

Nine-month revenue up 9.3% excluding the currency effect

- **Faster growth in the United States**
- **Robust sales in the Equipment division**
- **Further acquisitions in fast growing markets**
- **2011 targets reaffirmed**

Charenton-le-Pont, France (October 21, 2011 – 6:30 a.m.) – Essilor International, the world leader in ophthalmic optics, today announced its consolidated revenue for the nine months ended September 30, 2011.

Nine-month consolidated revenue

| € millions | 2011 (9 months) | 2010 (9 months) | % Change (reported*) | % Change (like-for-like) | Contribution from acquisitions |
|---------------------------------------|--------------------|------------------------|-------------------------|-----------------------------|--------------------------------------|
| Lenses and Optical Instruments | 2,816.4 | 2,674.5 ⁽¹⁾ | +5.3% | +3.7% | +4.0% |
| <i>Europe</i> | 1,089.2 | 1,047.1 | +4.0% | +1.2% | +2.7% |
| <i>North America</i> | 1,140.1 | 1,152.3 ⁽¹⁾ | -1.1% | +3.3% | +1.8% |
| <i>Asia-Pacific & Africa</i> | 404.9 | 333.7 | +21.4% | +10.4% | +10.1% |
| <i>Latin America</i> | 182.2 | 141.4 | +28.8% | +10.2% | +17.0% |
| Equipment | 131.9 | 102.1 ⁽¹⁾ | +29.1% | +24.3% | +5.5% |
| Readers | 151.1 | 127.2 | +18.8% | +3.9% | +21.9% |
| TOTAL | 3,099.4 | 2,903.8 | +6.7%* | +4.5% | +4.8% |

*After a negative 2.6% currency effect.

⁽¹⁾ Following an operational reorganization, revenue from National Optronics is now presented in the Equipment division instead of in the North America region as in 2010. In the first nine months of 2010, this represented an amount of €10.5 million.

Consolidated revenue for the first nine months of 2011 amounted to €3,099.4 million, up 6.7% compared with the prior-year period.

On a like-for-like basis, revenue rose by 4.5%, led by the rapid development of sales in fast growing markets and very strong growth in the Equipment division. Lenses and Optical Instruments saw revenue climb by 3.7% over the period. Changes in the scope of consolidation accounted for 4.8% of reported growth, of which 2.4% from bolt-on acquisitions² and 2.4% from strategic acquisitions (Shamir Optical, Signet Armorlite and FGX International). Reported growth for the period was reduced by a 2.6% negative currency effect that mainly reflected the decline in the US dollar against the euro.

In all, revenue growth excluding the currency effect and strategic acquisitions stood at 6.9% for the nine months ended September 30, in line with its full-year objective.

² Acquisitions or local partnerships

Third quarter revenue up 9.7% excluding the currency effect

Consolidated revenue

| € millions | Q3 2011 | Q3 2010 | % Change (reported*) | % Change (like-for-like) | Contribution from acquisitions |
|---------------------------------------|----------------|----------------------|----------------------|--------------------------|--------------------------------|
| Lenses and Optical Instruments | 952.0 | 894.7 ⁽¹⁾ | +6.4% | +4.0% | +5.6% |
| <i>Europe</i> | 356.1 | 339.5 | +4.9% | +0.6% | +4.5% |
| <i>North America</i> | 382.3 | 383.1 ⁽¹⁾ | -0.2% | +4.7% | +2.0% |
| <i>Asia-Pacific & Africa</i> | 144.9 | 119.3 | +21.4% | +9.0% | +12.8% |
| <i>Latin America</i> | 68.7 | 52.8 | +30.0% | +8.5% | +22.6% |
| Equipment | 42.4 | 34.8 ⁽¹⁾ | +22.1% | +24.9% | -0.8% |
| Readers | 44.9 | 47.5 | -5.6% | -1.9% | +3.8% |
| TOTAL | 1,039.3 | 977.0 | +6.4%* | +4.4% | +5.3% |

*After a negative 3.3% currency effect.

⁽¹⁾ Following an operational reorganization, revenue from National Optronics is now presented in the Equipment division instead of in the North America region as in 2010. In the third quarter of 2010, this represented an amount of €3.3 million.

Despite a more uncertain business environment, the 4.4% like-for-like increase confirmed the upswing in demand observed during the first half. In particular, the Lenses and Optical Instruments business continued to improve performance, with a 4.0% gain during the quarter after a 3.6% increase in the first half.

The impact of changes in the scope of consolidation added 5.3% to growth, of which 2.3% from bolt-on acquisitions and 3.0% from Shamir Optical's sales contribution.

Lastly, the negative currency effect, which mainly reflected the decline in the US dollar against the euro, trimmed 3.3% from reported third-quarter revenue growth.

Performance by region and by division was as follows:

- In Europe, the third quarter saw the late-September launch of the new Optifog™ anti-fog lens and Mr Orange™ edger, both of which received a Silmo d'Or Award at the SILMO international optics show in Paris. On a country basis, business remained firm in France and buoyant in the Eastern European countries, but quarterly performance was disappointing in Germany, the United Kingdom and the Netherlands, where optical store footfalls declined over the period.
- In North America, Essilor leveraged the market's firm momentum to drive faster growth in value-added lenses, notably in the Varilux®, Crizal® and Xperio® product ranges. In particular, anti-reflective lenses enjoyed strong demand from both chain stores and independent eyecare professionals.
- In the Asia-Pacific & Africa region, growth was led by the solid performance in Japan, where new market share was gained, and in Australia, where large accounts had a good quarter. Demand remained vigorous in the fast growing markets, particularly India and the ASEAN countries.
- Growth dipped slightly in Latin America due to the economic slowdown in Brazil, but business remained very strong in Mexico and gained momentum in Argentina.

- The Equipment division continued to deliver a very strong performance, thanks to healthy demand for digital surfacing machines, brisk expansion in the consumables business and the rising contribution from investments made by prescription laboratories in fast growing countries.
- In the Readers division, retail sales continued to rise, buoyed by the new product launches. Performance was dampened, however, by extensive inventory drawdowns by major FGXI customers in the United States. Growth remained strong in the rest of the world.

Significant events and other transactions

Acquisitions

Last July 1, Essilor completed the acquisition of a 50% stake in **Shamir Optical**, which has been consolidated since that date. In 2010, Shamir Optical reported revenue of \$158 million.

In addition, Essilor has signed four new agreements with local partners that have broadened and deepened its presence in certain markets.

Essilor has partnered with Russia's leading distributor of ophthalmic lenses by acquiring a minority interest in **Optik Mekk**, which has revenue of around €14 million. Currently an Essilor distributor, Optik Mekk owns a prescription laboratory with Crizal coating capabilities. This initial partnership in Russia is designed to spur faster growth in value-added products, including progressive lenses whose penetration rate is still very low. The Russian market is expanding very quickly, with only 27 million lenses currently sold each year for a population of 140 million.

In Brazil, Essilor pursued its strategy of expanding its regional coverage to enhance intimacy with eyewear professionals and drive faster sales of its product offering. As part of this process, a majority stake was acquired in **Comopticos**, a prescription laboratory located in the State of Paraná that has around €4.5 million in annual revenue. The transaction follows on from the previously announced acquisition of Cientifica in the State of São Paulo, which has €30 million in revenue.

In Canada, a majority stake was purchased in **Fundy Vision Optical Laboratory**, a New Brunswick-based prescription laboratory with annual revenue of €0.5 million.

In all, Essilor has acquired 17 companies since the beginning of the year, representing additional full-year revenue of approximately €90 million (excluding Shamir Optical).

Cash position

Between July and September, Essilor purchased 226,655 of its own shares on the market, for a total of €11.3 million.

Cash flow generated during the period financed almost all of these share buybacks, as well as the period's capital expenditure and acquisitions, including Shamir Optical. At September 30, net debt stood at €480 million, up €35 million over the quarter.

Outlook

For 2011, Essilor reaffirms its objectives of revenue growth of 6% to 8% excluding the currency effect and strategic acquisitions, and a stable contribution margin excluding strategic acquisitions.

Appendix – Revenue by quarter, 2010 vs. 2011

| € millions | Q3 2011 | Q2 2011 | Q1 2011 | Q3 2010 | Q2 2010 | Q1 2010 |
|---------------------------------------|----------------|----------------|----------------|--------------|----------------|--------------|
| Lenses and Optical Instruments | 952.0 | 920.8 | 943.7 | 894.7 | 919.3 | 860.4 |
| <i>Europe</i> | 356.1 | 367.8 | 365.3 | 339.4 | 362.3 | 345.3 |
| <i>North America</i> | 382.3 | 363.2 | 394.6 | 383.1 | 397.1 | 372.1 |
| <i>Asia-Pacific</i> | 144.9 | 129.0 | 131.0 | 119.3 | 111.2 | 103.1 |
| <i>Latin America</i> | 68.7 | 60.7 | 52.8 | 52.8 | 48.8 | 39.9 |
| Equipment | 42.4 | 49.0 | 40.4 | 34.8 | 40.2 | 27.1 |
| Readers | 44.9 | 62.7 | 43.5 | 47.5 | 61.4 | 18.3 |
| TOTAL | 1,039.3 | 1,032.5 | 1,027.6 | 977.0 | 1,020.9 | 905.8 |

A conference call in French will be held today at 9:00 a.m.

The dial-in number is: + 33 (0)1 70 99 42 86

The conference will be available for later listening at:

<http://hosting.3sens.com/Essilor/20111021-8FA47915/fr/>

A conference call in English will follow at 10:00 a.m.

The dial-in number is: + 44 (0)20 3140 82 86

The conference will be available for later listening at:

<http://hosting.3sens.com/Essilor/20111021-8FA47915/en/>

Next financial announcement: 2011 earnings will be released on March 1, 2012.

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 corporate mission is to enable everyone around the world to access lenses that meet his or her unique vision requirements. To support this mission, the Company allocates around €150 million to research and development every year, in a commitment to continuously bringing new, more effective products to market. Essilor's flagship brands are Varilux[®], Crizal[®], Definity[®], Xperio[®], Optifog[™], Kodak[®] and Foster Grant[®]. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of more than €3.9 billion in 2010 and employs 42,700 people in around 100 countries.

It operates 14 plants, 332 prescription laboratories and several research and development centers around the world.

For more information, please visit www.essilor.com.

The Essilor share trades on the NYSE Euronext Paris market and is included in the CAC 40 index.

Codes and symbols: ISIN:FR0000121667; Reuters:ESSI.PA; Bloomberg:EI:FP.

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