

LUXOTTICA GROUP SPA  
Form 6-K  
February 15, 2005

## **FORM 6-K**

# **SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**REPORT OF FOREIGN PRIVATE ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

February 15, 2005

COMMISSION FILE NO. 1 - 10421

**LUXOTTICA GROUP S.p.A.**

**VIA CANTÙ 2, MILAN, 20123 ITALY**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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*Set forth below is the text of a press release issued on February 15, 2005.*

***Luxottica Group Net Sales for Fiscal Year 2004***

***Up Year-Over-Year by 14.1 percent***

**Milan, Italy - February 15, 2005 - Luxottica Group S.p.A. (NYSE: LUX; MTA: LUX)**, global leader in the eyewear sector, today announced consolidated U.S. GAAP results for the three- and twelve-month periods ended December 31, 2004. Consolidated results for the quarter and the full year include the consolidation of the Cole National business as of October 4, 2004.

**Consolidated financial highlights**

**Fiscal Year 2004**

**Sales: 3,223.9 million (+14.1%, +21.6% assuming constant exchange rates(1))**

- Retail sales: 2,315.8 million (+15.7%); Retail comparable store sales(2): +4.2%
- Wholesale sales: 1,094.3 million (+10.0%)

**Operating income: 492.8 million (+14.1%); Operating margin: 15.3%**

- Retail operating income: 310.3 million (+15.0%); Retail Operating margin: 13.4%
- Wholesale operating income: 233.1 million (+22.0%); Wholesale operating margin: 21.3%

**Net income: 286.9 million (+7.3%); Net margin: 8.9%**

**Earnings per share: 0.64 (US\$0.80 per ADS)**

**Fourth quarter of 2004**

**Sales: 941.7 million (+31.0%,+41.7% assuming constant exchange rates(3))**

- Retail sales: 730.1 million (+37.3%); Retail comparable store sales(4): +4.1%
- Wholesale sales: 258.2 million (+16.7%)

**Operating income: 104.5 million (+5.5%); Operating margin: 11.1%**

- Retail operating income: 74.4 million (+25.0%); Retail operating margin: 10.2%
- Wholesale operating income: 45.4 million (+20.6%); Wholesale operating margin: 17.6%

**Net income: 59.8 million (+0.2%); Net margin: 6.3%**

**Earnings per share: 0.13 (US\$0.17 per ADS)**

Andrea Guerra, chief executive officer of Luxottica Group, commented: This was a particularly strong year for our entire organization, both in retail and wholesale. All our optical and sun retail brands, from LensCrafters to Sunglass Hut to OPSM Group, performed well above industry trends, especially in terms of profitability. In wholesale, our strong fashion and house brands, which include Ray-Ban, the best-selling sun and prescription brand in the world, continued to strengthen their position in key markets worldwide, testifying to the overall strength of our portfolio. Within this context, wholesale sales to third parties rose by 13.2 percent, reflecting an improvement in the trend for the year.

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During the final quarter of the year, from a retail perspective in North America we focused on the integration of the important Cole National business, the success of which is key for our Group. As of today, all is on track with no surprises.

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Strong free cash flow generation was once again one of the main highlights of Luxottica Group results. In fact, consolidated net outstanding debt as of December 31, 2004, was 1,711.3 million, compared with 1,470.4 million as of December 31, 2003, reflecting a net increase of 240.9 million. This result included a total consideration of approximately 600 million for the Cole National acquisition as well as 95.5 million in dividend paid.

For the full year, the tax rate was 35.4 percent, compared with a tax rate of 30.1 percent for fiscal year 2003.

### **Forecast for fiscal year 2005**

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Luxottica Group, based on a 1 = US\$1.30 average exchange rate for the full year and an expected tax rate of between 37 percent and 40 percent, forecasts the following results for fiscal year 2005:

Sales: from 4,000 million to 4,150 million

Earnings per share: from 0.68 to 0.70 (earnings per ADS from US\$0.88 to US\$0.91)

Net debt/EBITDA: from 2.0x to 2.2x(5)

Luxottica Group's consolidated results for the fourth quarter and fiscal year 2004 were approved today by its Board of Directors.

### **About Luxottica Group S.p.A.**

Luxottica Group is the world leader in the design, manufacture, marketing and distribution of prescription frames and sunglasses in mid- and premium-priced categories. The Group's products are designed and manufactured in its six facilities in Italy and one in the People's Republic of China. The lines manufactured by Luxottica Group include over 2,450 styles in a wide array of colors and sizes and are sold through 21 wholly-owned subsidiaries in the United States, Canada, Italy, France, Spain, Portugal, Sweden, Germany, the United Kingdom, Brazil, Switzerland, Mexico, Belgium, Argentina, South Africa, Finland, Austria, Norway, Japan, Australia and Poland; one 75%-owned subsidiary in Israel; a 70%-owned subsidiary in Greece; three 51%-owned subsidiaries in the Netherlands, Turkey and Singapore, one 49%-owned subsidiary in the United Arab Emirates and one 44%-owned subsidiary in India. In October 2004, Luxottica Group acquired Cole National Corporation, one of the largest U.S. optical retailers, operating more than 2,100 retail locations through Pearle Vision, Sears Optical, Target Optical and BJ's Optical, and a leading provider of managed vision care services through Cole National Managed Vision. Prior to that, in September 2003 the Group acquired control of OPSM Group, the leading eyewear retailer in Australia, and, in March 2001, Sunglass Hut International, a leading sunglass retailer with approximately 1,900 stores worldwide. This followed the acquisitions of the Bausch & Lomb sunglass business, which includes the prestigious Ray-Ban®, Revo®, Arnette™ and Killer Loop® brands, in June 1999, and LensCrafters, the largest optical retail chain in North America, in May 1995. For fiscal 2004, Luxottica Group posted net sales and net income respectively of 3,223.9 and 286.9 million. Additional information on the company is available on the web at [www.luxottica.com](http://www.luxottica.com).

### **Safe Harbor Statement**

Certain statements in this press release may constitute forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such statements involve risks,

uncertainties and other factors that could cause actual results to differ materially from those which are anticipated. Such risks and uncertainties include, but are not limited to, fluctuations in exchange rates, economic and weather factors affecting consumer spending, the ability to successfully introduce and market new products, the ability to successfully launch initiatives to increase sales and reduce costs, the availability of correction alternatives to prescription eyeglasses, the ability to effectively integrate recently acquired businesses, including Cole National, risks that expected synergies from the acquisition of Cole National will not be realized as planned and that the combination of Luxottica Group's managed vision care business with Cole National will not be as successful as planned, as well as other political, economic and technological factors and other risks referred to in Luxottica Group's filings with the U.S. Securities and Exchange Commission. These forward-looking statements are made as of the date hereof and Luxottica Group does not assume any obligation to update them.

## **Contacts**

### **Luxottica Group S.p.A.**

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## **- TABLES TO FOLLOW -**

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(1) Excludes the impact of fluctuations in currency exchange rates in the translation of operating results into Euro. See notes to attached tables for more information.

(2) Comparable store sales are intended as sales that, for comparison purposes, are normalized by using in the calculation only stores open during the comparable period the previous year, the same exchange rates and the same consolidation area.

(3) Excludes the impact of fluctuations in currency exchange rates in the translation of operating results into Euro. See notes to attached tables for more information.



(4) Comparable store sales are intended as sales that, for comparison purposes, are normalized by using in the calculation only stores open during the comparable period the previous year, the same exchange rates and the same consolidation area.

(5) The ratio of net debt to EBITDA is not a measure of performance under accounting principles generally accepted in the United States (U.S. GAAP). See notes to attached tables for more information.

## LUXOTTICA GROUP

**CONSOLIDATED FINANCIAL HIGHLIGHTS  
FOR THE THREE-MONTH PERIODS ENDED  
DECEMBER 31, 2004 AND DECEMBER 31, 2003**

**KEY FIGURES IN THOUSANDS OF EURO (4)**

|   | 2004           | 2003           | % Change     |
|---|----------------|----------------|--------------|
| <b>NET SALES</b>                                  | <b>941,651</b> | <b>718,682</b> | <b>31.0%</b> |
| <b>NET INCOME</b>                                 | <b>59,756</b>  | <b>59,613</b>  | <b>0.2%</b>  |
| <b>EARNINGS PER SHARE (ADS) (2)</b>               | <b>0.13</b>    | <b>0.13</b>    |              |
| <b>FULLY DILUTED EARNINGS PER SHARE (ADS) (3)</b> | <b>0.13</b>    | <b>0.13</b>    |              |

**KEY FIGURES IN THOUSANDS OF U.S. DOLLARS (1) (4)**

|   | 2004             | 2003           | % Change     |
|---|------------------|----------------|--------------|
| <b>NET SALES</b>                                  | <b>1,221,133</b> | <b>853,938</b> | <b>43.0%</b> |
| <b>NET INCOME</b>                                 | <b>77,491</b>    | <b>70,832</b>  | <b>9.4%</b>  |
| <b>EARNINGS PER SHARE (ADS) (2)</b>               | <b>0.17</b>      | <b>0.16</b>    |              |
| <b>FULLY DILUTED EARNINGS PER SHARE (ADS) (3)</b> | <b>0.17</b>      | <b>0.16</b>    |              |

**Notes :**

|  | 2004               | 2003               |
|--|--------------------|--------------------|
| <b>(1) Average exchange rate (in U.S. Dollars per Euro)</b>  | <b>1.2968</b>      | <b>1.1882</b>      |
| <b>(2) Weighted average number of outstanding shares</b>   | <b>448,611,400</b> | <b>447,989,477</b> |
| <b>(3) Fully diluted average number of shares</b>  | <b>451,054,240</b> | <b>450,098,499</b> |
| <b>(4) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively</b> |                    |                    |

## LUXOTTICA GROUP

**CONSOLIDATED FINANCIAL HIGHLIGHTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2004 AND DECEMBER 31, 2003**

**KEY FIGURES IN THOUSANDS OF EURO (4)**

|   | 2004      | 2003      | % Change |
|---|-----------|-----------|----------|
| <b>NET SALES</b>                                  | 3,223,896 | 2,824,636 | 14.1 %   |
| <b>NET INCOME</b>                                 | 286,874   | 267,343   | 7.3 %    |
| <b>EARNINGS PER SHARE (ADS) (2)</b>               | 0.64      | 0.60      |          |
| <b>FULLY DILUTED EARNINGS PER SHARE (ADS) (3)</b> | 0.64      | 0.59      |          |

**KEY FIGURES IN THOUSANDS OF U.S. DOLLARS (1) (4)**

|   | 2004      | 2003      | % Change |
|---|-----------|-----------|----------|
| <b>NET SALES</b>                                  | 4,008,915 | 3,193,816 | 25.5 %   |
| <b>NET INCOME</b>                                 | 356,728   | 302,285   | 18.0 %   |
| <b>EARNINGS PER SHARE (ADS) (2)</b>               | 0.80      | 0.67      |          |
| <b>FULLY DILUTED EARNINGS PER SHARE (ADS) (3)</b> | 0.79      | 0.67      |          |

**Notes :**

|   | 2004        | 2003        |
|---|-------------|-------------|
| (1) Average exchange rate (in U.S. Dollars per Euro)  | 1.2435      | 1.1307      |
| (2) Weighted average number of outstanding shares   | 448,275,028 | 448,664,413 |
| (3) Fully diluted average number of shares  | 450,360,942 | 450,202,173 |
| (4) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively |             |             |

## LUXOTTICA GROUP

**CONSOLIDATED INCOME STATEMENT  
FOR THE THREE-MONTH PERIODS ENDED  
DECEMBER 31, 2004 AND DECEMBER 31, 2003**

| In thousands of Euro (1)  | 4Q04               | % of sales    | 4Q03               | % of sales    | % Change     |
|---|--------------------|---------------|--------------------|---------------|--------------|
| <b>NET SALES</b>  | <b>941,651</b>     | <b>100.0%</b> | <b>718,682</b>     | <b>100.0%</b> | <b>31.0%</b> |
| COST OF SALES   | (315,738)          |               | (225,483)          |               |              |
| <b>GROSS PROFIT</b>   | <b>625,913</b>     | <b>66.5%</b>  | <b>493,199</b>     | <b>68.6%</b>  | <b>26.9%</b> |
| <i>OPERATING EXPENSES:</i>  |                    |               |                    |               |              |
| SELLING EXPENSES  | (351,131)          |               | (271,928)          |               |              |
| ROYALTIES   | (13,275)           |               | (9,104)            |               |              |
| ADVERTISING EXPENSES  | (50,720)           |               | (41,691)           |               |              |
| GENERAL AND ADMINISTRATIVE EXPENSES   | (93,106)           |               | (61,286)           |               |              |
| TRADEMARK AMORTIZATION  | (13,155)           |               | (10,077)           |               |              |
| <b>TOTAL</b>  | <b>(521,387)</b>   |               | <b>(394,085)</b>   |               |              |
| <b>OPERATING INCOME</b>   | <b>104,526</b>     | <b>11.1%</b>  | <b>99,114</b>      | <b>13.8%</b>  | <b>5.5%</b>  |
| <i>OTHER INCOME (EXPENSE):</i>  |                    |               |                    |               |              |
| INTEREST EXPENSES   | (18,657)           |               | (12,059)           |               |              |
| INTEREST INCOME   | 2,102              |               | 2,122              |               |              |
| OTHER - NET   | 11,415             |               | (1,959)            |               |              |
| <b>OTHER INCOME (EXPENSES) NET</b>  | <b>(5,140)</b>     |               | <b>(11,895)</b>    |               |              |
| <b>INCOME BEFORE PROVISION FOR INCOME TAXES</b>                               | <b>99,386</b>      | <b>10.6%</b>  | <b>87,219</b>      | <b>12.1%</b>  | <b>13.9%</b> |
| PROVISION FOR INCOME TAXES  | (37,632)           |               | (26,490)           |               |              |
| <b>INCOME BEFORE MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES</b> | <b>61,754</b>      |               | <b>60,729</b>      |               |              |
| MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES                      | (1,998)            |               | (1,117)            |               |              |
| <b>NET INCOME</b>   | <b>59,756</b>      | <b>6.3%</b>   | <b>59,613</b>      | <b>8.3%</b>   | <b>0.2%</b>  |
| <b>EARNINGS PER SHARE (ADS)(1)</b>  | <b>0.13</b>        |               | <b>0.13</b>        |               |              |
| FULLY DILUTED EARNINGS PER SHARE (ADS)(1)                                     | 0.13               |               | 0.13               |               |              |
| <b>WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES</b>                          | <b>448,611,400</b> |               | <b>447,989,477</b> |               |              |
| FULLY DILUTED AVERAGE NUMBER OF SHARES  | 451,054,240        |               | 450,098,499        |               |              |

**Notes :**

(1) Except earnings per share (ADS), which are expressed in Euro

## LUXOTTICA GROUP

## CONSOLIDATED INCOME STATEMENT

## FOR THE YEARS ENDED

## DECEMBER 31, 2004 AND DECEMBER 31, 2003

| In thousands of Euro (1)  | 2004               | % of sales    | 2003               | % of sales    | % Change     |
|---|--------------------|---------------|--------------------|---------------|--------------|
| <b>NET SALES</b>  | <b>3,223,896</b>   | <b>100.0%</b> | <b>2,824,636</b>   | <b>100.0%</b> | <b>14.1%</b> |
| COST OF SALES   | (1,010,793)        |               | (878,340)          |               |              |
| <b>GROSS PROFIT</b>   | <b>2,213,103</b>   | <b>68.6%</b>  | <b>1,946,296</b>   | <b>68.9%</b>  | <b>13.7%</b> |
| <i>OPERATING EXPENSES:</i>  |                    |               |                    |               |              |
| SELLING EXPENSES  | (1,125,942)        |               | (1,008,687)        |               |              |
| ROYALTIES   | (51,002)           |               | (41,537)           |               |              |
| ADVERTISING EXPENSES  | (198,102)          |               | (183,252)          |               |              |
| GENERAL AND ADMINISTRATIVE EXPENSES   | (300,095)          |               | (243,717)          |               |              |
| TRADEMARK AMORTIZATION  | (45,148)           |               | (37,316)           |               |              |
| <b>TOTAL</b>  | <b>(1,720,289)</b> |               | <b>(1,514,509)</b> |               |              |
| <b>OPERATING INCOME</b>   | <b>492,814</b>     | <b>15.3%</b>  | <b>431,787</b>     | <b>15.3%</b>  | <b>14.1%</b> |
| <i>OTHER INCOME (EXPENSE):</i>  |                    |               |                    |               |              |
| INTEREST EXPENSES   | (56,115)           |               | (47,117)           |               |              |
| INTEREST INCOME   | 6,662              |               | 5,922              |               |              |
| OTHER - NET   | 13,792             |               | (799)              |               |              |
| <b>OTHER INCOME (EXPENSES) NET</b>  | <b>(35,661)</b>    |               | <b>(41,994)</b>    |               |              |
| <b>INCOME BEFORE PROVISION FOR INCOME TAXES</b>                               |                    |               |                    |               |              |
| <b>TAXES</b>  | <b>457,153</b>     | <b>14.2%</b>  | <b>389,793</b>     | <b>13.8%</b>  | <b>17.3%</b> |
| PROVISION FOR INCOME TAXES  | (161,665)          |               | (117,328)          |               |              |
| <b>INCOME BEFORE MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES</b> | <b>295,488</b>     |               | <b>272,465</b>     |               |              |
| MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES                      | (8,614)            |               | (5,122)            |               |              |
| <b>NET INCOME</b>   | <b>286,874</b>     | <b>8.9%</b>   | <b>267,343</b>     | <b>9.5%</b>   | <b>7.3%</b>  |
| <b>EARNINGS PER SHARE (ADS) (1)</b>   | <b>0.64</b>        |               | <b>0.60</b>        |               |              |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (1)                                    | 0.64               |               | 0.59               |               |              |
| <b>WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES</b>                          |                    |               |                    |               |              |
| <b>OUTSTANDING SHARES</b>   | <b>448,275,028</b> |               | <b>448,664,413</b> |               |              |
| FULLY DILUTED AVERAGE NUMBER OF SHARES  | <b>450,360,942</b> |               | <b>450,202,173</b> |               |              |

## Notes :

(1) Except earnings per share (ADS), which are expressed in Euro

## LUXOTTICA GROUP

## CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 2004, AND DECEMBER 31, 2003

| In thousands of Euro   | December 31,<br>2004 | December 31,<br>2003 |
|--|----------------------|----------------------|
| <i>CURRENT ASSETS:</i>   |                      |                      |
| CASH   | 257,349              | 299,937              |
| ACCOUNTS RECEIVABLE  | 406,437              | 353,516              |
| SALES AND INCOME TAXES RECEIVABLE  | 33,120               | 34,259               |
| INVENTORIES  | 433,158              | 404,216              |
| PREPAID EXPENSES AND OTHER   | 69,149               | 50,714               |
| DEFERRED TAX ASSETS - CURRENT  | 104,508              | 124,451              |
| <b>TOTAL CURRENT ASSETS</b>  | <b>1,303,723</b>     | <b>1,267,093</b>     |
| <b>PROPERTY, PLANT AND EQUIPMENT - NET</b>   | <b>599,245</b>       | <b>497,435</b>       |
| <i>OTHER ASSETS</i>  |                      |                      |
| INTANGIBLE ASSETS - NET  | 2,473,053            | 2,093,612            |
| INVESTMENTS  | 156,988              | 13,055               |
| OTHER ASSETS   | 23,040               | 41,476               |
| SALES AND INCOME TAXES RECEIVABLES   | 9                    | 5                    |
| <b>TOTAL OTHER ASSETS</b>  | <b>2,653,089</b>     | <b>2,148,148</b>     |
| <b>TOTAL</b>   | <b>4,556,057</b>     | <b>3,912,676</b>     |
| <i>CURRENT LIABILITIES:</i>  |                      |                      |
| BANK OVERDRAFTS  | 289,459              | 516,905              |
| CURRENT PORTION OF LONG-TERM DEBT  | 404,317              | 390,935              |
| ACCOUNTS PAYABLE   | 222,550              | 178,616              |
| ACCRUED EXPENSES AND OTHER   | 378,902              | 218,388              |
| ACCRUAL FOR CUSTOMERS' RIGHT OF RETURN   | 8,802                | 7,423                |
| INCOME TAXES PAYABLE   | 12,721               | 11,011               |
| <b>TOTAL CURRENT LIABILITIES</b>   | <b>1,316,753</b>     | <b>1,323,278</b>     |
| <i>LONG TERM LIABILITIES:</i>  |                      |                      |
| LONG TERM DEBT   | 1,274,905            | 862,492              |
| LIABILITY FOR TERMINATION INDEMNITIES  | 52,656               | 47,241               |
| DEFERRED TAX LIABILITIES - NON CURRENT   | 215,891              | 161,102              |
| OTHER  | 176,486              | 124,157              |
| <b>TOTAL LONG TERM LIABILITIES</b>   | <b>1,719,938</b>     | <b>1,194,992</b>     |
| <i>COMMITMENTS AND CONTINGENCY:</i>  |                      |                      |
| <b>MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES</b>                             | <b>23,760</b>        | <b>19,872</b>        |
| <i>SHAREHOLDERS' EQUITY:</i>   |                      |                      |
| 455,205,473 ORDINARY SHARES AUTHORIZED AND ISSUED - 448,770,687 SHARES OUTSTANDING | 27,312               | 27,269               |
| NET INCOME   | 286,874              | 267,343              |
| RETAINED EARNINGS  | 1,181,421            | 1,079,922            |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>  | <b>1,495,607</b>     | <b>1,374,534</b>     |

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|              |                  |                  |
|--------------|------------------|------------------|
| <b>TOTAL</b> | <b>4,556,057</b> | <b>3,912,676</b> |
|--------------|------------------|------------------|

**LUXOTTICA GROUP**  
**CONSOLIDATED FINANCIAL HIGHLIGHTS**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2004, AND DECEMBER 31, 2003**

- SEGMENTAL INFORMATION -

| In thousands of Euro                  | Manufacturing<br>and<br>Wholesale | Retail              | Retail<br>(in thousand of<br>U.S. Dollars) | Inter-Segments<br>Transaction and<br>Corporate Adj. | Consolidated         |
|---------------------------------------|-----------------------------------|---------------------|--|---|----------------------|
| <b>2004</b>                           |                                   |                     |  |   |                      |
| Net Sales                             | 1,094,298                         | 2,315,783           | 2,892,712                                  | (186,185)   | 3,223,896            |
| EBITDA                                | 280,785                           | 389,903             | 486,263                                    | (25,123)  | 645,564              |
| <i>% of sales</i>                     | <i>25.7%</i>                      | <i>16.8%</i>        |  |   | <i>20.0%</i>         |
| Operating income                      | 233,129                           | 310,340             | 386,857                                    | (50,655)  | 492,814              |
| <i>% of sales</i>                     | <i>21.3%</i>                      | <i>13.4%</i>        |  |   | <i>15.3%</i>         |
| Capital Expenditure                   | 31,367                            | 86,053              | 107,181                                    |   | 117,420              |
| Depreciation & Amortization<br>Assets | 47,656<br>1,566,086               | 79,563<br>1,211,781 | 99,406<br>1,640,509                        | 25,532<br>1,778,191                                 | 152,750<br>4,556,057 |
| <b>2003 As reported</b>               |                                   |                     |  |   |                      |
| Net Sales                             | 995,109                           | 2,002,264           | 2,263,960                                  | (172,737)   | 2,824,636            |
| EBITDA                                | 236,324                           | 338,456             | 382,692                                    | (8,154)   | 566,626              |
| <i>% of sales</i>                     | <i>23.7%</i>                      | <i>16.9%</i>        |  |   | <i>20.1%</i>         |
| Operating income                      | 191,116                           | 269,851             | 305,120                                    | (29,180)  | 431,787              |
| <i>% of sales</i>                     | <i>19.2%</i>                      | <i>13.5%</i>        |  |   | <i>15.3%</i>         |
| Capital Expenditure                   | 23,580                            | 57,708              | 65,250                                     |   | 81,288               |
| Depreciation & Amortization<br>Assets | 45,208<br>1,528,074               | 68,606<br>876,661   | 77,573<br>1,104,329                        | 21,026<br>1,507,941                                 | 134,840<br>3,912,676 |
| <b>2003 As adjusted (1)</b>           |                                   |                     |  |   |                      |
| Net Sales                             | 995,109                           | 2,432,255           | 2,765,475                                  | (174,080)   | 3,253,284            |
| EBITDA                                | 236,324                           | 376,625             | 427,085                                    | (8,155)   | 604,795              |
| <i>% of sales</i>                     | <i>23.7%</i>                      | <i>15.5%</i>        |  |   | <i>18.6%</i>         |
| Operating income                      | 191,116                           | 291,418             | 330,113                                    | (35,511)  | 447,023              |
| <i>% of sales</i>                     | <i>19.2%</i>                      | <i>12.0%</i>        |  |   | <i>13.7%</i>         |
| Depreciation & Amortization           | 45,208                            | 85,207              | 96,972                                     | 27,357  | 157,772              |

**Notes :**

(1) **These consolidated adjusted amounts are a non-GAAP measurement. The company has included this measurement to give comparative information for the two periods discussed, aligning the consolidation periods**



**of OPSM Group and Cole National for both years 2003 and 2004. They reflect the consolidation of OPSM Group results for the entire year ended December 31, 2003 (as it is in 2004) and the consolidation of Cole National results for the last three months of 2003 (as it is in 2004). This information does not purport to be indicative of the actual result that would have been achieved had the OPSM Group acquisition been completed as of January 1, 2003, and the Cole National acquisition been completed as of October 4, 2003.**

## LUXOTTICA GROUP

## NON-GAAP COMPARISON OF CONSOLIDATED NET SALES

FOR THE THREE-MONTH PERIODS AND THE YEARS ENDED DECEMBER 31, 2004,

AND DECEMBER 31, 2003, ASSUMING CONSTANT EXCHANGE RATES

| In million of Euro                | 4Q 2003<br>U.S. GAAP<br>results | 4Q 2004<br>U.S. GAAP<br>results | Adjustment<br>for constant<br>exchange rates | 4Q 2004<br>adjusted<br>results |
|-----------------------------------|---------------------------------|---------------------------------|--|--------------------------------|
| Consolidated net sales            | 718.7                           | 941.7                           | 76.4   | 1,018.1                        |
| Manufacturing/wholesale net sales | 221.2                           | 258.2                           | 7.8  | 266.0                          |
| Retail net sales                  | 531.8                           | 730.1                           | 72.1   | 802.2                          |

| In million of Euro                | 12M 2003<br>U.S. GAAP<br>results | 12M 2004<br>U.S. GAAP<br>results | Adjustment<br>for constant<br>exchange rates | 12M 2004<br>adjusted<br>results |
|-----------------------------------|----------------------------------|----------------------------------|--|---------------------------------|
| Consolidated net sales            | 2,824.6                          | 3,223.9                          | 209.9  | 3,433.8                         |
| Manufacturing/wholesale net sales | 995.1                            | 1,094.3                          | 33.0   | 1,127.3                         |
| Retail net sales                  | 2,002.3                          | 2,315.8                          | 191.1  | 2,506.9                         |

**Note:**

Luxottica Group uses certain measures of financial performance that exclude the impact of fluctuations in currency exchange rates in the translation of operating results into Euro. The Company believes that these adjusted financial measures provide useful information to both management and investors by allowing a comparison of operating performance on a consistent basis. In addition, since the Luxottica Group has historically reported such adjusted financial measures to the investment community, the Company believes that their inclusion provides consistency in its financial reporting. Further, these adjusted financial measures are one of the primary indicators management uses for planning and forecasting in future periods. Operating measures that assume constant exchange rates between the whole year 2004 and the whole year 2003 and the fourth quarter of 2004 and the fourth quarter of 2003 are calculated using for each currency the average exchange rate for the whole year and the three-month period ended December 31, 2003. Operating measures that exclude the impact of fluctuations in currency exchange rates are not measures of performance under accounting principles generally accepted in the United States (U.S. GAAP). These non-GAAP measures are not meant to be considered in isolation or as a substitute for results prepared in accordance with U.S. GAAP. In addition, Luxottica Group's method of calculating operating performance excluding the impact of changes in exchange rates may differ

**from methods used by other companies. See table above for a reconciliation of the operating measures excluding the impact of fluctuations in currency exchange rates to their most directly comparable U.S. GAAP financial measures. The adjusted financial measures should be used as a supplement to U.S. GAAP results to assist the reader in better understanding the operational performance of the Company.**

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LUXOTTICA GROUP S.p.A.

DATE: February 15, 2005

By: /s/ Enrico Cavatorta  
ENRICO CAVATORTA,  
CHIEF FINANCIAL OFFICER