

Executive Directors' Compensation

2012 Bonus

At its meeting on February 27, 2013, the Board of Directors determined the 2012 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 2012 bonus, assuming that the objectives were fully met, amounted to €800,000. Depending on the extent to which the objectives were met, the actual bonus would represent between 0 and 1.5 times the target amount, i.e. between €0 and €1,200,000.
- The 2012 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 acquisitions-led growth, 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 performance in relation to all of these objectives, it was determined that Mr. Sagnière's bonus would amount to 123% of the target amount, or a total of €984,000 for the year.

The target fulfillment rate was 131% for 2011 and 134% for 2010.

The table below summarizes total 2012 compensation paid to Mr. Sagnières.

	Hubert Sagnières Chairman and Chief Executive Officer
Salary	€800,000
2012 bonus	€984,000

The following table shows how the 2012 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%	128.0%	51.0%	408,000
30%	Organic growth	0% to 170%	141.0%	42.0%	336,000
15%	Growth by acquisition	0% to 100%	100.0%	15.0%	120,000
15%	Personal objectives	0% to 100%	100.0%	15.0%	120,000
100%				123.0%	984,000

2013 Compensation

At the February 27, 2013 meeting, the Board of Directors decided to apply the same criteria in 2013 as in 2012 to determine Mr. Sagnières' bonus, but to weight them differently, so that the bonus will now be 80% based on financial targets (40% on a target for adjusted earnings per share, 30% on an organic growth target and 10% on a target for acquisitions-led growth) and 20% on four personal objectives linked to the Company's strategy. For each objective, the required degree of fulfillment has been carefully and precisely set, but will not be made public for confidentiality reasons, 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 27, 2012, the Board of Directors decided, in line with the recommendations of the Remunerations Committee, to maintain Mr Sagnières' 2013 salary and target bonus at the 2012 levels (€800,000 and €800,000 respectively).

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 Chief Executives of French manufacturers included in the CAC 40 and Next 20 stock indices, with market capitalization and/or revenue similar to Essilor International's.

The following table summarizes total 2012 and 2013 compensation (salary and target bonus) for Mr. Sagnières.

	2012	2013
Salary	€800,000	€800,000
Target bonus for the year	€800,000	€800,000

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 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 €5 billion in 2012 and employs around 52,600 people in some 100 countries. It operates 22 plants, a total of 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 EuroStoxx 50 and CAC 40 indices.

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

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