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Dear Shareholders,

On January 16, 2017 we announced, together with Essilor, an historic agreement to combine our two companies and create a major integrated player in eyewear, a European champion with strong national roots between Italy and France and a shared culture of excellence and innovation.

We looked ahead, beyond the boundaries, leading the evolution of the industry for the benefit of our customers and consumers. By integrating unparalleled design and the prestige of our brands with the best ophthalmic lenses and the most advanced digital technologies, we will offer innovative products and services of the highest quality.

The agreement with Essilor will allow us to accelerate the completion of our integrated model by adding the last component to our value chain. Lenses and frames will be born as a single product right from conception through design and production.

This marks a new phase of planning and opportunity for the Group’s future, but it would not have been possible without the important results we achieved in 2016, with the support of all of you.

This past year, we implemented initiatives and a strategic refocusing that improved the quality and competitiveness of the Group, and set the stage for continued revenue and profit growth.

The period of profound change which started with my collaborators two years ago has enabled the Group to broadly strengthen its position in any market and to be simpler, more efficient and employ a faster decision-making process.

Much has been done to enhance the brand portfolio, always at the center of our strategies, and its positioning in the market by introducing stricter trade policies in North America, streamlining our distribution in China and harmonizing prices in different markets. These projects have impacted short-term results, but they will give us a boost in the medium and long term, preserving the integrity of our businesses.

2016 was also a year of major investments in our industrial infrastructure which is absolutely excellent, our retail network and our digital transformation. In just over six months we created three new large logistics-production hubs in Italy, the United
States and China, which incorporate the production of lenses and frames together, and streamlined our international logistics network to promote the efficiency, speed and quality of service to our clients. Our factories are centers of technological excellence, where craftsmanship coexists with the latest-generation automation and research and development excellence.

The pursuit of innovation guides all our choices. Every year we introduce approximately 2,000 new models and, thanks to our innovation lab in the heart of Silicon Valley, we’re exploring new ideas and opportunities to seize the potential of each market. Recent achievements include further developments in Chromance and Prizm technologies which appear in Ray-Ban and Oakley sun lenses, the commercial launch of Radar Pace, Oakley’s first smart glasses and, for the first time in eyewear, the introduction of Ray-Ban frames made with graphene.

The retail segment has grown not only in terms of size in North America and around the world, but also in terms of quality. In the last twelve months we have added approximately 1,000 new stores to our global network thanks to the acquisition of Salmoiraghi & Viganò and collaborations with brands such as Macy’s and Galeries Lafayette. In 2017 we expect to add approximately 950 Óticas Carol stores in Brazil upon the closing of the announced acquisition. We have also invested significant resources to promote the omnichannel evolution of our retail network – innovating our e-commerce platforms and integrating them into our physical stores – and introduced more sophisticated tools for eye exams and digital marketing.

Today, Luxottica looks forward to the challenges and opportunities ahead with enthusiasm and the confidence that comes from being in the right position to address evolving competitive landscape. Geographic diversification, productive integration and organizational flexibility allow us to respond to change and every opportunity while realizing our vision: to provide the best products and service to our customers.

2017 will be another important year in our history and that of our industry. As always, we will face new challenges with determination, speed of execution and clear strategies.

April 2017

[Signature]

Founder and Executive Chairman of Luxottica
Financial highlights
Key figures

Net sales (millions of Euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>Sales</td>
<td>7,086</td>
<td>7,313</td>
<td>7,652</td>
<td>8,837</td>
<td>9,086</td>
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</table>

Net sales by geographic area

- Latin America: 13%
- Asia-Pacific: 19%
- Europe: 59%
- North America: 3%
- Rest of the world: 3%

Net sales by operating segment

- Wholesale: 39%
- Retail: 61%

Gross profit (millions of Euro)

<table>
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<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td>Sales</td>
<td>4,650</td>
<td>4,789</td>
<td>5,078</td>
<td>6,001</td>
<td>5,932</td>
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Operating income (millions of Euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross</td>
<td>970</td>
<td>1,056</td>
<td>1,158</td>
<td>1,376</td>
<td>1,345</td>
</tr>
<tr>
<td>Sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

Net income (millions of Euro)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>534</td>
<td>545</td>
<td>643</td>
<td>804</td>
<td>851</td>
</tr>
</tbody>
</table>
Luxottica Group

1 Overview
2 Mission & strategy
3 Over 50 years of excellence
4 From design to logistics
5 Brand portfolio
6 Distribution
7 People
8 Sustainability

Index
Luxottica Group is a market leader in the design, manufacture and distribution of fashion, luxury, sports and performance eyewear. Luxottica’s 2016 financial performance confirms the Company’s ability to continuously pursue growth while achieving key strategic and organizational goals.

The Company’s total net sales rose to over Euro 9 billion, net income was Euro 851 million and headcount as of year-end was over 80,000 employees.

Founded in 1961 by Leonardo Del Vecchio, listed on NYSE since 1990 and Borsa Italiana since 2000, Luxottica is a vertically integrated organization whose manufacturing of sun and prescription eyewear is backed by a wide-reaching wholesale organization and a retail network located primarily in North America, Latin America, Asia-Pacific and Western Europe.

Product design, development and manufacturing for frames take place in Luxottica’s six production facilities in Italy, three factories in China, one in Brazil and one facility in the United States devoted to sports and performance eyewear. Luxottica also has a small plant in India serving the local market. In 2016, the Group’s worldwide production reached approximately 93 million units.

Luxottica also has produced sun and ophthalmic lenses for more than 20 years. The Company has increased its manufacturing capacity with the recent addition of three new laboratories in Europe, North America and Asia-Pacific which are completely integrated with its logistics hubs. The design and quality of Luxottica’s products and strong well-balanced brand portfolio are recognized throughout the world. Proprietary brands include Ray-Ban, one of the world’s best-known eyewear brands, Oakley, one of the leading product design and sport performance brands globally, Vogue Eyewear, Persol, Oliver Peoples, Alain Mikli and Arnette. Licensed brands include Giorgio Armani, Burberry, Bulgari, Chanel, Coach, Dolce & Gabbana, DKNY, Michael Kors, Miu Miu, Paul Smith, Prada, Ralph Lauren, Starck Eyes, Tiffany & Co., Tony Burch, Valentino and Versace.

The Group’s wholesale distribution network covers more than 150 countries across five continents and has approximately 50 commercial subsidiaries providing direct operations in key markets. Direct wholesale operations are complemented by an extensive retail network comprised of approximately 8,000 stores worldwide as of December 31, 2016.

Luxottica is a leader in the optical retail business in North America with its LensCrafters and Pearle Vision brands, in Australia and New Zealand with the OPSM and Laubman & Pank brands, in China with the LensCrafters brand, in Italy with the Salmoiraghi & Viganò brand and in Latin America with the GMO brand. In North America, Luxottica also operates its licensed optical retail brands Sears Optical and Target Optical.

Luxottica operates also one of the fastest growing managed vision care networks in the United States through EyeMed.

Luxottica is home to Sunglass Hut, the largest retailer of premium sunglasses in North America, Latin America, Asia-Pacific, South Africa, Europe and the Middle East. Additionally, Luxottica launched its new Ray-Ban retail concept in China in 2016. More than physical stores, they offer an interactive space created for consumers to embrace the unique Ray-Ban experience and culture. The Oakley brand provides a powerful wholesale and retail presence in both the performance optics and sport channels with its “O” stores, offering Oakley-branded eyewear as well as apparel, footwear, backpacks and accessories designed for athletic lifestyles.

Luxottica’s distribution channels are complemented by its e-commerce platforms, including Oakley.com, Ray-Ban.com, SunglassHut.com and Glasses.com.
Mission & strategy

Being a global leader in the design, manufacture and distribution of sun and prescription eyewear with high technical and design standards, Luxottica’s mission is multi-fold: to improve the well-being and satisfaction of its customers while simultaneously creating value for its employees, its shareholders and the communities in which the Group operates.

Every collection and every frame is the result of an ongoing R&D process that anticipates and interprets the needs, desires and aspirations of consumers all over the world. This process has become more valuable as sun and prescription eyewear are increasingly perceived as a desirable and expressive accessory to complete one’s personal look.

Luxottica delivers on its mission through a vertically integrated business model with manufacturing excellence, focus on service and a geographically diversified footprint. This has led to greater efficiency, flexibility and speed in product design, engineering, manufacturing, supply chain and logistics, and uncompromising quality.

The achievement of high standards in quality reflects the Group’s strong technical and manufacturing expertise - the result of over 50 years of experience - and its constant commitment to technological innovation, style and design, the study of changing consumer tastes and the interpretation of fashion trends.

Luxottica’s long-term strategy is to continue to expand in the eyewear and eye care sectors by growing its various businesses, whether organically or through acquisitions. The Company will continue to focus on the following strategic pillars: vertical integration, design and technological innovation, brand portfolio management, global footprint, financial discipline and the development of talented and committed employees.

VERTICAL INTEGRATION

One of the competitive advantages underpinning the Group’s past and future success is the vertically integrated business model that Luxottica has built over the decades.

The Group’s present structure, covering the entire value chain, is the result of a far-sighted choice made by the Company’s founder and current Executive Chairman, Leonardo Del Vecchio, who understood the potential of a vertical integration strategy when he decided to make entire frames rather than just components. Vertical integration of manufacturing was gradually accompanied by the expansion of distribution, first with wholesale, then in 1995 with retail and later with e-commerce, and by the creation of a key presence in the high value-added businesses of lens processing.

Direct control of the entire production platform makes it possible to verify the quality of both products and processes, introduce innovations, identify synergies and new operating methods and optimize service, quality and costs.

Direct distribution enables Luxottica to offer its products in major developed and emerging markets and achieve a unique understanding of consumer needs and tastes both globally and locally. This capability is viewed as a strength by fashion houses that come to Luxottica to produce their eyewear collections and access the Group’s global and widespread distribution network.

Development of a vertically integrated business model

Incorporation - Luxottica was founded by Leonardo Del Vecchio in 1961. The Company started out as a small workshop and operated until the end of the 1960s as a contract producer of dyes, metal components and semi-finished goods for the optical industry. It gradually widened the range of processes offered until it had an integrated manufacturing structure capable of producing a finished pair of glasses. In 1971, Luxottica’s first collection of prescription eyewear was presented at Milan’s MIDO (an international optics trade fair), marking Luxottica’s definitive transition from contract manufacturer to independent producer.

Expansion in wholesale distribution - In the early 1970s, the Company sold its frames exclusively through independent distributors. In 1974, after five years of sustained development of its manufacturing capacity, it started to pursue a strategy of vertical integration, with the goal of distributing finished goods directly to retailers. The first step was the acquisition of Scarrone S.p.A., which had marketed its products since 1971 bringing with it a vital knowledge of the Italian eyewear market.

Luxottica’s international expansion began in the 1980s with the acquisition of independent distributors and the formation of subsidiaries and joint ventures in key markets.

Luxottica’s wholesale distribution expansion focuses on customer differentiation, customized service and new sales channels, such as large department stores, travel retail and e-commerce, as well as continuous penetration into new markets.
Eyewear, a new frontier of fashion - The acquisition of La Meccanoptica Leonardo in 1981, the owner of the Sterflex brand and developer of an important flexible hinge patent, enabled the Company to enhance the design and quality of its products and increase its market share.

From the late 1980s, eyeglasses, previously perceived as mere sight-correcting instruments, began to evolve into eyewear. An aesthetic focus on everyday objects and designers’ interest in the emerging accessories market led Luxottica to embark on its first collaboration with the fashion industry in 1988 by entering into a licensing agreement with Giorgio Armani. The Company followed that initial collaboration with numerous others and with the acquisition of new brands, gradually building its current world-class brand portfolio.


Moreover, in 1999 Luxottica acquired Ray-Ban, one of the world’s best-known sunglasses brands, along with its crystal sun lens technology.

In 2007, Luxottica acquired California-based Oakley, a leading sport and performance brand, which owned the Oliver Peoples brand and a license to manufacture and distribute eyewear under the Paul Smith name. At the time of the acquisition, Oakley had its own retail network of over 160 stores.

In 2013, Luxottica acquired Alain Mikli Interna- tional, a French luxury and contemporary eyewear company, which owned the Alain Mikli brand and the Starck Eyes license. As a result of the acquisition, Luxottica strengthened both its luxury brand portfolio and prescription offerings.

Expansion in retail distribution - In 1995, Luxottica acquired the United States Shoe Corporation, which owned LensCrafters, one of North America’s largest optical retail chains. Luxottica became the world’s first significant eyewear manufacturer to enter the retail market, maximizing synergies with its production and wholesale distribution and increasing penetration of its products through LensCrafters stores.

Since 2000, Luxottica has strengthened its retail business by acquiring a number of chains, including Sunglass Hut (2001), a leading retailer of premium sunglasses, OPSM Group (2003), a leading optical retailer in Australia and New Zealand, and Cole National (2004), which brought with it another important optical retail chain in North America, Pearle Vision, and an extensive retail licensed brands store business (Target Optical and Sears Optical). In 2005, the Company began its retail expansion into China, where LensCrafters has become a leading brand in the country’s high-end market. In the same year, the Group also started to expand Sunglass Hut globally in high-potential markets like the Middle East, South Africa, India, Southeast Asia, Mexico, Brazil, Europe and China. In 2011, Luxottica started its optical retail expansion in Latin America by completing the acquisition of GMO, a leading retail chain in Chile, Peru, Ecuador and Colombia. In 2016, Luxottica completed the acquisition of Salmoraghi & Viganò, in which Luxottica has held a minority stake since 2012. Salmoraghi & Viganò is one of the leading optical retail chains in Italy.

A step further in the lens business - Luxottica is already a global leader in lens manufacturing. Ray-Ban, Oakley and Persol brands all carried a distinctive know-how in sun lenses when Luxottica acquired them and the acquisition of LensCrafters in 1995 brought an expertise in ophthalmic lenses. In 2016, the Company took a step further into the lens business with new state-of-the-art production facilities in Italy, the United States and China to increase its production capacity for both sun and ophthalmic lenses.

INNOVATION

The future of eyewear and all its untapped opportunities is a source of inspiration that drives Luxottica’s long-term objectives in order to continually attract a wide range of consumers and retain top talent. It also designs comprehensive succession plans to ensure effective development and continuity.

Over the last decade, the Group has developed a welfare system that is deep-rooted in its history and in its culture of responsibility and commitment to rewarding success. Luxottica invests in the future of the Company by investing in the well-being and satisfaction of its employees, which in turn boosts creativity, passion and collaboration.

GLOBAL FOOTPRINT

Luxottica is committed to maintaining and strengthening its leading position in the markets where it operates. It also focuses on evaluating opportunities to further penetrate emerging markets, a key driver of its long-term growth strategy. Luxottica aims at increasing its market presence through stronger retail distribution while consolidating its wholesale network and further growing its presence in e-commerce and omnichannel.

FINANCIAL DISCIPLINE

Luxottica has delivered solid sales growth, while maintaining a strong focus on operating profitability, return on investment and cash flow generation in order to provide a solid basis for future growth. While it continuously invests in the business, the Company closely monitors working capital management and focuses on debt optimization to help further strengthen its financial position, accommodate its key objectives, and ultimately improve the rate of return for shareholders.

BRAND PORTFOLIO MANAGEMENT

Building strong brands that create enduring relationships with consumers is key to Luxottica’s sustainability in the future. The Company has a strong and well-balanced brand portfolio that includes a number of proprietary and licensed brands. Its composition is gradually modified by the acquisition of new brands and licensing agreements, along with the removal of brands no longer deemed strategic. These actions are taken in order to continually attract a wide range of consumers around the world with different tastes and lifestyles. Luxottica’s long-term objectives remain consistent: to focus on leading, appealing brands, balance proprietary and licensed brands, avoid brand dilution and lengthen the average term of licensing agreements.
Over 50 years of excellence

A first-class brand portfolio
A vertically integrated business model
From design to logistics

Luxottica’s vertically integrated business model and geographically diversified manufacturing footprint have led to greater efficiency and speed in product design, engineering, manufacturing and logistics, while maintaining uncompromising quality.

DESIGN

Emphasis on product design and the continuous development of new styles are key to Luxottica’s success. During 2016, Luxottica added approximately 2,000 new styles to its eyewear collections. Each style is typically produced in two sizes and five colors.

The design of the Group’s products is the focal point where vision, technology and creativity converge. Each frame expresses Luxottica’s core precepts: innovation in style combined with innovative materials, technologies and processes, and unparalleled craftsmanship. The design process begins with Luxottica’s in-house designers who work in an environment that promotes innovation, originality and a creative process where eyewear is interpreted as art, as an object to put on display. They draw inspiration from both market trends and their own imagination and creativity. In addition, the design team works directly with the marketing and sales departments, which monitor the demand for current models, as well as general style trends in eyewear.

PRODUCT DEVELOPMENT

Product development is the next stage of execution.

The research and development efforts of Luxottica’s engineering staff play a crucial role in the development process. Engineers are continuously looking for new materials, concepts and technology innovations to apply to products and processes in an effort to differentiate them in the eyewear market. During the initial phase of the development process, the prototype makers transform designs into one-off pieces, crafted by hand with meticulous precision. These frame prototypes are then shared with the product department, which analyzes the necessary steps to bring the prototype to mass production.

In the first phase of the cycle, the product department uses visual rendering and 3D software to design new models and the necessary equipment. The mold workshop then assembles the equipment needed to make the components for the new model. The very first samples are assembled and undergo a series of rigorous tests required by internal quality control procedures.

After the quality certification, the sales samples are produced and subjected to a new intensive series of tests to verify the quality of the engineering and production. Finally, Luxottica determines which of its plants is best
suited to manufacture the product and large-scale production begins. By using a launch calendar that focuses on customer and geographic demand, the Group has been able to shrink product development timelines in recent years.

MANUFACTURING

In 2016, Luxottica’s manufacturing facilities located in Italy, China, India, the United States and Brazil, produced a combined total of approximately 93 million prescription frames and sunglasses. Ongoing R&D and innovation has allowed the Company to strengthen its manufacturing processes, upgrade its capacity at each of these facilities and improve the overall quality of its products. Automation is also key in boosting the efficiency of Luxottica’s productions.

Manufacturing footprint

Luxottica’s manufacturing footprint includes six facilities located in Italy, the center of Luxottica’s luxury eyewear production, all of which combine the tradition of Italian craftsmanship with the speed and efficiency of modern automation. These factories represent 41% of global production output.

Five facilities are located in Northeastern Italy, where most of the country’s eyewear industry is based, and one near Turin.

Three manufacturing facilities in China and one small plant in India collectively represent another 46% of total production output. From 1997 to 2001, Luxottica operated the Dongguan plant in China’s Guangdong province through a 50%-owned joint venture with a Japanese partner. In 2001 the Company acquired the remaining 50% interest and, in 2006, it further increased manufacturing capacity in China through the construction of an entirely new facility. In 2010, Luxottica began producing plastic sun lenses to be paired with frames that are manufactured in the same location. Soon after, the Company integrated a new state-of-the-art plant, primarily dedicated to frame details and decorations.

The Foothill Ranch facility in California represents another 10% of total production output and manufactures high-performance sunglasses, prescription frames and lenses and assembles most of Oakley’s eyewear products. Oakley apparel, footwear and certain goggles are produced by third-party manufacturers.

In Brazil, the manufacturing facility in Campinas produces both plastic and metal frames for the local market. Shortly after Luxottica acquired the facility in 2012, they launched the first locally designed and produced Vogue Eyewear collection for Brazilians, followed by select Ray-Ban, Arnette, Oakley and Armani Exchange collections. In 2016, the Campinas plant produced the remaining 3% of total production output and approximately 50% of the eyewear sold by Luxottica in the Brazilian market.

Automation and robotics

Luxottica has incorporated robotics, automation, computing and big data into its manufacturing processes with a focus on value added activities. The Group is developing a higher level of automation and factory digitalization to continuously improve speed, flexibility, quality and productivity.

Products and materials

Frames

Over the years Luxottica has progressively diversified its technology mix from the traditional metal, plastic injection and acetate slabs to include aluminum, wood, die casting and fabric inserts. Consumer needs are continuously changing, which requires quick technological adaptations.

Luxottica’s manufacturing process for metal frames has approximately 70 different phases, beginning with the production of basic components such as rims, temples and bridges using a molding process. These components are then welded together to form frames over numerous stages of detailed assembly work. Once assembled, the metal frames are treated with various coatings to improve their resistance and finish, and then prepared for lens fitting and packaging.

Plastic frames are manufactured using either a milling or an injection molding process. In the milling process, a computer-controlled machine carves frames from colored acetate slabs. This process produces rims, temples and bridges that are then assembled, finished and packaged. In the injection molding process, plastic resins are liquefied and injected into molds. The plastic parts are then assembled, coated, finished and packaged.

Lenses

Luxottica has gradually developed an expertise in producing its own lenses in-house. Investments in breakthrough technology and processes, rigorous testing and quality innovations within the Group have improved the quality of Luxottica’s lenses for sunglasses and eyeglasses over time.

The Lauriano plant in Italy is a benchmark for the world of Luxottica sun lenses with its multiple roles: production plant, research and experimental lab dedicated to the latest innovations, and logistics center delivering sun lenses to the rest of the Group. The Foothill Ranch facility also performs a key role in the Group’s sun lens operations, manufacturing high-performance sunglasses, prescription frames and lenses and assembling most of Oakley’s eyewear products. In 2016, the Group incorporated a cutting-edge color enhancing technology crucial for the Oakley Prizm™ and the Ray-Ban Chromance lenses.

Technology breakdown

Recently, Luxottica opened three new laboratories within its logistics hubs in Italy, the United States and China specifically for the production of ophthalmic lenses. These labs are in addition to the six existing lens manufacturing facilities that have made Luxottica a competitive player in the high-end ophthalmic lens business. Luxottica operates four central labs in North America, including the Oakley Foothill Ranch facility, a lab in Latin America and the Eyebiz joint-venture with Essilor in Thailand which serves the Australian market.

LOGISTICS

The Group’s distribution system, which serves both the retail and wholesale businesses and links them to the production facilities, is globally integrated and fed by a centralized manufacturing platform. It provides daily monitoring of global sales performance and inventory levels to meet local market demand.

There are four main distribution hubs in strategic locations serving the Group’s major markets: Sedico (Italy), Atlanta (United States), Dongguan (China) and Jundiaí (Brazil). They operate as centralized facilities under a highly automated order management system, which services a total number of distribution centers and, in some markets, ships products directly to customers, thereby further reducing delivery times and keeping stock levels low.

The Sedico hub was opened in 2001 and is one of the most technically advanced in the industry. In 2016, it managed approximately 30,000 orders per day, including eyeglasses and spare parts. The Sedico facility ships approximately 240,000 units daily to customers in Europe, the Middle East, Africa, select United States markets and the Group’s distribution centers in the rest of the world, where they are then delivered to local customers. In addition, it manages customized services, such as Ray-Ban Remix, providing direct global deliveries.

The Dongguan hub was opened in 2006 and manages an average of 200,000 units per day. The growth in the Asia-Pacific region has made this hub a strategic part of the Group’s distribution network. Luxottica continues to invest in ways to improve services and increase capacity in order to create even greater efficiencies in the region.

The Atlanta facility, opened in 1996, has consolidated several North American facilities into a single state-of-the-art distribution center located close to one of the main airport hubs of the United States. It serves both Luxottica’s retail and wholesale businesses in the North American market. This facility manages up to 160,000 units per day.

The Jundiaí facility, opened in 2013 in Brazil, offers targeted distribution services to customers and serves the local market. This facility manages approximately 26,000 units per day.

In 2016, the Group made strategic investments to expand the current main hubs in Sedico, Dongguan and Atlanta, while reducing the total number of distribution centers globally from 18 to 13. The new hubs also include three new lens laboratories, creating integrated logistics and production hubs between lenses and frames.
Throughout the development process, for safety, performance and durability. Luxottica designs products to meet also controlled and certified. The manufacturing processes and management standards in both the product prototyping and the design phase, considering potential feedback from operational analysis and uniform and measurable performance management. The Group's manufacturing process - from design to logistics, including the International Trade-mark Association (INTA), the Quality Brands Protection Committee (QBPC) and the INDICAM, an organization based in Italy.

ANTI-COUNTERFEITING POLICY

Intellectual property is one of Luxottica’s most important assets and is protected through the registration and enforcement of its trademarks and patents around the world. The Group’s commitment is demonstrated through its ongoing anti-counterfeiting activities. Trademarks and products from market leaders are increasingly copied and the implementation of a strong anti-counterfeiting program that leverages Luxottica’s global organization allows the Company to maintain the equity of its authorized distribution network and send a strong message to wholesale and retail in-fingers that the Group will work fiercely to protect its intellectual property.

Through a strong international investigative network the Company is able to identify key sources of counterfeit goods, assist local law enforcement in investigating these sources and, when applicable, file legal actions against the counterfeiters. Additionally, the Group continues to consolidate and strengthen its cooperation with customs organizations around the world, which helps to stop, seize and destroy hundreds of thousands of counterfeit goods each year.

Luxottica is a member of the major global anti-counterfeiting organizations, including the International Trade-mark Association (INTA), the Quality Brands Protection Committee (QBPC) and the INDICAM, an organization based in Italy.

The Group dedicates considerable efforts to monitoring the trafficking of counterfeit goods through the Internet, and works actively to remove counterfeit eyewear from certain popular online auction platforms. It also shuts down websites that violate its intellectual property rights through the sale of counterfeit products or the unauthorized use of Luxottica’s trademarks.

TRACEABILITY THROUGH RFID

Luxottica is constantly searching for new ways to be more effective in the fight against counterfeit goods and the expansion of the parallel market that diverts goods to unauthorized sales channels. In this context, Luxottica has developed GLOW (Guaranteed Luxottica Origin Worldwide), an innovative traceability system based on RFID (Radio-Frequency Identification) technology which allows the Company to verify the authenticity of the products as well as the validity of resellers through a sensor (RFID tag) embedded in the frame. The device contains key information to identify each individual pair of glasses as it goes from production to its sales destination.
Luxottica’s brand portfolio is one of the largest in the industry with leading brands both at a regional level and in particular segments and niche markets.

The portfolio is well-balanced between proprietary and licensed brands and it continues to evolve.

The presence of Ray-Ban, one of the world’s leading lifestyle eyewear brands, and Oakley, a leader in the sport and performance category, gives the proprietary brand portfolio a strong base, complemented by Persol, Oliver Peoples and Alain Mikli in the high-end of the market, Arnette in the sport market, and Vogue Eyewear in the fashion market. Alongside the proprietary brands, the portfolio has over 20 licensed brands, including some of the most well-known and prestigious names in the global fashion and luxury industries.

With its manufacturing and distribution know-how, its experience in international markets and direct retail operations supported by marketing investment, Luxottica is the ideal partner for fashion houses and stylists seeking to translate their style and values into successful premium eyewear collections. Luxottica differentiates each designer’s offering to produce a broad range of models that appeal to a diverse group of consumers, lifestyles and geographies.

**PROPRIETARY BRANDS**

In 2016, proprietary brands accounted for approximately 68% of total sales of frames. Ray-Ban and Oakley eyewear, the two largest brands in Luxottica’s portfolio, accounted for approximately 27% and 11%, respectively, of the Group’s 2016 net sales.

**Timeless style, authenticity and freedom of expression are the core values of Ray-Ban, a leader in sun and prescription eyewear for generations. Since the introduction of the iconic Aviator model created for the aviators of the United States Army, Ray-Ban has been at the forefront of cultural change, becoming a symbol of self-expression, worn by celebrities and public figures all around the world. The lifestyle brand joined the Luxottica Group in 1999 after which Ray-Ban accelerated its growth and refined its distribution.**

**Established in 1975 and acquired in 2007, Oakley is one of the leading product design and sport performance brands in the world, chosen by world-class athletes to compete at the highest level possible. The holder of more than 800 patents, Oakley is also known for its innovative lens technologies, including High Definition Optics. Oakley extended its position as a sports eyewear brand into apparel and accessories, offering men’s and women’s product lines that appeal to sports performance, active and lifestyle consumers.**

**Persol, the iconic made in Italy eyewear brand, made its debut in 1917 and was acquired by Luxottica in 1995. With its evocative name, meaning “for sun”, it is the proud heir to a culture of excellence and craftsmanship, a perfect alchemy of aesthetics and technology. The irresistible appeal of timeless design and art-like quality makes the brand a favorite in the world of cinema.**

**Vogue Eyewear**

Launched in 1973 under the same name as the famous fashion magazine, Vogue Eyewear was acquired by Luxottica in 1990. The brand, which reflects the dominant fashion trends of the moment, offers a wide global assortment as well as local collections for emerging markets. It has become a truly international contemporary fashion brand.

**Oliver Peoples**

Acquired by Luxottica in 2007, Oliver Peoples was founded in 1987 with its first store in West Hollywood and the introduction of a retro-inspired eyewear collection. Oliver Peoples frames are handcrafted from the finest quality materials, in colors and styles exclusive to the brand. Frames are manufactured in limited quantities and with deliberate anti-logo labeling which appeals to refined consumers.

**Alain Mikli**

Acquired by Luxottica in 2013, Alain Mikli represents over 35 years of passion and know-how. In 1978, the designer Alain Mikli began to use eyewear as a means to communicate personal style and trends. These became frames to see as well as to be seen.

**Launched in 1967, the Group’s original line best conveys the experience and tradition that are its essence.**
Since its founding in England in 1856, Burberry has been synonymous with quality, as defined by the endurance, classicism and functionality that characterized its history. Burberry has become a leading luxury brand with a global business. The eyewear collection, under license since 2006, is inspired by the brand’s innovative ready-to-wear and accessory collections and incorporates recognizable iconic elements for both men and women.

Under license since 1997, Bulgari, the great Italian jeweler and master of colored gemstones of international fame, represents one of the most exclusive brands in eyewear. Contemporary design, unique styles and glamorous details are combined with superior quality. This brand is positioned for the highest segment of eyewear as jewelry, with luxury Italian craftsmanship and bold style. Bulgari eyewear features precious materials such as gold, gemstones and Austrian crystals and is carefully crafted in timeless designs.

In 1999, Luxottica was the first Company licensed to produce Chanel eyewear. The Chanel eyewear collection, targeting luxury-oriented consumers, reflects the essential characteristics of the brand: innovative creations, fashion, elegance and refinement.

Dolce & Gabbana is a luxury brand which draws inspiration from the roots and the authentic values of its own DNA: Sicily, sensuality and sartorial ability. Dolce & Gabbana’s essence lies in its contrasting yet complementary features. The eyewear collection, under license since 2006, is characterized by glamorous, unconventional shapes, prestigious materials and sumptuous detailing.

DKNY is easy-to-wear fashion characterized by the energetic attitude of New York City: sleek, metropolitan, fun, fast and real. The brand caters to contemporary, urban, fashion-conscious women, addressing a broad range of lifestyle needs, from work to weekend, jeans to evening. Under license since 2005, DKNY eyewear offers modern design at an accessible price, for wardrobe staples that are the perfect mix of quality, value and style.
**MICHAEL KORS**

Established in 1981, Michael Kors is an authentic contemporary fashion brand. Michael Kors eyewear, launched by Luxottica in 2007, includes prescription and sun eyewear featuring the whimsical yet classic designs and attention to detail that are synonymous with one of Britain’s leading fashion designers.

**Prada Group**

Under license since 2003, the Prada Group includes the following collections:

**MIU MIU EYEWEAR**

The Miu Miu eyewear collection was launched with brand-new luxury positioning in 2011 to align it with the brand’s other product categories. Miu Miu, which reflects the essence of Muccia Prada, is a brand for fashion forward, seriously light-hearted and provocative women who aspire to a more avant-garde and sophisticated lifestyle.

Ralph Lauren

Under license since 2007, Ralph Lauren includes the following collections:

**RALPH LAUREN**

Ralph Lauren has made an indelible imprint on the fashion world with his collections for men and women. Today, his signature themes - Hollywood romance, town-and-country heritage, cosmopolitan city-chic and Art Deco glamour - extend into the world of Ralph Lauren eyewear. With sleek modernity and classic proportions, each pair is a vivid expression of the designer’s elegant, sophisticated style.

**POLO RALPH LAUREN**

Representing Ralph Lauren’s iconic status as a designer recognized throughout the world, Polo Ralph Lauren reflects a celebrated vision of classic yet spirited American style for men and women. Timeless and authentic, Polo Ralph Lauren is the enduring symbol of a modern-day American lifestyle: easy, energetic, young and cool.

Tory Burch

Tory Burch launched its eyewear collection with Luxottica in 2004 with her now iconic Reva ballet flats and the tunic, the brand further expanded into accessories, apparel and beauty. Known for her bohemian preppy aesthetic, Tory Burch has a rich heritage filled with celebrated events, artists and milestones that live on to this day in legendary style. Luxottica was the first Company licensed to produce Tiffany’s eyewear. With sleek modernity and classic proportions, each pair is a vivid expression of the designer’s elegant, sophisticated style.

**VALENTINO**

Established in Rome in 1960, Maison Valentino is one of the highest expressions of couture savoir faire and the excellence that has made Italian products famous worldwide. The Ateliers in Palazzo Mignanelli, the company’s historic headquarters in the heart of the Eternal City, are where creativity and expertise meld in search of timeless elegance. Lightness, grace and precious delicacy are the DNA of Valentino. The Valentino eyewear collections embodies the Maison’s timeless elegance in a perfect balance between tradition and innovation in full respect of the iconic values of the brand. The first eyewear collection with Luxottica will be launched in 2017.

**VERSACE**

Versace is a prestigious fashion and lifestyle brand and a symbol of Italian luxury worldwide. It is designed for men and women who desire a modern and glamorous style that combines sophistication and sex appeal. The eyewear collection, under license since 2003, bears the distinctive visual details the fashion house is known for.
Distribution

Luxottica’s global distribution network, including retail chains and a wholesale network of third party stores, is one of the Group’s core strengths. It extends to both developed and emerging markets, where it has made substantial investments over the last few years.

Luxottica’s efficient distribution network makes it possible to maintain close contact with customers while maximizing the visibility of the Group’s brand portfolio. In addition, the Group’s expertise in the retail business has given it a unique understanding of consumer needs and tastes in key countries. All of this helps the Company achieve tight control of consumer needs and tastes in key countries. All of this helps the Company achieve tight control of consumer needs and tastes in key countries.

In 2002, Luxottica introduced the STARS program within its Wholesale division, a true service innovation that leverages Luxottica’s knowledge of local markets and brands to deliver fresh, high-turnover products to customers and maintain optimal inventory levels at each point of sale. By strengthening the partnership between Luxottica and its customers, this program directly manages product selection activities, assortment planning and automatic replenishment of Luxottica’s products in the store, utilizing ad hoc systems, tools and state-of-the-art planning techniques. At the end of 2016, STARS served approximately 7,500 stores in the major European markets, the United States, the Middle East and emerging markets.

The wholesale distribution network covers more than 150 countries, with approximately 50 commercial subsidiaries in major markets and approximately 100 independent distributors in other less developed markets. Wholesale customers are mostly retailers of mid to premium-priced eyewear, such as independent opticians, optical retail chains, specialty sun retailers, department stores, duty-free shops and online players. Certain brands, including Oakley, are also distributed to sporting goods stores and specialty sports locations.

In addition to giving wholesale customers access to some of the most popular brands and models, Luxottica provides them with pre- and post-sale services to enhance their business and maintains close contact with distributors in order to monitor sales and the quality of the points of sale.

As of December 31, 2016, Luxottica’s retail business consisted of 7,158 stores and 819 franchised locations.

Luxottica’s retail stores sell not only prescription frames and sunglasses that the Group manufactures but also a wide range of frames, lenses and ophthalmic products manufactured by other companies. In 2016, Luxottica’s proprietary and licensed brands represented approximately 89% of the total net sales of frames by the Retail division.

Luxottica’s retail stores are located in high-traffic commercial malls and shopping centers. A wide selection of premium prescription frames, sunglasses and high-quality lenses and optical products made by Luxottica and other suppliers are available in most locations. Each location has an experienced doctor, either an independent or employed doctor of optometry, who is focused on building patient relationships. All of the stores have access to the Group’s state-of-the-art lens processing network with the ability to craft, surface, finish and fit lenses.

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Most LensCrafters stores are located in high-traffic commercial malls and shopping centers. A wide selection of premium prescription frames, sunglasses and high-quality lenses and optical products made by Luxottica and other suppliers are available in most locations. Each location has an experienced doctor, either an independent or employed doctor of optometry, who is focused on building patient relationships. All of the stores have access to the Group’s state-of-the-art lens processing network with the ability to craft, surface, finish and fit lenses.

As part of its underlying commitment to customer satisfaction and industry innovation, LensCrafters has made significant investments in technology including AccuFit Digital Measurement™, which provides a lens fit with five times greater precision than traditional methods. LensCrafters continues its digital transformation in-store with associate iPads to enhance the customer’s omnichannel experience, and a digital eye exam experience, Clarifye™, in a growing number of locations.

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In 2006, Luxottica began to expand the LensCrafters brand in China by acquiring and then rebranding local retail chains in Beijing, Shanghai, Guangdong and Hong Kong. In 2016, Luxottica opened approximately 80 LensCrafters stores in Macy’s department stores in the United States as part of the agreement announced in 2015. As of December 31, 2016, the Group operated a retail network of 1,219 LensCrafters stores, of which 1,013 are in North America and the other 206 stores are in China and Hong Kong.

RETAIL BRANDS

Founded in 1983, LensCrafters pioneered a revolutionary concept to combine eye care, eyewear and onsite labs to craft glasses in about an hour. Today, LensCrafters is the largest optical retail brand in North America in terms of sales.

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Acquired by Luxottica in 2004, Pearle Vision is one of the largest franchised optical retailers in North America. Built around the neighborhood doctor, Pearle Vision allows local business operators to provide trusted eye care to their patients with the support and resources of the Pearle Vision brand.

As of December 31, 2016, Pearle Vision operated 107 corporate stores and had 425 franchises throughout North America.

Orbit is a leading eye care and eyewear retailer in Australia and New Zealand with more than 80 years of history. Through its world-class technology and exceptional service, OPSM’s goal is to raise the standard of eye health and eye care. In addition to its eye care services, OPSM is renowned for its exclusive range of optical frames and sunglasses from international brands.

As of December 31, 2016, Luxottica operated 306 corporate stores and 70 franchises.

Laubman & Pank is renowned for high-quality eye care and personalized service in regional Australian markets.

As of December 31, 2016, Luxottica managed 25 corporate owned stores and 20 franchises throughout Australia.

GMO, an optical market leader in Latin America, became a part of Luxottica in July 2011, following the acquisition of Multiópticas Internacional. Since its beginning in the late 1990s, GMO has developed a reputation for optical retail excellence among consumers in Chile, Peru, Ecuador and Colombia with its strong Ópticas GMO and Econópticas retail brands.

As of December 31, 2016, Luxottica operated 387 Ópticas GMO stores and 104 Econópticas stores.

Founded in 1971 as a small kiosk in a Miami mall, Sunglass Hut has grown into one of the world’s leading destinations for the most sought-after high quality and performance sunglasses brands. Stores can be found in fashionable shopping districts across the globe, from the Americas, Europe and the Middle East to Australia, South Africa, China and Southeast Asia and beyond, providing consumers with a fun, highly engaging shopping experience.

Sunglass Hut has been expanding its presence in developed markets and emerging markets, including Brazil, Mexico, Chile, India and Southeast Asia. In 2016, Sunglass Hut became the exclusive operator of sunglasses concessions in 57 Galeries Lafayette and LE BHV MARAIS department stores across France. Sunglass Hut offers a consistent and connected experience across all customer touch-points including online, in-store, social and mobile, and utilizes in-store digital tools to access to an “endless aisle” assortment in every store location. As part of this strategy, the brand is investing in the digitalization of the in-store shopping experience, particularly in North America, Brazil, the United Kingdom and Australia.

As of December 31, 2016, Sunglass Hut operated a retail network of 3,269 stores worldwide, including 3,104 corporate stores across North America, Asia-Pacific, Europe, South Africa and Latin America and 165 franchised locations mainly in the Middle East and India.
Luxottica introduces a brand-new Ray-Ban retail concept, opening approximately 50 new Ray-Ban stores in Mainland China, mainly converting certain of its pre-existing LensCrafters locations. In the United States the Group opened a flagship store in New York's Soho neighborhood. More than physical stores, they offer an interactive space created for consumers to embrace the unique Ray-Ban experience and culture.

Luxottica operates 14 luxury retail stores under the Alain Mikli of which two are franchised. The stores are located in the most cosmopolitan cities worldwide.

Founder in the 1970s, The Optical Shop of Aspen is known in the eyewear industry for its luxury prescription and sun eyewear and its first-class customer service. As of December 31, 2016, Luxottica operated 7 stores in some of the most upscale and exclusive locations throughout the United States.

As of December 31, 2016, Luxottica operated 123 Oakley “O” stores worldwide (including 83 franchised locations), offering a full range of Oakley products including sunglasses, apparel, footwear and accessories. These stores are designed and merchandised to immerse consumers in the Oakley brand through innovative use of product presentation, graphics and original audio and visual elements.

In the United States, Oakley “O” stores are in major shopping centers. Oakley’s retail operations are also located in Latin America, Europe and the Asia-Pacific region.

Luxottica offers consumers around the globe a superior online shopping experience that lives up to the same high as its bricks and mortar locations standards.

Oakley, Ray-Ban and SunglassHut e-commerce websites serve as important sales channels that complement Luxottica’s retail operations and wholesale distribution. The websites drive brand awareness and allow consumers to purchase products efficiently, extending superior customer service into the digital space.

Ray-Ban.com was launched in the United States in 2009 and is home to the most extensive assortment of premium Ray-Ban, exclusive offerings and a consumer experience that is unique to the brand. Currently, Ray-Ban.com operates in 27 countries. Ray-Ban Remix, the online customization platform first launched in Europe in 2013, is a key driver of the brand’s e-commerce expansion and its growing connection with millennials. Its success in allowing customers to personalize the style, material, lens color, engraving and other aspects of their Ray-Ban frames has led to Remix launches in the United States, Canada and China in 2014, Australia, Brazil, Japan and Hong Kong in 2015 and Mexico in 2016. In 2016 Ray-Ban.com introduced a 3D virtual try-on technology that gives Ray-Ban fans the ability to virtually try on thousands of frames and immediately find their preferred look. This technology renders images of each user with photo realism and matches them with the image of the frame by pulling together a 3D model that can be used to quickly compare different frames. The feature is available to mobile US users and in 2017 will be rolled out globally and made available also to desktop users.

Luxottica plans to bring its e-commerce strategy to additional markets as the business matures. For example, the Group formed strategic partnerships in China to open both Ray-Ban and “O” stores within Tmall, the world’s largest local online mall.

Acquired in 2014, Glasses.com continues to serve as an innovation lab focused on improving the eyewear e-commerce experience for consumers and patients and lending its capabilities to Luxottica’s other retail brands.

Launched in 2008, SunglassHut.com has become the digital destination for consumers looking to find the latest trends and hottest premium sunglasses. Over the years, the United Kingdom, Brazil, New Zealand and Mexico joined the United States, Canada and Australia in offering online shopping on their local SunglassHut websites. Additionally, SunglassHut redesigned its mobile and desktop sites across all countries to enhance customer experiences, storytelling and business performance. Specific focus has been given to the implementation of omnichannel scenarios that allow the Company to seamlessly engage consumers across SunglassHut stores and the website.

OLIVER PEOPLES

As of December 31, 2016, Luxottica operated 24 luxury retail stores under the Oliver Peoples name, which sell Oliver Peoples branded products exclusively. Five Oliver Peoples retail locations are operated under license.

Launched in 2016, sunglasshut.com has become the digital destination for consumers looking to find the latest trends and hottest premium sunglasses. Over the years, the United Kingdom, Brazil, New Zealand and Mexico joined the United States, Canada and Australia in offering online shopping on their local SunglassHut websites. Additionally, SunglassHut redesigned its mobile and desktop sites across all countries to enhance customer experiences, storytelling and business performance. Specific focus has been given to the implementation of omnichannel scenarios that allow the Company to seamlessly engage consumers across SunglassHut stores and the website.
Distribution network

Approximately 50 wholesale subsidiaries
AROUND THE WORLD

Africa & Middle East
- Israel
- South Africa
- United Arab Emirates

Americas
- Argentina
- Brazil
- Canada
- Chile
- Colombia
- Mexico
- United States

Asia-Pacific
- Australia
- China
- Hong Kong
- India
- Japan
- Malaysia
- Singapore
- South Korea
- Thailand

Europe
- Austria
- Belgium
- Croatia
- Finland
- France
- Germany
- Greece
- Hungary
- Italy
- Netherlands
- Norway
- Poland
- Portugal
- Russia
- Spain
- Sweden
- Switzerland
- Turkey
- United Kingdom

7,977 retail stores
(of which 819 franchises)
AROUND THE WORLD

- Sun
- Sun/Clothing
- Prescription
- Prescription/Sun

North America
4,708
- 2 Ray-Ban stores
- 20 Oliver Peoples
  (1 franchise)
- 1 Alain Mikli
- 7 The Optical Shop of Aspen
- 13 ILORI
- 188 Oakley stores

Europe
1,005
- 20 Oakley stores
  (8 franchises)
- 41 David Clulow
- 4 Alain Mikli
  (2 franchises)
- 1 Oliver Peoples
- 431 Salmoiraghi & Viganò
- 434 Sunglass Hut
- 74 David Clulow

Asia-Pacific
929
- 376 OPSM
  (70 franchises)
- 45 Laubman & Pank
  (20 franchises)
- 4 Oliver Peoples
  (all franchises)
- 9 Alain Mikli
- 102 Oakley stores
  (55 franchises)
- 393 Sunglass Hut
  (78 franchises)

Greater China
306
- 206 LensCrafters
- 49 Sunglass Hut
- 51 Ray-Ban stores

Africa & Middle East
198
- 191 Sunglass Hut
  (51 franchises)

Central & South America
831
- 491 GMO
  (including Econópticas)
- 327 Sunglass Hut
- 13 Oakley stores
  (all franchises)
People

As of December 31, 2016, Luxottica Group had 82,282 employees, of which 58.3% were dedicated to the retail business, 11.4% to the wholesale business and 29.7% to production activities. Corporate based in Milan represent 0.6% of the total Group workforce. In terms of geographic distribution, 50.8% of the total Luxottica workforce operates in North America, 17.5% in Europe, 24.3% in Asia-Pacific, 6.6% in Latin America and 0.8% in the Middle East and South Africa.

The success of Luxottica and its Human Resources strategy in 2016 was based on the following elements: a dedicated focus on the employee, development of key skill sets, realization of career potential and a merit-based work environment free of discrimination. The strategic pillars set forth above are detailed in the initiatives and activities described below.

DEVELOPMENT AND ORGANIZATIONAL WELLNESS INITIATIVES

Personal and professional development

In 2016, Luxottica further developed its initiatives supporting professional requirements planning and technical and managerial career development. It also consolidated strategies at the regional level, directing greater attention to the specific needs of management and teams in different markets. New initiatives were launched to support functional and organizational development, such as the International Finance Academy, held in April 2016 where an international group of 28 Finance and Control professionals participated.

A desire for strong leadership at every organizational level resulted in the launch of several regional initiatives coordinated by the Corporate Learning & Development Team. The Group concluded the Personal Excellence program which started in 2015, and targeted the most talented leaders in the organization. This nine-month program offered three training modules where senior managers, in order to continue to develop in their role, focused on their own leadership style and acquired additional managerial skills. At regional level, two other initiatives were further promoted: the Leadership Lab, which helps managers from different businesses across Europe create their own authentic leadership style by developing self-awareness, personal vision and their ability to enhance team performance, and the Coaching Academy, which focuses on strengthening coaching skills in middle managers to support a culture of feedback within the different regions. In 2016, two editions of the Coaching Academy took place, one in North America and one in Greater China.

Given the results achieved in organizational effectiveness and the positive impact on employee engagement, in 2016 the Group decided to continue the Pulse Survey, the tool Luxottica uses to measure the feedback culture within the Company. All managers, in partnership with local HR teams in each geography and business units, have continued to hold regular “Meaningful Conversations” with their staff. As measured in the 2016 survey, at least 88% of respondents said they had had a Meaningful Conversation with their managers in the past three months. These results were aided by training and promotion activities as well as a new global community dedicated to all Luxottica employees called IMPACT, a personal and professional growth opportunity to increase one’s personal impact in the Company.

The Code of Ethics

In 2016, all Group geographies were involved in a global effort to support the Luxottica Code of Ethics. Starting in March, all employees were invited to a series of training initiatives, designed and delivered by local HR teams. These initiatives ranged from face-to-face trainings to online courses and were all completed by a final Learning Questionnaire to test the effectiveness of the training. Approximately 80% of the Group’s employees successfully completed the training and the Learning Questionnaire which showed great awareness about the contents and principles of our Code of Ethics.
Sustainability

Is the Luxottica vision that inspires its sustainable business approach and an integral part of the Group’s strategy. It stems from a notion of universal beauty, visible to everyone, that assumes a tangible form in the search for a balance between well-being, respect for the environment, ethics and the transparency of relations.

Luxottica has always strived to make the best eyewear in the world, innovative in design and excellent in quality, so people can enjoy the beauty of life in every aspect of the world. A world to understand, protect and promote.

This is the beauty of looking ahead and seeing a better future; the beauty of defining one’s personal style in a creative and informed way; the beauty of eyewear designed for both seeing and seeing better future; the beauty of defining one’s personal growth over time. Therefore, the desire to preserve resources and promote the beauty of nature and the landscape, reducing the impact of its activities on the environment, has deep roots and strong reasons behind it. And every day it inspires the sustainable actions and decisions taken in all the countries where the Group operates.

Due to its pragmatic and uncompromising approach focused on excellence, the Group has set increasingly challenging sustainability goals for itself that go beyond the standards required by regulations, drawing on best practices from the international arena.

Luxottica’s vision of sustainability is founded on four pillars that correspond to specific commitments and concrete initiatives. When defining these pillars the Group took much of its inspiration from two of the most recent milestones: the UN 2030 Agenda, which established the sustainable development goals to be met by 2030; and the Paris Climate Change Conference (COP21), which defined a global action plan to avoid dangerous climate change by limiting global warming to well below 2°C.

The environment is a crucial factor in Luxottica’s vision of sustainability. The Company was founded in what is today the National Park of the Belluno Dolomites. The attention and respect the Group pays to this land of extraordinary beauty and universal value, declared a UNESCO World Heritage Site, is part of its DNA and has accompanied its growth over time. Therefore, the desire to preserve resources and promote the beauty of nature and the landscape, reducing the impact of its activities on the environment, has deep roots and strong reasons behind it. And every day it inspires the sustainable actions and decisions taken in all the countries where the Group operates.

Leveraging on the excellence of the Group, Luxottica makes an increasingly greater contribution to the economic and social progress of the communities in which it operates, the protection of the environment and the promotion of the territory, thus forming a connection between its economic and financial results and the creation of shared value.

Evidence of this vision is found in the Code of Ethics, which outlines the key principles and values that inspire Luxottica’s ethical and responsible way of doing business. Due to its fundamental importance, the Code is applied to all companies, geographies and functions of the organization, and must be adopted by all stakeholders that have direct relations with Luxottica, including employees, partners and suppliers.

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High quality glasses and lenses, the result of continuous design, material and technology innovations, are complemented by the cutting-edge ophthalmic treatments available in the Group’s optical retail stores around the world.

Luxottica is committed to addressing the growing demand for eyecare by delivering fashionable eyewear collections that are essential for improving and protecting eyesight, as well as emphasizing the beauty of the eyes and communicating one’s unique style.

SOCIAL EQUITY

Since the beginning, Luxottica has stood out as a socially responsible company, ready and able to respond to changes and the emergence of new requirements with innovative solutions. This is a role it will play in an increasingly insightful manner to promote well-being and social equality in the countries where it operates, as well as the professional and personal growth, health and safety of its employees.

PROTECTING ENVIRONMENT

For Luxottica environmental sustainability is rooted in its bond with the communities where it operates, which it has protected and promoted since the construction of its first building in Agordo among the Belluno Dolomites, now a National Park.

This is an important responsibility that involves the entire organization in its various business areas and locations. Technological innovation and the ongoing investments aimed at improving activities and processes make the entire value chain increasingly sustainable in terms of water and energy consumption, CO2 emissions, and the production and recycling of waste.

To see the beauty of life
Commitment to excellence
Visual well-being
Social equity
Protecting environment

#TOSEETHEBEAUTYOFLIFE

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COMMITMENT TO EXCELLENCE

In its continuous quest for excellence, Luxottica’s ability to reinvent itself and innovate responsibly are part of the Company’s story and characteristic of its business approach. This commitment can be seen everywhere and shapes Luxottica’s long-term goals and success. It is a reflection of the Group’s unring desire to keep evolving and improving while staying faithful to its principles.

VISUAL WELL-BEING

Luxottica promotes the well-being and health of the eyes through the quality of its products and its world-class customer service in stores and online.
Group results in 2016
2016 was another year of growth for Luxottica Group. Consolidated sales rose to more than Euro 9 billion, accelerating in the fourth quarter compared to the first nine months of the year. The Group reached a record high for its net profit of Euro 851 million on a reported basis and Euro 882 million on an adjusted basis.\(^3,5\)

Over the past year, the Group initiated a phase of profound change to strengthen its vertically integrated business model and foster organizational simplification, speed up decision making and execution of strategies and improve efficiency and integration of the various business areas, including the integration of Oakley’s sports channel.

Luxottica also implemented several important initiatives to improve the quality of sales and protect the equity of its brands and the business of wholesale customers, introducing the “MAP policy” (Minimum Advertised Price) in North America, cleaning the distribution channels in Mainland China, harmonizing its prices across different markets and reducing in-store and online promotions sharply.

Major investments were made in 2016 to strengthen the foundation of the Group’s organization and businesses around the world. Important initiatives have been dedicated to the development of the Group’s operations.

These include the creation of three new large logistics-production hubs that integrate the production and distribution of lenses and frames in Italy, the United States and China. The Group also continued to expand into new markets, to evolve the omnichannel experience of its retail network, and to strengthen digital marketing and innovate its e-commerce platforms, thanks to the progressive roll-out of in-store digital windows and the evolution of the Virtual Try-on technology on Ray-Ban.com.

The acquisition of Salmoiraghi & Viganò, a leading optical retail brand in Italy, marked the end of 2016, while in January 2017 Delfin, the Group’s majority shareholder, and Essilor announced the signing of an agreement to create an integrated player in the eyewear industry. The objective of the combined company will be to meet the growing needs of the vision care market and consumer demand for premium brands. The transaction is subject to several conditions precedent, including approval by the shareholders of Essilor as well as regulatory approvals from various antitrust authorities.

On the upside, the Retail segment delivered net sales growth of 3.4% at current exchange rates\(^4\) (+2.6% at current exchange rates). The Group’s key retail chains continued to drive the industry’s evolution towards innovative business models covering in-store, online and omnichannel, to offer consumers a more meaningful digital experience. Sunglass Hut confirmed its leadership in the sun segment with revenue growth of 8.1% at constant exchange rates, while LensCrafters in North America strengthened its brand equity and reported a net sales increase of 1.3% in US dollars. In Latin America, GMO maintained its solid growth trend.

2016 was another year of growth for Luxottica Group. Consolidated sales rose to more than Euro 9 billion, accelerating in the fourth quarter compared to the first nine months of the year. The Group reached a record high for its net profit of Euro 851 million on a reported basis and Euro 882 million on an adjusted basis.\(^3,5\)
The Group’s e-commerce platforms in 2016 delivered excellent results, up by 24% at constant exchange rates². Ray-Ban.com, Oakley.com and SunglassHut.com further established themselves as the consumer favorites for buying branded eyewear online.

In terms of geographies, in 2016 Europe confirmed its positive trend with net sales up 6.9% at constant exchange rates² (driven in particular by Italy, the United Kingdom, Spain and Eastern Europe), while Latin America reported a strong performance weighed on the overall sales in the region, which were down by 1.9% at constant exchange rates². Southeast Asia, India and Japan have confirmed a solid growth.

Due to incremental investments, the Group’s adjusted³,5 operating margin for the Retail segment was down by 100 bps to 13.7%, mainly due to investments in digitalization and retail expansion. The organizational simplification and restructuring of certain business areas resulted in pre-tax extraordinary costs of approximately Euro 87 million² for the year.

On the other hand, the adjusted³,5 operating margin for the Wholesale segment was down by 20 bps to 15.8%, down by 20 bps from 2015. With almost unchanged sales, the adjusted³,5 operating margin expanded by 20 bps to 24.1% for the Wholesale segment, beginning to benefit from the synergies of the Oakley integration and the organization’s efficiency.

Free cash flow² generation was Euro 664 million for the twelve-month period ended December 31, 2016. Net debt³ as of December 31, 2016 was Euro 1,177 million, with a net debt/adjusted³,5 EBITDA ratio of 0.6x (0.5x excluding the buyback plan).

Adjusted³,5 net income for fiscal 2016 amounted to Euro 882 million, an increase of 3.3% year-over-year and adjusted³,5 EPS (earnings per share) of Euro 1.84 (US$ 2.04 at the exchange rate of €/ US$ of 1.1069).

1. Comparisons, including percentage changes, are between the three and twelve-month periods ended December 31, 2016 and 2015
2. Figures at constant exchange rates have been calculated using the average exchange rates in effect for the corresponding period in the previous year. For further information, please refer to the attached tables.
3. Adjusted net sales is not a measure in accordance with IFRS. For further information, please refer to appendix tables of the press release on FY2016 results ("Record net sales and net income for 2016"), published on March 1, 2017 in the “Media” section of the Group’s corporate website www.luxottica.com.
4. “Comps” or “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 most 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.
5. The adjusted data for the twelve-month period ended December 31, 2016 take into account: (i) restructuring and reorganization costs of Euro 69.5 million (Euro 55.0 million of net of tax), (ii) non-recurring expenses of Euro 174 million (Euro 12.0 million net of taxes) related to the departure of Adil Mehboob-Khan as CEO for markets and the Oakley integration; and (iii) non-recurring income of Euro 35.7 million related to the acquisition of Salmoiraghi & Viganò. The adjusted data for the twelve-month period ended December 31, 2015 does not take into account: (i) a change in the presentation of a component of EyeMed net sales that was previously included on a gross basis and in 2015 was included on a net basis due to a change in the terms of an insurance underwriting agreement (the “EyeMed adjustment”); resulting in a reduction to net sales on a reported basis of approximately Euro 174.3 million in the twelve-month period ended December 31, 2015, and (ii) costs related to the Oakley integration and other restructuring activities in 2015 of Euro 79.3 million.

The adjusted data for the twelve-month period ended December 31, 2016 and 2015 take into account: (i) restructuring and reorganization costs of Euro 66.4 million on operating profit (Euro 49.8 million net of tax).
4 Other information
### 2012-2016 Evolution of Number of Stores

<table>
<thead>
<tr>
<th>Region</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>4,818</td>
<td>4,742</td>
<td>4,631</td>
<td>4,628</td>
<td>4,708</td>
</tr>
<tr>
<td>LensCrafters</td>
<td>968</td>
<td>958</td>
<td>942</td>
<td>933</td>
<td>1,013</td>
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<tr>
<td>Sunglass Hut</td>
<td>1,912</td>
<td>1,897</td>
<td>1,901</td>
<td>1,923</td>
<td>1,875</td>
</tr>
<tr>
<td>Sears Optical</td>
<td>775</td>
<td>726</td>
<td>638</td>
<td>623</td>
<td>581</td>
</tr>
<tr>
<td>Target Optical</td>
<td>331</td>
<td>335</td>
<td>346</td>
<td>390</td>
<td>476</td>
</tr>
<tr>
<td>Oakley</td>
<td>148</td>
<td>163</td>
<td>178</td>
<td>178</td>
<td>188</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>874</td>
<td>844</td>
<td>843</td>
<td>854</td>
<td>929</td>
</tr>
<tr>
<td>Sunglass Hut</td>
<td>249</td>
<td>274</td>
<td>283</td>
<td>298</td>
<td>315</td>
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<tr>
<td>OPSM</td>
<td>392</td>
<td>363</td>
<td>340</td>
<td>309</td>
<td>306</td>
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<tr>
<td>Greater China</td>
<td>217</td>
<td>243</td>
<td>277</td>
<td>334</td>
<td>306</td>
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<tr>
<td>LensCrafters</td>
<td>210</td>
<td>228</td>
<td>262</td>
<td>298</td>
<td>306</td>
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<tr>
<td>Europe</td>
<td>312</td>
<td>384</td>
<td>442</td>
<td>490</td>
<td>1,005</td>
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<tr>
<td>Sunglass Hut</td>
<td>212</td>
<td>265</td>
<td>323</td>
<td>358</td>
<td>434</td>
</tr>
<tr>
<td>Africa &amp; Middle East</td>
<td>155</td>
<td>159</td>
<td>177</td>
<td>195</td>
<td>198</td>
</tr>
<tr>
<td>Sunglass Hut</td>
<td>120</td>
<td>122</td>
<td>131</td>
<td>140</td>
<td>140</td>
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<tr>
<td>Latin America</td>
<td>584</td>
<td>679</td>
<td>714</td>
<td>764</td>
<td>831</td>
</tr>
<tr>
<td>GMO</td>
<td>451</td>
<td>475</td>
<td>474</td>
<td>476</td>
<td>491</td>
</tr>
<tr>
<td>Sunglass Hut</td>
<td>126</td>
<td>197</td>
<td>232</td>
<td>279</td>
<td>315</td>
</tr>
<tr>
<td>Group total</td>
<td>6,960</td>
<td>7,051</td>
<td>7,084</td>
<td>7,265</td>
<td>7,977</td>
</tr>
</tbody>
</table>

### Share Capital and Dividend per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of shares authorized and issued as of December 31</th>
<th>Adjusted number of shares authorized and issued as of December 31(2)</th>
<th>Gross dividend per ordinary share (or American Depositary Share)(1)(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.025</td>
</tr>
<tr>
<td>1991</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.028</td>
</tr>
<tr>
<td>1992</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.031</td>
</tr>
<tr>
<td>1993</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.037</td>
</tr>
<tr>
<td>1994</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.041</td>
</tr>
<tr>
<td>1995</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.045</td>
</tr>
<tr>
<td>1996</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.052</td>
</tr>
<tr>
<td>1997</td>
<td>45,050,000</td>
<td>450,500,000</td>
<td>0.063</td>
</tr>
<tr>
<td>1998</td>
<td>225,250,000</td>
<td>450,500,000</td>
<td>0.074</td>
</tr>
<tr>
<td>1999</td>
<td>225,249,800</td>
<td>450,539,600</td>
<td>0.085</td>
</tr>
<tr>
<td>2000</td>
<td>451,582,300</td>
<td>451,582,300</td>
<td>0.140</td>
</tr>
<tr>
<td>2001</td>
<td>452,845,817</td>
<td>452,865,817</td>
<td>0.170</td>
</tr>
<tr>
<td>2002</td>
<td>454,263,600</td>
<td>454,263,600</td>
<td>0.210</td>
</tr>
<tr>
<td>2003</td>
<td>454,477,033</td>
<td>454,477,033</td>
<td>0.210</td>
</tr>
<tr>
<td>2004</td>
<td>455,205,473</td>
<td>455,205,473</td>
<td>0.230</td>
</tr>
<tr>
<td>2005</td>
<td>457,975,723</td>
<td>457,975,723</td>
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<tr>
<td>2006</td>
<td>460,216,248</td>
<td>460,216,248</td>
<td>0.420</td>
</tr>
<tr>
<td>2007</td>
<td>462,823,620</td>
<td>462,823,620</td>
<td>0.490</td>
</tr>
<tr>
<td>2008</td>
<td>463,368,233</td>
<td>463,368,233</td>
<td>0.490</td>
</tr>
<tr>
<td>2009</td>
<td>464,386,383</td>
<td>464,386,383</td>
<td>0.350</td>
</tr>
<tr>
<td>2010</td>
<td>466,077,210</td>
<td>466,077,210</td>
<td>0.440</td>
</tr>
<tr>
<td>2011</td>
<td>467,335,177</td>
<td>467,335,177</td>
<td>0.490</td>
</tr>
<tr>
<td>2012</td>
<td>473,238,197</td>
<td>473,238,197</td>
<td>0.580</td>
</tr>
<tr>
<td>2013</td>
<td>477,560,673</td>
<td>477,560,673</td>
<td>0.650</td>
</tr>
<tr>
<td>2014</td>
<td>481,671,583</td>
<td>481,671,583</td>
<td>1.440</td>
</tr>
<tr>
<td>2015</td>
<td>483,653,333</td>
<td>483,653,333</td>
<td>0.890</td>
</tr>
<tr>
<td>2016</td>
<td>484,176,083</td>
<td>484,176,083</td>
<td>0.920</td>
</tr>
</tbody>
</table>

(1) 1 ADS = 1 ordinary share
(2) Figures through 1999 have been retroactively adjusted to reflect the five-for-one stock split which was effective April 16, 1998, and the two-for-one stock split which was effective June 26, 2000.
(3) Figures through 1999 have been calculated converting the dividend in Italian Lira by the fixed rate of Lire 1,936.27 = Euro 1.00. Beginning with the 2000 financial statements the dividend is declared in Euro.
(4) It is comprised of an ordinary dividend amounting to Euro 0.72 per share and an extraordinary dividend amounting to Euro 0.72 per share.
(5) Proposed by the Board of Directors and to be submitted for approval to the Annual General Meeting on April 28, 2017.
### 1990-2016 Luxottica Share Performance - NYSE (US$)

<table>
<thead>
<tr>
<th>Year</th>
<th>Low</th>
<th>High</th>
<th>Average</th>
<th>Closing</th>
<th>Year change</th>
<th>Average Volumes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>0.794</td>
<td>1.456</td>
<td>1.089</td>
<td>1.019</td>
<td>7%</td>
<td>989,578</td>
</tr>
<tr>
<td>1991</td>
<td>0.988</td>
<td>2.750</td>
<td>1.822</td>
<td>2.750</td>
<td>170%</td>
<td>390,719</td>
</tr>
<tr>
<td>1992</td>
<td>2.250</td>
<td>3.281</td>
<td>2.852</td>
<td>2.513</td>
<td>-9%</td>
<td>313,051</td>
</tr>
<tr>
<td>1993</td>
<td>2.025</td>
<td>2.950</td>
<td>2.373</td>
<td>2.925</td>
<td>16%</td>
<td>231,107</td>
</tr>
<tr>
<td>1994</td>
<td>2.787</td>
<td>3.625</td>
<td>3.279</td>
<td>3.413</td>
<td>17%</td>
<td>189,325</td>
</tr>
<tr>
<td>1995</td>
<td>3.175</td>
<td>5.950</td>
<td>4.180</td>
<td>5.850</td>
<td>71%</td>
<td>417,048</td>
</tr>
<tr>
<td>1996</td>
<td>5.212</td>
<td>8.100</td>
<td>7.033</td>
<td>5.213</td>
<td>-11%</td>
<td>348,201</td>
</tr>
<tr>
<td>1997</td>
<td>5.125</td>
<td>6.988</td>
<td>6.092</td>
<td>6.250</td>
<td>20%</td>
<td>427,059</td>
</tr>
<tr>
<td>1999</td>
<td>5.000</td>
<td>10.313</td>
<td>7.613</td>
<td>8.781</td>
<td>46%</td>
<td>354,464</td>
</tr>
<tr>
<td>2000</td>
<td>7.969</td>
<td>17.000</td>
<td>12.945</td>
<td>13.750</td>
<td>57%</td>
<td>222,136</td>
</tr>
<tr>
<td>2001</td>
<td>12.150</td>
<td>17.990</td>
<td>15.283</td>
<td>16.480</td>
<td>20%</td>
<td>248,020</td>
</tr>
<tr>
<td>2003</td>
<td>10.320</td>
<td>18.150</td>
<td>13.877</td>
<td>17.400</td>
<td>28%</td>
<td>154,778</td>
</tr>
<tr>
<td>2004</td>
<td>15.180</td>
<td>20.390</td>
<td>17.344</td>
<td>20.390</td>
<td>17%</td>
<td>80,921</td>
</tr>
<tr>
<td>2005</td>
<td>19.690</td>
<td>25.830</td>
<td>22.408</td>
<td>25.310</td>
<td>24%</td>
<td>70,244</td>
</tr>
<tr>
<td>2006</td>
<td>24.360</td>
<td>31.390</td>
<td>28.303</td>
<td>30.670</td>
<td>21%</td>
<td>76,514</td>
</tr>
<tr>
<td>2007</td>
<td>29.700</td>
<td>39.380</td>
<td>33.699</td>
<td>31.490</td>
<td>3%</td>
<td>127,972</td>
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<tr>
<td>2008</td>
<td>15.980</td>
<td>30.920</td>
<td>24.228</td>
<td>18.120</td>
<td>-43%</td>
<td>251,319</td>
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<tr>
<td>2010</td>
<td>22.590</td>
<td>30.620</td>
<td>26.502</td>
<td>30.620</td>
<td>19%</td>
<td>88,537</td>
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<tr>
<td>2011</td>
<td>25.070</td>
<td>34.400</td>
<td>29.991</td>
<td>27.930</td>
<td>-9%</td>
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<tr>
<td>2012</td>
<td>27.520</td>
<td>41.730</td>
<td>35.345</td>
<td>41.350</td>
<td>48%</td>
<td>117,866</td>
</tr>
<tr>
<td>2013</td>
<td>41.930</td>
<td>55.700</td>
<td>50.854</td>
<td>53.920</td>
<td>30%</td>
<td>85,147</td>
</tr>
<tr>
<td>2014</td>
<td>45.340</td>
<td>58.730</td>
<td>53.870</td>
<td>54.470</td>
<td>1%</td>
<td>68,253</td>
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<td>2015</td>
<td>53.360</td>
<td>73.590</td>
<td>63.784</td>
<td>64.840</td>
<td>19%</td>
<td>53,047</td>
</tr>
<tr>
<td>2016</td>
<td>45.010</td>
<td>63.850</td>
<td>52.676</td>
<td>53.700</td>
<td>-17.2%</td>
<td>47,776</td>
</tr>
</tbody>
</table>

(1) Amounts have been retroactively adjusted to reflect the five-for-one stock split which was effective April 16, 1998, and the two-for-one stock split which was effective June 4, 2000.

(2) From IPO (January 24, 1990)

(3) From IPO (December 4, 2000)

### 2000-2016 Luxottica Share Performance - MTA (EURO)

<table>
<thead>
<tr>
<th>Year</th>
<th>Low</th>
<th>High</th>
<th>Average</th>
<th>Closing</th>
<th>Year change</th>
<th>Average Volumes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>15.239</td>
<td>17.618</td>
<td>16.530</td>
<td>15.356</td>
<td>17%</td>
<td>211,328</td>
</tr>
<tr>
<td>2001</td>
<td>13.409</td>
<td>20.620</td>
<td>17.096</td>
<td>18.430</td>
<td>20%</td>
<td>117,744</td>
</tr>
<tr>
<td>2002</td>
<td>11.750</td>
<td>22.950</td>
<td>17.380</td>
<td>12.576</td>
<td>-32%</td>
<td>204,110</td>
</tr>
<tr>
<td>2006</td>
<td>19.300</td>
<td>24.460</td>
<td>22.512</td>
<td>23.280</td>
<td>9%</td>
<td>869,788</td>
</tr>
<tr>
<td>2007</td>
<td>22.720</td>
<td>28.790</td>
<td>24.640</td>
<td>21.750</td>
<td>-7%</td>
<td>1,806,403</td>
</tr>
<tr>
<td>2009</td>
<td>9.610</td>
<td>18.250</td>
<td>14.910</td>
<td>18.050</td>
<td>43%</td>
<td>1,110,437</td>
</tr>
<tr>
<td>2010</td>
<td>17.820</td>
<td>23.170</td>
<td>19.974</td>
<td>22.800</td>
<td>26%</td>
<td>938,423</td>
</tr>
<tr>
<td>2011</td>
<td>22.700</td>
<td>28.790</td>
<td>24.460</td>
<td>23.280</td>
<td>9%</td>
<td>869,788</td>
</tr>
<tr>
<td>2014</td>
<td>9.610</td>
<td>18.250</td>
<td>14.910</td>
<td>18.050</td>
<td>43%</td>
<td>1,110,437</td>
</tr>
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<td>2015</td>
<td>17.820</td>
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<td>19.974</td>
<td>22.800</td>
<td>26%</td>
<td>938,423</td>
</tr>
</tbody>
</table>

(1) Amounts have been retroactively adjusted to reflect the five-for-one stock split which was effective April 16, 1998, and the two-for-one stock split which was effective June 4, 2000.

(2) From IPO (January 24, 1990)

(3) From IPO (December 4, 2000)