

## Strong results A winning strategy

- Revenue up a very robust 22.6%
- Further improvement in contribution from operations<sup>1</sup> to 19.1% of revenue
- Success of the Crizal<sup>®</sup>, Varilux<sup>®</sup> and Transitions<sup>®</sup> consumer brands
- Strong demand in the United States and Europe
- Annual targets confirmed

**Charenton-le-Pont, France (July 30, 2015 – 6:30 am)** – The Board of Directors of Essilor International met yesterday to approve the financial statements for the six months ended June 30, 2015. The auditors have performed a limited review of the consolidated financial statements. Their report does not include any observations.

### Financial Highlights

€ millions	H1 2015	H1 2014 Adjusted <sup>3</sup>	% change
Revenue	<b>3,408</b>	2,780	+22.6%
Contribution from operations <sup>1</sup> (% of revenue)	<b>651</b> <b>19.1%</b>	526 18.9%	+23.8%
Operating profit	<b>614</b>	494	+24.2%
Profit attributable to equity holders	<b>388</b>	325	+19.7%
Earnings per share (in €)	<b>1.83</b>	1.54	+18.7%
Cash flow <sup>2</sup>	<b>617</b>	510	+21.0%

Commenting on these results, Hubert Sagnières, Chairman and Chief Executive Officer of Essilor, said: "Our good performance has confirmed the validity of our strategy designed first, to leverage the many interconnections existing between the Prescription Lenses, Sunwear and Online businesses and second, to bring us closer to our end-consumer. The success of our consumer advertising campaigns and our solid growth in developed markets are driving our higher value-added businesses. These good results underscore, once again, the structural growth in our two main markets – vision correction and eye protection – and the potential offered worldwide by our mission, which is 'to improve lives by improving sight'. Given that these dynamics will remain operative in the second half and that our business is expected to enjoy faster growth, we are confident in our ability to meet our full-year financial targets."

Since the beginning of the year and around the globe, Essilor has been pursuing its growth model combining innovation and partnerships in its three core businesses: Prescription Lenses, Sunwear and Online. The Company is deploying new products, stepping up investment in direct-to-consumer advertising, leveraging synergies from acquisitions and continually expanding in fast-growing countries, in particular by assertively winning new territories. These initiatives are driving strong growth in its business despite the economic uncertainties that persist in several parts of the world.

## First-half operating highlights

First-half 2015 revenue grew 9.4% excluding the currency effect and was driven by the following operational advances:

- ↗ Like-for-like revenue growth in the Lenses & Optical Instruments division of 4.7% over six months and of 4.9 % in the second quarter alone.
- ↗ The start of the commercial roll-out of several new products, including the Eyezen™ lenses designed for a connected life, the Varilux Comfort® 3.0 and Varilux® Physio® 3.0 progressive lenses, the Transitions® XTractive™ photochromic lenses and the E-SPF® 35 UV-protection index.
- ↗ The continuation of the Transitions Optical integration and expansion in photochromic lenses ;
- ↗ The ramp-up and success of the consumer media campaigns, which are spurring sales of such value-added brands as Crizal®, Varilux®, Transitions® and Xperio®.
- ↗ The firm growth in developed markets, especially the United States and Europe.
- ↗ The robust improvement in domestic sales in the fast-growing countries.
- ↗ The improvement in FGX International's sales in North America in the second quarter.
- ↗ The sustained expansion of the Online business and the ongoing reorganization of Coastal.com, with in particular the adoption of its new commercial identity under Clearly™.
- ↗ Continued deployment of the partnership strategy, which has given rise to nine new external growth transactions since the beginning of the year, representing aggregate full-year revenue of around €137 million.

## Outlook

The second half is expected to see the sustained ramp-up of a number of growth drivers, including the global deployment of recently-launched products, the impact of direct-to-consumer advertising, the increasing contribution from online sales and the ongoing improvement of FGX International in North America.

As a result, and barring any additional strategic acquisitions, Essilor confirms its full-year 2015 targets: revenue growth of between 8% and 11% excluding the currency effect and in excess of 4.5% on a like-for-like basis; and a contribution from operations<sup>1</sup> of at least 18.8% of revenue.

### Notes

1. Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs, other operating expenses).
2. Net cash from operating activities excluding change in working capital requirement.
3. The 2014 financial statements have been adjusted for a certain number of non-recurring items arising mainly on the Transitions Optical, Coastal.com, Costa and Xiamen Yarui Optical acquisitions. The unadjusted financial statements are presented in the First-Half 2015 Condensed Consolidated Financial Statements.

**A conference call in English will be held today at 10:30 a.m. CEST.**

The meeting will be available live and recorded for later listening at:

<http://event.onlineseminarsolutions.com/r.htm?e=1025823&s=1&k=E0586977314F0D3902E8A9883BA57D9D>

**Regulatory filings**

The interim financial report is available at [www.essilor.com](http://www.essilor.com), by clicking on:

<http://www.essilor.com/en/Investors/Pages/PublicationsDownloads.aspx>

**Forthcoming investor event**

October 22, 2015: Third-quarter 2015 revenue

**About Essilor**

*The world's leading ophthalmic optics company, Essilor designs, manufactures and markets a wide range of lenses to improve and protect eyesight. Its mission is to improve lives by improving sight. To support this mission, Essilor allocates more than €180 million to research and innovation every year, in a commitment to continuously bring new, more effective products to market. Its flagship brands are Varilux<sup>®</sup>, Crizal<sup>®</sup>, Transitions<sup>®</sup>, Definity<sup>®</sup>, Xperio<sup>®</sup>, Optifog<sup>®</sup>, Foster Grant<sup>®</sup>, Bolon<sup>™</sup> and Costa<sup>®</sup>. It also develops and markets equipment, instruments and services for eyecare professionals.*

*Essilor reported consolidated revenue of nearly €5.7 billion in 2014 and employs 58,000 people. It markets its products in more than 100 countries and has 33 plants, 490 prescription laboratories and edging facilities, as well as several research and development centers around the world. For more information, please visit [www.essilor.com](http://www.essilor.com).*

*The Essilor 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: ESSI.PA; Bloomberg: EI:FP.*

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