Strong growth in revenue and earnings
Essilor focused on its 2018 objectives

- Like-for-like revenue up 4.6%
- Powerful momentum in the Lenses & Optical Instruments division, driven by innovation and consumer marketing
- Faster growth in Sunwear sales and ramp-up of the Online business
- 19 new acquisitions and partnerships
- Further growth in contribution from operations[1], to 18.8% of revenue

Charenton-le-Pont, France (February 19, 2016 – 6:30 am) – The Board of Directors of Essilor International met yesterday to approve the financial statements for the year ended December 31, 2015. The financial statements have been audited and the auditors are currently in the process of issuing their report.

Financial Highlights

€ millions	**2015**	2014 adjusted[(a)]	**% change**
Revenue	**6,716**	5,670	+18.4%
Contribution from operations[1] *(% of revenue)*	**1,263** ***18.8%***	1,057 *18.6%*	+19.4%
Operating profit	**1,183**	989	+19.6%
Profit attributable to equity holders	**757**	642	+17.9%
Earnings per share (in €)	**3.57**	3.05	+17.0%

(a) *Adjusted for non-recurring items arising mainly on the acquisitions of Transitions Optical, Coastal and Costa in 2014 (see also page 9, below).*

Commenting on these results, Hubert Sagnières, Chairman and Chief Executive Officer of Essilor, said: *"Essilor has emerged stronger from 2015. Our strategy of deploying into new vision care segments delivered faster like-for-like growth, which gained momentum throughout the year, and record high margins. The rising sales of our corrective lens and sunglasses brands, as well as the faster expansion in our online businesses, are bringing us closer to consumers, who are demanding better vision everywhere around the world. At the same time, new acquisitions and the introduction of new business models are strengthening our ties to eyecare professionals.*

Going forward, the structural growth in the optical market, our clear strategic vision and our highly motivated teams mean that Essilor is moving into 2016 with confidence and determination."

In 2015, the optical market continued to be driven by demand from the world's ageing populations and unmet vision needs. During the year, Essilor pursued the strategy of broadening its playing field initiated in 2014, while continuing to implement a dynamic innovation policy and its unique partnership model.

These initiatives further expanded its presence in the global corrective lens market, with sales improvement evenly distributed between developed and fast-growing countries.

In addition, the Company continued to expand its online business through existing websites, which are enjoying strong growth overall, and by rolling out solutions in new countries, such as China and Brazil. The sunwear strategy was also pursued during the year, with two new acquisitions and the rapid development of Costa® sunglasses in the United States and the Bolon™ brand in China.

The 2015 results were also shaped by the following factors:

- An acceleration in like-for-like revenue growth, to 4.6%, led by a robust Lenses & Optical Instruments division (up 4.8%) and a record performance by the Sunglasses & Readers division (up 7.3%).
- The success of the value-added lenses in the Crizal®, Varilux®, Transitions® and Xperio® lines, supported by the aggregate investment of around €203 million in more extensive consumer marketing campaigns across the business base.
- The completion of 19 new acquisitions representing total full-year revenue of around €214 million.
- A historically high contribution from operations[1], at 18.8% of revenue, illustrating Essilor's ability to leverage its operating performance and the synergies from acquired companies to finance its additional marketing expenditure and to offset the dilution stemming from organic acquisitions[2].
- Strong free cash flow, which has risen by an average 13% a year over the last three years, to €867 million in 2015.

Dividend

In light of its confidence in the Company's outlook, the Board of Directors recommends that shareholders at the Annual Meeting on May 11, 2016 approve the payment of a dividend of €1.11 per share, an increase of 8.8% compared with the 2014 dividend. Shareholders will be offered the option of receiving their dividend in cash or in shares. The dividend will be paid – or the shares issued – as from June 8, 2016.

Outlook

In 2016, Essilor intends to step up its deployment in the field of vision care by developing new lens products and services, continuing to invest in consumer marketing and driving faster growth in the Sunwear and Online segments.

The Company expects full-year revenue growth, at constant exchange rates, to exceed 8%, including a like-for-like gain of around 5%. Excluding any new strategic acquisitions, it is targeting a contribution from operations[1] of at least 18.8% of revenue.

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[1] *Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).*

[2] *Local acquisitions or partnerships.*

Going forward towards Essilor's medium-term 2018 objectives, the broadening of the playing field and increasing proximity with consumers should continue to drive faster like-for-like revenue growth (in excess of 6% in 2018) and boost profitability.

Practical information

A meeting with analysts will be held in Paris today, February 19, at 10:00 am CET.
The meeting webcast may be viewed live or as a recording at:
http://hosting.3sens.com/Essilor/20160219-C97B6D80/en/
The presentation may be viewed at:
http://www.essilor.com/en/Investors/Pages/PublicationsDownloads.aspx

Forthcoming investor events

April 21, 2016: First-quarter 2016 revenue
May 11, 2016: Annual Shareholders' Meeting, at 10:30 am at Maison de la Mutualité in Paris, France

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 €200 million to research and innovation every year, in a commitment to continuously bring new, more effective products to market. Its flagship brands are Varilux®, Crizal®, Transitions®, Eyezen™, Xperio®, Foster Grant®, Bolon™ and Costa®. It also develops and markets equipment, instruments and services for eyecare professionals.
Essilor reported consolidated revenue of more than €6.7 billion in 2015 and employs 61,000 people worldwide. It markets its products in more than 100 countries and has 32 plants, 490 prescription laboratories and edging facilities, as well as 5 research and development centers around the world. For more information, please visit 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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EXCERPTS FROM THE MANAGEMENT REPORT
BY THE BOARD OF DIRECTORS – FEBRUARY 18, 2016

2015 CONSOLIDATED REVENUE

€ millions	**2015**	**2014**	**% Change (reported)**	**% Change (like-for-like)**	**Change in the scope of consolidation**	**Currency effect**
Lenses & Optical Instruments	**5,840**	**4,970**	+17.5%	+4.8%	+3.7%	+9.0%
North America	***2,587***	***2,038***	*+26.9%*	*+4.4%*	*+4.0%*	*+18.5%*
Europe	***1,777***	***1,653***	*+7.5%*	*+4.0%*	*+2.4%*	*+1.0%*
Asia/Pacific/Middle East/Africa	***1,071***	***898***	*+19.3%*	*+6.1%*	*+2.0%*	*+11.2%*
Latin America	***405***	***381***	*+6.2 %*	*+8.0%*	*+10.9%*	*-12.7%*
Equipment	**203**	**197**	+2.7%	-8.1%	-0.9%	+11.8%
Sunglasses & Readers	**673**	**503**	+33.9%	+7.3%	+7.6%	+19.0%
TOTAL	**6,716**	**5,670**	**+18.4%**	**+4.6%**	**+3.9%**	**+9.9%**

In 2015, consolidated revenue totaled €6,716 million, an increase of 8.5% excluding the currency effect.

Like-for-like growth was 4.6%, reflecting the increase in momentum from the first half (up 4.2%) to the second (up 5.0%).

The positive 3.9% impact of changes in scope of consolidation was attributable to both bolt-on acquisitions[1], which added 2.1%, and the contribution from the 2014 strategic acquisitions of Transitions Optical and Coastal, which accounted for 1.8%.

The positive 9.9% currency effect stemmed from the steep rise in the US dollar and the other main billing currencies (except the Brazilian real) against the euro.

REVENUE BY OPERATING SEGMENT AND BY REGION

Lenses & Optical Instruments

The Lenses & Optical Instruments division delivered like-for-like growth of 4.8%, led by the success of Essilor innovations with independent eyecare professionals and optical chains, robust demand in the fast-growing economies and extensive consumer marketing campaigns.

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[1] *Local acquisitions or partnerships*

- **North America**

Like-for-like growth was 4.4% in North America with sustained demand in the United States and Canada.

In the still expanding **US market**, lens volumes rose sharply as the steady roll-out of consumer advertising campaigns spurred strong unit sales of high value-added Crizal®, Transitions®, Varilux® and Xperio® lenses. This momentum, plus the partnerships formed with two leading platforms for delivering services to independent optometrists, helped to broaden the Company's presence in this fast growing optical products retailing segment.

The year also saw continued growth in demand from managed care organizations, in sales to independent labs and in the contact lens distribution business. On the other hand, the performance with the large optical chains was dampened by high prior-year comparatives.

Operations in **Canada** turned in solid results, led by product innovation and marketing campaigns, particularly for Varilux® lenses.

Lastly, online sales climbed steeply overall, with very robust growth at EyeBuyDirect™ and Frames Direct™ and a steady upswing in sales via the Coastal™ websites (Clearly™ in Canada, Coastal™ in the United States and Lensway™ in Europe) that steadily gained momentum as the months went by.

- **Europe**

Operations in Europe enjoyed a markedly better year in 2015, with a 4.0% like-for-like gain on account of three main factors.

First, the product mix improved as consumer marketing campaigns for the Crizal®, Varilux® and Transitions® brands drove a noticeable increase in their unit sales. These investments helped drive Essilor's growth in the United Kingdom, Russia and Eastern European countries, improve its positioning in the independent eyecare market in Germany and defend its positions in France.

Second, business with key accounts continued to expand during the year as Essilor successfully leveraged contracts to supply products and services to several optical chains, particularly in the United Kingdom and Spain.

Lastly, the multi-network strategy demonstrated its effectiveness once again, with especially strong momentum for Novacel in France, Nika in Germany, Omega in the Czech Republic and Nikon in the United Kingdom.

- **Asia/Pacific/Middle East/Africa**

Revenue from the Asia/Pacific/Middle East/Africa region rose by 6.1% like-for-like, as solid gains in the fast-growing countries offset a more mixed performance in the mature markets. Operations in **India** had an excellent year, led by the increase in nationwide coverage and the strong momentum for partner labs acquired in recent years. Positions were broadened across the market thanks to the shift from glass to plastic lenses in the entry range, the successful Kodak® media campaigns in the mid-tier and the high consumer awareness of the Crizal®, Varilux® and Transitions® brands in the premium segment. Business in **China** continued to expand in the domestic market, led by a solid performance in the premium end. Sales of Crizal® anti-reflective and

Kodak® mid-range lenses were boosted by the media campaigns, while the photochromic lines enjoyed brisk growth in a fast-expanding segment. Export sales turned upwards in the second half. Business was also good in **South Korea**, supported by Varilux® progressive lenses, the Nikon® brand and the Perfect UV solutions from Chemi, Essilor's primary partner in the country. **Southeast Asia** posted double-digit revenue growth over the year. **Africa** and **the Middle East** continued to offer strong potential, with major gains in Saudi Arabia, Morocco and Turkey. In the region's developed markets, business was flat in **Australia** and **New Zealand** for the year as a whole as the Australian economy cooled in the second half. Full-year sales in **Japan** came out on a par with one year earlier following an uptick in performance in the second half of the year.

- **Latin America**

Demand in Latin America gained momentum in every country except Brazil, driving an 8.0% like-for-like increase in revenue for the year. In **Brazil**, overall growth was impacted by the ongoing recession and slowed down especially in the second-half of the year. However, the Crizal® and Kodak® brands bucked the trend with excellent results thanks to successful media campaigns. The year's performance also showcased Essilor's ability to capitalize on local output to strengthen positions in an otherwise depressed economy. Further gains were made on the web with the launch of the glasses4you™ e-commerce platform and the fourth-quarter acquisition of two leading online optical product retailers, e-lens and eÓtica.

Colombia saw an upsurge in sales driven by the consistent performance of the partnership with the ServiOptica laboratory, and the launch of the Crizal® and Varilux® marketing programs.

After a lackluster first half, operations in **Mexico** delivered much faster gains in the second half on the back of economic recovery and promotional activity.

Business in **Chile** continued to benefit from the deployment of an integrated supply chain contract with a leading regional optical chain.

In **Costa Rica** and **Nicaragua**, the partnership formed early in the year with integrated laboratory and distributor Grupo Vision has widened access to Central America and brought Essilor closer to the end customer.

- **Instruments**

The Instruments division, which develops solutions and technology for optometrists and opticians, is included in the operating regions of the Lenses and Optical Instruments division. It had a good year in 2015, with revenue rising 5.2% like-for-like on gains in both the developed and fast-growing countries.

The performance reflected i) the robust market for refraction, screening and other optometry systems, where the Company strengthened its presence, and ii) the strong sales of Neksia®, the leading mid-range edging system.

Despite key account acclaim for the M'Eyefit® measuring tablet, business was more mixed in the sales support segment. Lastly, sales of consumables and small devices rose slightly over the year.

Equipment

The Equipment division ended the year down 8.1% like-for-like, but performance varied by region. Demand trended upwards in the developed markets, as key accounts continued to purchase vacuum treatment and surfacing machines. This is a segment where Satisloh's Duo-FLEX polisher is being gradually replaced by its new generation Multi-FLEX model offering improved productivity and throughput. Sales were also lifted by the sustained roll-out of the new ART™ alloy-free blocking technology.

The situation was more challenging in the fast growing economies, especially in Latin America, where the fall-off in Brazilian orders offset the new business won in neighboring markets like Colombia, Argentina and Peru.

Lastly, as a result of Essilor's dynamic acquisition policy, a significant portion of Equipment division revenue is classified as intragroup sales. As these items are eliminated on consolidation, this has an adverse impact on the division's like-for-like and reported growth.

Sunglasses & Readers

Sunglasses & Readers sales gained momentum quarter-after-quarter in 2015, culminating in double-digit growth in the second half and a 7.3% like-for-like increase for the year as a whole.

The annual performance reflects the positive shift in the sunglasses brand portfolio following the acquisition of the Costa® brand in the United States and the Bolon™ brand in China. Heightening the awareness of these brands during the year enabled Essilor to reach a larger number of consumers. Costa® has gradually extended its line-up and is now positioned as the go-to sunglasses brand for all water-based activity enthusiasts. While continuing to expand in China, Bolon™ is becoming an increasingly global brand, with its first shelf space gained in leading duty-free chains in major Asian airports and on cruise ships. Online sales and an increasing array of prescription sunlens solutions are also helping to drive faster growth at both brands.

Revenue also steadily picked up speed over the year at FGX, impelled by shelf space gains for its non-prescription readers at two key accounts in the United States. For both chains, the company developed new displays that considerably enhance the customer experience and increase purchase rates. Abroad, FGX also had a more robust second half, particularly in Southern Europe.

FOURTH-QUARTER 2015 CONSOLIDATED REVENUE

€ millions	2015	2014	% Change (reported)	% Change (like-for-like)	Change in the scope of consolidation	Currency effect
Lenses & Optical Instruments	**1,440**	**1,277**	+12.8%	+5.2%	+2.7%	+4.9%
North America	***632***	***527***	*+19.9%*	*+4.8%*	*+2.3%*	*+12.8%*
Europe	***442***	***418***	*+5.8%*	*+4.5%*	*+0.5%*	*+0.8%*
Asia/Pacific/Middle East/Africa	***265***	***231***	*+15.0%*	*+7.6%*	*+1.6%*	*+5.8%*
Latin America	***101***	***101***	*-0.2%*	*+4.7%*	*+16.9%*	*-21.9%*
Equipment	**63**	**66**	-5.4%	-13.6%	-0.7%	+9.0%
Sunglasses & Readers	**185**	**132**	+39.9%	+15.3%	+10.2%	+14.4%
TOTAL	**1,688**	**1,475**	**+14.4%**	**+5.3%**	**+3.2%**	**+5.9%**

Revenue rose by 14.4% as reported in the fourth quarter, with like-for-like growth showing another gain, to 5.3%, on the back of sustained strong Lenses and Optical Instruments sales, up 5.2%, and a significant surge in Sunglasses & Readers sales, to 15.3%. Reported growth was lifted both by the 3.2% contribution from acquisitions completed in the second half and by the 5.9% currency effect. The later primarily reflected the increase in the US dollar against the euro, with gains in the other billing currencies offsetting the decline in the Brazilian real.

By region and division, the period saw:

- Sustained strong demand in North America.
- A very good performance in Europe.
- Robust sales in the fast growing countries in the Asia-Pacific/Middle East/Africa region and Latin America, despite a more challenging economic environment in some of them.
- Strong growth in the Bolon™ and Costa® brands in the Sunglasses & Readers division.

ACQUISITIONS AND PARTNERSHIPS

Essilor pursued its acquisitions and partnerships strategy in 2015, closing 19 transactions that brought in total additional full-year revenue of around €214 million and strengthened the Company's positions in the corrective lens, sunlens and online retailing segments

STATEMENT OF INCOME

CONDENSED STATEMENT OF INCOME

€ millions	**2015**	**2014 Adjusted[(a)]**	**% change**
Revenue	**6,716**	5,670	+18.4%
Gross profit *(% of revenue)*	**4,012** ***59.7%***	3,328 *58.7%*	+20.6% --
Operating expenses	**2,749**	2,271	+21.1%
EBITDA[(b)] *(% of revenue)*	**1,647** ***24.5%***	1,365 *24.1%*	+20.6% --
Contribution from operations[(c)] *(% of revenue)*	**1,263** ***18.8%***	1,057 *18.6%*	+19.4% --
Operating profit	**1,183**	989	+19.6%
Net profit Attributable to equity holders of Essilor International *(% of revenue)*	**813** **757** ***11.3%***	702 642 *11.3%*	+15.8% +17.9% --
Earnings per share *(in €)*	**3.57**	3.05	+17.0%

(a) Adjusted for non-recurring items arising mainly on the acquisitions of Transitions Optical, Coastal and Costa in 2014.

Non-recurring items primarily include the €544-million gain recognized on the full-consolidation of Transitions Optical, in application of IFRS 3 (revised), offset by (i) €118 million in impairment losses on property, plant and equipment, intangible assets and goodwill, (ii) €28 million in technical expense adjustments arising from the full consolidation of Transitions Optical, (iii) €17 million in acquisition costs, (iv) €54 million in restructuring costs arising from plans to unlock acquisition-related synergies, (v) €50 million in contingent consideration payments and adjustments to other provisions for contingencies, and (vi) the €30-million contribution to the Vision for Life™ program.

The adjusted 2014 statement of income excludes these non-recurring items, most of which are purely accounting related with no impact on cash.

(b) EBITDA is defined as earnings before interest, taxes, depreciation and amortization of property, plant and equipment, intangible assets and the remeasurement of inventories arising on acquisitions.

(c) Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).

CONTRIBUTION FROM OPERATIONS[1]: 18.8% OF REVENUE

20.6% increase in gross profit, to 59.7% of revenue

Gross profit (revenue less cost of sales) stood at €4,012 million for the year, representing 59.7% of revenue, versus 58.7% in 2014 (adjusted). The strong improvement was led primarily by the contribution from Transitions Optical, as well as by gains in operating efficiency and the product mix.

Operating expenses: up 11.7% at constant exchange rates

At current exchange rates, operating expenses amounted to 40.9% of revenue, versus 40.0% in 2014 (adjusted).

They included:

- €214 million in R&D and engineering costs, versus €188 million in 2014 (adjusted).
- €1,678 million in selling and distribution costs, up from €1,367 million in 2014 (adjusted). The sharp increase reflected the strategic commitment to raising consumer marketing spend in order to increase awareness of the Varilux®, Crizal®, and Transitions® brands in their leading markets, promote the sunglasses brands and grow the online business.

Record high contribution from operations[1]

Contribution from operations[1] surged 19.4% to €1,263 million while the margin widened by 20 basis points to 18.8% of revenue, reflecting the net impact of:

- the significant contribution from Transitions Optical, including the synergy gains arising on the company's integration;
- the slight dilution from the consolidation of bolt-on acquisitions[2] and Coastal;
- the steep increase in consumer marketing expenses in 2015.

Contribution from operations[1] includes €86 million in costs relating to purchase price allocation within the scope of business combinations (€64 million in 2014 on an adjusted basis), reflecting Essilor's acquisition momentum over recent years as well as the full-year impact of the strategic prior-year acquisitions of Coastal and Transitions. Adjusted for this amortization expense, contribution from operations[1] came out 20.3% higher year-on-year at €1,349 million, and represented 20.1% of revenue (versus 19.8% in 2014 on an adjusted basis). EBITDA[3] advanced 20.6%, with the margin widening by 40 basis points to 24.5% of revenue.

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[1] *Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).*

[2] *Local acquisitions or partnerships.*

[3] *EBITDA is defined as earnings before interest, taxes, depreciation and amortization of property, plant and equipment, intangible assets and the remeasurement of inventories arising on acquisitions.*

Operating profit: up 19.6% to €1,183 million or 17.6% of revenue

"Other income and expenses from operations" and "Gains and losses on asset disposals" together represented a net expense of €80 million versus a net expense of €68 million in 2014 (adjusted). These outlays covered:

- Compensation costs for shared-based payments (in particular performance share plans), totaling €49 million.
- Charges to restructuring provisions in a total amount of €22 million, mainly related to the streamlining of the prescription laboratory network in Europe.
- Other expenses in an amount of €9 million.

Finance costs and other financial income and expenses, net

This item came to a net expense of €63 million, compared with €44 million in 2014 (adjusted) and chiefly includes interest expense as well as exchange gains and losses.

Profit attributable to equity holders: up 17.9% to €757 million

Profit attributable to equity holders is stated after:

- €308 million in income tax expense, representing an effective tax rate of 27.5% compared with 26% in 2014 (adjusted). Most of the increase resulted from changes in the scope of consolidation and growth in North America.
- €56 million in non-controlling interests, down slightly from €60 million in 2014 (adjusted), primarily due to the impact of (i) cooling demand in Japan on Nikon-Essilor's profit performance and (ii) slower growth in export sales from China on our Chinese partners.

Earnings per share rose 17 % to €3.57 for the year. Excluding the €0.27 per share impact of the negative currency effect, the increase was 8.4%, in line with the growth in revenue at constant exchange rates.

BALANCE SHEET AND CASH FLOW STATEMENT

OPERATING CASH FLOW[1]: UP 21.8% TO €1,245 MILLION

At 21.8%, growth in operating cash flow[1] (which represented €1,245 million) tracked the increase in contribution from operations.

Capital expenditure and investments

Purchases of property, plant and equipment and intangible assets totaled €327 million for the year. This amount includes, on one hand, capital expenditure to drive growth and, on the other hand, buy-backs in connection with FGX International's renewal of a key account contract in the Sunglasses & Readers division.

Financial investments, in an amount of €805 million, concerned the acquisitions carried out during the year – primarily two national optometrist services networks in the United States, Vision Source and PERC/IVA – as well as the payment of contingent consideration in respect to prior-year transactions.

Working capital requirement

Working capital requirement rose by €51 million over the year, reflecting disciplined management that kept inventory from rising as fast as underlying revenue growth.

Free cash flow[2]

In all, the robust revenue performance helped to drive an 8.4% increase year-on-year in free cash flow to a record €867 million, representing an annual average increase of 13% since 2012. Consolidated net debt ended 2015 at €2,089 million or 1.3 times consolidated EBITDA, unchanged from December 31, 2014.

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[1] Net cash from operating activities before working capital requirement.

[2] Net cash from operating activities less purchases of property, plant and equipment and intangible assets, according to the IFRS consolidated cash flow statement.

CASH FLOW STATEMENT

€ millions

Net cash from operations (before change in WCR[a])	1,245	Capital expenditure	327
Proceeds from share issues	46	Change in WCR	51
Reported change in net debt	296	Dividends	251
		Acquisition of investments, net of disposals[b]	805
		Other[c]	153

(a) Working capital requirement.

(b) Financial investments net of cash acquired, plus debt of newly consolidated companies.

(c) Other items include the positive €154-million currency effect.

SUBSEQUENT EVENTS

Appeal withdrawn

Essilor has withdrawn its appeal filed in 2010 against the German antitrust authority's decision to fine two subsidiaries, Essilor GmbH and Rupp & Hubrach Optik GmbH, a total of €50 million for allegedly creating a cartel in the German ophthalmic optics market. The amount has been covered by a provision recognized when the Company was first notified of the ruling. Withdrawing the appeal has brought a long legal proceeding to a close.

Acquisitions

Since January 1, Essilor has pursued its strategy of forging partnerships with local optical market leaders with four transactions representing aggregate additional annual revenue of €38 million.

In particular, Essilor continued to broaden its footprint in Latin America:
In **Chile**, Essilor acquired a majority stake in **Laboratorio Óptica Ltda** and **Ópticas OPV Ltda**, an integrated laboratory and distributor with around $25 million in revenue in 2015. This partnership allows Essilor to expand its footprint in a fast-growing country, develop its flagship brands and lens offering, and leverage extensive synergies with Megalux, its local partner laboratory.

In **Brazil**, Shamir has acquired two prescription laboratories which have around BRL 12 million in aggregate revenue from operations in São Paulo and Rio de Janeiro states. These transactions will enable the group to target new customers in two key Brazilian states.

In the **United States**, Essilor of America has further broadened and deepened its local roots with the acquisition of a majority interest in **ICare Industries, Inc.**, a Florida-based laboratory with around $14 million in annual revenue.

Appendix: Consolidated Revenue by Quarter

€ millions	2015	2014
First Quarter		
Lenses & Optical Instruments	1,454	1,160
➤ *North America*	*650*	*467*
➤ *Europe*	*441*	*400*
➤ *Asia/Pacific/Middle East/Africa*	*267*	*211*
➤ *Latin America*	*96*	*82*
Equipment	42	39
Sunglasses & Readers	163	124
TOTAL First Quarter	**1,659**	**1,323**
Second Quarter		
Lenses & Optical Instruments	1,501	1,259
➤ *North America*	*663*	*518*
➤ *Europe*	*462*	*426*
➤ *Asia/Pacific/Middle East/Africa*	*269*	*222*
➤ *Latin America*	*107*	*94*
Equipment	49	46
Sunglasses & Readers	199	152
TOTAL Second Quarter	**1,749**	**1,457**
Third Quarter		
Lenses & Optical Instruments	1,446	1,274
➤ *North America*	*643*	*527*
➤ *Europe*	*431*	*409*
➤ *Asia/Pacific/Middle East/Africa*	*270*	*234*
➤ *Latin America*	*102*	*104*
Equipment	48	46
Sunglasses & Readers	126	95
TOTAL Third Quarter	**1,620**	**1,415**
Fourth Quarter		
Lenses & Optical Instruments	1,440	1,277
➤ *North America*	*632*	*527*
➤ *Europe*	*442*	*418*
➤ *Asia/Pacific/Middle East/Africa*	*265*	*231*
➤ *Latin America*	*101*	*101*
Equipment	63	66
Sunglasses & Readers	185	132
TOTAL Fourth Quarter	**1,688**	**1,475**

2015 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€ millions, excluding per share data	**Year 2015**	**Year 2014**
Revenue	6,716	5,670
Cost of sales	(2,704)	(2,355)
GROSS MARGIN	**4,012**	**3,315**
Research and development costs	(214)	(188)
Selling and distribution costs	(1,678)	(1,367)
Other operating expenses	(857)	(717)
CONTRIBUTION FROM OPERATIONS (*)	**1,263**	**1,043**
Other income from operations	18	546
Other expenses from operations	(98)	(367)
OPERATING PROFIT	**1,183**	**1,222**
Finance costs, net	(54)	(31)
Other financial income	5	6
Other financial expenses	(14)	(21)
Share of profits of associates	1	3
PROFIT BEFORE TAX	**1,121**	**1,179**
Income tax expense	(308)	(193)
NET PROFIT	**813**	**986**
Attributable to Group equity holders	**757**	**929**
Attributable to minority interests	56	57
Net profit attributable to Group equity holders per share (€)	3.57	4.41
Average number of shares (thousands)	212,226	210,511
Diluted net profit attributable to Group equity holders per share (€)	3.50	4.32
Diluted average number of shares (thousands)	216,583	214,820

(*) Contribution from operations corresponds to revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).

CONSOLIDATED BALANCE SHEET
(ASSET)

€ millions	**December 31, 2015**	**December 31, 2014**
Goodwill	5,295	4,668
Other intangible assets	1,826	1,532
Property, plant and equipment	1,200	1,154
Investments in associates	5	3
Non-current financial assets	139	103
Deferred tax assets	169	151
Long-term receivables	24	15
Other non-current assets	41	1
TOTAL NON-CURRENT ASSETS	**8,699**	**7,627**
Inventories	1,099	1,002
Prepayments to suppliers	32	20
Short-term receivables	1,456	1,327
Tax receivables	60	56
Other receivables	34	38
Derivative financial instruments recognized in assets	64	43
Prepaid expenses	61	50
Cash and cash equivalents	466	626
CURRENT ASSETS	**3,272**	**3,162**
TOTAL ASSETS	**11,971**	**10,789**

CONSOLIDATED BALANCE SHEET
(EQUITY AND LIABILITIES)

€ millions	**December 31, 2015**	**December 31, 2014**
Share capital	39	39
Issue premiums	400	360
Consolidated reserves	4,504	3,758
Own shares	(286)	(286)
Hedging and revaluation reserves	(131)	(121)
Translation differences	424	236
Net profit attributable to Group equity holders	757	929
EQUITY ATTRIBUTABLE TO PARENT COMPANY OWNERS	**5,707**	**4,915**
Equity attributable to non-controlling interests	385	345
TOTAL CONSOLIDATED EQUITY	**6,092**	**5,260**
Provisions for pensions	295	281
Long-term borrowings	1,905	1,521
Deferred tax liabilities	422	383
Other non-current liabilities	404	394
NON-CURRENT LIABILITIES	**3,026**	**2,579**
Provisions	369	274
Short-term borrowings	674	926
Customer prepayments	31	31
Short-term payables	1,357	1,215
Tax payables	87	58
Other current liabilities	316	421
Derivative financial instruments recognized in liabilities	9	17
Deferred income	10	8
CURRENT LIABILITIES	**2,853**	**2,950**
TOTAL LIABILITIES	**11,971**	**10,789**

CONSOLIDATED CASH FLOW STATEMENT

€ millions		Year 2015	Year 2014
CONSOLIDATED NET PROFIT	(a)	**813**	**986**
Share of profits of associates, net of dividends received		(1)	25
Depreciation, amortization and other non-cash items		380	451
Profit before amortization and depreciation and associates		**1,192**	**1,462**
Provision charges (reversals)		(8)	99
Gains and losses on asset disposals, net		(1)	(513)
Cash flow after tax and finance costs, net		**1,183**	**1,048**
Finance costs, net	**(a)**	54	31
Tax expenses (including deferred taxes)	**(a)**	308	193
Cash flow before tax and finance costs, net		**1,545**	**1,272**
Taxes paid		(265)	(225)
Interest (paid) and received, net		(35)	(25)
Change in working capital requirement		(51)	10
NET CASH FROM OPERATING ACTIVITIES		**1,194**	**1,032**
Purchases of property, plant and equipment and intangible assets		(327)	(232)
Acquisitions of subsidiaries, net of the cash acquired		(765)	(1,836)
Purchases of non-consolidated securities		(15)	(4)
Change in other non-financial assets		(13)	(9)
Proceeds from the sale of other financial assets, property, plant and equipment and intangible assets		7	6
NET CASH USED IN INVESTING ACTIVITIES		**(1,113)**	**(2,075)**
Capital increase	**(b)**	46	67
Net sale (net buyback) of treasury shares	**(b)**	-	(36)
Dividends paid:			
- to ESSILOR shareholders	**(b)**	(216)	(198)
- to minority shareholders of the consolidated subsidiaries	**(b)**	(35)	(30)
Bond issues		300	800
Increase/(Decrease) in borrowings other than finance lease liabilities		(345)	434
Acquisition of marketable securities [c]		-	6
Repayment of finance lease liabilities		(2)	(4)
Other movements		-	-
NET CASH USED IN FINANCING ACTIVITIES		**(252)**	**1,039**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(171)**	**(4)**
Net cash and cash equivalents at January 1		598	749
Effect of changes in exchange rates		4	(147)
NET CASH AND CASH EQUIVALENTS AT PERIOD-END		**431**	**598**
Cash and cash equivalents		466	626
Bank credit facilities		(35)	(28)

[a] See income statement

[b] See statement of changes in equity

[c] Units in money market UCITS not qualified as cash equivalents under IAS 7.