



Luxottica Sales Hit Record in 2013

MILAN — Italian eyewear giant Luxottica SpA on Tuesday reported record sales of 7.3 billion euros, or \$9.7 billion, for 2013, on the back of strong performances in emerging markets and in the North American wholesale channel, and said the beginning of 2014 was “very encouraging.”

In a statement released after the end of trading in Milan, the company said revenues grew 3.2 percent in the January-December 2013 period, helping it beat its previous annual sales record of 7.1 billion euros, or \$9.2 billion, in 2012. Revenue growth at constant exchange rates would have been 7.5 percent, the company said.

In the fourth quarter, net sales increased 7.6 percent on the year-ago period, at constant exchange rates, reaching 1.6 billion euros, or \$2.2 billion.

Dollar amounts have been converted at average exchange rates for the periods to which they refer. The company said it had “achieved excellent results for the third consecutive year in emerging markets,” where sales jumped more than 20 percent at constant exchange rates, “with peaks of excellence in China, Brazil and Turkey.”

The company didn’t issue profit figures for the full year, which will be reported on Feb. 27. However, chief executive officer Andrea Guerra said that “based on the strong increase in net sales, we do expect that the growth in the operating profitability of both divisions [wholesale and retail] and consequently of the group will be aligned to the growth reported in the first nine months of 2013.”

Guerra added that 2014 “looks like it will be another year when we believe that we will perform very well,” thanks to the group’s strong brand portfolio, “an enlarged footprint covering world markets and a team of people who are very efficient and motivated.”

In North America, net sales increased by 3.5 percent in U.S. dollar terms, “driven in particular by the outstanding performance of the wholesale division,” which notched a 6.7 percent revenue gain.

Luxottica’s total wholesale turnover hit 2.99 billion euros, or \$3.98 billion, up 12 percent at constant exchange rates, on the year-earlier period.

The company — which owns brands including Ray-Ban, Oakley, Oliver Peoples and Persol and produces under license for top names including Giorgio Armani, Coach, Prada and Ralph Lauren — said that the wholesale division grew each quarter last year, with particularly strong performances in emerging markets (up 22.4 percent at constant exchange rates) and travel retail, which increased 25.3 percent.

Despite continued economic uncertainties in Europe, Luxottica said sales across the continent were “solid,” increasing by 8.5 percent on 2012 (at constant exchange rates), boosted in particular by Germany and France.

The retail division, which represents the bigger chunk of group revenues, saw 4.7 percent growth in 2013 (at constant exchange), with net sales reaching 4.3 billion euros, or \$5.7 billion, driven by emerging markets and Europe.

The company said that Sunglass Hut “celebrated another year of stellar growth” with total net sales up 11.2 percent on 2012, at constant exchange rates, thanks in particular to “excellent trends in comparable store sales” during the year in the U.S., Europe, Australia, South Africa and Brazil. The optical segment put in a particularly strong performance in China and Hong Kong and in Latin America, the company said.