

2011 Bonus

At its meeting on February 29, 2012, the Board of Directors determined the 2011 bonus to be paid to Hubert Sagnières in his capacity as Chief Executive Officer, in line with the recommendations of the Remunerations Committee.

This determination was based on the following factors:

- The target 2011 bonus, based on fulfilling 100% of the objectives, amounted to €650,000. Depending on the extent to which the objectives are met, the actual bonus may vary from 0 to 1.5 times the target amount, i.e. from €0 to €975,000.
- The 2011 bonus was 85% based on financial targets and 15% on personal objectives, as follows:
 - 40% on a target for adjusted earnings per share, with a ceiling of 68% in the event the target is amply exceeded.
 - 30% on an organic growth target, with a ceiling of 51% in the event the target is amply exceeded.
 - 15% on a target for growth by acquisition, with no increase if it is exceeded.
 - 15% on three personal objectives related to the Company's strategy, with no increase if they are exceeded.

After a review of the performance in meeting all of these objectives, it was determined that Mr. Sagnières' bonus would amount to 131.3% of the target amount, or a total of €853,450 for the year. The percentage of fulfillment was 134% in respect of 2010 and 118% in respect of 2009.

The following table summarizes total 2011 compensation paid to the two executive directors.

	Xavier Fontanet Chairman of the Board of Directors	Hubert Sagnières Chief Executive Officer
Salary	€500,000	€650,000
Bonus due in respect of 2011	-	€853,450
Exceptional, temporary annual allowance for dual tax residence	-	€250,000

The following table shows how the 2011 bonus was calculated.

W			A	W x A	W x A x target in €
Weighting	Criteria	Performance measurement	% achievement	% Weighted achievement	Achievement in €
40%	Adjusted earnings per share	0% to 170%	143,1%	57,2%	€371 800
30%	Organic growth	0% to 170%	149,4%	44,8%	€291 200
15%	Growth by acquisition	0% to 100%	100,0%	15,0%	€97 500
15%	Personal objectives	0% to 100%	95,0%	14,3%	€92 950
100%				131,3%	€853 450

2012 Compensation

At the February 29 meeting, the Board of Directors also decided to apply the same rules in 2012 as in 2011 in determining the bonus of Mr. Sagnières, who was appointed Chairman and Chief Executive Officer on January 2, 2012. His bonus, which remains linked to his executive function of Chief Executive Officer, will therefore be 85% based on financial targets (40% on a target for adjusted earnings per share, 30% on an organic growth target and 15% on a target for growth by acquisition) and 15% on three personal objectives related to the Company's strategy. For each objective, the required degree of fulfillment has been carefully and precisely set. This information is not publicly disclosed, however, because as a listed company and, unlike the competition, a pure player in the industry, Essilor believes that revealing how future performance is measured would be prejudicial to the effective execution of its strategy vis a vis its competitors.

Note that on November 24, 2011, the Board of Directors set Mr. Sagnières' annual compensation in line with the recommendations of the Remunerations Committee and with effect from January 2, 2012, when he was appointed Chairman and Chief Executive Officer.

This compensation comprises a base salary and a bonus.

Note as well that the Board commissioned an independent firm specialized in executive compensation to conduct a comparative study of the compensation paid to the Chairmen and Chief Executive Officers of French manufacturers included in the CAC 40 and Next 20 stock indices, with market capitalization and/or revenue similar to Essilor International's.

To reflect his promotion from Chief Executive Officer to Chairman and Chief Executive Officer, Mr. Sagnières' base salary was raised to a gross €800,000 a year, which is between the first quartile and the median salary of the executives studied. The target bonus was also raised to a gross €800,000 if all objectives are 100% met, with the actual bonus ranging from 0 to 1.5 times the target amount depending on the degree to fulfillment. As a result, Mr. Sagnières' total targeted annual compensation (salary + bonus) is situated under below the median compensation of the executives studied.



The exceptional, temporary annual allowance for dual tax residence has been eliminated because Mr. Sagnières has been a French tax resident since January 2, 2012.

In addition, the Board formally approved Mr. Sagnières' request that he no longer be paid any directors' fees since his appointment as Chairman and Chief Executive Officer.

The following table summarizes total 2011 and 2012 compensation (salary + target bonus) for the two executive directors.

	2011		2012
	Xavier Fontanet Chairman of the Board of Directors (From 2010 to 2011)	Hubert Sagnières Chief Executive Officer (From 2010 to 2011)	Hubert Sagnières Chairman and Chief Executive Officer (Since January 1, 2012)
Salary	€500,000	€650,000	€800,000
Target bonus in respect of the year	-	€650,000	€800,000
Exceptional, temporary annual bonus for dual tax residence	-	€250,000	-

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™ and Foster Grant®. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of €4.2 billion in 2011 and employs around 48,700 people in some 100 countries. It operates 19 plants, a total of 390 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 CAC 40 index.

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

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