

EssilorLuxottica

Q1 2023 Revenue

Solid start to the year

- Group's revenue at Euro 6,151 million, up 9.7% vs 2022
- Growing 8.6% at constant exchange rates¹ versus the best quarter of last year
- North America and EMEA up high-single digit¹, APAC and Latin America up double digits¹
- All regions accelerating¹ versus the fourth quarter of last year
- Comparable-store sales² growing high-single digit, with former GV banners outpacing
- Commitment to set near-term science-based emissions reduction targets in line with SBTi

Charenton-le-Pont, France (April 20, 2023 - 6:00 pm) – EssilorLuxottica announced today that consolidated revenue for the first quarter of 2023 reached Euro 6,151 million, representing a year-on-year increase of 8.6% at constant exchange rates¹ compared to the first quarter of 2022 (+9.7% at current exchange rates).

Francesco Milleri, Chairman and CEO, and Paul du Saillant, Deputy CEO at EssilorLuxottica commented:

"We're very pleased to start the year with another strong quarter, every region and channel contributing to our performance. What's even more satisfying is the way in which we achieved it. Sustainability is at the heart of our strategy and our key focus in 2023. We continue to deliver on our "Eyes on the Planet" pillars while supporting the long-term growth of the industry.

We started the year with a commitment to setting science-based emission reduction targets in line with the SBTi criteria. We have also announced a new agreement with ERG for the supply of electricity produced from a repowered wind farm in Sicily - covering half of our energy needs in Italy. Our current and future investments in renewable energy will help propel us towards carbon neutrality in Europe this year and globally by 2025.

Together with our ambition to help eliminate uncorrected poor vision for hundreds of millions of people in underserved communities, this is providing a sense of purpose for our people, bringing our stakeholders along for the journey."

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Unless otherwise specified, the commentary in the following pages is based on revenue performance at constant exchange rates¹ versus 2022.

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Highlights

The first quarter of 2023 was off to a strong start, growing high-single digit compared to 2022, in sequential acceleration from the previous quarter and building on top of the best quarter of last year, which was up 11.5% versus 2021 in comparable terms³. The developing regions, Asia-Pacific and Latin America, outperformed the mature markets of North America and EMEA, which were both faced with the strongest quarter of 2022 themselves. All main product categories, sun/optical frames, lenses and contact lenses, grew at a similar pace. From a brand perspective, the blockbuster lenses and Shamir delivered robust results, while luxury was still the top performer on the frames side. Both segments sustained the overall growth.

Group revenue by segment

<i>Euro millions</i>	Q1 2023	Q1 2022	Change at constant exchange rates¹	Change at current exchange rates
Professional Solutions	3,026	2,780	+7.7%	+8.9%
Direct to Consumer	3,125	2,827	+9.4%	+10.5%
TOTAL REVENUE	6,151	5,607	+8.6%	+9.7%

Professional Solutions

Professional Solutions was up 7.7% compared to the same period of 2022 (+8.9% at current exchange rates), driven by a similar growth profile across the regions with the exception of Asia-Pacific, which markedly accelerated from February thanks to the reopening of China.

Direct to Consumer

Direct to Consumer was up 9.4% compared to the first quarter of 2022 (+10.5% at current exchange rates), thanks to the solid performance of the brick-and-mortar store network. Comparable-store sales² grew above 7% with the optical banners advancing on a faster pace than sun for the first time since more than one year (former GrandVision stores outpacing). E-commerce progressed low-single digit with EyeBuyDirect.com standing out as the best performing platform.

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Group revenue by region

<i>Euro millions</i>	Q1 2023	Q1 2022	Change at constant exchange rates¹	Change at current exchange rates
North America	2,859	2,565	+7.0%	+11.4%
EMEA	2,194	2,054	+8.9%	+6.8%
Asia-Pacific	750	685	+12.0%	+9.4%
Latin America	349	302	+11.5%	+15.7%
TOTAL REVENUE	6,151	5,607	+8.6%	+9.7%

North America

North America posted revenue of Euro 2,859 million, up 7.0% compared to the first quarter of 2022 (+11.4% at current exchange rates), visibly accelerating from the fourth quarter and on top of the best quarter of last year.

Professional Solutions was up high-single digit with all product categories contributing nicely. The consumer-facing lens brands, Varilux and Transitions, drove the results together with Shamir. On the frames side, the licensed brands delivered healthy growth, including luxury despite the tough comparison base of last year. The independent channel strongly recovered sustained by the success of the alliances and partner programs. The positive impact from Walman started to fade as the acquisition crossed its anniversary date at the beginning of March.

Direct to Consumer grew high-single digit due to the sound performance of the optical retail banners sustained by the robust demand of the insured customers. LensCrafters delivered low-single-digit comparable-store sales² thanks to revived traffic and a strong in-store execution. The number of eye exams processed and converted was up, also thanks to the increased use of teleoptometry which grew threefold compared to last year. Target Optical continued its solid trajectory growing comparable-store sales² at high-single digit as well as taking space with the addition of 16 new stores year-over-year. Comparable-store sales² at Sunglass Hut were down mid-single digit as severe weather conditions caused traffic to plummet in the second half of the quarter. E-commerce was up low-single digit with EyeBuyDirect.com continuing to outperform the rest of the banners. EyeMed delivered another strong quarter at double-digit sales growth, now covering 72 million lives.

EMEA

Europe, Middle East and Africa as a whole posted revenue of Euro 2,194 million, up 8.9% compared to the first quarter of 2022 (+6.8% at current exchange rates), accelerating versus the fourth quarter of last year despite comparing with the strongest quarter of last year, when the business was materially driven by post-COVID reopenings.

Professional Solutions segment grew high-single digit, sustained in particular by the key markets of France, Italy and Spain. Branded lenses were a major driver overall, namely thanks to Varilux, Transitions and Eyezen, as well as sun luxury frames, still up double digits on top of a challenging comparison base, on the back of a strong Prada license. In terms of channels, independent opticians and retail chains both positively contributed.

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Direct to Consumer segment rose double digits, boosted by the sound brick-and-mortar business, up 10% in comparable-store sales². In the optical segment, all the countries were positive in comparable-store sales² (with the only main exceptions of the Netherlands and Belgium), led by the UK and Nordics, helped by the subscription model, and Italy. The progressing integration of the optical retail banners is helping the top line trend, thanks to a better assortment and the upgrade of the in-store execution. Sun comparable-store sales² were still strong, with Sunglass Hut locations growing overall in excess of 20%, on top of the triple-digit reopening jump of last year.

Asia-Pacific

Asia-Pacific posted revenue of Euro 750 million, up 12.0% compared to the first quarter of 2022 (+9.4% at current exchange rates). The strong performance in the region was driven by the recovery in China from February as well as a robust sun category in all major countries.

Professional Solutions was up around 10%, supported by the resurgence of business activity in China, turning double-digit positive in February and March. The performance in the country was led by the branded lens portfolio as well as the sun category, with Bolon, Ray-Ban and luxury licenses standing out as fastest growing brands. Demand for myopia management solutions in China remained solid, with Stelless expanding by more than 80% in sales. Among the other main countries in the region, India and South-East Asia expanded at double digits.

The Direct to Consumer business was up in the mid-teens, with all countries contributing. Comparable-store sales² in the region were up in the mid-teens. In Australia, comparable-store sales² were slightly positive at OPSM, supported by favorable price-mix, and double-digit up at both Sunglass Hut and Oakley. In China, the performance of the brick-and-mortar business accelerated during the quarter, with the Ray-Ban stores in Mainland China positive in comparable-store sales² and above pre-pandemic levels. Sunglass Hut continued to grow nicely in South-East Asia.

Latin America

Latin America posted revenue of Euro 349 million, up 11.5% compared to the first quarter of 2022 (+15.7% at current exchange rates), strongly rebounding from the soft performance of the fourth quarter.

Professional Solutions was up high-single digit growing firmly on top of the stellar performance of the prior year. Brazil grew high-single digit with both lenses and frames contributing nicely, while Mexico delivered double-digit sales growth thanks to the strong momentum of the frames business.

Direct to Consumer grew double digits with optical and sun comparable-store sales² pacing accordingly at an equal rate. On the optical side, the performance was driven by the Mexican banners growing comparable-store sales² at double digits and GMO further accelerating from the previous quarter. Comparable-store sales² at Sunglass Hut were up double digits in all countries.

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Storecount on March 31, 2023

	North America	EMEA	Asia-Pacific	Latin America	Corporate Stores	Franchising & Other	Total Storecount
Sunglass Hut	1,677	609	311	409	3,006	192	3,198
LensCrafters	1,013		81		1,094	5	1,099
Vision Express		863			863	152	1,015
Apollo		682			682	221	903
Target Optical	565				565		565
MasVisión		71		465	536	8	544
Pearle		498			498	224	722
Générale d'Optique		387			387	295	682
OPSM			372		372	28	400
GMO				358	358		358
GrandVision		288		46	334	30	364
Atasun Optik		298			298	31	329
Oakley	183	12	72	21	288	80	368
Ray-Ban	32	47	132	43	254		254
Salmoiraghi & Viganò		250			250	28	278
Synoptik		249			249		249
GrandOptical		233			233	79	312
Luxoptica		213			213		213
Mujosh			135		135	383	518
Pearle Vision	110				110	463	573
MultiOpticas		106			106	112	218
Ajojo			89		89	213	302
Bolon			52		52	156	208
Óticas Carol				24	24	1,428	1,452
All Others	241	1,234	133	753	2,361	140	2,501
Total EssilorLuxottica	3,821	6,040	1,377	2,119	13,357	4,268	17,625

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Sustainability

As part of its efforts to address climate change as a key pillar of its sustainability program “Eyes on the Planet”, in March 2023, EssilorLuxottica signed the SBTi commitment letter for near-term targets setting.

Conference Call

A conference call in English will be held today at 6:30 pm CEST.
The meeting will be available live and may also be heard later at:
<https://streamstudio.world-television.com/1217-2090-35663/en>

Forthcoming Investor Events

- May 17, 2023: Annual Shareholders' Meeting
- July 26, 2023: Q2 2023 Revenue and H1 2023 Results
- October 19, 2023: Q3 2023 Revenue

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Notes

As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component.

1 Constant exchange rates: figures at constant exchange rates have been calculated using the average exchange rates in effect for the corresponding period in the relevant comparative year.

2 Comparable-store sales: reflect, for comparison purposes, the change in sales from one period to another by taking into account in the more recent period only those stores already open during the comparable prior period. For each geographic area, the calculation applies the average exchange rate of the prior period to both periods.

3 Comparable (revenue): comparable revenue includes, for 2021, the contribution of GrandVision's revenue to EssilorLuxottica as if the combination between EssilorLuxottica and GrandVision (the "GV Acquisition"), as well as the disposals of businesses required by antitrust authorities in the context of the GV Acquisition, had occurred on January 1, 2021. Comparable revenue has been prepared for illustrative purpose only with the aim to provide meaningful comparable information.

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DISCLAIMER

This press release contains forward-looking statements that reflect EssilorLuxottica's current views with respect to future events and financial and operational performance. These forward-looking statements are based on EssilorLuxottica's beliefs, assumptions and expectations regarding future events and trends that affect EssilorLuxottica's future performance, taking into account all information currently available to EssilorLuxottica, and are not guarantees of future performance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and EssilorLuxottica cannot guarantee the accuracy and completeness of forward-looking statements. A number of important factors, not all of which are known to EssilorLuxottica or are within EssilorLuxottica's control, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing EssilorLuxottica. Any forward-looking statements are made only as of the date of this press release, and EssilorLuxottica assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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About

EssilorLuxottica

EssilorLuxottica is a global leader in the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses. Formed in 2018, its mission is to help people around the world to see more and be more by addressing their evolving vision needs and personal style aspirations. The Company brings together the complementary expertise of two industry pioneers, one in advanced lens technology and the other in the craftsmanship of iconic eyewear, to set new industry standards for vision care and the consumer experience around it. Influential eyewear brands including Ray-Ban and Oakley, lens technology brands including Varilux and Transitions, and world-class retail brands including Sunglass Hut, LensCrafters, Salmoiraghi & Viganò and GrandVision are part of the EssilorLuxottica family. EssilorLuxottica has approximately 190,000 employees. In 2022, the Company generated consolidated revenue of Euro 24.5 billion. The EssilorLuxottica share trades on the Euronext Paris market and is included in the Euro Stoxx 50 and CAC 40 indices. Codes and symbols: ISIN: FR0000121667; Reuters: ESLX.PA; Bloomberg: EL:FP. For more information, please visit www.essilorluxottica.com.