



# First-Half 2007 Results August 30, 2007

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# First-Half 2007 Performance

- Sustained activity levels across all regions
- Higher volumes and accelerated mix improvement
- Improved margins
- Accelerated acquisitions program



# Financial Highlights

<i>€ millions</i>	H1 2007	H1 2006	% Change
Revenue	1,476.9	1 362.4	8.4% 8.5% I-f-I
Contribution from operations <sup>(1)</sup>	267	242.8	10.0%
% Revenue	18.1%	17.8%	
Operating profit	252.9	229.3	10.3%
Net profit	181.7	164.1	10.7%
% Revenue	12.3%	12%	
EPS (in €) <sup>(2)</sup>	0.88	0.80	+ 9.9 %

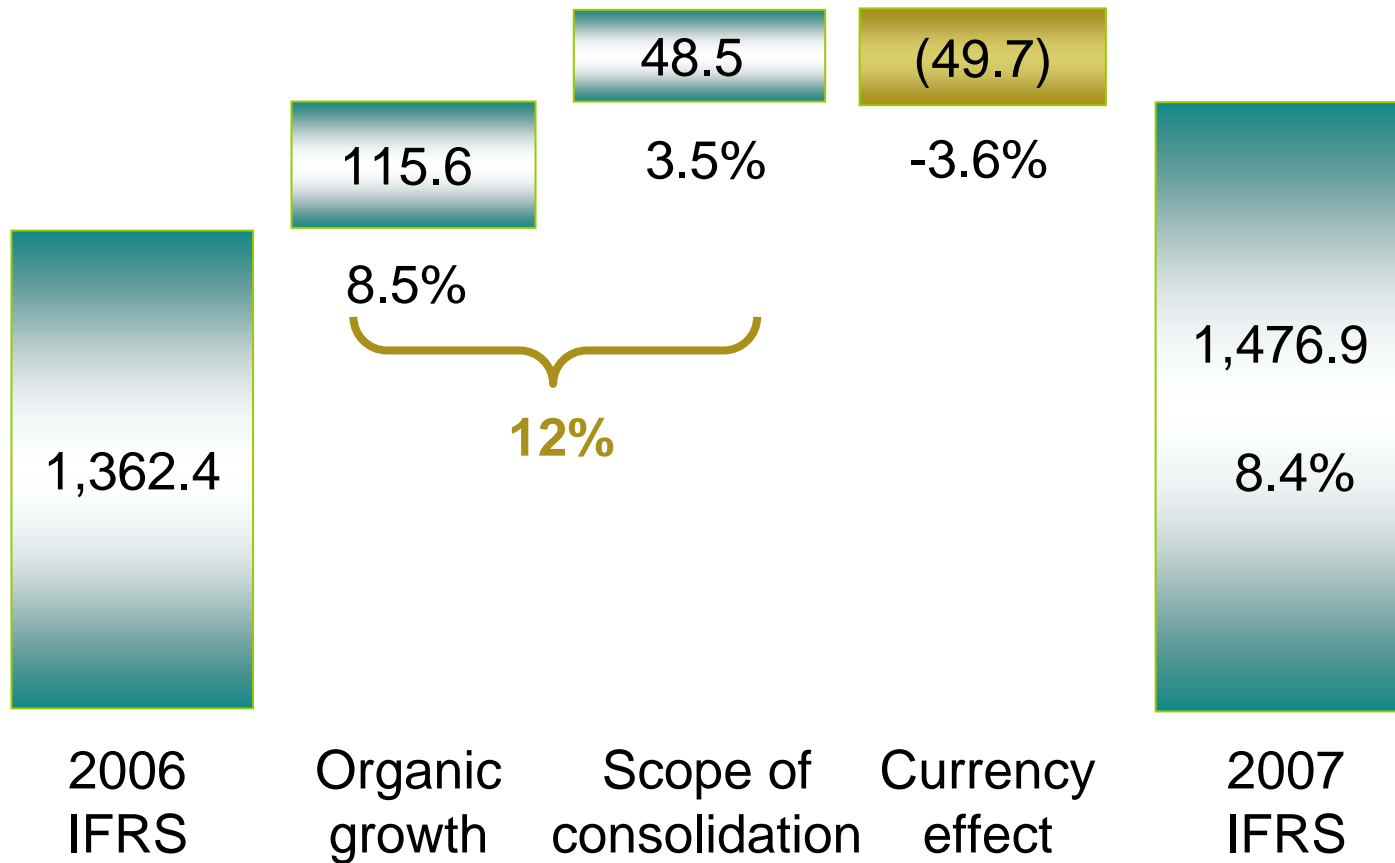
(1) Operating profit before compensation costs of share-based payments, restructuring costs and other expenses, and goodwill impairment.

(2) After July 16, 2007 2-for-1 stock split



# Revenue Up 12% at constant exchange rates

€ millions





# Faster growth in Q2 vs. Q1

	Organic growth	Scope of consolidation	Currency effect	Reported change
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Q1 2007	8.1%	2.9 %	-4.9 %	6.2%
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Q2 2007	8.9 %	4.2%	-2.4%	10.7%
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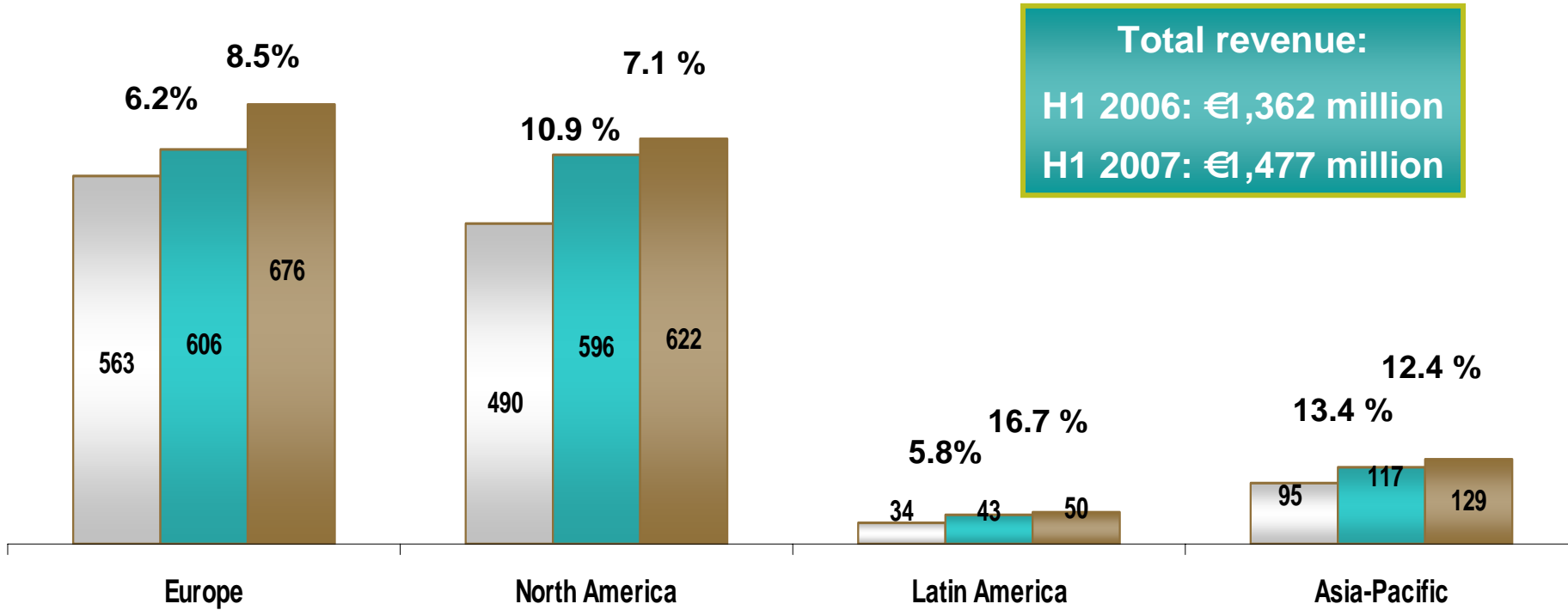
H1 2007	8.5%	3.5%	-3.6%	8.4%
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# Revenue by region

% like-for-like growth – Total revenue

€ millions



**Total revenue:**  
H1 2006: €1,362 million  
H1 2007: €1,477 million

- H1 2005
- H1 2006
- H1 2007



# First-Half 2007 Acquisitions

- 9 acquisitions since January 1, 2007:

## Europe

Novacel (France)

## United-States

OOGP

Beitler McKee Optical Company

Sutherlin Optical Company

Personal Eyes

Dispensers Optical Service Corp

(Safety Glasses business assets)

## Canada

Optique Cristal Inc.

## Singapore

Integrated Lens Technology Pte Ltd

## China

Nikon Beijing

(acquired by Nikon Essilor)

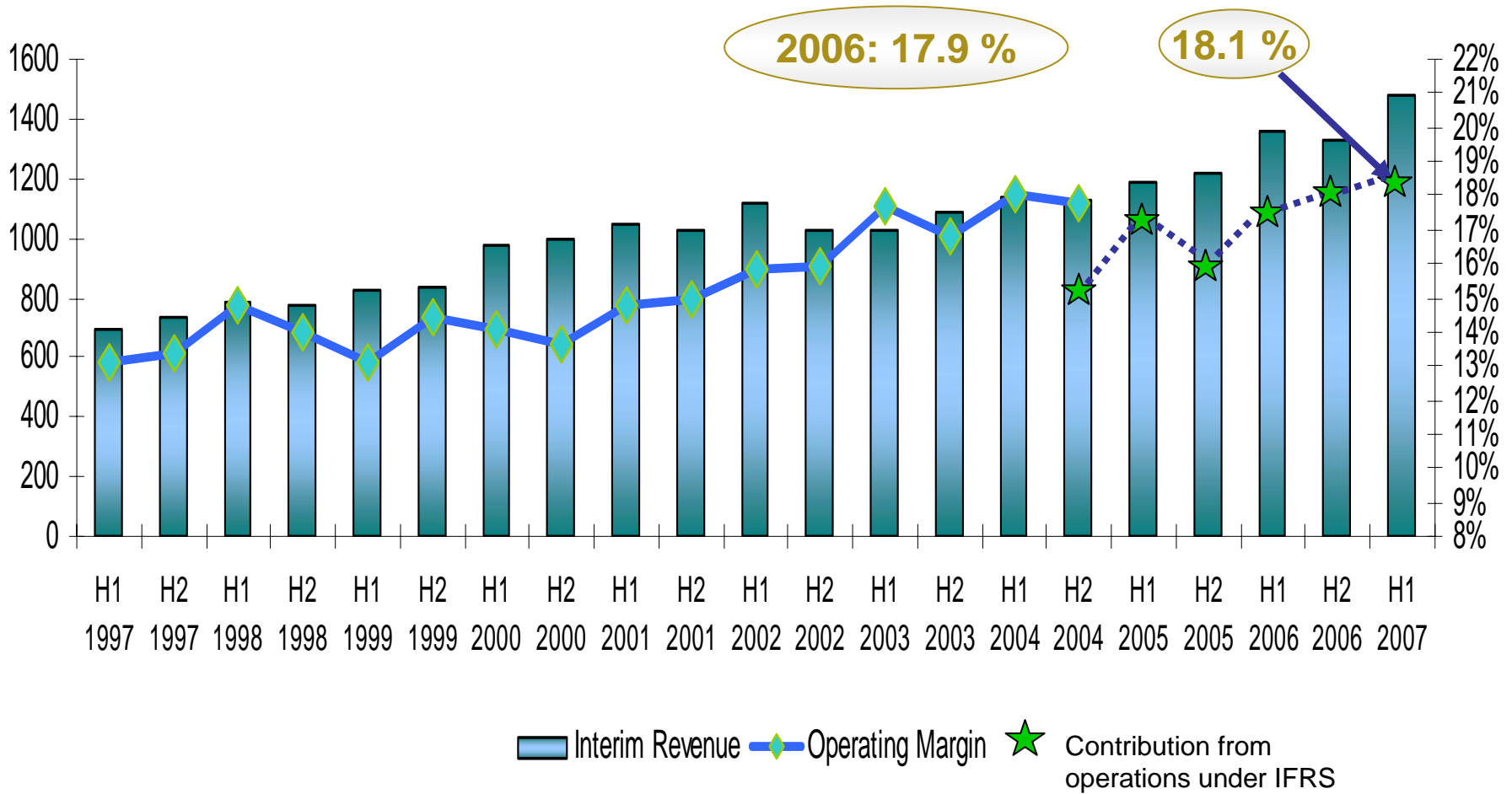
- Incremental revenue on a full-year basis: €118 million
- Total investment: €101.7 million



# High Contribution from Operations<sup>(1)</sup>

€ millions

% Revenue



(1) Operating profit before compensation costs of share-based payments, restructuring costs and other expenses, and goodwill impairment.



# Gross Margin: -0.3 pts

## Operating Expense: -0.5 pts

Significant impact of acquisitions

<i>€ millions</i>	H1 2007	H1 2006
Revenue	1,476.9	1,362.4
Gross margin	854.8	792.5
% of revenue	57.9%	58.2%
Operating expense	587.8	549.7
% of revenue	39.8%	40.3%
Contribution from operations <sup>(1)</sup>	267.0	242.8
% of revenue	18.1%	17.8%

(1) Operating profit before compensation costs of share-based payments, restructuring costs and other expenses, and goodwill impairment.



# Increased Contribution from Operations<sup>(1)</sup>

## ■ Gross margin

- Sustained business levels
- Improved product mix
- Productivity gains
- Acquisitions

## ■ Operating expense

(1) *Operating profit before compensation costs of share-based payments, restructuring costs and other expenses, and goodwill impairment.*



# Net Profit Up 11%

€ millions	H1 2007	H1 2006	Change
Contribution from operations <sup>(1)</sup>	267.0	242.8	10%
Other income / (expenses) <sup>(2)</sup>	(14.1)	(13.6)	
Operating profit	252.9	229.3	10.3%
Finance costs	(5.5)	(13.5)	
Income tax	(79.1)	(66.3)	
Share of profits of associates	15.3	16.1	
Net profit	181.7	164.1	10.7%

(1) Operating profit before compensation costs of share-based payments, restructuring costs and other expenses, and goodwill impairment.

(2) Including gains on disposals of assets.



# Other Income and Expenses

<i>€ millions</i>	<b>H1 2007</b>	<b>H1 2006</b>
First-time consolidation	--	2.1
Restructuring/Reorganization projects United States /Europe	--	(0.7)
Litigation settlements and provisions	(0.7)	(1.5)
Compensation costs of share-based payments	(10.7)	(8.1)
Goodwill impairment	(2.3)	(2.9)
(Losses)/gains on asset disposals	(0.1)	(2.0)
Other	(0.3)	(0.4)
<b><i>TOTAL</i></b>	<b><i>(14.1)</i></b>	<b><i>(13.6)</i></b>



# Finance Costs and Other Financial Income and Expense

<i>€ millions</i>	<b>H1 2007</b>	<b>H1 2006</b>
Finance costs, net	(2.9)	(7.0)
Impairment of securities	(0.0)	(1.1)
OCEANE buybacks (IFRS)	--	(1.7)
Exchange gains and losses and impairment of financial instruments	(2.8)	(3.8)
Other	0.2	0.1
<b><i>TOTAL</i></b>	<b>(5.5)</b>	<b>(13.5)</b>



# Share of Profits of Associates

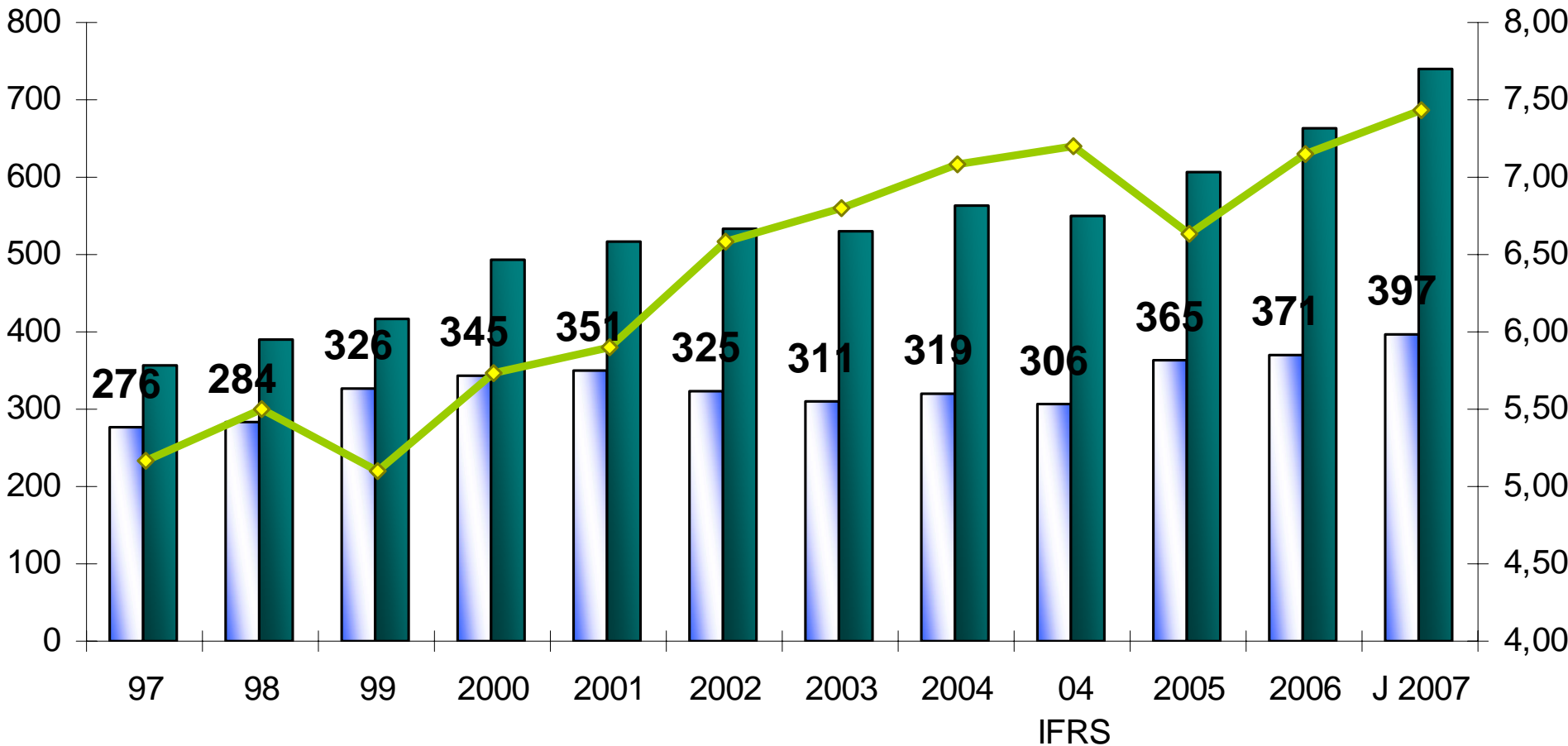
<i>€ millions</i>	<b>H1 2007</b>	<b>H1 2006</b>
VisionWeb	--	--
Sperian	5.2	4.0
Transitions	10.1	12.1
<b>TOTAL</b>	<b>15.3</b>	<b>16.1</b>



# Inventory Under Control: Up 2.6% like-for-like

€ millions

Turnover rate



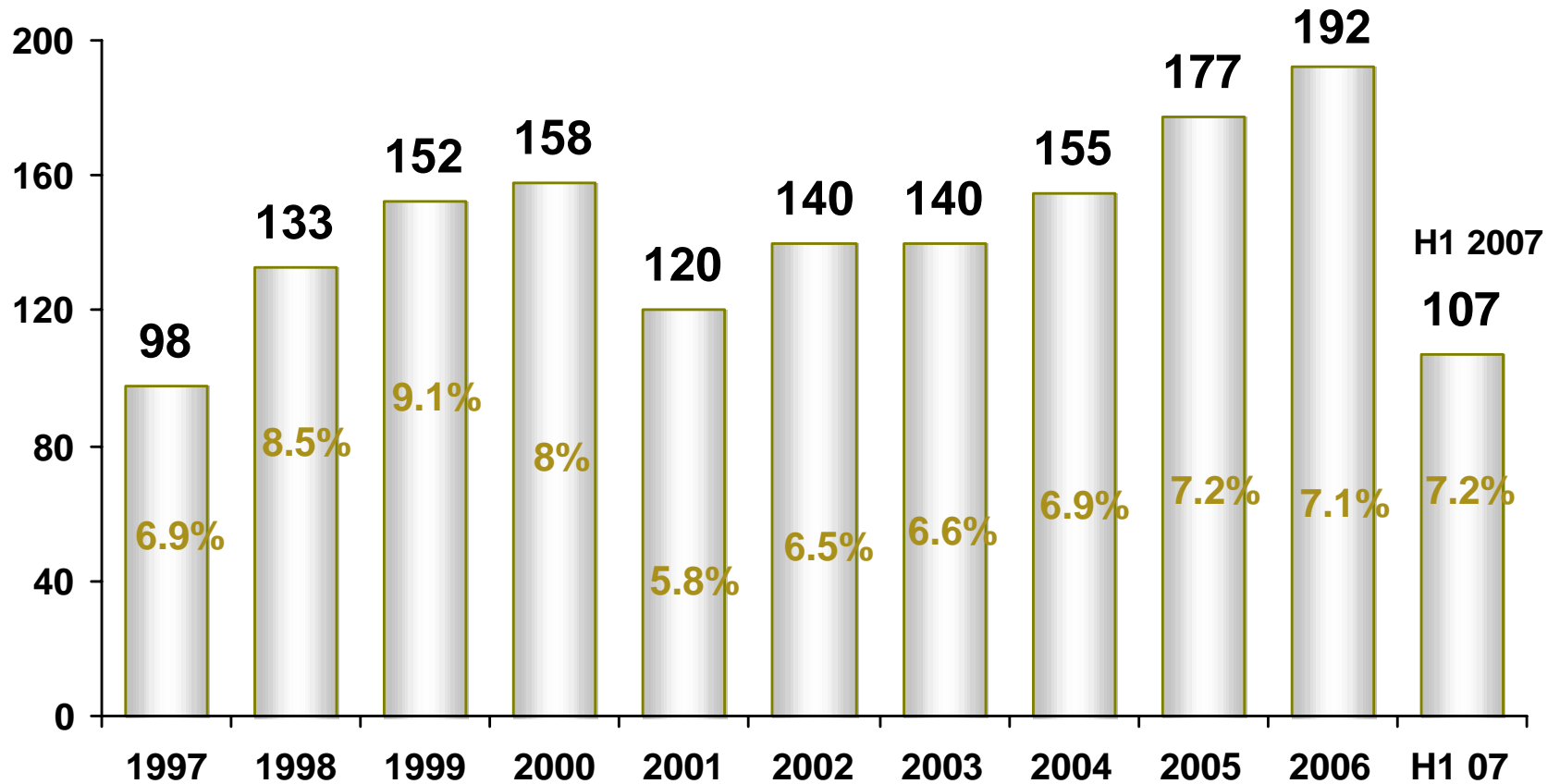
IFRS



# Capital Expenditure

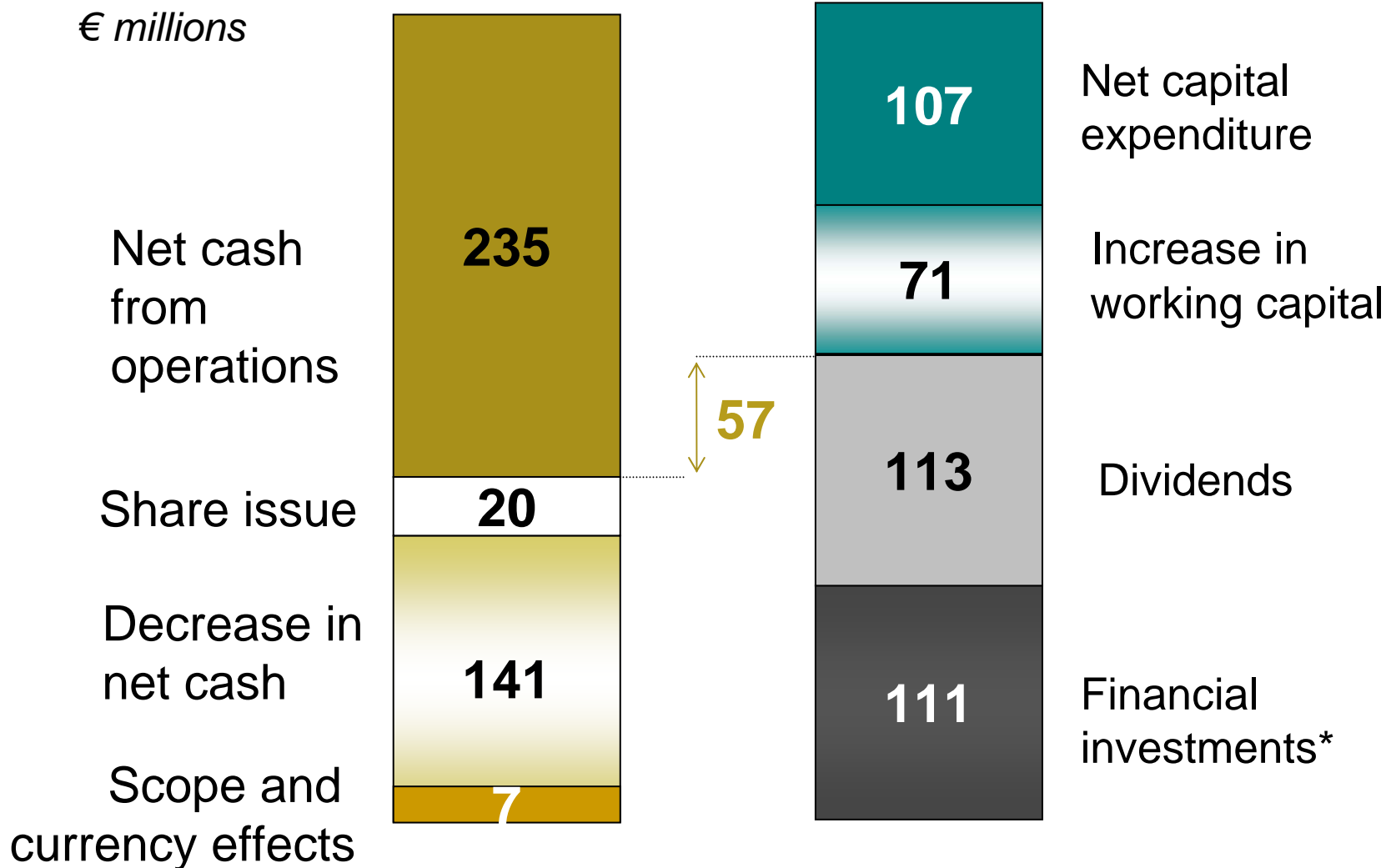
(net of disposals)

€ millions  
As a % of revenue





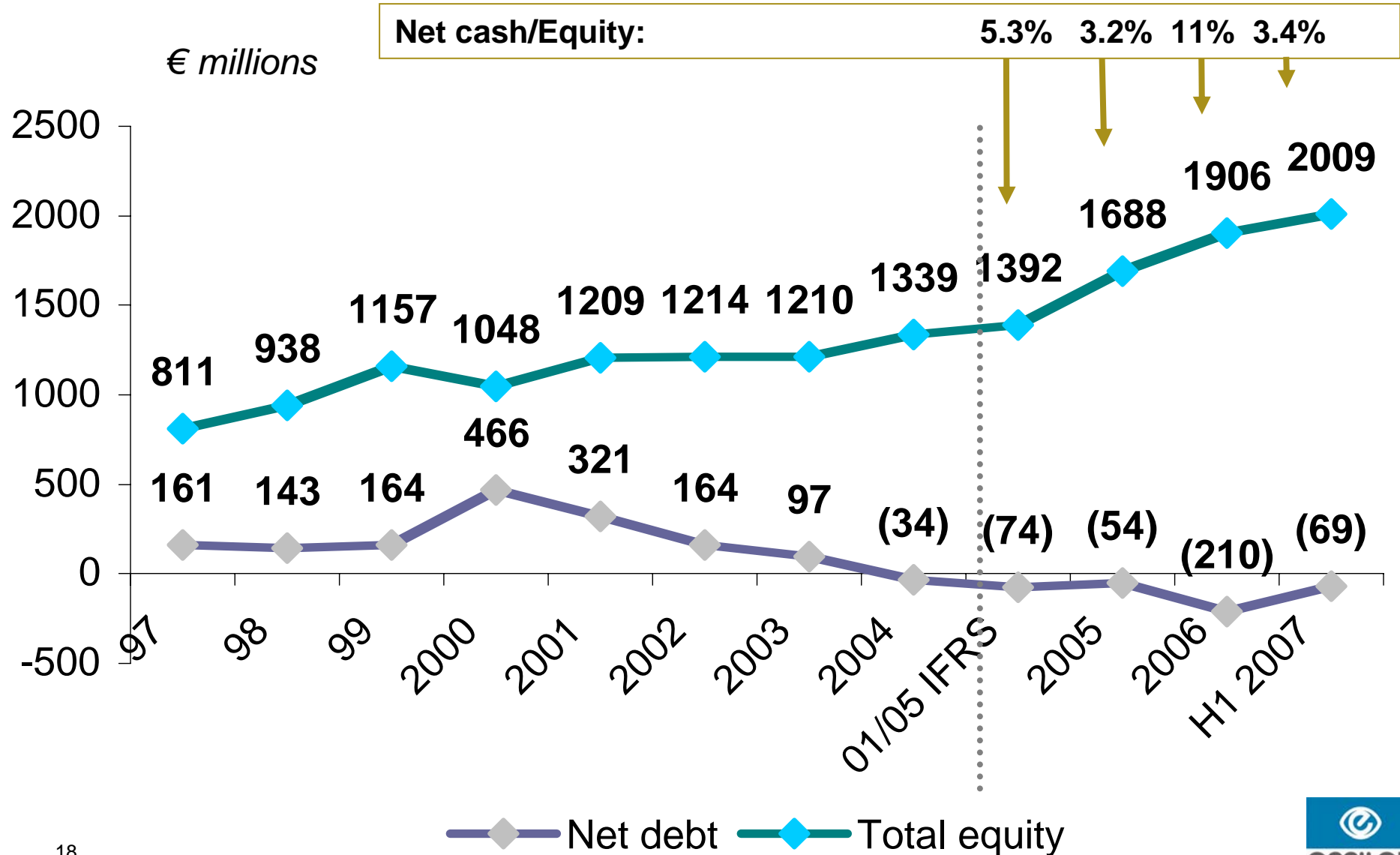
# First-Half 2007 Cash Flows





# Balance Sheet Structure

at June 30, 2007





# H1 2007 Financial Highlights

■ Revenue:	up 8.5%
■ Contribution from operations:	up 10%
■ Net profit :	up 10.7%
■ EPS:	up 9.9%
■ Net Cash/Equity:	3.4%

High quality interim results, on the back of a very strong first-half 2006



**Thank you for  
your attention !**

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**Back up**



# Changes in exchange rates against the euro: - 3.6%

## Average rates

	H1 2006	2007 Budget	H1 2007	
US Dollar	1.24	1.30	1.33	(6.7%)
Canadian Dollar	1.40	1.43	1.50	
Brazilian Real	2.70	3.06	2.70	
Japanese Yen	142.7	145.0	160.5	(11%)

## Period-end rates

	Dec. 2006	June 2007	
US Dollar	1.32	1.35	(2.2%)
Canadian Dollar	1.53	1.43	6.5%
Brazilian Real	2.81	2.60	7.7%
Japanese Yen	156.9	165.6	(5.5%)