



Safilo Group

A strong partnership for the future

Q1 2012 Results

May 4th, 2012

Safilo[®]
GROUP



Disclaimer

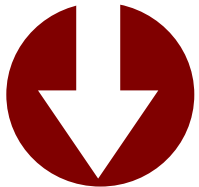
This presentation may contain forward looking statements based on current expectations and projects of the Group in relation to future events. Due to their specific nature, these statements are subject to inherent risks and uncertainties, as they depend on certain circumstances and facts, most of which being beyond the control of the Group. Therefore actual results could differ, even to a significant extent, with respect to those reported in the statements.

What we
achieved

- Slightly positive organic trend despite challenging environment
- Solid financial performance in a context of business discontinuity and reorganizational activities



- ✓ Leading position in the US independent optician channel
- ✓ Good trading conditions in continental Europe and key accounts
- ✓ Positive sales campaign in core Asian markets
- ✓ Launch of Carrera in China and first Céline collections



- x Continuing weakness of Southern Europe
- x Significant contraction of the sport products business
- x Phase-out of Armani licenses and discontinued business

Key financial highlights

in millions of Euro and % change

MAIN TOPICS:

- Volumes decline
- Gross margin retention
- Incidence of SG&A expenses
- Stable financial leverage

	Q1 2012	Q1 2011	% Change
Net sales	288.7 100.0%	300.7 100.0%	-4.0% -6.3% *
Gross profit	174.2 60.3%	183.0 60.9%	-4.8%
EBITDA	32.3 11.2%	40.7 13.5%	-20.7%
Operating result	23.1 8.0%	31.4 10.4%	-26.4%
Group net result	12.0 4.1%	18.4 6.1%	-34.9%
Net Debt	243.2	268.2	-9.3%

* at constant exchange rates

Net sales performance

in millions of Euro and % change

Net sales

288.7

Q1 2012

Q1 2011

% Change

MAIN TOPICS:

- **Business discontinuity**
 - Phase-out of Armani licenses and discontinued brands
- **Organic performance**
 - Weak Southern Europe (Italy, Spain, Portugal, Greece)
 - Healthy trends in Continental Europe and US
 - Positive performance of Asian countries
 - Solstice LFL performance up 3.7%

Wholesale

% of Net sales

271.5

94.0%

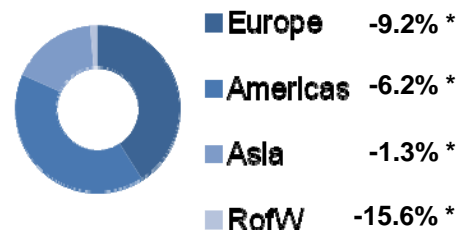
284.5

94.6%

-4.6%

-6.8% *

by region



by product



Retail

% of Net sales

17.2

6.0%

16.2

5.4%

+6.6%

+2.2% *

* at constant exchange rates

Operating performance

in millions of Euro and % change

EBITDA margin

11.2%

Q1 2012

Q1 2011

% Change

MAIN TOPICS:

- **Gross margin retention**
- High industrial profitability affected by decline of volumes and product returns
- Positive effects from efficiency programs
- **SG&A investments**
- Strengthened organizational structures to support brands and markets development
- **Fixed costs**
- Resizing activities and commitments on discontinuing business

	Q1 2012	Q1 2011	% Change
Wholesale	31.3	39.6	-21.0%
<i>EBITDA margin</i>	<i>11.5%</i>	<i>13.9%</i>	
Retail	1.0	1.1	-15.1%
<i>EBITDA margin</i>	<i>5.6%</i>	<i>7.1%</i>	

in millions of Euro and % on sales

Net margin

4.1%

Q1 2012

Q1 2011

% Change

MAIN TOPICS (below the operating line):

- **Interest expenses**
 - Lower net debt and different mix of financial resources thanks to partial early redemption of HY bond
- **Exchange rate differences**
 - Lower net positive impact from forex differences
- **Income taxes**
 - Tax rate substantially stable at 32.7%

Financial charges	(4.5) -1.6%	(3.0) -1.0%	+49.3%
Interest expenses	(4.9) -1.7%	(5.8) -1.9%	-15.3%
Net exchange rate diff.	2.1 0.7%	4.8 1.6%	-55.8%
Income taxes	(6.1) -2.1%	(8.5) -2.8%	-28.6%
Minority interests	(0.5) -0.2%	(1.1) -0.4%	-50.7%

in millions of Euro

-5.9

Q1 2012

Q1 2011

Free Cash Flow

MAIN TOPICS:

- **Lower net result**
- **Tight control of working capital needs**
- Incidence on sales stable at 28.5%
- **Stable investments**
- Maintenance capex lower than amort. and depr.
- Increased shareholding in a Group's subsidiary

Net result and other charges	29.8	36.8
Change in working capital	(23.3)	(32.5)
Cash flow from operating activities	6.5	4.3
Cash flow from investing activities	(12.4)	(11.1)
Free Cash Flow	(5.9)	(6.8)

Q1 2012 Results

Financial Leverage

in millions of Euro

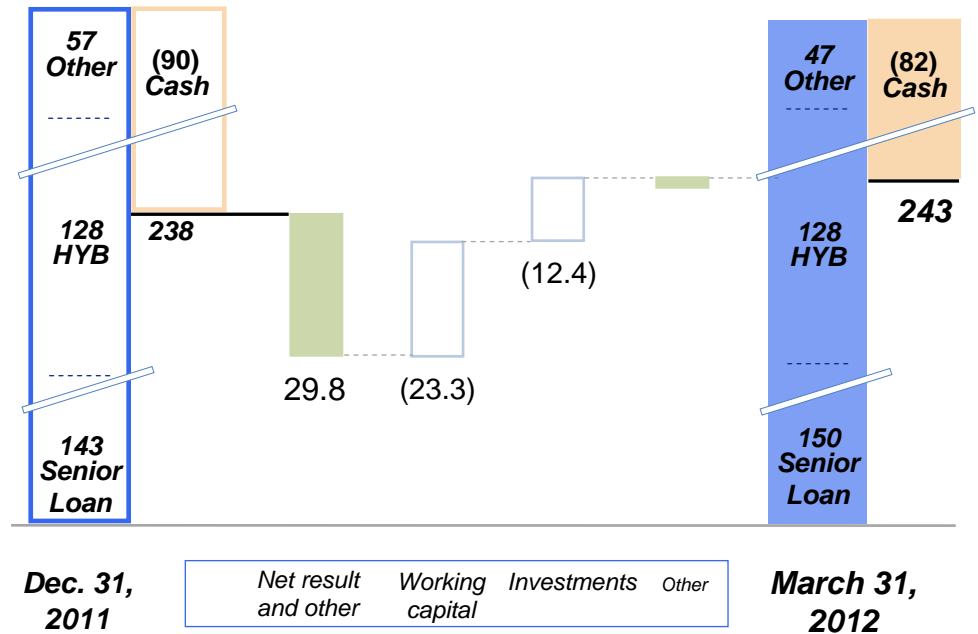
Net Debt/EBITDA

2.1x

MAIN TOPICS:

- **Committed Revolving** credit facility (Euro 200) drawn for Euro 50 at the end of March 2012
- **Financial leverage substantially in line** with the record low level achieved at the end of 2011

Net Debt

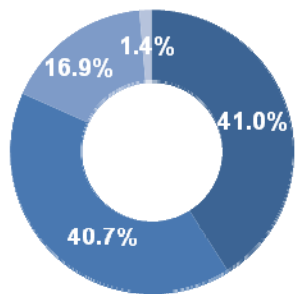


Appendices

Net sales performance

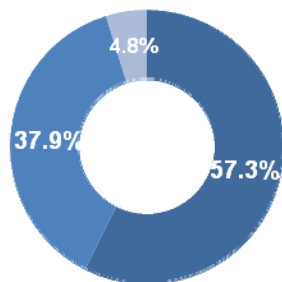
in millions of Euro and % change

by region



Region	Q1 12	Q1 12 vs Q1 11	
		Q1 12	% change
Europe	118.4	-9.0%	-9.2% *
Americas	117.4	-1.1%	-4.8%
Asia	48.9	+3.5%	-1.3%
RoFW	4.0	-12.7%	-15.6%

by product



Product	Q1 12	Q1 12 vs Q1 11	
		Q1 12	% change
Sunglasses	165.5	-1.9%	-4.4% *
Prescription	109.4	-3.4%	-5.6%
Sport and other	13.8	-26.3%	-28.7%

* at constant exchange rates

Q1 2012 Results

Balance Sheet

in millions of Euro

	March 31, 2012	Dec. 31, 2011	Net Ch.
Net working capital	310.9	291.9	+19.0
Tang.-intang. fixed assets	767.8	784.6	-16.8
Financial fixed assets	11.5	11.9	-0.4
Other assets/(liabilities)	(40.7)	(34.3)	-6.3
Net capital employed	1,049.5	1,054.0	-4.5
Net financial position	243.2	238.3	+4.9
Non controlling interests	9.0	11.5	-2.5
Shareholders' equity	797.3	804.2	-6.9

Net Working Capital

in millions of Euro

	March 31, 2012	March 31, 2011	Net Ch.	Dec. 31, 2011	Net Ch.
Trade receivables	275.2	288.3	-13.1	272.2	+3.0
Inventories	217.0	205.1	+11.9	219.7	-2.7
Trade payables	(181.3)	(178.3)	-3.0	(200.0)	+18.7
Net working capital	310.9	315.1	-4.2	291.9	+19.0
<i>% net sales LTM</i>	28.5%	28.8%		26.5%	

Safilo Group Brands Portfolio

Safilo brands

CARRERA
SINCE 1956

Polaroid
Polarized Sunglasses

Safilo
QUALITY EYEWEAR SINCE 1934.

smithOptics

O X Y D O

BLUEBAY

Licensed brands

CÉLINE

ALEXANDER
MQUEEN

YVES SAINT LAURENT

HUGO
HUGO BOSS

JIMMY CHOO

A|X*
ARMANI EXCHANGE

BANANA REPUBLIC

kate spade
NEW YORK

Dior

BALENCIAGA *

TOMMY HILFIGER

Juicy Couture

pierre cardin
PARIS

FOSSIL

SAKS
FIFTH
AVENUE

MARC JACOBS

GUCCI

BOSS
HUGO BOSS

MaxMara
OCCHIALI

GIORGIO ARMANI *

|iz clarborne

MARC BY MARC JACOBS

BOTTEGA VENETA

BOSS ORANGE
HUGO BOSS

MAX&Co.

EMPORIO ARMANI *

JLO
BY JENNIFER LOPEZ

FOR THE AMERICAN MARKET

* Expiring in December 2012. Not renewed.

Licensed brands

Brand	Expiry Date											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
ALEXANDER MQUEEN	[Bar from 2010 to 2015]											
A X <small>ARMANI EXCHANGE</small>	[Bar from 2010 to 2012] *											
BALENCIAGA	[Bar from 2010 to 2012] *											
BANANA REPUBLIC	[Bar from 2010 to 2013]											
BOSS <small>HUGO BOSS</small> eyewear	[Bar from 2010 to 2014]											
BOTTEGA VENETA	[Bar from 2010 to 2020]											
CÉLINE	[Bar from 2010 to 2016]											
Dior	[Bar from 2010 to 2017]											
EMPORIO ARMANI	[Bar from 2010 to 2012] *											
FOSSIL	[Bar from 2010 to 2014]											
GIORGIO ARMANI	[Bar from 2010 to 2012] *											
GUCCI	[Bar from 2010 to 2018]											
HUGO <small>HUGO BOSS</small> eyewear	[Bar from 2010 to 2014]											
JIMMY CHOO	[Bar from 2010 to 2015]											

* Expiring in December 2012. Not renewed.

Licensed brands

Brand	Expiry Date											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Juicy Couture	█											
JLO	█											
kate spade NEW YORK	█											
liz claiborne	█											
MARC JACOBS	█											
MARC BY MARC JACOBS	█											
MaxMara	█											
MAX&Co	█											
pierre cardin PARIS	█											
SAKS FIFTH AVENUE	█											
TOMMY HILFIGER	█											
YVES SAINT LAURENT	█											