



Solid Growth in the Third Quarter

- Revenue growth (like-for-like plus bolt-on acquisitions¹) of 7.1%
- Successful innovations and strong contribution from acquisitions
- Agreement to acquire Transitions Optical
- Outlook for full year 2013: Revenue growth² around 6% with high level of contribution margin maintained

Charenton-le-Pont, France (October 24, 2013, 6:30 a.m.) – Essilor International, the world leader in ophthalmic optics, today announced that consolidated revenue for the nine months ended September 30, 2013 totaled €3,813.0 million compared with €3,759.1 million in the year-earlier period.

Nine-month revenue up 4.8% excluding the currency effect

In € millions	2013 (9 months)	2012 (9 months) ^(a)	% Change (reported)	% Change (like-for-like)	Change in the scope of consolidation	Currency effect
Lenses and Optical Instruments	3,410.8	3,354.3	+1.7%	+1.8%	+3.4%	-3.5%
North America	1,354.3	1,355.5	-0.1%	+0.4%	+2.5%	-3.0%
Europe	1,178.4	1,177.3	+0.1%	+0.8%	+0.1%	-0.8%
Asia/Pacific/Middle-East/Africa	615.5	580.6	+6.0%	+3.5%	+9.3%	-6.8%
Latin America	262.6	240.9	+9.0%	+9.8%	+10.1%	-10.9%
Equipment	144.6	143.6	+0.7%	+4.3%	-1.1%	-2.5%
Readers	257.6	261.2	-1.4%	+1.4%	+0.0%	-2.8%
TOTAL	3,813.0	3,759.1	+1.4%	+1.8%	+3.0%	-3.4%

(a) In the first nine months of 2012, Nikon-Essilor's revenue in North America (€29.7 million) and Europe (€8.7 million) was recognized in the Asia/Pacific/Middle-East/Africa region. In the same way, revenue in Mexico (€18.1 million) was previously recognized in the North America region, but is now included in Latin America. Nine-month 2012 consolidated revenue has been adjusted to reflect these changes.

Commenting on this performance, Hubert Sagnières, Chairman and Chief Executive Officer said: "The third quarter saw a number of initiatives that will shape the Company's future. First, Essilor signed a major agreement to acquire Transitions Optical, the world leader in photochromic lenses. Second, we made significant advances in sun lenses. The 7.1% revenue growth excluding the currency effect reflected a very dynamic acquisitions policy and more robust demand, driven in particular by the first steps of innovation in the mid-range segment.

Essilor is actively positioning itself to benefit, in 2014, from growth in the optics market, where global demand for improved visual health remains largely unfulfilled."

¹ Local acquisitions or partnerships

² Like-for-like growth plus bolt-on acquisitions

Revenue up 7.1% in the third quarter excluding the currency effect

<i>In € millions</i>	Q3 2013	Q3 2012 ^(a)	% Change (reported)	% Change (like-for-like)	Change in the scope of consolidation	Currency effect
Lenses and Optical Instruments	1,114.5	1,105.1	+0.8%	+2.8%	+4.5%	-6.5%
<i>North America</i>	439.5	449.2	-2.2%	+0.6%	+3.4%	-6.2%
<i>Europe</i>	376.4	373.9	+0.7%	+1.9%	+0.3%	-1.5%
<i>Asia/Pacific/Middle-East/Africa</i>	207.6	197.9	+4.9%	+5.7%	+11.3%	-12.1%
<i>Latin America</i>	91.0	84.1	+8.2%	+11.0%	+13.3%	-16.1%
Equipment	52.3	48.0	+8.9%	+14.7%	-1.1%	-4.7%
Readers	70.5	75.5	-6.7%	-0.1%	+0.0%	-6.6%
TOTAL	1,237.3	1,228.6	+0.7%	+3.1%	+4.0%	-6.4%

(a) In third-quarter 2012, Nikon-Essilor's revenue in North America (€9.8 million) and Europe (€3.0 million) was recognized in the Asia/Pacific/Middle-East/Africa region. In the same way, revenue in Mexico (€6.8 million) was previously recognized in the North America region, but is now included in Latin America. Third-quarter 2012 consolidated revenue has been adjusted to reflect these changes.

In the third quarter, Essilor International's consolidated revenue totaled €1,237.3 million, an increase of 0.7%. This reflected:

- Like-for-like growth of 3.1% driven by a very good performance in Equipment and an improvement in Lenses and Optical Instruments compared with the first half, both in developed countries and fast-growing markets. In particular, Essilor benefited from the introduction of innovations in the mid-range, such as Intuitiv™, the first progressive lens adapted for both left- and right-handed wearers. This innovation was recognized with a 'Silmo d'Or' award at the World Optical Fair in Paris in September.
- A significant 4% impact from changes in the scope of consolidation on the back of the large number of partnership agreements recently signed in fast-growing markets and North America.
- A negative 6.4% currency effect caused by the sharp depreciation of numerous currencies against the euro, chief among them the Brazilian real, the US dollar and the yen.

Third-quarter highlights by region and business

North America

- Good trends for polarized lenses, sales to independent laboratories and contact lens distribution
- Performance with optical chains impacted by the loss of two contracts in the first half
- Weaker performance in Canada

Europe

- Success of the Varilux® S series progressive lens, especially in France
- Marked upturn in Eastern Europe, Italy and the Instruments business
- Sharp decrease in a key account's purchases at the end of the period

Asia/Pacific/Middle-East/Africa

- Strong rebound in Japan and Australia led by the success of innovations adopted by certain chains, such as lenses that offer back-surface protection from ultra-violet rays
- Continued strong growth in domestic markets in India and China
- Slowdown in exports reflecting high prior-year comparatives

Latin America

- Acceleration of sales in Brazil despite a lackluster economic environment
- Continued positive trend in Colombia and Mexico

Equipment

- Commercial success of the Satisloh range in the United States
- Strong demand for digital surfacing machines in Latin America

Readers

- Good performance in reading glasses but poor weather conditions for sunglasses
- More dynamic sales in retail locations

Significant third-quarter events and other transactions

Transitions Optical

Essilor International has agreed to acquire PPG Industries' 51% stake in **Transitions Optical Inc.**, the leading provider of photochromic lenses to optical manufacturers worldwide. Following the transaction, Essilor will own 100% of the capital of Transitions Optical. In 2012, Transitions Optical generated revenue of \$814 million, of which around \$310 million with lens manufacturers other than Essilor. The agreement also includes the acquisition of **InterCast**, a premium sun lens manufacturer based in Parma, Italy. In 2012, InterCast reported revenue of nearly \$34 million.

The consideration for the transaction amounts to \$1.73 billion at closing, plus a deferred payment of \$125 million over five years, for 51% of the capital of Transitions Optical and 100% of InterCast.

Based on current estimates, the transaction should have a positive impact on Essilor's financial indicators. In particular, it is expected to be accretive from year one and to add at least 5% to earnings per share in subsequent years.

The process to obtain the various regulatory approvals is under way. No particular difficulties have arisen thus far and the transaction is expected to close during the first half of 2014.

Other acquisitions and partnerships

During the third quarter, Essilor pursued its bolt-on acquisition³ strategy, which is enabling it to extend its local coverage and bring its innovations to market more quickly, with five transactions representing €74 million in combined full-year revenue.

The Company expanded its presence in the low vision segment with the acquisition of a majority interest in Quebec-based **Humanware**, a world leader in the design and distribution of electronic assistance products for the blind and vision impaired (revenue of around \$35 million).

In the United States, Essilor acquired **Katz & Klein**, a California-based prescription laboratory with revenue of around \$4.0 million, and **VIP Optical**, a wholesale optical laboratory based in New Jersey with revenue of \$3.9 million.

These three new partnerships come on the heels of the previously announced acquisitions of **Polycore Optical** in Singapore (revenue of €30 million) and **Classic Optical** in the Ohio (revenue of \$17 million). In all, 20 agreements have been signed since the beginning of the year, representing full-year revenue of around €165 million.

Cash position

During the third quarter, the Company carried out share buybacks to offset dilution from share-based payment plans. These buybacks amounted to €47.6 million and totaled 584,783 shares.

Despite the buyback program and acquisitions over the period, the Company's cash generation enabled a slight reduction in debt to €383 million at September 30, 2013 from €419 million at June 30, 2013.

Since October 1, the Company has bought back 966,982 shares. Including these transactions, some 2.2 million shares have been bought back since the start of the year for a total of around €173 million.

Outlook

In the fourth quarter, the launches of Crizal[®] Previncia[™] and new mid-range products will sustain the Company's momentum.

These initiatives, along with ongoing acquisitions, will contribute to a further improvement in the fourth quarter and place Essilor on a stronger growth path for 2014.

Based on the first nine months' performance and taking into account the delays in finalizing certain acquisitions together with the slower than expected recovery in North America, Essilor expects revenue growth (like-for-like plus bolt-on acquisitions³) of around 6% for full year 2013. The Company confirms its objective of a sustained high contribution margin.

³ Local acquisitions or partnerships

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

The number to dial is +33(0)1 76 77 22 27 (Access code: 6670605).

The call will be available for later listening at: <http://hosting.3sens.com/Essilor/20131024-15CD704E/fr/>

Another conference call in English will follow at 10:00 a.m. (CEST).

The number to dial is +44(0)20 3427 1903 (Access code: 6003897).

The call will be available for later listening at: <http://hosting.3sens.com/Essilor/20131024-15CD704E/en/>

Investor calendar

The 2013 annual results will be released on February 27, 2014.

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 more than €150 million to research and innovation every year, in a commitment to continuously bring new, more effective products to market. Essilor's flagship brands are Varilux®, Crizal®, Definity®, Xperio®, Optifog™ and Foster Grant®. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of approximately €5 billion in 2012 and employs around 50,700 people. It operates in some 100 countries with 22 plants, more than 400 prescription laboratories and edging facilities, as well as 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 Euro Stoxx 50 and CAC 40 indices.

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

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Appendix: Essilor International's consolidated revenue (€ millions)

	2013	2012
First Quarter		
Lenses and Optical Instruments	1,149	1,139
> North America	463	460
> Europe	402	408
> Asia/Pacific/Middle-East/Africa	205	193
> Latin America	79	77
Equipment	42	46
Readers	85	85
TOTAL First Quarter	1,276	1,270
Second Quarter		
Lenses and Optical Instruments	1,148	1,110
> North America	452	446
> Europe	400	395
> Asia/Pacific/Middle-East/Africa	203	190
> Latin America	93	79
Equipment	50	50
Readers	102	101
TOTAL Second Quarter	1,300	1,261
Third Quarter		
Lenses and Optical Instruments	1,114	1,105
> North America	439	449
> Europe	376	374
> Asia/Pacific/Middle-East/Africa	208	198
> Latin America	91	84
Equipment	52	48
Readers	71	76
TOTAL Third Quarter	1,237	1,229
Fourth Quarter		
Lenses and Optical Instruments		
> North America		
> Europe		
> Asia/Pacific/Middle-East/Africa		
> Latin America		
Equipment		
Readers		
TOTAL Fourth Quarter		

Note that:

- Since fourth-quarter 2012, Mexico has been included in the Latin America region. As a result, the 2012 revenues presented above for North America and Latin America have been restated accordingly.
- In 2012, Nikon-Essilor's revenue in North America and Europe was recognized in the Asia/Pacific/Middle-East/Africa region. In 2013 revenue from this operation has been recognized in their respective regions. Quarters in 2012 have been adjusted to reflect this change.