

Solid revenue growth in the first quarter Full-year objectives confirmed

- Revenue growth of 7.5% (+3.7% at constant exchange rates³)
- Sustained momentum in Essilor's Lenses & Optical Instruments and in Luxottica's Retail
- Successful launches of new collections and strong innovation pipeline
- Activation of synergies

Charenton-le-Pont, France (May 7, 2019 – 7:00am) – EssilorLuxottica today announced that consolidated revenue for the first quarter of 2019 totalled Euro 4,210 million, representing a year-on-year increase of 7.5% compared to Q1 2018 pro forma¹ revenue (+3.7% at constant exchange rates³).

"I am very satisfied with the results of the first quarter of EssilorLuxottica, with all its business areas growing. Luxottica contributed with an excellent performance that recorded accelerating sales, confirming the power of the strategic choices and the commercial policies undertaken. In the near future, we will continue to build our success on the strength of our brands, operational excellence and ever-increasing digitalization of the Group," commented Leonardo Del Vecchio, Executive Chairman of EssilorLuxottica.

"2019 is off to a good start and Essilor's contribution has been robust in terms of business, new product developments and acquisitions as well as in the ramp up of the first synergy work streams with Luxottica. Joint integration work is now solidly underway in many key areas such as the complete pair, leveraging the Company's own retail, cross-selling in wholesale, optimizing the supply chain, enhancing efficiency and growing the market. Together, this should help us to improve the Company's performance further in the next few quarters and to fulfill our common mission: 'Helping people to see more, be more and live life to its fullest'," said Hubert Sagnières, Executive Vice Chairman of EssilorLuxottica.

Every division of the Company contributed to growth, headed by Essilor's Lenses & Optical Instruments (+7.8%) and Luxottica's Retail (+10.7%), as well as every region, with the largest gains in North America (+9.1%), Asia-Oceania-Africa (+8.0%) and Latin America (+8.1%).

Essilor's robust sales growth of 7.6% (+4.3% at constant exchange rates³) was driven by 3.3% like-for-like⁴ growth. The scope effect of 1.0% improved compared to 2018 as the acquisition strategy is gathering steam across the regions.

Luxottica delivered solid growth of 7.5% (+3.2% at constant exchange rates³), showing an acceleration versus last year and recent quarters. Sales results were led by the Retail division, which confirmed a winning omnichannel model coupled with strong retail brands and a positive consumer environment in the key regions. Europe and emerging markets led the growth at constant exchange rates³.

First-quarter 2019 revenue by operating segment

In millions of Euros	1Q 2019	1Q 2018 pro forma ¹	Change at constant rates ³	Currency effect	Change (reported)
Lenses & Optical Instruments	1,674	1,554	+4.6%	+3.2%	+7.8%
Sunglasses & Readers	200	189	+1.7%	+3.7%	+5.4%
Equipment	44	40	+4.9%	+5.3%	+10.2%
Essilor revenue	1,918	1,783	+4.3%	+3.3%	+7.6%
Wholesale	838	819	+0.9%	+1.4%	+2.3%
Retail	1,454	1,314	+4.7%	+6.0%	+10.7%
Luxottica revenue	2,292	2,133	+3.2%	+4.3%	+7.5%
Total revenue	4,210	3,916	+3.7%	+3.8%	+7.5%

Lenses & Optical Instruments sales were up 7.8% to Euro 1,674 million (+4.6% at constant exchange rates³), 3.6% of which in like-for-like⁴ terms. Efforts to develop key lens categories bore fruit, with solid gains for Varilux®, Crizal®, Transitions® and Eyezen™ lenses. Online sales growth remained at double-digit levels. Fast-growing countries⁵ delivered close to 10% growth in like-for-like⁴ terms, buoyed by China and Latin America, where the division's retail networks performed especially well. Developed markets showed strong momentum in Europe and a steadier performance in North America ahead of major product launches in the next few quarters, especially for the Transitions® brand.

The **Sunglasses & Readers** division posted revenue of Euro 200 million, up by 1.7% at constant exchange rates³. Strong gains at Xiamen Yarui Optical (Bolon™) in China and in the European businesses offset a lacklustre performance in the United States, marked by a slower start to the sunwear season for Costa and the impact of a demanding comparison basis on FGX International.

Equipment sales rose by 10.2% to Euro 44 million (+4.9% at constant exchange rates³), of which 5.0% in like-for-like⁴ terms, as surfacing solutions saw more robust sales growth than coating machines. Demand was notably strong for the VFT-Orbit 2™ digital generator, the Multi-FLEX™ polisher and Alloy Replacement Technology (ART) blocking machines. The order book is at a good level.

Wholesale sales were up by 2.3% to Euro 838 million (+0.9% at constant exchange rates³) in the first quarter. The success of the strategic initiatives undertaken over the last few years in North America, China and Europe countered the unseasonal weather in some regions of the United States. The latest

eyewear collections launched for the upcoming sun season, along with the ongoing implementation of new digital tools in stores, showrooms and online, are also proving to be drivers for consumer engagement. In fact, the digital initiatives unveiled by Luxottica in the first quarter are expected to accelerate the digital transformation not only for consumers, but for the entire eyewear industry. Another wholesale innovation introduced in the first quarter is an evolution of the STARS program. It is a new modular assortment project that offers a higher level of product customization for customers. During the quarter, STARS recorded double digit growth thanks to its geographical expansion and the addition of over 1,000 doors in the last 12 months, mostly in Europe and Brazil. As Luxottica continued to enforce its policies to protect brand equity, its distribution network grew even stronger. Sales to third-party e-commerce platforms declined, mainly for timing reasons between quarters.

Retail sales accelerated in the first quarter and grew 10.7% to Euro 1,454 million (+4.7% at constant exchange rates³). This was driven by the optical retail business in North America where a strong performance by LensCrafters and Target Optical largely offset a decline in Sears Optical, the adverse weather conditions and the calendar shift of the Easter holidays. In addition, both the optical and sun retail businesses in Australia continued to post comparable store sales⁶ close to mid-single digits and the Retail division in Europe posted 17.8% sales growth at constant exchange rates³ thanks to Sunglass Hut and Salmoiraghi & Viganò in Italy. Sunglass Hut, with global sales up by 4.1% at constant exchange rates³, continued to excel in Europe, Brazil and Southeast Asia. Overall, comparable store sales⁶ (which do not include e-commerce) were up 1.7%, an acceleration versus the fourth quarter of 2018.

E-commerce was up mid-single digit, driven by Ray-Ban.com and SunglassHut.com.

As of March 31, 2019 Luxottica's retail network consisted of 9,052 stores, of which 7,066 directly operated (the store count by region is available on EssilorLuxottica's website under the Investors tab)

First-quarter 2019 revenue by geographical area

In millions of Euros	1Q 2019	1Q 2018 pro forma ¹	Change at constant rates ³	Currency effect	Change (reported)
North America	2,189	2,007	+1.2%	+7.9%	+9.1%
Europe	1,054	1,014	+5.3%	-1.3%	+3.9%
Asia, Oceania and Africa	707	655	+5.9%	+2.1%	+8.0%
Latin America	259	240	+11.7%	-3.6%	+8.1%
Total	4,210	3,916	+3.7%	+3.8%	+7.5%

In **North America** revenue grew by 9.1% (+1.2% at constant exchange rates³) in the first quarter.

The relative strength of Essilor's US lens and e-commerce businesses was temporarily offset by mixed factors elsewhere. US lens revenue showed modest improvement as the company continued to execute on its key strategic priorities: key brands and innovation, partnerships with Independent Eyecare Professionals (ECP) and key accounts. Notably, engagement alongside Luxottica has supported efforts with select key accounts, already resulting in some business expansion. E-commerce sales again showed robust overall growth as the company executed a rebalancing between online platforms. Transitions[®] sales to other lens casters declined in advance of upcoming product launches slated for later in the year. Sunglasses & Readers sales in the US were down mainly due to attrition in certain key accounts of FGX International against an elevated comparison base in the prior year. Lens sales in Canada also declined during the quarter.

The solid performance of Luxottica's Retail division in the region largely offset the deceleration of its wholesale business mainly driven by the price mix, while eyewear volumes were substantially flat compared to the first quarter of 2018.

In Retail, LensCrafters overall sales results and comparable store sales⁶ growth confirmed the effectiveness of its transformation journey. Together with the strong performance of Target Optical and EyeMed in the Managed Vision Care business, this counterbalanced a decline at Oakley and Sunglass Hut, which were both impacted by unseasonal wet and cold weather in January and February as well as the Easter shift. In addition, Sunglass Hut had an exceptionally challenging comparison base with the first quarter of 2018, where it achieved its best ever comparable store sales⁶. On a two-year basis comparable store sales⁶ were positive for Sunglass Hut in North America.

E-commerce continued to climb in the first quarter, with Ray-Ban.com and SunglassHut.com delivering another quarter of double-digit growth.

In **Europe** revenue increased by 3.9% (+5.3% at constant exchange rates³).

All Essilor businesses contributed to this strong performance. In Lenses & Optical Instruments, Russia, Eastern Europe and Turkey (now reported in the region) achieved double-digit growth. The main driver was a sharp rise in sales of value-added lenses (progressive, antireflective and photochromic lenses among others), fuelled in turn by consumer marketing campaigns and point-of-sale commercial events. Business in the United Kingdom was boosted by stronger trends with key accounts and a surge in online sales. In France, the company continued to roll out its multi-network and multi-brand strategy in a supportive market environment, and sales of Nikon® lenses continued to rise quickly. Growth at the Instruments business was powered by the first deliveries to opticians of the company's new phoropter, the Vision-RTM 800. Its popularity with users resulted in a significant expansion of the backlog. The Sunglasses & Readers and Equipment divisions also delivered healthy gains.

In the first quarter of the year, Europe continued to be a bright spot for Luxottica, with positive contributions from both the Retail and Wholesale divisions. Company sales were driven by the double-digit growth of the Retail division thanks to strong execution and favourable weather. Retail sales were strong in every market in the region, with Sunglass Hut up double-digits in comparable store sales⁶ across the continent and Salmoiraghi & Viganò in Italy and David Clulow in the United Kingdom up double-digits as well.

The Wholesale division showed solid growth compared to the prior year, reaping the first benefits of the recent commercial policy realignment and the sound contribution of STARS. The annualization of the realignment with the key accounts and the roll-out of the RFID to the vast majority of Ray-Ban collections delivered the expected benefits.

In **Asia, Oceania and Africa** the Company achieved solid growth, with revenue up 8.0% (+5.9% at constant exchange rates³) in the first quarter.

Essilor contributed strongly to this increase. In the Lenses & Optical Instruments division, domestic sales growth in Mainland China was well above 10%, marking an acceleration from the previous quarter. Transitions®, Crizal® and Eyezen™ lenses, myopia management solutions and blue-light-filtering lenses turned in particularly good performances. Southeast Asia and Korea delivered solid gains, thanks notably to plans to boost sales of progressive lenses. In India, a rise in sales over the Internet and through inclusive distribution channels for base-of-pyramid consumers more than offset mixed results in conventional distribution channels. Transitions® photochromic lenses were popular with consumers across the region. This success, combined with effective key account development efforts, helped sustain business levels in the region's developed countries. The Sunglasses & Readers division contributed strongly to the regional performance, thanks mainly to a robust performance of Xiamen Yarui Optical (Bolon™), which has seen its expansion into optical frames prove extremely successful.

Both the Wholesale and Retail businesses supported Luxottica's regional growth during the first quarter of the year. In the Retail division, performance in Australia and New Zealand once again confirmed the strength of OPSM and Sunglass Hut, and a solid execution of a successful new refurbishment program. The sun specialty chain also achieved sustained growth in Southeast Asia, where it has expanded its footprint in recent years. The acquisition of the Spectacle Hut retail brand in Singapore also contributed to the overall performance.

In Greater China, wholesale sales were back to growth, proving the effectiveness of the distribution restructuring in Mainland China, with the business benefitting from a stronger foundation. After the transition phase, which led to the opening of the local subsidiary in Dubai, wholesale sales were back to positive in the Middle East as well.

Performance in Japan was strong (+8.4% at constant exchange rates³), driven by Ray-Ban all across wholesale channels and the incorporation of Fukui Megane. Korea grew double-digit (+16.1% at constant exchange rates³), mostly fuelled by travel retail (Chinese tourists) and luxury brands.

In **Latin America** EssilorLuxottica reported revenue up by 8.1% (+11.7% at constant exchange rates³) in the first quarter.

Essilor's businesses saw very robust like-for-like⁴ revenue growth of 12.4% in the region, with Brazil and Spanish-speaking countries making similar contributions. A consolidation scope effect resulting from new local partnerships lifted growth at constant exchange rates³ to +17.9%. Revenue growth in Brazil was driven by all prescription laboratory networks (Essilor labs plus those of partners and independent ones), strengthening the company's positions. The core businesses continued to be buoyed by the "Varilux® em Dobro" promotion, which is backed by outstanding service quality. The gradual rollout of new technological advances (digital surfacing and Crizal® coatings) and product ranges (Kodak brand lenses) to independent laboratories also helped Essilor build closer ties to certain regional chains. Solid growth in Mexico was fueled by good performances at the different ophthalmic lens sales networks and strong momentum at the Sunglasses & Readers division. Trends were also positive for distribution, especially in Costa Rica, where new client marketing programs helped boost sales growth at the Grupo Vision optical chain.

In the first quarter of the year, Latin America continued to be a growing region for Luxottica. Luxottica's businesses posted a sound performance in Brazil, where the Wholesale division gained strong momentum with double-digit growth, benefiting from last year's reorganization of the commercial organization, the material contribution of Óticas Carol and the growth of STARS, which almost doubled sales versus last year. In Retail, Sunglass Hut Brazil and GMO posted sound growth in sales and comparable stores sales⁶.

Eradicating poor vision around the world

EssilorLuxottica forged ahead with its initiatives to eradicate poor vision from the world in one generation. These initiatives prepare future consumers by increasing their awareness of, and their access to, eye care and eyewear. During the first quarter, Essilor helped deliver vision solutions to 2 million new wearers. In China, it joined forces with Alibaba Rural Taobao to allow those in rural communities without access to conventional distribution channels to purchase eyeglasses over the Internet after obtaining a prescription from an optometrist visiting by van. In India, the Essilor Vision Foundation helped offer eye exams to 300,000 participants in the Kumbh Mela pilgrimage. It is also working with the government of Maharashtra and a non-governmental organization to screen 2.5 million children by 2022. The Foundation provided eyeglasses to the athletes taking part in the Special Olympics World Games held in Abu Dhabi, as it has done every year for more than two decades.

Luxottica continued to deliver on its promise to provide quality vision care to those in underserved regions of the world. Through its support to OneSight, an independent non-profit organization of which Luxottica is the founding sponsor, the company has provided eye exams and glasses to over 10 million

people through 1,420 clinics and 131 Sustainable Vision Centers. In the first quarter alone, OneSight served over 9,000 patients across five charitable clinics located in Jordan, Puerto Rico, Australia and the United States and opened brand new Sustainable Vision Centers in Rwanda, China and the United States. Each clinic is staffed with Luxottica employees and doctors – and over 200 Luxottica employees had an opportunity to volunteer in the first quarter of 2019. In recent months, Essilor employees have also participated in programs organized by OneSight, further strengthening the cultural ties between the two organizations.

Synergies and integration

The Integration Committee, led by the Chairman and the Vice Chairman and supported by two integration leaders with deep knowledge of the Essilor and Luxottica organizations, has started the integration to deliver the revenue and cost synergies identified by the Company. These synergies are expected to range from Euro 420 to Euro 600 million as an impact on adjusted² operating profit per annum within the next three to five years.

Over the last few months, the Integration Committee has met every two weeks and has identified a first wave of 20 priority work streams. To date, the vast majority of them have already been effectively launched under the leadership of key executives and with the full commitment from dedicated teams.

These work streams have various time horizons and cover the following areas:

- Supporting the “complete pair” model with new prescription offers for sunglasses and flagship brands of optical frames, as well as joint innovation through common R&D projects
- Leveraging the Company’s extensive retail networks to increase the penetration of all its products (major lens categories, optical instruments, equipment, sunglass frames and optical frames)
- Cross-selling in wholesale to achieve better product assortments, service levels and logistics at key accounts and independent eye care professionals
- Optimizing the supply chain by leveraging all the cutting-edge technologies of Essilor and Luxottica
- Enhancing efficiencies in terms of sourcing and procurement
- Growing the market through better awareness and access to vision solutions in targeted geographies

Outlook

Over the next few quarters, the Company should benefit from its robust innovation pipeline, sound organic growth, the initial benefits of synergy work streams and the progressive ramp up of bolt-on acquisitions.

EssilorLuxottica confirms its financial objectives for 2019. Including synergies and at constant exchange rates³, it is projecting the following:

- Sales growth: +3.5-5%
- Adjusted² operating profit growth: 0.8-1.2x sales
- Adjusted² net profit growth: 1-1.5x sales

Conference call

A conference call in English will be held today at 10:30 am CET.

The meeting will be available live and may also be heard later at: <http://view-w.tv/985-1396-21597/en>

Forthcoming investor events

- May 16, 2019: Shareholders' General Meeting in Paris
- July 31, 2019: H1 2019 results
- September 18, 2019: Capital Market Day
- October 30, 2019: Q3 2019 sales

Notes to the press release

1 Pro forma: The unaudited pro forma consolidated revenue for the first quarter 2018 was prepared for illustrative purposes only and with the aim to provide comparative information as if the combination between Essilor and Luxottica had occurred on January 1st, 2018. It reflects consolidated revenue of both groups after elimination of intercompany transactions between Essilor and Luxottica.

2 Adjusted measures: Adjusted from the expenses related to the combination between Essilor and Luxottica and other transactions that are unusual, infrequent or unrelated to the normal course of business as the impact of these events might affect the understanding of the Company's performance.

3 Figures at constant exchange rates have been calculated using the average exchange rates in effect for the corresponding period in the previous year.

4 Like-for-like growth: Growth at constant scope and exchange rates.

5 Fast-growing countries include China, India, ASEAN, South Korea, Hong Kong, Taiwan, Africa, the Middle East, Russia and Latin America.

6 Comparable store sales or comps 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.

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, be more and live life to its fullest 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 and LensCrafters are part of the EssilorLuxottica family. In 2018, EssilorLuxottica had nearly 150,000 employees and pro forma consolidated revenues of Euro 16.2 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.

CONTACTS

EssilorLuxottica Investor Relations

(Charenton-le-Pont) Tel: + 33 1 49 77 42 16

(Milan) Tel: + 39 (02) 8633 4870

E-mail: ir@essilorluxottica.com

EssilorLuxottica Corporate Communications

(Charenton-le-Pont) Tel: + 33 1 49 77 45 02

(Milan) Tel: + 39 (02) 8633 4470

E-mail: media@essilorluxottica.com

APPENDICES

1Q 2018: Reconciliation of pro forma Revenue

In millions of euros	1Q 2018 restated ⁽¹⁾	Intercompany elimination ⁽²⁾	1Q 2018 pro forma
Lenses & Optical Instruments	1,592	-38	1,554
Sunglasses & Readers	190	0	189
Equipment	44	-4	40
Essilor Net Sales	1,825	-42	1,783
Wholesale	830	-11	819
Retail	1,314	0	1,314
Luxottica Net Sales	2,144	-11	2,133
Total EssilorLuxottica	3,970	-54	3,916

(1) 1Q 2018 Essilor group's revenues as published and 1Q 2018 Luxottica group's revenues restated to reflect IFRS 16 application

(2) Elimination of intercompany transactions between Essilor group and Luxottica group