Resilient First Half

- Revenue growth of 9.1% and 6.9% in constant currency
- Improving momentum in North America, good performance in Europe
- Fast-Growing Markets impacted by a decline in Brazil
- Mixed performance in Sunglasses & Readers division
- Healthy Free Cash Flow[3] generation

Charenton-le-Pont, France (July 28, 2017 – 6:30 am) – The Board of Directors of Essilor International met yesterday to approve the financial statements for the six months ended June 30, 2017. The auditors have performed a limited review of the consolidated financial statements.

Financial Highlights

€ millions	**June 30, 2017** ***Adjusted[4]***	**June 30, 2016**	**Change %**	**June 30, 2017** ***Reported***
Revenue	**3,909**	**3,583**	+9.1%	3,909
Contribution from operations[2] *(% of revenue)*	**721** ***18.4%***	**677** ***18.9%***	+6.6%	720 *18.4%*
Operating profit	**670**	**646**	+3.7%	611
Profit attributable to equity holders	**433**	**416**	+4.0%	391
Earnings per share (*in €*)	**2.00**	**1.95**	+2.7%	1.81

The income statement as of June 30, 2017 is adjusted for expenses accounted for in the financial statements due to the proposed combination with Luxottica in the amount of €59m on operating profit and €42m on group net profit.

Commenting on these results, Hubert Sagnières, Chairman and Chief Executive Officer of Essilor, said: *"The first half of the year marks another step forward in our mission to eradicate poor vision around the globe. Worldwide demand for better vision continues to grow and the strength of our business model, based on innovation, acquisitions and partnerships was demonstrated through continued progression in our results. The vast unmet need for vision correction and protection translate to exciting mid to long term opportunities, despite a more challenging near term market environment linked to the announcement of Essilor's pending combination with Luxottica. We are in progress to finalize the agreement and are more confident and enthusiastic than ever about the opportunities ahead as we build the foundation for future growth."*

First-half operating highlights

Consolidated revenue amounted to €3,909 million in the first six months of 2017, an increase of 6.9% at constant exchange rates and 2.5% in like-for-like[1] terms. In line with previously announced expectations, adjusted[4] contribution from operations[2] amounted to 18.4% of revenue. Adjusted[4] earnings per share grew by 2.7%. Free cash flow[3] advanced 34% as reported and 13% excluding exceptional charges.

Performance for the first half was characterized by:

- ↗ Revenue growth in the Lenses & Optical Instruments division of 5.8% in constant currency, of which 2.7% like-for-like[1] growth, including:
  - Gains in North America where like-for-like sales growth accelerated from 2.3% in Q1 to 3.1% in Q2;
  - Resilient performance in Europe supported by the recent Eye Protect System™ and Varilux® X series™ launches;
  - An expansion of sales in fast growing markets dampened by a decline in Brazil;
  - A 14% increase in online sales;
- ↗ A decrease in like-for-like[1] sales for the Sunglasses & Readers division (-1.5%) alongside a 16.7% contribution from the perimeter effect mainly linked to the consolidation of Photosynthesis Group in China;
- ↗ A strong dynamic in the Equipment division;
- ↗ A more challenging market environment following the announcement of the proposed combination with Luxottica.

Outlook

For the rest of the year, Essilor expects sales growth to be driven by the deployment of innovation along with continuous development across its businesses. Nevertheless, in light of first-half dynamics, the Company now anticipates full-year revenue growth of between 6% and 7% in constant currency terms including around 3% on a like-for-like[1] basis. The adjusted[4] contribution from operations[2] is expected to be close to 18.5% of revenue.

Combination of Essilor and Luxottica

Essilor and Delfin, the majority shareholder of Luxottica Group, announced on January 16, 2017 the signing of an agreement designed to create an integrated global player in the eyewear industry with the combination of Essilor and Luxottica. The transaction is subject to satisfaction of several conditions precedent. In March, the transaction obtained the favorable opinions of Essilor’s employee representative bodies. On April 12, the AMF (*Autorité des Marché Financiers*) decided to waive Delfin's obligation to file a mandatory tender offer for Essilor’s shares. On May 11, Essilor shareholders convened for a general meeting and holders of double voting rights convened for a special meeting, approved the combination. Lastly, to date, Essilor and Luxottica have jointly filed with the antitrust authorities in several jurisdictions. The two companies’ shared objective in cooperation with the relevant authorities is to close the antitrust process around the end of the year (please refer to the news release issued on July 24, 2017).

A conference call in English will be held today at 10:30 a.m. CEST.

The meeting will be available live and may also be heard later at:

http://hosting.3sens.com/Essilor/20170728-31B87208/en/webcast/startup.php

Regulatory filings

The interim financial report is available at www.essilor.com, by clicking on:

https://www.essilor.com/en/investors/publications-and-downloads/

Forthcoming investor event

October 24, 2017: Third-quarter 2017 revenue.

Notes

1. **Like-for-like growth**: Growth at constant scope and exchange rates. See definition provided in Note 2.3 to the consolidated financial statements of the 2016 Registration Document.
2. **Contribution from operations**: Revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).
3. **Free cash flow**: Net cash from operating activities less purchases of property, plant and equipment and intangible assets, according to the IFRS consolidated cash flow statement.
4. **Adjusted** in 2017 for expenses accounted for in the financial statements as a result of the proposed combination with Luxottica.

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 mission is to improve lives by improving sight. To support this mission, Essilor allocates more than €200 million to research and innovation every year, in a commitment to continuously bring new, more effective products to market. Its flagship brands are Varilux®, Crizal®, Transitions®, Eyezen™, Xperio®, Foster Grant®, Bolon™ and Costa®. It also develops and markets equipment, instruments and services for eyecare professionals.

Essilor reported consolidated revenue of more than €7.1 billion in 2016 and employs approximately 64,000 people worldwide. It markets its products in more than 100 countries and has 33 plants, 490 prescription laboratories and edging facilities, as well as 5 research and development centers around the world (as of December 31, 2016). For more information, please visit https://www.essilor.com.

The Essilor share trades on the 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.

CONTACTS

Investor Relations	Corporate Communications	Media Relations
Véronique Gillet - Sébastien Leroy Ariel Bauer - Alex Kleban	Lucia Dumas	Maïlis Thiercelin
Tel.: +33 (0)1 49 77 42 16	Tel.: +33 (0)1 49 77 45 02	Tel.: +33 (0)1 49 77 45 02

MANAGEMENT REPORT

FIRST-HALF 2017 CONSOLIDATED REVENUE

€ millions	**H1 2017**	**H1 2016**	**Change (reported)**	**Change (like-for-like)**	**Change in the scope of consolidation**	**Currency effect**
Lenses & Optical Instruments	**3,382**	**3,129**	+8.1%	+2.7%	+3.1%	+2.3%
North America	***1,482***	***1,378***	*+7.5%*	*+2.7%*	*+1.7%*	*+3.1%*
Europe	***1,037***	***965***	*+7.5%*	*+2.1%*	*+5.8%*	*-0.4%*
Asia/Pacific/Middle East/Africa	***615***	***564***	*+9.0%*	*+5.0%*	*+1.9%*	*+2.1%*
Latin America	***248***	***222***	*+11.8%*	*-1.5%*	*+3.1%*	*+10.2%*
Sunglasses & Readers	**417**	**360**	+15.8%	-1.5%	+16.7%	+0.6%
Equipment	**110**	**94**	+17.1%	+11.7%	+3.0%	+2.5%
TOTAL	**3,909**	**3,583**	**+9.1%**	**+2.5%**	**+4.4%**	**+2.2%**

First-half 2017 revenue stood at €3,909 million, up 9.1% and 6.9% excluding currency effects.

- Like-for-like[1] growth reached 2.5%, reflecting a slight improvement between the first and second quarters as well as the following factors:
  - Revenue growth of 2.7% for the Lenses & Optical Instruments division, reflecting improved momentum in the United States, resilience in Europe, a solid trend in e-commerce and results in fast-growing countries impacted by a difficult environment in Brazil;
  - A modest revenue decline (-1.5%) for the Sunglasses & Readers division which delivered a mixed performance across regions and brands;
  - A solid performance from the Equipment division (+11.7%).
- Changes in the scope of consolidation (+4.4%) mainly comprised the impact of acquisitions made in 2016, with revenue from Photosynthesis Group in China and MyOptique Group in Europe representing the bulk.
- The currency effect (+2.2%) mainly reflected the appreciation in the US dollar, the Brazilian real and the Russian ruble as well as the sharp decline in the British pound relative to the euro, versus the first half 2016.

REVENUE BY BUSINESS AND BY REGION

Lenses & Optical Instruments

The Lenses & Optical Instruments division posted like-for-like[1] revenue growth of 2.7% in the first-half 2017.

Revenue rose by 2.7% like-for-like[1] in **North America**, reflecting an uptick in activity over the course of the first half.

The **US** Lenses business grew steadily over the period despite a lackluster sector environment. It benefited from the introduction of key strategic initiatives and the ongoing deployment of new offers for members of the alliance service platforms, Vision Source, PERC/IVA and Optiport, across independent eyecare professionals.

In its key account business, Essilor enjoyed sustained demand growth at accounts utilizing its integrated supply chain offerings and from increased exposure to faster-growing retail groups. Sales were also boosted by strong demand for higher value lens offerings in select accounts.

Sales of Transitions® lenses through the Group's distribution networks rose during the first half. However, they were unable to fully offset the ongoing decline in sales to other lens manufacturers which continued to weigh on overall results for North America.

Contact lens distribution activities performed well during the first half.

Lastly, first-half revenue in **Canada** was slightly up.

Revenue in **Europe** rose 2.1% like-for-like[1]. Despite a challenging start to the year, sales gradually gathered pace across all segments: prescription lenses, e-commerce and sales of instruments to opticians.

The Lenses business was buoyed by strong growth in Varilux®, Crizal® and Transitions® lens sales, and began to benefit from the progressive launches of Eye Protect System™ and Varilux® X series™ lenses during the first half. Sales to large optical chains saw modest growth. Results were better in some countries than others: **Scandinavia**, **Italy, Russia** and **Eastern Europe** all delivered solid gains while sales were down slightly in **France** and **Germany.**

Revenue in **Asia/Pacific/Middle East/Africa** rose 5.0% like-for-like[1] thanks to strong domestic trends in most fast-growing markets. Growth was hindered by economic difficulties in developed countries in the region and by weak exports.

In **China**, domestic sales rose further on the back of mid-range product lines, blue-light filtering lenses and Eyezen™, Crizal® and Varilux® brand lenses. On the other hand, business in **Hong Kong** and **Taiwan** was affected by economic sluggishness in those countries. Domestic sales in **India** returned to solid growth as Transitions® and Varilux® lenses, as well as entry-level products, gathered steam. **South Korea** delivered strong results thanks to progressive and photochromic lenses, while **Southeast Asia** benefited from the popularity of branded anti-reflective lenses. Momentum remained strong in **the Middle East, Turkey and Africa** in spite of declining sales in **Saudi Arabia**.

In **Latin America**, where first-half revenue declined 1.5% like-for-like[1], growth was strong in the Spanish-speaking countries, but this was not enough to offset a decline in Brazilian sales that accelerated in the second quarter due to a significant economic and political crisis.
Reduced consumer spending and a significant drop in household purchasing power affected the optical industry in **Brazil**. The Company's business was impacted by lower sales of high-end products, particularly Varilux® progressive lenses, though the decrease was partly offset by strong results from Transitions® photochromic lenses in the single-vision lens segment.
As for other countries, which now contribute more than half of revenues from the region, **Mexico**, **Columbia** and **Argentina** were the main drivers of a near-double-digit increase. The Kodak® lenses range also maintained its strong momentum across all these countries.

The e-commerce businesses delivered like-for-like[1] revenue growth of close to 14% in the first half, with momentum picking up between the first and second quarters. This strong growth was fuelled by robust sales of prescription glasses and contact lenses, and by the success of the Vision Direct™ business model in Europe and EyeBuyDirect™ in the United States. Clearly™ (United States and Canada) sales stabilized over the first half.

<u>Sunglasses & Readers</u>
At June 30, 2017, **Sunglasses & Readers** division revenue was down 1.5% like-for-like[1] after an improved second quarter. In North America, a positive sunwear season enabled FGX to return to satisfactory growth in the second quarter, making up for some of the shortfall in the first quarter. **Costa**® sales maintained robust momentum underpinned by geographic expansion as well as the diversification and development of its distribution networks. In Turkey, all the **Merve** brands delivered strong sales growth. In China, **Xiamen Yarui Optical** (Bolon™/Molsion™/Prosun™) posted disappointing results due to sharply lower revenue from the distributor and independent optician channels during the second quarter. This was mainly linked to very high inventories of Molsion™ brand products at distributors, and the emergence of new mono-brand-type distribution formats which, actually, favored **Photosynthesis Group** and its MJS and Aojo brands, acquired last year. Moreover, online sales, exports and the Bolon™ brand stores continued to see very rapid growth, a testament to the brand's strength.

<u>Equipment</u>
The **Equipment** division delivered like-for-like[1] revenue growth of 11.7%, fueled by robust new machine sales combined with slower growth in after-sales. Demand was particularly strong for the high-capacity equipment introduced late last year, especially the new VFT-Orbit 2™ digital generator and Multi-FLEX™ polisher. These machines were behind the surge in sales in Asia, continued momentum in Europe and the top-line re-acceleration in North America. Conversely, business in Latin America was depressed by Brazil's economic troubles.

SECOND-QUARTER 2017 CONSOLIDATED REVENUE

€ millions	**Q2 2017**	**Q2 2016**	**Change (reported)**	**Change (like-for-like)**	**Change in the scope of consolidation**	**Currency effect**
Lenses & Optical Instruments	**1,669**	**1,562**	+6.9%	+2.5%	+3.0%	+1.3%
North America	***715***	***668***	*+7.1%*	*+3.1%*	*+1.8%*	*+2.2%*
Europe	***529***	***495***	*+6.8%*	*+2.3%*	*+5.3%*	*-0.7%*
Asia/Pacific/ Middle East/Africa	***304***	***282***	*+8.0%*	*+4.7%*	*+2.0%*	*+1.3%*
Latin America	***121***	***117***	*+3.4%*	*-5.1%*	*+3.0%*	*+5.5%*
Sunglasses & Readers	**218**	**187**	+16.1%	-0.8%	+16.3%	+0.7%
Equipment	**60**	**50**	+19.4%	+15.5%	+1.7%	+2.2%
TOTAL	**1,947**	**1,799**	**+8.2%**	**+2.5%**	**+4.4%**	**+1.3%**

Second-quarter 2017 revenue stood at €1,947 million, up 8.2%. Despite a tougher industry environment linked to the reaction of some players to the announcement of the proposed combination with Luxottica, like-for-like[1] growth improved to 2.5% while changes in consolidation scope added 4.4%. The currency effect (+1.3%) mainly reflected US dollar appreciation, with variations in other currencies against the euro offsetting one other.

Second-quarter highlights were as follows:

- Lenses & Optical Instruments enjoyed a further uptick in North American growth and an improvement in Europe driven by new products launches;
- Results in fast-growing markets were dampened by the deteriorating situation in Brazil;
- Strong sales across all the portfolio brands for the Sunglasses & Readers division, except for the Xiamen Yarui Optical (Bolon™ and Molsion™/ Prosun™) brands;
- An outstanding performance in Equipment sales.

ACQUISITIONS AND PARTNERSHIPS

During the first half, Essilor pursued its strategy of forging local partnerships by acquiring majority stakes in **eight** companies representing aggregate full-year revenue of around **€85 million**.

North America

- In the **United States**, Essilor formed a partnership with **Partners In Vision, Inc.** and **Vision Associates, Inc.**, two service platforms for eye care professionals.

Europe

- In the **Netherlands**, the Company acquired a majority stake in **Optitrade Logistics Center** (OLC), the distribution platform of Optitrade, a purchasing alliance of around 650 optical stores in this country.

Asia/Pacific/Middle East/Africa

- In **India**, Essilor acquired a majority stake in **Mangalsons Optics PTE Ltd**, a distributor of plastic and glass lenses, sunglasses and prescription frames.
- Essilor increased its equity investment in the joint venture **Topcon Visioncare Japan** (TVJ) to 51%. TVJ is the distributor of Topcon’s optometry line and Essilor’s lens finishing line to opticians in **Japan**.
- In **Ethiopia**, a majority stake was purchased in **Sun Optical Technologies**, a prescription laboratory.
- In addition, **Creasky Optical**, the acquisition of which was announced in November 2016, was consolidated at the beginning of the year.

Latin America

- In **Brazil**, the Company acquired a majority stake in **Visolab Produtos Opticos Ltda**, a prescription laboratory located in the State of Sergipe.
- In **Guatemala**, the Company acquired a majority stake in **Opticas Exclusivas**, an integrated prescription laboratory operating around 50 optical stores.

CONDENSED STATEMENT OF INCOME

Reconciliation of adjusted[6] to reported accounts

€ millions	**H1 2017 Adjusted[6]**	Items adjusted	**H1 2017 Reported**	**H1 2016**
Revenue	3,909		3,909	3,583
Gross Profit	2,275		2,275	2,135
Contribution from operations[2]	721	(1)	720	677
Other income (expense)	(51)	(58)	(109)	(31)
Operating profit	670	(59)	611	646
Net profit	482	(42)	440	450
Attributable to equity holders of Essilor International	433	(42)	391	416
Earnings per share (*in €*)	2.00		1.81	1.95

The 2017 accounts are adjusted[6] for items related to the Company's combination with Luxottica including: (i) €1 million at the Contribution from operations[2] level; (ii) €58 million at the Other income (expense) level, leading to an adjusted Operating profit that is €59 million higher. After taking into account tax effects (€17 million), the adjusted Net profit attributable to equity holders of Essilor International amounts to €433 million.

Condensed adjusted[6] statement of income

€ millions	**H1 2017 Adjusted[6]**	**H1 2016**	**Change**
Revenue	3,909	3,583	+9.1%
Gross profit *(% of revenue)*	2,275 *58.2%*	2,135 *59.6%*	+6.6% --
Operating expenses	(1,554)	(1,458)	+6.6%
Contribution from operations[2] *(% of revenue)*	721 *18.4%*	677 *18.9%*	+6.6% --
Other income (expense)	(51)	(31)	--
Operating profit *(% of revenue)*	670 *17.1%*	646 *18.0%*	+3.7%
Financial income (expense), net	(32)	(37)	--
Income tax *Effective tax rate*	(156) *24.5%*	(159) *26.1%*	--
Net profit Attributable to equity holders of Essilor International *(% of revenue)*	482 433 *11.1%*	450 416 *11.6%*	+7.0% +4.0% --
Earnings per share (*in €*)	2.00	1.95	+2.7%

ADJUSTED[6] CONTRIBUTION FROM OPERATIONS: 18.4% OF REVENUE

Gross profit: up 6.6%

In the first half of 2017, gross profit (revenue less cost of sales) stood at €2,275 million, representing 58.2% of revenue, versus 59.6% in first-half 2016.

Despite an improved operating cost base, the decrease reflected an evolution in the channel mix which included fast-growing e-commerce activities and the increased weight of acquisitions integrated over the period.

Adjusted[6] operating expenses: up 6.6%

Adjusted[6] operating expenses amounted to €1,554 million for the period or 39.8% of revenue versus 40.7% in first-half 2016.

They primarily comprised:

- €110 million in R&D and engineering costs, versus €108 million in first-half 2016.
- €956 million in selling and distribution costs, versus €892 million in first-half 2016.

Adjusted[6] contribution from operations[2]

Adjusted[6] contribution from operations[2] rose by 6.6% to €721 million in the first half. However, adjusted[6] contribution from operations[2] as a percentage of revenue narrowed from 18.9% in first-half 2016 to 18.4%, which was nonetheless higher than in the second half of 2016 (18.3% of revenue).

"Other income and expenses from operations" together represented a net adjusted[6] expense of €51 million versus €31 million in first-half 2016 which had benefited from an €8 million gain linked to the sale of a real estate asset. These items mainly covered:

- Charges to restructuring provisions totaling €14 million, including the closure of the Transitions Optical site in Florida in the United States
- Compensation costs for share-based payments totaling €30 million
- The costs associated with the final settlement of the litigation between Transitions Optical and the previous owner of the Vision Ease lens caster.

As a result, adjusted operating income[6] amounted to €670 million, an increase of 3.7% and representing 17.1% of revenue.

Finance costs and other financial income and expenses, net

This item came out at a net cost of €32 million, down from a net cost of €37 million in first-half 2016. This decrease reflects a slight reduction in the cost of debt and a modest gain on currency hedging transactions.

Adjusted[6] profit attributable to equity holders up 4.0% to €433 million

Adjusted[6] profit attributable to equity holders of Essilor International is stated after:

- €156 million in adjusted[6] income tax expense, representing an effective tax rate of 24.5% compared with 26.1% in the year ended June 30, 2016. The decrease in the tax rate was mainly attributable to the application of the APA agreement on royalties signed in 2016 between the French and US tax authorities.
- €49 million in non-controlling interests. This €15 million increase versus first-half 2016 is linked notably to Photosynthesis Group, a company consolidated in late 2016 in which the group holds a 50% stake, and good performance from the Company's partners in the United States.

Due to the increase in the number of shares, linked notably to the payment of a substantial portion of the 2015 dividend in shares, adjusted[6] earnings per share showed slower growth than adjusted[6] net profit (+2.7%), ending the period at €2.00.

BALANCE SHEET AND CASH FLOW STATEMENT

FREE CASH FLOW[5] UP 34%

Free cash flow[5] increased by 34% to €331 million. Excluding certain non-recurring items, i.e. the payment of a fine to the German competition authority in 2016 and the settlement of the litigation between the Company and Vision Ease during the first half of 2017, free cash flow[5] increased by 13%.

Capital expenditure and investments

Purchases of property, plant and equipment and intangible assets amounted to €125 million over the six months to June 30, 2017 and mainly involved industrial investment to support the Company's growth.

Change in working capital requirement

The working capital requirement rose by €259 million over the six months to end June 2017, principally due to the usual seasonality effects in the Lenses & Optical Instruments business.

Operating cash flow[4]

Operating cash flow[4] stood at €715 million compared with €625 million at June 30, 2016. This included the settlement of the Company's litigation with Vision Ease.

Net debt

At June 30, Essilor's net debt stood at €2,244 million, i.e. 1.3 times the Company's 12-month EBITDA.

Cash flow statement

€ millions

Net cash from operations (before change in WCR[(a)])	715	Change in WCR[(a)]	259
Proceeds from share issues	4	Capital expenditure	125
Change in net debt	182	Dividends	350
Other[(b)]	109	Acquisition of investments, net of disposals[(c)]	276

(a) Working capital requirement.
(b) Other items include the positive €97 million currency effect.
(c) Financial investments net of cash acquired, plus debt of newly-consolidated companies.

OTHER SIGNIFICANT EVENTS DURING THE FIRST HALF

Combination of Essilor and Luxottica

Essilor and Delfin, the majority shareholder of Luxottica Group, announced on January 16, 2017 the signing of an agreement designed to create an integrated global player in the eyewear industry with the combination of Essilor and Luxottica. The transaction is subject to satisfaction of several conditions precedent.

In March, the transaction obtained the favorable opinions of the employee representative bodies. On April 12, the AMF (*Autorité des Marchés Financiers*) decided to waive Delfin's obligation to file a mandatory tender offer for Essilor's shares. On May 11, Essilor shareholders convened for a general meeting and holders of double voting rights convened for a special meeting approved the combination. Lastly, to date, Essilor and Luxottica have jointly filed with the antitrust authorities in several jurisdictions. The two companies' shared objective in cooperation with the relevant authorities is to close the antitrust process around the end of the year (please refer to the news release issued on July 24, 2017).

APPENDIX 1

ESSILOR INTERNATIONAL REPORTED STATEMENT OF INCOME

€ millions	**H1 2017 Reported**	**H1 2016 Reported**	**Change**
Revenue	3,909	3,583	+9.1%
Gross profit *(% of revenue)*	2,275 *58.2%*	2,135 *59.6%*	+6.6% --
Operating expenses	(1,555)	(1,458)	+6.7%
Contribution from operations *(% of revenue)*	720 *18.4%*	677 *18.9%*	+6.4% --
Other income (expense)	(109)	(31)	--
Operating profit *(% of revenue)*	611 *15.6%*	646 *18.0%*	-5.5%
Financial income (expense), net	(32)	(37)	--
Income tax *Effective tax rate*	(139) *24.0%*	(159) *26.1%*	--
Net profit Attributable to equity holders of Essilor International *(% of revenue)*	440 391 *10.0%*	450 416 *11.6%*	-2.3% -6.1% --
Earnings per share (*in €*)	1.81	1.95	-7.2%

APPENDIX 2

CONSOLIDATED REVENUE BY QUARTER

€ millions	2017	2016
First Quarter		
Lenses & Optical Instruments	**1,713**	1,567
North America	***767***	*710*
Europe	***508***	*470*
Asia/Pacific/Middle East/Africa	***311***	*283*
Latin America	***127***	*104*
Sunglasses & Readers	**199**	173
Equipment	**50**	44
TOTAL First Quarter	**1,962**	**1,784**
Second Quarter		
Lenses & Optical Instruments	**1,669**	1,562
North America	***715***	*668*
Europe	***529***	*495*
Asia/Pacific/Middle East/Africa	***304***	*282*
Latin America	***121***	*117*
Sunglasses & Readers	**218**	187
Equipment	**60**	50
TOTAL Second Quarter	**1,947**	**1,799**
Third Quarter		
Lenses & Optical Instruments		1,541
North America		*671*
Europe		*461*
Asia/Pacific/Middle East/Africa		*288*
Latin America		*121*
Sunglasses & Readers		132
Equipment		50
TOTAL Third Quarter		**1,723**
Fourth Quarter		
Lenses & Optical Instruments		1,549
North America		*657*
Europe		*480*
Asia/Pacific/Middle East/Africa		*286*
Latin America		*126*
Sunglasses & Readers		192
Equipment		68
TOTAL Fourth Quarter		**1,809**

RISK FACTORS

Risk factors are similar to those presented in section 1.6 (pages 27 to 33) of the 2016 Registration Document and section 3.3 (pages 81 to 90) of the Document E (information document relating to the issuance of ordinary share in consideration for the contribution in kind of Luxottica shares) and did not change significantly during the first half of 2017. Litigation risks are described in note 13 to the first-half condensed consolidated financial statements.

NOTES

1. **Like-for-like growth**: Growth at constant scope and exchange rates. See definition provided in Note 2.3 to the consolidated financial statements in the 2016 Registration Document.
2. **Contribution from operations**: Revenue less cost of sales and operating expenses (research and development costs, selling and distribution costs and other operating expenses).
3. **Bolt-on acquisitions**: Local acquisitions or partnerships.
4. **Operating cash flow**: Net cash from operating activities before working capital requirement.
5. **Free cash flow**: Net cash from operating activities less purchases of property, plant and equipment and intangible assets, according to the IFRS consolidated cash flow statement.
6. **Adjusted** in 2017 for expenses accounted for in the financial statements in the context of the proposed combination with Luxottica.