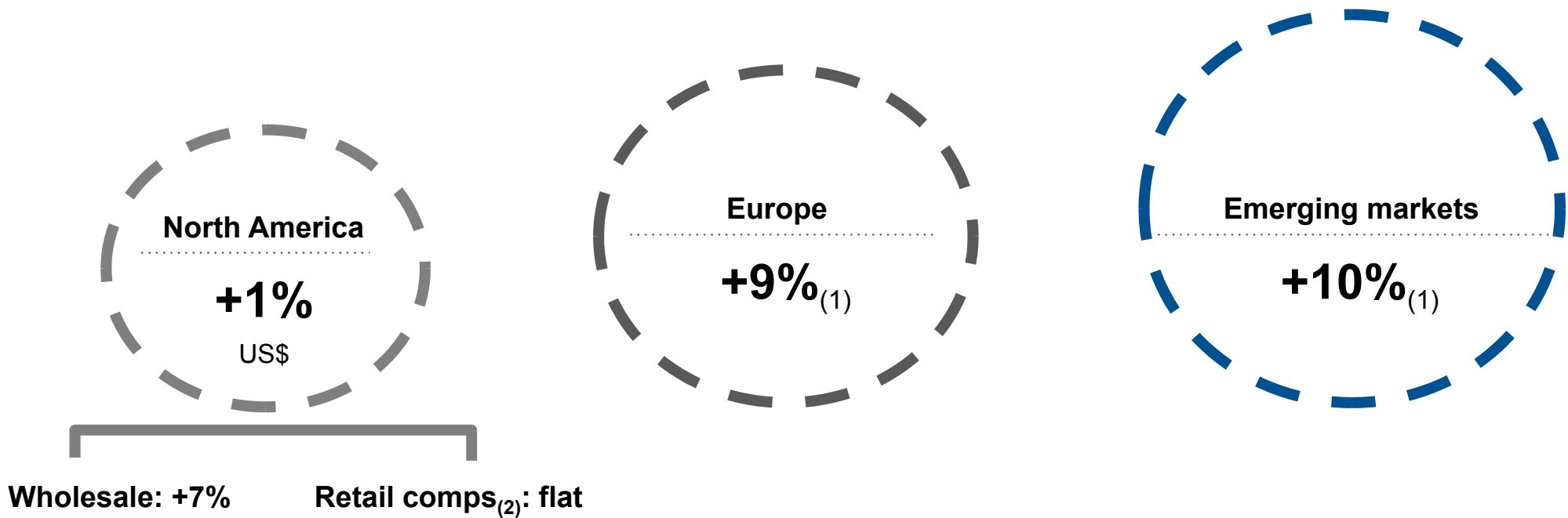


DELIVERING ON OPERATING LEVERAGE

- › Solid Group operating leverage: +60bps at constant forex₍₁₎
 - Wholesale profitability up by 90bps at constant forex₍₁₎
 - Retail margin: +20bps at constant forex₍₁₎ despite a softer North America performance
- › Net debt/EBITDA₍₃₎: 1.0x
 - Strong free cash flow₍₃₎ generation
 - Good control of working capital: -21 days



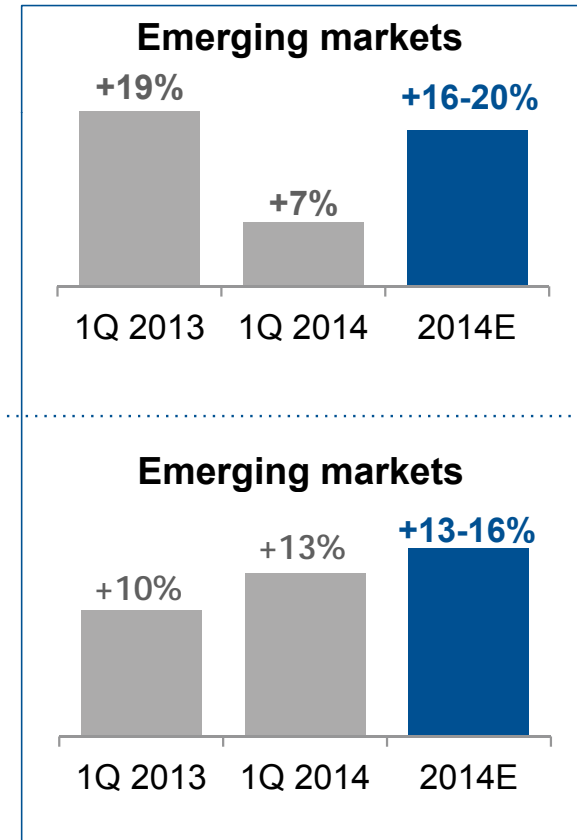
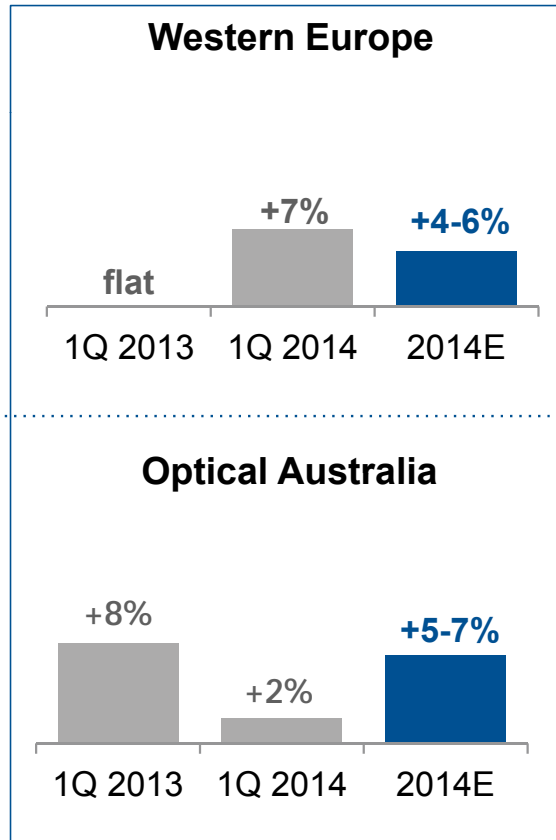
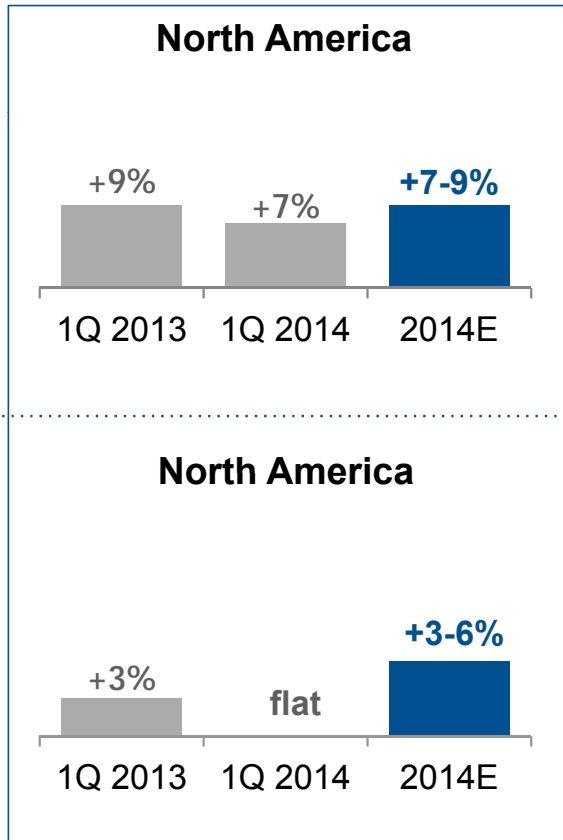
1Q 2014 GROUP SALES LED BY EUROPE AND EMERGING MARKETS



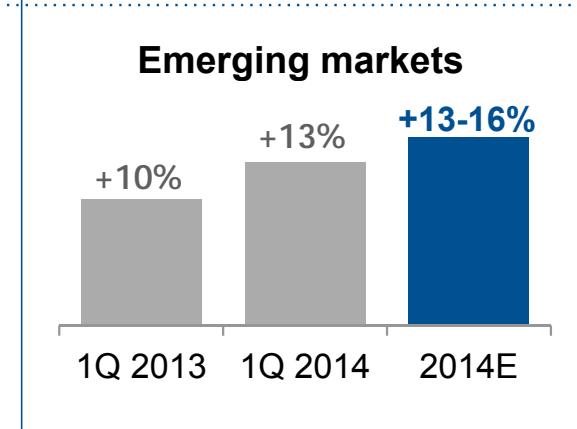
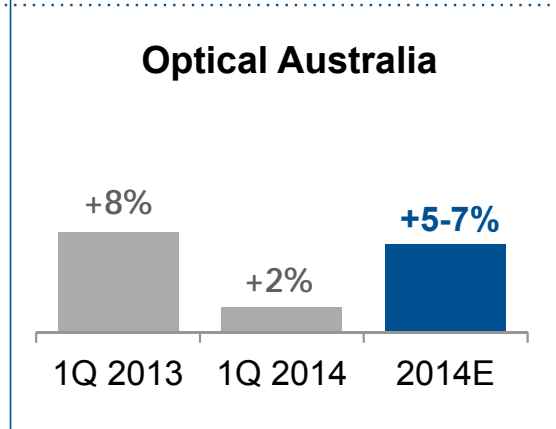
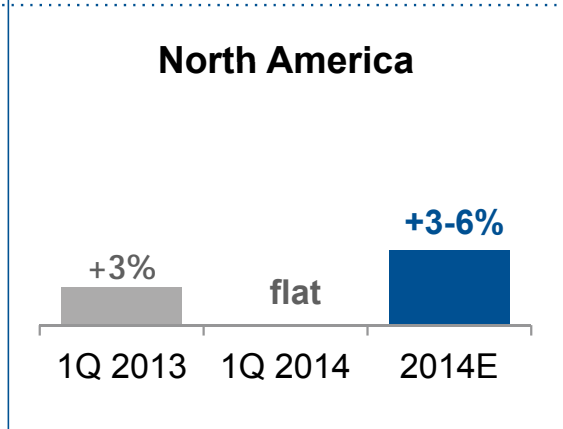
For additional disclosures regarding information in this presentation, please see "Notes to the presentation" in the Appendix. Sales performance includes wholesale and retail.

REVENUE ROADMAP BY GEOGRAPHY

Wholesale⁽¹⁾



Retail⁽²⁾



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1Q 2014 NORTH AMERICA

Harsh winter took its toll in January & February, trending upward in April

- › Building on wholesale's sound momentum: +7.0% in US\$
- › 1Q14 retail flat comps₍₂₎, improving since April
 - A solid start to the year at Sunglass Hut: 1Q comps₍₂₎ +3.3%, accelerating to double-digits in April
 - Good conversion rate at LensCrafters did not offset a decrease in traffic, primarily driven by older consumers suffering from colder temperatures
 - Gaining traction after adverse weather: 1Q comps₍₂₎ -1.8%, turning positive in April at approx. +2%



LENSCRAFTERS

On a journey towards a more contemporary customer experience

- › Confirming 2014 outlook
 - Comps₍₂₎ between +1% and +3%
 - Continuous focus on improving profitability
- › Moving forward with a focused action plan
 - Already in place: CRM and marketing plans, engagement of field management
 - To be implemented by June: new store segmentation, new product assortment strategies, new entry price segment



1Q 2014 EUROPE

Confirming strong momentum

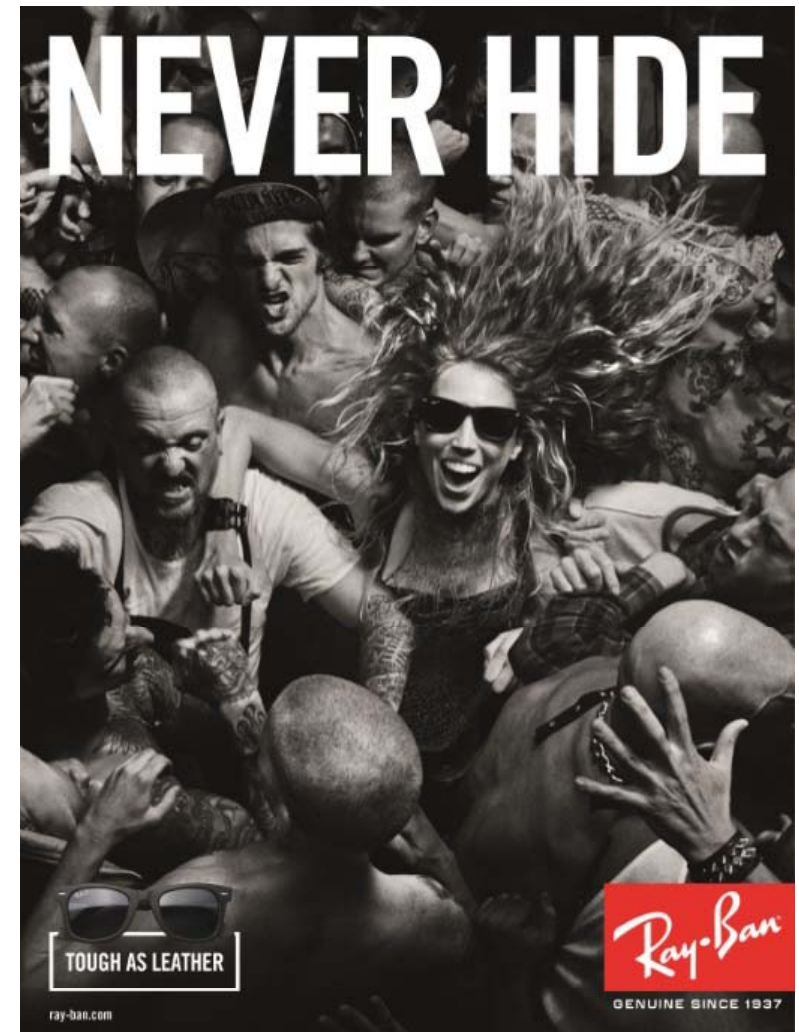
- › Steady start to the year across all markets
- › Continental Europe: +11%₍₁₎
 - Double-digit wholesale sales growth in Germany, UK and Nordics
- › Mediterranean Europe: +7%
 - Spain: nine consecutive months of positive wholesale sales and strong comps at Sunglass Hut
 - Italy: positive sales benefiting from a contemporary distribution model



BVLGARI

1Q 2014 EMERGING MARKETS

- › Solid wholesale underlying growth, backed by a strong portfolio of orders for 2Q
 - Strong sell-in in 4Q13, 1Q14 deliveries brought forward
- › Strong optical retail performance
 - LensCrafters in China: double-digit growth in comps for the third consecutive year driven by sun
 - Store openings on track: +23 stores vs. 1Q13
 - High-single digit comps growth at GMO in Latam
- › Strong Sunglass Hut performance in Brazil, Mexico and South Africa



1Q 2014 SALES PERFORMANCE

Currency headwinds continue

-1.2 %

At constant forex₍₁₎

+4.2%

Wholesale at constant forex₍₁₎

+7.9%

Retail comps₍₂₎

+1.9%

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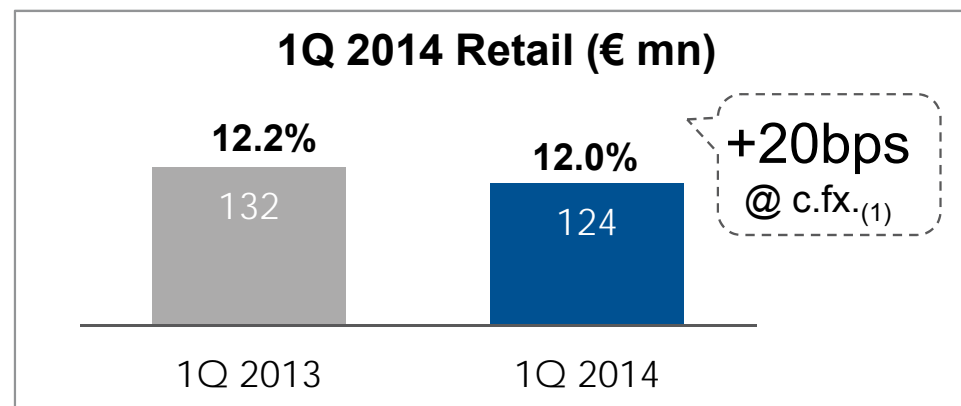
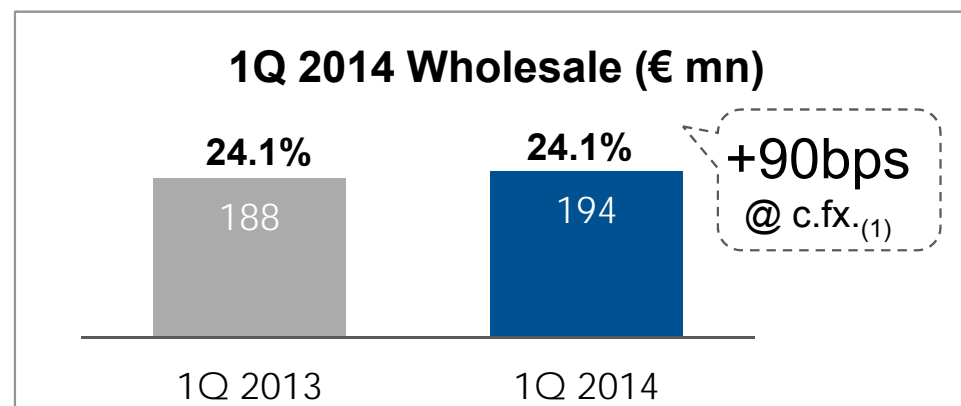
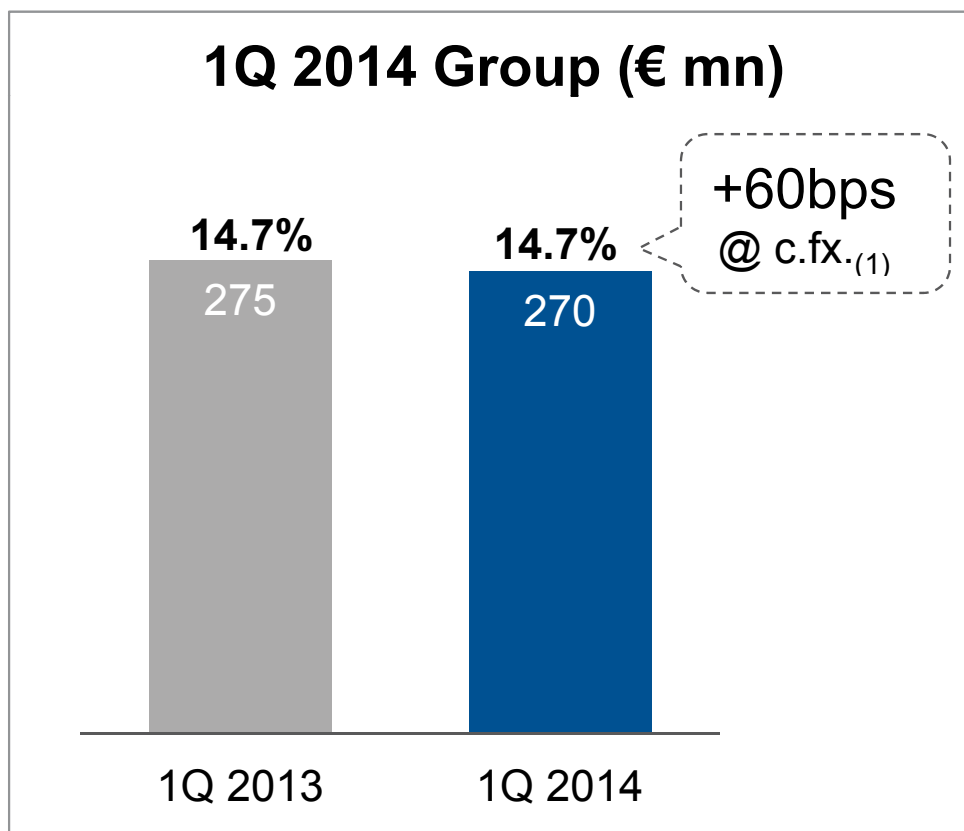
CURRENCY EVOLUTION

Δ vs. Euro	1H 2013	2H 2013	1Q 2014
US Dollar	-1.2%	-5.1%	-3.6%
Australian Dollar	-3.0%	-15.8%	-16.8%
Brazilian Real	-9.5%	-15.0%	-18.7%
Chinese Renminbi	+0.8%	-2.2%	-1.6%
Japanese Yen	-17.6%	-24.0%	-13.5%

CURRENCY IMPACT

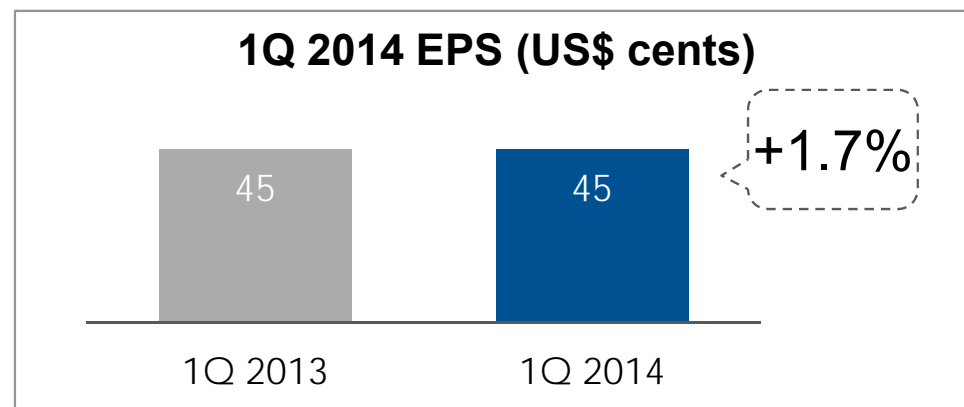
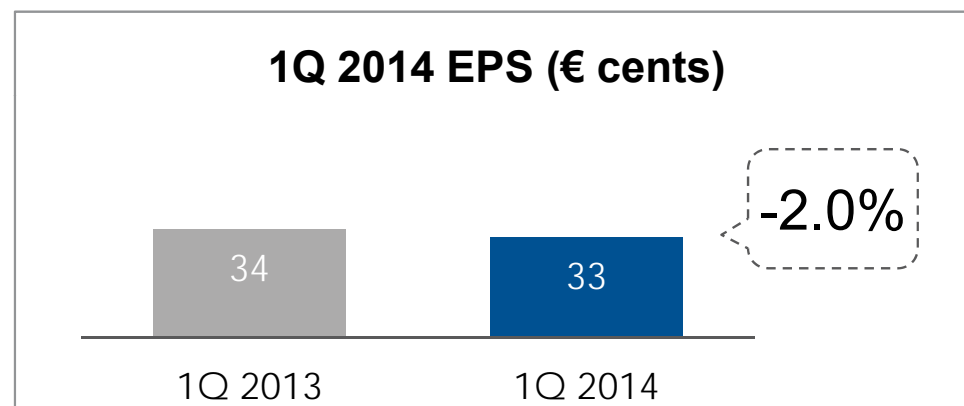
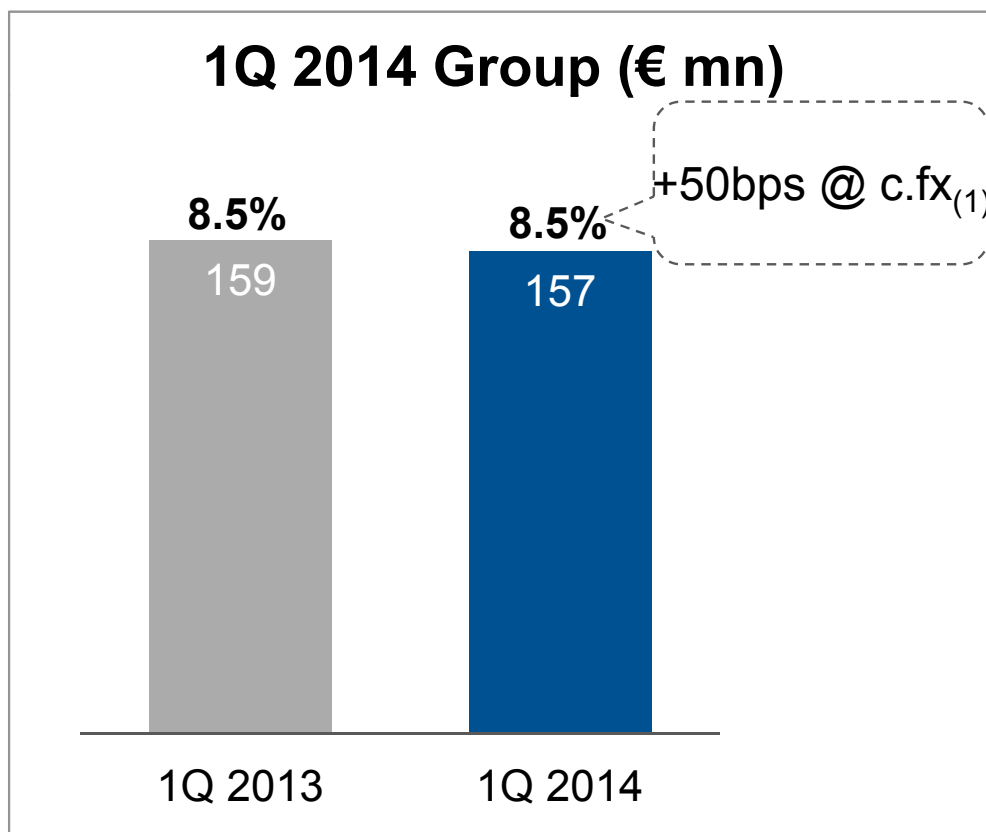
Δ vs. previous period	1H 2013	2H 2013	1Q 2014
Impact on net sales	-1.8%	-7.1%	-5.4%
Impact on operating margin	-30bps	-90bps	-60bps

STRONG OPERATING LEVERAGE AT CONSTANT FOREX



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NET INCOME AND EPS



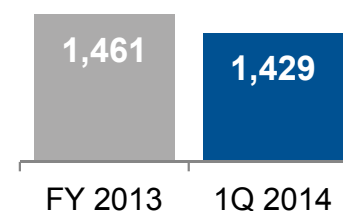
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DEBT OVERVIEW

Net debt/EBITDA₍₃₎ flat @ 1.0x:

- Further reduction of net debt
- Acquisition of Glasses.com

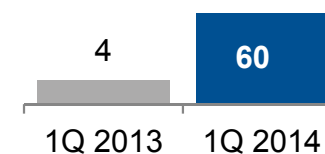
Net debt₍₃₎ (€ mn)



Strong free cash flow₍₃₎ generation in 1Q

- Good control of working capital
- Capex increase from €69 million to €81 million

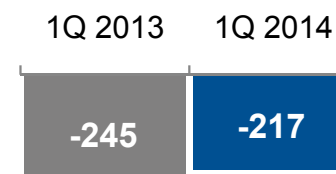
Free cash flow₍₃₎ (€ mn)



Δ days

- DSO -4
- DSI -17
- DPO flat

Operating working capital (€ mn)



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2014 “RULE OF THUMB”

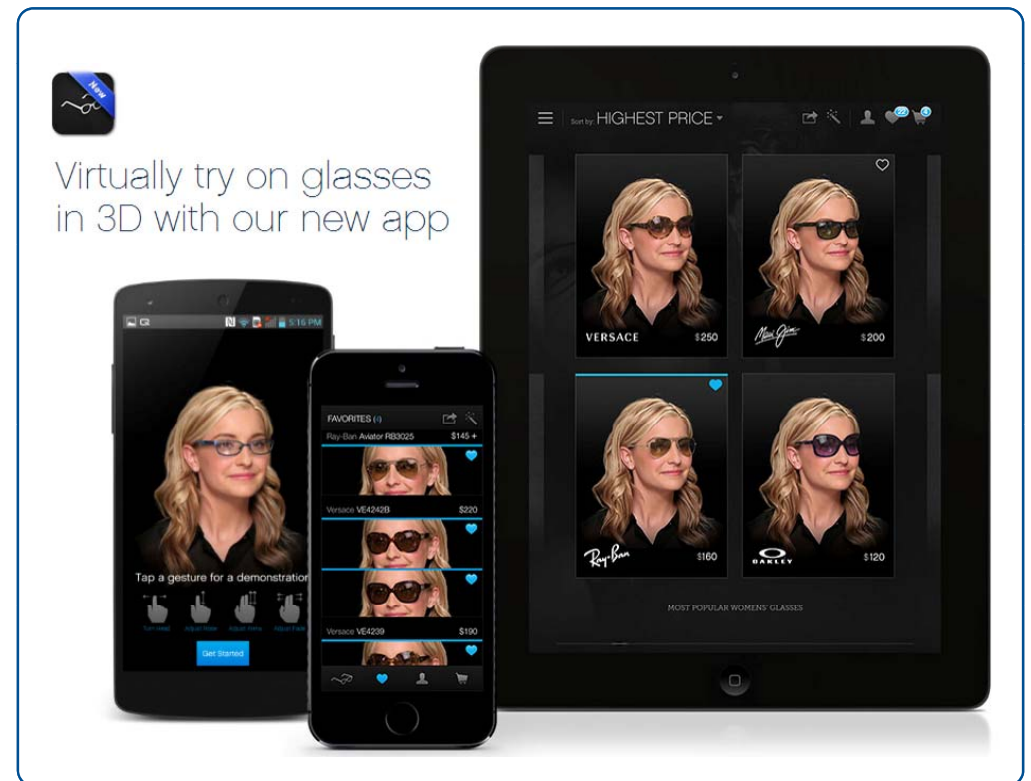
		% growth vs. 1Q13 (@ constant forex ₍₁₎)
SALES GROWTH	HIGH SINGLE-DIGIT	+4%
OPERATING INCOME	2x SALES GROWTH	+8%
NET INCOME	2x SALES GROWTH	+10%
NET DEBT/ EBITDA ₍₃₎	0.75x	1.0x

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SHAPING THE INDUSTRY

2014 new entries

- › Glasses.com
 - Unique virtual 3D try-on technology to create an enhanced optical online experience
- › Google Glasses
 - Strategic partnership to develop innovative iconic wearable devices
- › Michael Kors
 - A new and exclusive 10-year license agreement



OPTIMISM AHEAD: ENTERING 2Q WITH SOLID TRADING ENVIRONMENT

- › Positive sales momentum continues
- › Ongoing adverse impact from currencies, expected to ease in 2H
- › Portfolio of orders up double-digits
 - Excellent reception of new sun collections
- › Retail, building momentum
 - North America: April accelerating vs. 1Q



DOLCE & GABBANA



OneSight is expanding sustainable models to provide access to affordable vision care in underserved communities worldwide. Since 1988, OneSight has engaged thousands of skilled volunteers across Luxottica and other industry partners to hand-deliver the gift of sight to 8.6 million people in 40 countries.

Q1 2014 RESULTS

Vision care programs

OneSight helped 240,000 people through 10 vision clinics and community outreach programs

Research foundation

Awarded research grants totaling \$209,500 to organizations focused on diabetic eye diseases

Sustainable development initiatives

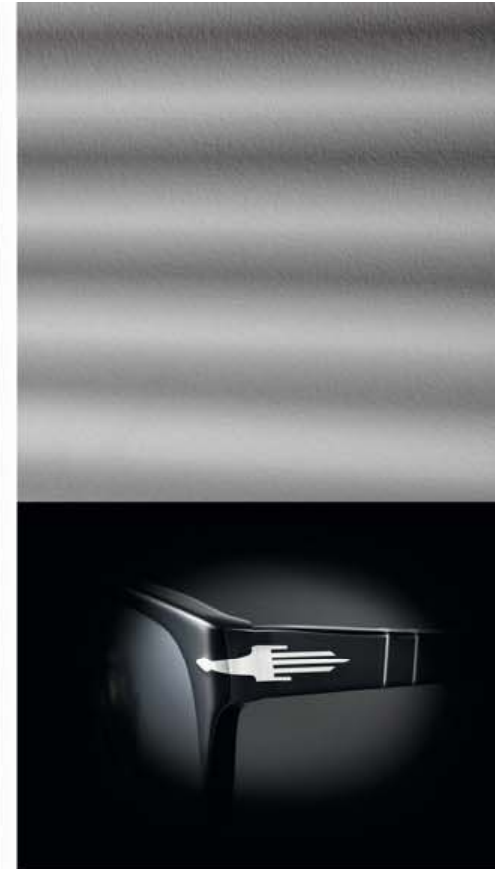
In 2014 OneSight is expanding models to provide sustainable access to affordable vision care. Building on the success of the vision center in Farafenni, The Gambia, a country in West Africa that previously had 1 optometrist to serve 1.8 million people, OneSight will open 3 more vision centers and a central manufacturing lab. To date, nearly 4,000 Gambians in Farafenni have received an eye exam. The new centers in Bansang, Kanifang and Brikama will reach thousands more. OneSight is also replicating the school-based model in the United States based on the success of the vision center at Oyler School in Cincinnati, Ohio. This fall OneSight will open two new vision centers in New York City. The vision centers will be located in Brooklyn and the Bronx and are estimated to serve nearly 5,000 students annually.



OneSight Brings Sustainable Access to Vision Care to New York City Students

1.1 million children are part of the New York City public school system. Forty percent of families in the district are living below the poverty line and one in 20 students is homeless. For many, access to vision care services is impossible. For students like DJ, a fifth grader at PS 188 in Brooklyn, the new OneSight vision center means an opportunity to see and learn their best.

2014 Sustainable Vision Center



APPENDIX

NOTES ON THE PRESENTATION

- › ¹ Figures at constant exchange rates are calculated using the average exchange rates in effect during the corresponding period of the previous year. Please refer to the “Major currencies” table in the press release titled “Luxottica: solid and balanced growth in the first quarter of 2014” dated April 29, 2014 available at the www.luxottica.com website under the Investors tab.
- › ² Comparable store sales reflect 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.
- › ³ Net debt/EBITDA, net debt/adjusted EBITDA, net debt, EBITDA, adjusted EBITDA, adjusted operating income, adjusted operating margin, adjusted net income, adjusted earnings per share and free cash flow are not measures in accordance with IAS/IFRS. For additional disclosure, see the press release titled “Luxottica: solid and balanced growth in the first quarter of 2014” dated April 29, 2014 available at the www.luxottica.com website under the Investors tab.
- › ⁴ Excluding non-recurring items
- › ⁵ Equals interest income minus interest expenses
- › ⁶ Equals extraordinary income minus extraordinary expenses
- › ⁷ Net debt figures are calculated using the average exchange rates used to calculate EBITDA figures

SALES BREAKDOWN

RETAIL COMPARABLE STORE SALES₍₂₎ FOR 1Q 2014

Optical North America

- LensCrafters -1.8%
- Licensed brands +2.2%

Optical Australia/New Zealand +2.1%

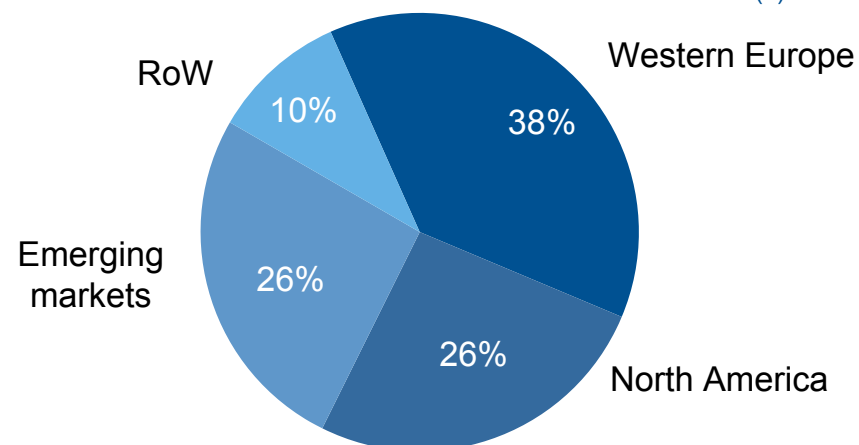
Sunglass Hut worldwide +5.9%

Group retail +1.9%

WHOLESALE SALES BREAKDOWN FOR 1Q 2014

Wholesale sales: +8%₍₁₎

(Sales breakdown by region, 1Q 2014)₍₁₎



YoY changes by region, 1Q 2014₍₁₎

Western Europe	+7%
North America	+7%
Emerging markets	+7%
RoW	+15%

DEBT OVERVIEW

	1Q 2013	1Q 2014		Dec. 31, 2013	March. 31, 2014	Δ
EBITDA₍₃₎	365	360				
Δ working capital	(254)	(182)				
Capex	(69)	(81)				
Operating cash flow	42	97				
Financial charges ₍₅₎	(24)	(23)				
Taxes paid	(14)	(15)				
Extraordinary charges ₍₆₎	(0)	1				
Free cash flow₍₃₎	4	60				
			Net US\$ debt ₍₃₎	(518)	(587)	(69)
			Net € debt ₍₃₎	(1,086)	(1,003)	83
			Translation adj.			1
			€ 1 = US\$	1.3791	1.3788	
			Net debt (€)₍₃₎	(1,461)	(1,429)	32
			Net debt/adj. EBITDA₍₃₎₍₄₎	1.0x	1.0x	
			Net debt/adj. EBITDA excluding exchange rate effect₍₃₎₍₄₎₍₇₎	1.0x	1.0x	

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Upcoming events

- › July 24 – 2Q 2014 results
- › October 29 – 3Q 2014 results

<http://www.luxottica.com/en/company/investors/financial-calendar>

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