ESSILORLUXOTTICA

EssilorLuxottica to Prepare for Recovery by Preserving Cash and Supporting Employees

Charenton-le-Pont, France (April 20, 2020 – 7:00am) – EssilorLuxottica announces today further measures to respond to the COVID-19 pandemic and prepare the Company for the recovery to come.

Prescription and optical activities, which account for about 70% of Company revenue, are driven by structural worldwide needs for better vision. Experience from previous economic downturns suggests that prescription purchases will be delayed during the crisis, but not cancelled. Thanks to its mission to help people see more, be more and live life to its fullest, the Company is fully equipped to meet the resilient pent-up demand which is likely to materialise when the economy stabilizes.

With this long-term view, EssilorLuxottica aims to manage a temporary decline in activity and protect its balance sheet while preparing itself to seize new opportunities in the eyecare and eyewear industry from the second half of the year onwards.

The Board of Directors decided not to submit any dividend distribution to the Annual Shareholders' Meeting of June 25, 2020. It will further assess the state of the business in the second half of the year and the efficacy of all the measures undertaken to face the COVID-19 outbreak. If the recovery is solid enough, the Board of Directors may propose a special dividend payment before the end of 2020.

The Board of Directors also asked the management team to work on a series of measures aimed at reducing operating and cash expenses within the Company, including the reduction or deferral of parts of its managers' compensations. The Board of Directors voted to apply the latter measure to its own members by reducing their attendance fees by 50%.

Finally, in line with the historical values of Essilor and Luxottica, the Board of Directors approved the launch of a Euro 100 million COVID-19 fund to protect the Company's human capital. This fund will support employees and their families in need.

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 2019, EssilorLuxottica had over 150,000 employees and consolidated revenues of Euro 17.4 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.

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