



Press release

***Innovation, quality and investments to tackle new opportunities  
Speed and efficiency enhance best-in-class service***

Agordo, October 1, 2012 - Luxottica Group S.p.A. (MTA: LUX; NYSE: LUX), a leader in the design, production, distribution and sale of fashion, luxury and sports eyewear, today held its first Investor Day in Agordo, where everything began more than 50 years ago.

Luxottica opened the doors to its Operations' facilities. Over the years much has changed, however the core pillars of growth remain the same: innovation, quality, service and investments to constantly tackle new opportunities and ideas.

*"Behind each one of our glasses there is a story of excellence", commented Andrea Guerra, Chief Executive Officer of Luxottica. "We have two souls: on one side, we have increased our flexibility through technological innovations, on the other, we still place a lot of value on craftsmanship. For us the story of a pair of glasses remains a story written by hand. It all begins in the imagination of our designers. The idea is then rapidly executed through engineering, planning, manufacturing and actual delivery of our outstanding products.*

*"We have developed a more proactive and customer-centric approach to drive additional efficacy and efficiency in service levels; this has proved to be a game-changer in the eyewear industry and it has been constantly reflected in our results".*

Andrea Guerra also commented "3Q 2012 demand trends are in line with the Group's solid first half results, with North America healthy again and Western Europe steadily improving. Hence we remain confident for the remainder of the year."

Through a carefully strategized offer and service, Luxottica has been able to faster deliver eyewear collections, enriched with more sophisticated decorations and innovative materials, to stores. In order to achieve this, Operations plays a key role. Luxottica's vertically integrated business model and geographically diversified footprint have led to greater efficiency, flexibility and speed in product design, engineering, supply chain, manufacturing and logistics, whilst being uncompromising in quality.

Luxottica has been able to constantly decrease the time to market for new products by 44% and the re-order lead time for existing models by 43% between 2009 and 2012.

Agordo's Investor Day focused on the following Operations' aspects: engineering, supply chain and logistics.

**Engineering, Luxottica's signature**

Backed by a customer-centric and geographically-segmented campaign launch calendar, the Engineering department has been able to decrease product development timing by five weeks over the last four years. Key factors leading to this result are R&D, product and industrial engineering as well as technical teams that are located across four continents.

### **Supply chain, scheduling products' journey across five continents**

Speed and efficiency also means scheduling the journey of each product from conception through shipment in order to timely reach the customer. Since 2009, Luxottica has decreased lead time by 43% and backorders by 36%, while reducing inventory.

### **Logistics, reactive to customers' needs**

Luxottica has invested to make its service level more sophisticated and, at the same time, optimize the number of distribution centers in the world, thus reducing local inventories. Logistics' performance has steadily improved over the last four years: costs have diminished by 12%, while service level has improved by 30%.

Operations will continue to be one of the engines of growth for the Group and its continuous focus on speed, flexibility and efficiency will reflect positively into future revenues and earnings.

The Group plans to invest over Euro 200 million over the next three years to increase manufacturing capacity in Italy, China, US, Brazil and India, as well as for innovation and IT enhancements. All this is expected to result in reductions of overall lead time and inventory days of 30% and 20%, respectively. Moreover, Luxottica expects to produce 100 million frames in 2015.

[www.luxottica.com](http://www.luxottica.com)

### **Luxottica Group - Contacts**

#### **Cristina Parenti**

Group Corporate Communication and Public Relations Director

Tel.: +39 (02) 8633 4683

E-mail: [cristina.parenti@luxottica.com](mailto:cristina.parenti@luxottica.com)

#### **Alessandra Senici**

Group Investor Relations Director

Tel.: +39 (02) 8633 4870

E-mail: [InvestorRelations@Luxottica.com](mailto:InvestorRelations@Luxottica.com)

#### **Ana Iris Reece**

Group Financial and Corporate Press Office Manager

Tel.: +39 (02) 8633 4912

Email: [anairis.reece@luxottica.com](mailto:anairis.reece@luxottica.com)

### **Luxottica Group S.p.A.**

Luxottica Group is a leader in premium, luxury and sports eyewear with approximately 7,000 optical and sun retail stores in North America, Asia-Pacific, China, South Africa, Latin America and Europe, and a strong, well-balanced brand portfolio. House brands include Ray-Ban, the world's most famous sun eyewear brand, Oakley, Vogue, Persol, Oliver Peoples, Arnette and REVO, while licensed brands include Bvlgari, Burberry, Chanel, Coach, Dolce & Gabbana, Donna Karan, Polo Ralph Lauren, Prada, Tiffany and Versace. In addition to a global wholesale network involving 130 different countries, the Group manages leading retail chains in major markets, including LensCrafters, Pearle Vision and ILORI in North America, OPSM and Laubman & Pank in Asia-Pacific, LensCrafters in China, GMO in Latin America and Sunglass Hut worldwide. The Group's products are designed and manufactured at its six manufacturing plants in Italy, two wholly owned plants in the

People's Republic of China, one plant in Brazil and one plant in the United States devoted to the production of sports eyewear. In 2011, Luxottica Group posted net sales of more than €6.2 billion. Additional information on the Group is available at [www.luxottica.com](http://www.luxottica.com)

#### **Safe Harbor Statement**

Certain statements in this press release may constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those which are anticipated. Such risks and uncertainties include, but are not limited to, the ability to manage the effect of the current uncertain international economic outlook, the ability to successfully acquire new businesses and integrate their operations, the ability to predict future economic conditions and changes in consumer preferences, the ability to successfully introduce and market new products, the ability to maintain an efficient distribution network, the ability to achieve and manage growth, the ability to negotiate and maintain favorable license arrangements, the availability of correction alternatives to prescription eyeglasses, fluctuations in exchange rates, changes in local conditions, the ability to protect intellectual property, the ability to maintain relations with those hosting our stores, computer system problems, inventory-related risks, credit and insurance risks, changes to tax regimes as well as other, political, economic and technological factors and other risks and uncertainties described in our filings with the Securities and Exchange Commission. These forward-looking statements are made as of the date hereof, and we do not assume any obligation to update them.