

**Information on the grants under 2006 Stock Option Plan**  
**Approved at the Stockholders Meeting on June 14, 2006**

**Definitions**

The terms and expressions used in this summary have the meaning set forth below (the terms and expressions defined in the plural form also include the singular form, and vice versa):

**“Agreement”** means the option agreement, entered into with the Beneficiary, which provides conditions for exercising the Options;

**“Beneficiary”** means the person who has an open-ended employment relationship with the Company or with the Controlled Company identified by the Board of Directors as a beneficiary of Options;

**“Board of Directors” or “Board”** means the Company's current board of directors;

**"Capital Increase"** means the increase in capital, up to a maximum of 1,200,000 Euros, through the issuance of a maximum of 20,000,000 ordinary shares of the Company, excluding the pre-emptive right of shareholders, reserved to Beneficiaries in compliance with art. 2441 of the Civil Code and with art. 134 of Legislative Decree 58/1998, approved by resolution at the Extraordinary Meeting of the Company on June 14, 2006;

**"Company"** means Luxottica Group S.p.A.;

**“Company's Directors”** means the individuals who hold the office of directors in Luxottica Group S.p.A.

**"Controlled Company" or "Subsidiary"** means any company which is directly or indirectly controlled by the Company pursuant to art. 2359 of the civil code.

**“Exercise Price”** means the price that each Beneficiary or, in case of death, each successor must pay to subscribe for a Share which is equal to, for Beneficiaries residing outside the U.S., the arithmetic average of the official market price of the Company's ordinary shares on the Italian Stock Exchange during the month before the Option Grant Date, and for Beneficiaries residing in the U.S., in compliance with the legislation in force in the U.S., equal to the higher of (i) the arithmetic average of the official market price of the Company's ordinary shares on the Italian Stock Exchange during the month before the Option Grant Date and (ii) the official market price of the Company's ordinary shares on the trading day immediately preceding the Grant Date.

With respect to the 2009 Reassignment Stock Option Plan granted to Beneficiaries residing in the U.S. the exercise price was separately determined according to the 2001 regulation. According to the 2001 regulation the exercise price is equal to the greater of: (i) the closing market price of our ADRs on the New York Stock Exchange on the business day immediately preceding the date of the grant, and (ii) the average of the closing market prices for each business day during the 30-day period ending on the date of the grant.

**“2009 Extraordinary Reassignment Stock Option Plan”** means the implementation of the Plan approved by the Board on May 7, 2009 concerning the reassignment of the 2006 three-year extraordinary Stock Option Plan;

**“Grant Date”** means the date options are granted to the Beneficiaries, usually the date on which the Board approves the Plan’s implementation in each reference year and identifies the Beneficiaries; except that with respect to the reassignment of Options for the Beneficiaries resident in the United States, approved by the Board on May 7, 2009 (see paragraph 3 below) the grant date is after the date of the Board meeting.

**“Human Resources Committee”** means the Company's current human resources committee;

**"Options"** means all the options granted by the Agreement to the Beneficiary, free of charge and non-transferable, each of which grants the right to subscribe to one Share according to the terms and conditions set forth in the Agreement;

**“2006 Ordinary Stock Option Plan”** means the granting of stock options approved by the Board on January 31, 2006 under the share capital increase and the regulations approved by the Company's stockholders at the meeting held on September 20, 2001;

**“Plan”** means the Luxottica Group S.p.A. Stock Option Plan approved at the Ordinary and Extraordinary Meeting of the Company of June 14, 2006, as subsequently modified/modifiable or completed/completable from time to time by resolution of the Board of Directors;

**“2009 Reassignment Stock Option Plan”** means the implementation of the Plan approved by the Board on May 7, 2009, concerning the reassignment of the 2007 Stock Option Plan and of the 2006 Ordinary Stock Option Plan;

**“Regulations”** means the Plan Regulations approved at the Company's Meeting on June 14, 2006;

**“Relevant Persons”** means Company’s Directors and those persons who hold management offices in the Company and the executives who have regular access to privileged information and have the power to make management decisions which can affect the business and future prospects of the Company;

**"Shares"** means all the ordinary shares of the Company included in the Plan, with a nominal value of 0.06 Euros each;

**“2007 Stock Option Plan”** means the implementation of the Plan approved by the Board on March 5, 2007;

**“2008 Stock Option Plan”** means the implementation of the Plan approved by the Board on March 13, 2008;

**“2009 Stock Option Plan”** means the implementation of the Plan approved by the Board on May 7, 2009;

**“2010 Stock Option Plan”** means the implementation of the Plan approved by the Board on April 29, 2010;

**“2011 Stock Option Plan”** means the implementation of the Plan approved by the Board on April 28, 2011;

**“2006 Three-Year extraordinary Stock Option Plan”** means the implementation of the Plan approved by the Board on July 27, 2006;

**“Vested Options”** means the Options for which the initial term for exercise specifically indicated in the Agreement has already elapsed, unless otherwise specifically provided for in the relevant Agreements;

## **1. BENEFICIARIES**

The Beneficiaries of all Plans have been identified by the Board of Directors, upon the recommendation of the Human Resources Committee, from those individuals who have had an open-ended employment relationship with the Company or with one of its Controlled Companies for at least one year prior to the Grant Date.

As concerns the Beneficiaries of the Plans who are Relevant Parties please note that:

- (a) Director Roberto Chemello is a Beneficiary under the 2006 Three-Year extraordinary Stock Option Plan (1,100,000 Options);
- (b) Vice Chairman Luigi Francavilla and Director Enrico Cavatorta are Beneficiaries under the 2009 Reassignment Stock Option Plan and of the 2009 Extraordinary Reassignment Stock Option Plan (70,000 Options each under the first Plan; under the second Plan Mr Francavilla holds 750,000 Options, Mr Cavatorta holds 550,000 Options);
- (c) Chief Executive Officer Andrea Guerra is a Beneficiary under the 2009 Extraordinary Reassignment Stock Option Plan (1,250,000 Options); and
- (d) Antonio Miyakawa and Valerio Giacobbi are employees performing managerial roles for the Company in accordance with article 152(c2) of the regulations and are Beneficiaries of the 2009 Reassignment Stock Option Plan and of the 2009 Extraordinary Reassignment Stock Option Plan (70,000 Options each under the first Plan, 550,000 Options each under the second Plan).

The names of Beneficiaries and other information required by paragraph 1 of Schedule 7 Annex 3A to the relevant CONSOB Regulations have been, and continue to be provided, as the Plan is implemented by the Board of Directors, according to art. 84-bis, par. 5, letter. a) of the applicable Regulations.

## **2. THE REASONS FOR THE PLAN ADOPTION**

The purpose of the Plan is to provide additional incentives to our key employees and to allow the Company and its Controlled Companies to attract, retain and support Beneficiaries. The criteria for the granting of Options take into consideration the role of the Beneficiaries in the Company, or in its Controlled Companies and if the Beneficiary achieved individual performance results in the performance year before the Grant Date.

In particular, the 2006 Three-Year extraordinary Stock Option Plan and the 2009 Extraordinary Reassignment Stock Option Plan are aimed at supporting the Company's top management in pursuing certain medium-term corporate objectives, and these plans provide that the exercise of Options under these plans will depend on achieving certain consolidated EPS targets as set by the Board.

There were no significant tax or accounting implications that have impacted the definition of the Plan.

### **3. APPROVAL PROCESS AND TIMING FOR ALLOTMENT OF INSTRUMENTS**

On April 27, 2006, the Board of Directors approved submitting the Plan Capital Increase and the Plan to the shareholders' extraordinary meeting for approval.

On June 14, 2006, at the Company's extraordinary meeting, the shareholders approved:

- (a) the Plan Capital Increase in favour of Beneficiaries;
- (b) to delegate to the Board of Directors the widest rights and powers to actually implement the approved share capital increase - in one or several tranches - allotting options to Beneficiaries, as deemed necessary by the Board, and thus, among other things: to set manners, terms and conditions for subscribing to the new shares; to claim the full payment of the price necessary to redeem the shares upon subscription; to draw up lists of the names of the recipient employees identified according to parameters that the Board will deem appropriate from time to time; to set any share availability restraints, or restraints on the pre-emptive rights granted; to provide in the option Agreement, to be entered into with each Beneficiary, the effects of the end of the employment relationship with the Company or with the Controlled Companies on Options;
- (c) the final term for subscription to the Shares to June 30, 2021, providing that, if full subscription does not occur within said term, the increase will be understood as subscribed to for an amount equal to the subscriptions collected within that term;
- (d) to make the issue of Shares in favour of the subscribing Beneficiaries dependent on the simultaneous full payment of the Exercise Price;
- (e) to grant severally to the current Chairman and to the current Chief Executive Officer of the Company the authority to change from time to time article 5 of the By-laws; as well as to file the updated By-laws within the term laid down in article 2444 of the Civil Code, pursuant to article 2436 of the Civil Code, indicating the amount of the subscribed capital, after the total or partial subscription of the capital increase approved by resolution; and
- (f) to approve the Plan and the Regulations, and to grant the Board of Directors the widest powers for the management of the Plan in all its aspects, in accordance with the characteristics, conditions and terms illustrated above, in compliance with the legislation in force.

According to the Regulations, the Plan shall be administered by the Board of Directors. The Board may delegate its powers to the chief executive officer or to other directors and delegate the implementation and operational management functions to officers identified by the Board. The Board has therefore all the powers necessary for the implementation of the Plan, including - for example - to establish the amount of the Options to be granted, the terms and conditions of the Agreements (which need not be identical), as the Board shall determine in its discretion.

**On July 27, 2006** the Board, upon proposal of the Human Resources Committee, approved the 2006 Three-Year Extraordinary Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price.

Under the 2006 Three-Year extraordinary Stock Option Plan, 13,000,000 Options were granted.

The price of shares recorded on July 27, 2006 was 21.80 Euros.

The Exercise Price is 20.99 Euros per share for Beneficiaries not resident in the U.S. and 22.09 Euros per share for Beneficiaries resident in the U.S.

The Plan was reassigned by the Board on May 7, 2009.

**On March 5, 2007** the Board, upon proposal of the Human Resources Committee, approved the 2007 Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price.

Under the 2007 Stock Option Plan, 1,745,000 Options were granted.

The price of shares recorded on March 5, 2007 was 23.39 Euros per share.

The Exercise Price is 24.05 Euros per share.

The Plan was reassigned by the Board on May 7, 2009.

**On March 13, 2008 the Board**, upon proposal of the Human Resources Committee, approved the 2008 Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price.

Under the 2008 Stock Option Plan, 2,020,500 Options were granted.

The price of shares recorded on March 13, 2008 was 17.01 Euros per share.

The Exercise Price is 18.08 Euros per share.

**On May 7, 2009** the Board, upon proposal of the Human Resources Committee, approved the 2009 Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price.

Under the 2009 Stock Option Plan, 1,050,000 Options were granted.

The price of shares recorded on May 7, 2009 was 14.843 Euros per share.

The Exercise Price is 14.99 Euros per share for Beneficiaries resident in the U.S. and 13.45 Euros per share for Beneficiaries not resident in the U.S.

**On May 7, 2009** the Board, upon proposal of the Human Resources Committee, authorised the reassignment of new Options to the employees who were then Beneficiaries of the 2006 Three-Year Extraordinary Stock Option Plan, of the 2007 Stock Option Plan and of the 2006 Stock Option Plan, conditional upon the withdrawal of the Options granted under these plans. This was due to the fact that these plans, in light of the market situation and the financial crisis, had reached an Exercise Price that excessively reduced the value of the incentives that these Plans are based on.

The reassignment of new Options were provided to employees not resident in the U.S. as follows:

(1) on May 7, 2009, each Beneficiary was granted options to subscribe to a number of ordinary shares of the Company equal to the ones that these individuals had the right to subscribe to pursuant to the effective 2006 and 2007 Stock Option Plans, for a total of 2,060,000 Options. The Exercise Price is equal to 13.45 Euros per share; and

(2) on May 7, 2009, each Beneficiary of the 2006 Three-Year Extraordinary Stock Option Plan was granted Options to subscribe to a number of ordinary shares of the Company equal to the ones that these individuals had the right to subscribe to pursuant to this Plan, reduced by 50%, for a total of 4,250,000 Options. The Exercise Price is equal to 13.45 Euros per share.

For Beneficiaries residing in the U.S. on June 12, 2009, the reassignment of new Options was provided as follows:

(1) each Beneficiary was granted Options to subscribe to a number of ordinary shares of the Company equal to the ones that these individuals had the right to subscribe to pursuant to the effective 2006 and 2007 Stock Option Plans, for a total of 825,000 Options. The Options were granted under the share capital increase and the regulations approved at the Stockholders meeting on September 20, 2001. The Exercise Price is equal to Euro 15.03 per share.

(2) the Beneficiaries of the 2006 Three-Year Extraordinary Stock Option Plan were granted 1,450,000 rights (equal to the rights previously granted reduced by 50%) under the Plan approved at the stockholders meeting on June 14, 2006. The Exercise Price is equal to Euro 15.11.

The price of shares recorded on June 12, 2009 was 14.79 Euros.

**On April 29, 2010 the Board**, upon proposal of the Human Resources Committee, approved the 2010 Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price for Beneficiaries.

Under the 2010 Stock Option Plan, 1,924,500 Options were granted.

The price of shares recorded on April 29, 2010 was 21.17 Euros per share.

The Exercise Price is 21.23 Euros per share for Beneficiaries resident in the U.S.. and 20.72 Euros per share for all the other beneficiaries.

The Company did not take special measures in relation to the concurrence in time between the grant dates and the dissemination of relevant information pursuant to art. 114, paragraph 1 of Legislative Decree no. 58/1998.

**On April 28, 2011 the Board**, upon proposal of the Human Resources Committee, approved the 2011 Stock Option Plan, the relevant list of Beneficiaries, and set the Exercise Price for Beneficiaries.

Under the 2011 Stock Option Plan, 2,039,000 Options were granted.

The price of shares recorded on April 29, 2011 was 22.91 Euros per share.

The Exercise Price is 23.18 Euros per share for Beneficiaries resident in the U.S.. and 22.62 Euros per share for all the other beneficiaries.

The Company did not take special measures in relation to the concurrence in time between the grant dates and the dissemination of relevant information pursuant to art. 114, paragraph 1 of Legislative Decree no. 58/1998.

As regards each of the Plans referred to above, information on the number of Options still outstanding at the end of each fiscal year can be found in the relevant annual financial statements of the Luxottica Group S.p.A..

#### **4. THE CHARACTERISTICS OF THE INSTRUMENTS GRANTED**

All the Plans have a vesting period of three years.

The 2006 Three-Year Extraordinary Stock Option Plan and the 2009 Extraordinary Reassignment Stock Option Plan are also subject to performance conditions set by the Board of Directors, i.e. on the achievement of certain consolidated EPS objectives.

All the Plans have a duration of nine years from the Grant Date, except for the 2009 Reassignment Stock Option Plan addressed to Beneficiaries residing in the U.S., granted under the capital increase approved at the stockholders' meeting of September 20, 2001, for which the set deadline is March 31, 2017.

No Option can be granted by the Board under the Capital Increase with an expiration date after June 14, 2021.

All the Plans contemplate that Vested Options cannot be exercised in the period of time between (i) the twentieth day before the date of the Company's stockholders' meeting called for the approval of the financial statements and (ii) the dividend payment date.

Beneficiaries who are designated as individuals having access to privileged information are subject to certain black-out periods during which they are not allowed to sell shares received from the exercise of the Options.

In general terms, without prejudice to what is indicated herein below for the 2006 Three-Year Extraordinary Stock Option Plan, all the Plans contemplate that at an individual's end of employment:

- (1) due to resignation or termination for cause or for justified subjective reason, the Beneficiary will suffer an immediate loss of all Options granted, including any Options due and not exercised;
- (2) for justified objective reason or due to termination by mutual consent the Beneficiary will have the right to exercise Vested Options within 90 days from employment end; and
- (3) due to age limits reached or to retirement or to partial or total unfitness to carry out the role, the Beneficiary will have the right to keep all the Options granted for 3 years from employment end and the right to exercise in the same period the Vested Options or those that would vest in the same period in accordance with the applicable Regulations. After said term, all the granted Options expire, whether vested or not.

Under the 2006 Three-Year Extraordinary Stock Option Plan, at a Beneficiary's end of employment:

- (1) due to termination by mutual consent, resignation or retirement the Beneficiary will have the right to exercise only Vested Options within 30 days from employment end;
- (2) due to termination for cause or for an objective reason the Beneficiary will suffer an immediate loss of all the Options granted; and
- (3) due to death or invalidity the Beneficiary or his/her successors will have the right to exercise all the granted Options within one year from employment end.

In any case, there is no prejudice to the right of the Board of Directors, given the powers which the Regulation assigns to the Board for determination or modification of the terms of the Agreements, to determine - with reference to one or more Beneficiaries - conditions other than those described here.

In accordance with the Regulations, the Board can cancel, suspend or modify the Plan at any time without authorisation provided at a stockholders' Meeting.

No loans or other allowances will be granted for the purchase of shares pursuant to art. 2358, paragraph 3, of the civil code. There are no restrictions on the transfer of the shares resulting from the exercise of the Options other than those previously described.

There is no termination regarding the granting of the plans in the event that beneficiaries undertake hedging transactions. No limits are contemplated for exercising the right to vote and for granting property rights.

In the event all the outstanding options, granted under the Plan, were exercised, the number of ordinary shares would increase from 466,784,283 (April 15, 2011) to 479,745,783 (increase equal to 2.78%).

The Exercise Price is equal to, for Beneficiaries not residing in the U.S., the arithmetic mean of the official prices of the Italian Stock Exchange recorded in the month before the Option Grant Date, and for Beneficiaries residing in the U.S., in compliance with the legislation in force in the U.S., equal to the highest between (i) the arithmetic mean of the official prices of the Italian Stock Exchange recorded in the month before the Option Grant Date, and (ii) the official price recorded on the day before the Grant Date.

Only for the 2009 Reassignment Stock Option Plan granted to Beneficiaries residing in the U.S. the exercise price was determined according to the 2001 regulation. According to this 2001 regulation, the Exercise Price is equal to the greater of: (i) the closing market price of our ADRs on the New York Stock Exchange on the business day immediately preceding the date of the grant, and (ii) the average of the closing market prices for each business day during the 30-day period ending on the date of the grant.

Any modifications to the maximum number of Shares subject to exercise of all the outstanding Options under the Plan because of subdivision or consolidation of Shares due to reorganisation, recapitalisation, stock split, reverse stock split, division and other extraordinary transactions are to be determined by the Board pursuant to art. 10 of the Regulations.



**SUMMARY TABLE OF GRANTED RIGHTS AND OF THE OPTIONS OUTSTANDING AT 31<sup>ST</sup> DECEMBER 2011**

	<u>Number of shares subject to the granted options</u>	<u>Exercise Price</u>	<u>Expiration</u>	<u>Options existing on 31<sup>st</sup> December 2011</u>	<u>Remaining Expected cost as at 12.31.2011 /euro (3)</u>
<b>2006 Stock Option Plan (1)</b>	1,725,000	Euro 22.19	31 <sup>st</sup> January 2015	70,000	-
<b>2006 Extraordinary Stock Option Plan (U.S. Beneficiaries) (2)</b>	3,500,000	Euro 22.09	27 <sup>th</sup> July 2015	-	2,530,000
<b>2006 Extraordinary Stock Option Plan (Non-U.S. Beneficiaries) (2)</b>	9,500,000	Euro 20.99	27 <sup>th</sup> July 2015	1,100,000	9,103,000
<b>2007 Stock Option Plan (2)</b>	1,745,000	Euro 24.05	6 <sup>th</sup> March 2016	20,000	-
<b>2008 Stock Option Plan</b>	2,020,500	Euro 18.08	14 <sup>th</sup> March 2017	1,401,500	-
<b>2009 Stock Option Plan (Non-U.S. Beneficiaries)</b>	378,000	Euro 13.45	7 <sup>th</sup> May 2018	336,000	281,000
<b>2009 Stock Option Plan (U.S. Beneficiaries)</b>	672,000	Euro 14.99	7 <sup>th</sup> May 2018	529,000	200,000
<b>2009 Ordinary Re-allotment Stock Option Plan (Non-U.S. Beneficiaries)</b>	2,060,000	Euro 13.45	7 <sup>th</sup> May 2018	1,845,000	574,000
<b>2009 Ordinary Re-allotment Stock Option Plan (U.S. Beneficiaries) (1)</b>	825,000	Euro 15.03	31 <sup>st</sup> March 2017	645,000	205,000
<b>2009 Extraordinary Re-allotment Stock Option Plan (Non-U.S. Beneficiaries)</b>	4,250,000	Euro 13.45	7 <sup>th</sup> May 2018	4,250,000	-
<b>2009 Extraordinary Re-allotment Stock Option Plan (U.S. Beneficiaries)</b>	1,450,000	Euro 15.11	12 <sup>th</sup> June 2018	1,350,000	-
<b>2010 Stock Option Plan (Non-U.S. Beneficiaries)</b>	1,221,000	Euro 20.72	29 <sup>th</sup> April 2019	1,175,000	2,677,000
<b>2010 Stock Option Plan (U.S. Beneficiaries)</b>	703,500	Euro 21.23	29 <sup>th</sup> April 2019	616,500	1,359,000.
<b>2011 Stock Option Plan (Non-U.S. Beneficiaries)</b>	1,323,500	Euro 22.62	April 28, 2020	1,309,500	4,500,000
<b>2011 Stock Option Plan (U.S. Beneficiaries)</b>	715,000	Euro 23.18	April 28, 2020	705,500	2,645,000

- 1) Granted in accordance with the capital increase approved by resolution at the stockholders meeting on September 2001
- 2) Plan subject to re-allotment approved by resolution of the Board of Directors on May 7, 2009
- 3) For the reassignment of options under the extraordinary plans there is no expected cost to the Company. The options reassigned had no incremental fair value at grant date.