

A strong partnership for the future

Q3 and 9M 2012 Results

November 6, 2012



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.



Continuity of organic business dynamics



Q3 2012

RESILIENT ORGANIC SALES GROWTH OF CORE PRODUCTS AND MARKETS



- ✓ Double-digit performance of most of the going-forward portfolio: Gucci, Marc Jacobs Group and Boss Group brands, Tommy Hilfiger and Kate Spade leading the ranking
- √ Significant progression of key account and travel retail channels in Europe
- ✓ Healthy trends in the US optical and department store businesses
- ✓ Sustained performance of BRIC countries and signs of recovery in Southern Europe



- x Significant contraction of winter sport products
- x Mild momentum in some Asian countries



Consistency of Group consolidated performance



Q3 2012

STEADY TOP-LINE TRENDS

NET SALES = +8.2%; +0.8% at constant exchange rates +6% organic growth of core products

RESILIENT GROUP PROFITABILITY

Linear operating trends; improved net result

ALMOST A NET BREAK-EVEN

SOLID FINANCIAL PERFORMANCE

Declining Net Debt; Stable financial leverage NET DEBT/ LTM EBITDA = 2.0x

¹Sunglasses and prescription frames at constant exchange rates, excluding the new brand Polaroid, discontinued and phasing-out brands



Economic highlights

in millions of Euro and % change

		Q3 2012	Q3 2011	% Change	9M 2012	9M 2011	% Change
02 2042 TODICC.	Net sales	249.1	230.2	+8.2% +0.8%²	862.4	833.5	+3.5% -1.6%²
Q3 2012 TOPICS:	Gross profit	143.8	133.3	+7.9%	509.1	497.6	+2.3%
✓ Positive organic trends		57.7%	57.9%		59.0%	59.7%	
✓ Polaroid Eyewear and USD strength	EBITDA	15.2	17.4	-12.5%	85.9	97.6	-12.0%
x Discontinued and phasing-out brands		6.1%	7.6%		10.0%	11.7%	
x Production volumes and operating leverage	EBIT	5.7	8.2	-30.6%	56.9	70.0	-18.8%
1 Toduction volumes and operating leverage		2.3%	3.5%		6.6%	8.4%	
✓ Declining interest expenses	Net result	(0.6)	(4.7)	+86.2%	20.9	26.6	-21.5%
	inet result	(0.6) -0.3%	(4.7) -2.0%	+00.2 /0	2.4%	3.2%	-Z 1.J /0

² at constant exchange rates



Net sales



in millions of Euro and % change

> POSITIVE organic trends

Q3 2012

Q3 2011

% Change

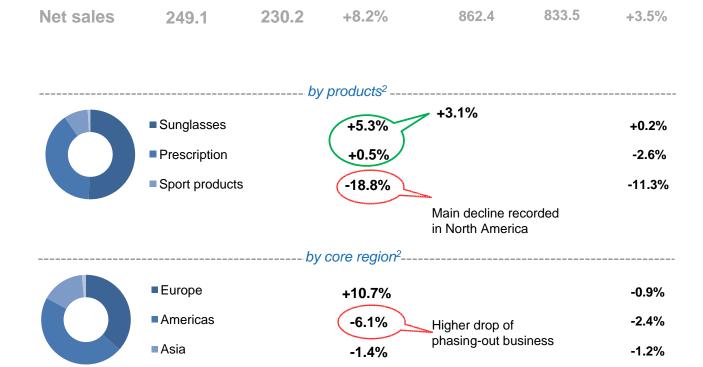
9M 2012

9M 2011

% Change

Q3 2012 TOPICS:

- ✓ Positive performance of core products: sunglasses and prescription frames
- x Sport products, discontinued and phasing-out brands, Southern Europe and Japan
- √ Key business dynamics by channel (key accounts, travel retail, Solstice stores +6.2% lfl)



² at constant exchange rates



EBITDA



in millions of Euro and % change

> RESILII	ENT oper	ating per	formance
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Q3 2012

Q3 2011

% Change

9M 2012

9M 2011

% Change

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- ✓ Gross margin stability
- x Lower volumes and phase-out process
- x Higher retail promos in July and August

Retail	margin	13.3%	14.7%	-140 bps	14.6%	13.5%	+110 bps
Dotoil	sales	20.9	18.6	+12.4%	61.5	55.1	+11.6%
vvnoie	margin	5.5%	7.0%	-150 bps	9.6%	11.6%	-200 bps
Wholes	sales	228.2	211.6	+7.8%	800.9	778.4	+2.9%
EBITDA	margin	6.1%	7.6%	-150 bps	10.0%	11.7%	-170 bps



Free Cash Flow

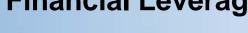
in millions of Euro

> SOLID Operating Cash Flow		Q3 2012	Q3 2011	9M 2012	9M 2011
	Net result and other charges	6.2	2.8	46.2	53.6
Q3 2012 TOPICS:	Change in working capital	11.2	1.4	12.3	(10.2)
✓ Improved net result ✓ Tight working capital management	Cash flow from operating activities	s 17.4	4.2	58.5	43.4
	Cash flow for investing activities	(8.2)	(6.5)	(89.6)	(23.1)
	Free Cash Flow	9.2	(2.3)	(31.1)	20.3
	Free Cash Flow ³	9.2	(2.3)	27.3	20.3

³ before the acquisition of Polaroid Eyewear for 58.4 million



Financial Leverage

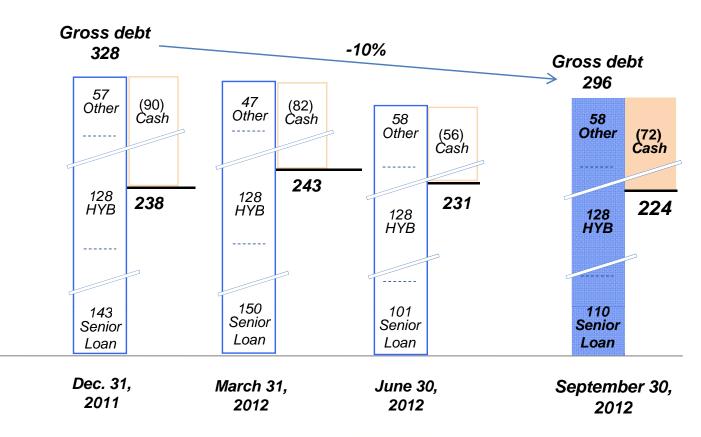




> STABLE Net Debt/EBITDA at 2.0x

Q3 2012 TOPICS:

- √ 80M Senior Loan facilities repaid with available financial resources (Cash for 54M) in June
- √ Committed Revolving credit facility (200M) drawn for 86M at the end of September 2012

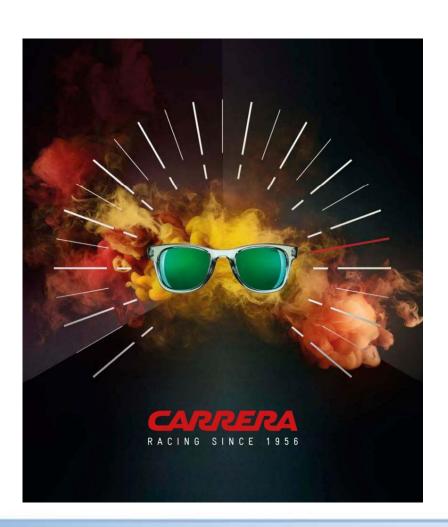




Further steps towards our focus strategy on Safilo's brands



WIEDEN+KENNEDY APPOINTED AS THE NEW CREATIVE AGENCY FOR CARRERA



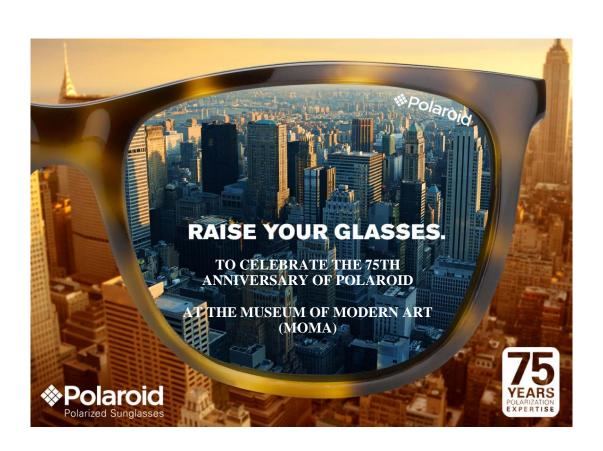
- A global communication campaign to underline the dynamic and timeless spirit of the Carrera brand
- A key strategic project to make the brand a worldwide successful player in the sun and optical industry



Further steps towards our focus strategy on Safilo's brands



POLAROID EYEWEAR AT THE MUSEUM OF MODERN ART (MOMA)



- Official Polaroid kick-off in the American market
- Presenting the new Polaroid Plus sunglasses, the first collection designed and produced by Safilo, on sale worldwide starting from Spring 2013





Appendices



Net sales performance



in millions of Euro and % on total 9M 2012 sales



by product





Balance Sheet

in millions of Euro

	September 30, 2012	Dec. 31, 2011	Net Ch.
Net working capital	284.7	291.9	-7.2
Tangintang. fixed asse	ets 821.4	784.6	+36.8
Financial fixed assets	11.7	11.9	-0.2
Other assets/(liabilities)	(19.0)	(34.3)	+15.3
Net capital employed	1,098.8	1,054.0	+44.8
Net financial position	223.8	238.3	-14.5
Non controlling interests	5.1	11.5	-6.4
Shareholders' equity	869.9	804.2	+65.7



Net Working Capital



in millions of Euro

	September 30, 2012	September 30, 2011	Net Ch.	Dec. 31, 2011	Net Ch.
Trade receivables	233.9	241.6	-7.7	272.2	-38.3
Inventories	220.2	211.8	+8.4	219.7	+0.5
Trade payables	(169.4)	(165.0)	-4.4	(200.0)	+30.6
Net working capital	284.7	288.4	-3.7	291.9	-7.2
% net sales LTM	25.2%	26.3%		26.5%	



Brands Portfolio



Safilo brands













Licensed brands

CÉLINE



MARC JACOBS

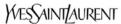
MARC BY MARC JACOBS



BALENCIAGA *

GUCCI

BOTTEGA VENETA



TOMMY THILFIGER

















GIORGIO ARMANI *

EMPORIO ₩ARMANI *



FOR THE AMERICAN MARKET

BANANA REPUBLIC

FOSSIL

lız claiborne



kate spade



* Expiring in December 2012. Not renewed.



Licensed brands



Brand					Ex	piry Da	ate				
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
MQUEEN											
BANANA REPUBLIC											
BOSS HUGOBOSS eyewear											
BOSS ORANGE											
BOTTEGA VENETA											
CÉLINE											
Dior											
FOSSIL											
GUCCI											
HUGO HUGO BOSS eyewear											
JIMMY CHOO											



Licensed brands



Brand	Expiry Date										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Juicy Couture											
II about a core											
kate spade											
lız claıborne											
MARC JACOBS											
MARC BY MARC JACOBS	5										
MaxMara											
MAX&Co.											
pierre cardin											
SAKS FIFTH AVENUE											
TOMMY THILFIGER											_
WesSaint/aurent											

