

LUXOTTICA GROUP SPA  
Form 6-K  
May 08, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934**

May 8, 2012

COMMISSION FILE NO. 1 - 10421

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

**VIA C. CANTÙ 2, MILAN, 20123 ITALY**  
(Address of principal executive office)

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

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



Set forth below is the text of a press release issued on May 7, 2012

Press release

**Luxottica posts strong growth in first quarter of 2012**

*Net income rose by 27% to 146 million and net sales increased by 15% to 1.8 billion*

**Milan, Italy, May 7, 2012** - The Board of Directors of Luxottica Group S.p.A. (MTA: LUX; NYSE: LUX), a leader in the design, manufacture and distribution of fashion, luxury and sports eyewear, met today and approved the consolidated results for the quarter ended March 31, 2012, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS).

**First quarter of 2012<sup>1</sup>**

(in millions of Euro)	1Q 2012	1Q 2011	Change
<b>Net sales</b>	<b>1,788</b>	1,556	+14.9% (+11.1% at constant exchange rates <sup>2</sup> )
<i>Wholesale Division</i>	727	641	+13.4% (+11.9% at constant exchange rates <sup>2</sup> )
<i>Retail Division</i>	1,061	915	+16.0% (+10.5% at constant exchange rates <sup>2</sup> )
<b>Operating income</b>	237	207	+14.0%
<b>Adjusted<sup>3,4</sup></b>	<b>258</b>	207	+24.5%
<b>Net income attributable to Luxottica Group stockholders</b>	131	115	+14.0%
<b>Adjusted<sup>3,4</sup></b>	<b>146</b>	115	+27.2%
<b>Earnings per share</b>	0.28	0.25	+13.5%
<b>Adjusted<sup>3,4</sup></b>	<b>0.32</b>	0.25	+26.6%
<b><i>In US\$ adjusted<sup>3,4</sup></i></b>	<b>0.41</b>	0.34	+21.3%

**Operating performance for the first quarter of 2012**

The results for the first quarter of 2012 confirmed the positive signs seen during the first two months of the year and, more generally, the rapid growth trends reported by both of Luxottica's Divisions in all of the geographic areas where the Group operates. The first quarter of 2012 was the best first quarter in Luxottica's history largely as a result of the various initiatives implemented during the period.

**Net sales growth in both Divisions increased by double digits compared to the first quarter of 2011, which was also a period characterized by strong growth. Especially strong performance was achieved in emerging markets, which grew by more than 36%, with peak sales growth of approximately 40% in Brazil, India and East Asia.** The Group's performance in the important **North American market** remained very positive with Luxottica's first quarter 2012

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(3) The adjusted figures for the first quarter of 2012 do not include non-recurring reorganization costs for Luxottica's OPSM business amounting to an approximately 22 million adjustment to Operating Income and an approximately 15 million adjustment to Net Income.

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**net sales** in U.S. dollars growing **by 8.5%**, mainly due to the performance of the Wholesale Division (+18.1%), which benefited from the successful launch of the Coach brand. **LensCrafters** and **Sunglass Hut** also contributed to these positive results with Sunglass Hut reporting a **double-digit increase (+10.3%) in comparable store sales**.

Positive results were also achieved in Western Europe where, despite the difficult economic situation, Luxottica's sales grew by 6%, primarily due to the strength of Luxottica's brand portfolio, the dynamism and ability of the organization to build and maintain strong relationships with customers, and the successful implementation of commercial activities.

*In the first quarter, both our Divisions reported solid growth across all geographic areas: it was another quarter of highly positive growth, confirming the acceleration witnessed in 2011,* commented Andrea Guerra, Chief Executive Officer of Luxottica.

*The results that we have achieved show that it is possible to seize growth opportunities wherever they present themselves; that, with passion and determination, we were able to succeed in delivering extremely positive results even in regions currently considered to be challenging; and that it is fundamental to maintain excellent brands and talented people.*

*We continued with our stable growth in both traditional and new emerging markets, which we believe represent incredible opportunities for our future. Highly gratifying results were reported in North America, where we successfully launched the new Coach collection and our retail brands also performed well.*

*All of our brands are in excellent shape. The growth of both Ray-Ban, which this year is celebrating its 75th anniversary, and Oakley, which will take center stage at the London Olympic Games, continues at double-digit rates. Additionally, the entire portfolio of premium and luxury brands, led by Burberry, Tiffany and Prada, yielded solid results in the first quarter. The reorganization measures implemented in Australia also made an impact in the first quarter with comparable store sales at OPSM increasing by approximately 9%.*

*We are also satisfied with the improvement shown in the operating margin for the period, increasing by 110 basis points at the Group level, confirming the validity of the measures the Group has taken in recent quarters.*

*The results achieved in the first quarter of the year are an excellent foundation for the rest of 2012. Many of the markets in which we operate are in good shape, despite the difficult environment in the Mediterranean area of Europe where we see a degree of nervousness and fluctuations in trends, although Luxottica's performance in this area remained positive in the quarter. As a result, we look towards the rest of the year with optimism, aware of the strength of our brands and the need to continue to be simple and fast in seizing the opportunities that present themselves.*

### Consolidated results

**Net sales** for the first quarter of 2012 were **1,788.2 million**, marking an **increase** of **14.9%** compared to the same period of 2011 (+11.1% at constant exchange rates<sup>2</sup>). GMO and TecnoL, which joined the Group in July 2011 and January 2012, respectively, collectively contributed approximately 40 million in net sales.



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Operating performance for the first quarter once again confirmed the trend in Group profitability, with more than proportional growth in this performance metric as compared with net sales. More specifically, **adjusted EBITDA<sup>3,4</sup>** for the **first quarter of 2012 rose** by **22.1%** over the same period of 2011, reaching **345.6 million**. The adjusted EBITDA margin<sup>3,4</sup> was therefore up from 18.2% recorded in the first quarter of 2011 to 19.3% in the first quarter of 2012.

**Adjusted operating income<sup>3,4</sup>** for the first quarter of 2012 amounted to **258.2 million, up by 24.5%**, as compared to the same period of 2011. The Group's adjusted operating margin<sup>3,4</sup> therefore rose from 13.3% in the first quarter of 2011 to 14.4% in the first quarter of 2012 (+110 bps).

**Adjusted net income<sup>3,4</sup> for the period** was **145.9 million**, up by 27.2%, from 114.7 million for the first quarter of 2011, corresponding to an adjusted earnings per share (EPS)<sup>3,4</sup> of 0.32.

By carefully controlling working capital, the Group generated positive **free cash flow<sup>4</sup>** ( 36 million) in a quarter in which free cash flow has historically been negative. Following the closing of the TecnoL acquisition for approximately 90 million during the quarter, net debt<sup>4</sup> remained essentially unchanged at March 31, 2012 at 2,047 million ( 2,032 million at December 31, 2011). The ratio of adjusted net debt to EBITDA<sup>3,4</sup> was 1.7x, unchanged from the ratio at year-end.

### Overview of performance at the Wholesale Division

The ongoing success of Oakley and Ray-Ban in all markets, strong performance from the premium and luxury segment, the successful launch of the Coach-brand collections in North America along with the Wholesale Division's consistent ability to promote each brand's distinctive traits allowed Luxottica to achieve positive quarterly results in terms of both net sales and profitability.

The Division's net sales rose to 726.8 million from 641.1 million in the first quarter of 2011 (+13.4% at current exchange rates and +11.9% at constant exchange rates<sup>2</sup>).

In terms of sales performance in Luxottica's primary geographic markets, Luxottica saw markedly positive results in North America, Brazil, India, China, Germany, France and Italy—all of which are key areas for Luxottica.

The Wholesale Division's operating income amounted to 172.9 million, up by 17.0% compared with the 147.8 million reported in the first quarter of 2011, which also was successful for the Division. The operating margin stood at 23.8% compared to 23.1% in the first quarter of 2011 (+70 bps).

### Overview of Performance at the Retail Division

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Net sales for the Retail Division rose to 1,061.4 million from 915.0 million in the first quarter of 2011 (+16.0% at current exchange rates, +10.5% at constant exchange rates<sup>2</sup>).

In terms of comparable store sales<sup>5</sup>, the optical business in North America made solid progress (+5.0%), driven by positive results from LensCrafters consistent with the upward trend reported in recent quarters and which is due, in part, to an improving mix and a closer relationship with consumers, owing to the roll-out of the new digital sight measurement system Accufit. Licensed brands also yielded positive comparable store sales.



Comparable store sales<sup>5</sup> of the optical business in the Asia-Pacific region increased 6.3%, benefiting from the measures taken in recent quarters and which are expected to yield their full effects in 2012. OPSM comparable store sales<sup>5</sup> in Australia increased by approximately 9%. Favorable results were also reported by the Retail Division in Latin America and China, where both net sales and comparable store sales increased and where the sun segment is steadily increasing.

Sunglass Hut also continued its strong performance during the quarter with comparable store sales<sup>5</sup> at the global level increasing by 9.6%. Sunglass Hut's results were driven by the success of initiatives launched during the period, the ability to attract more consumers and involve them in the brand experience and extremely favorable results in the United States (+10.3%) and South Africa.

The Retail Division's adjusted operating income<sup>3,4</sup> increased to 124.8 million in the first quarter of 2012, up by 29.0%, compared to the 96.8 million reported in the first quarter of 2011. The adjusted operating margin<sup>3,4</sup> for the Retail Division increased from 10.6% to 11.8% (+120 bps).

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The Board of Directors also approved the merger of 100%-controlled subsidiary Luxottica STARS S.r.l into Luxottica Group S.p.A.

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The results of the first quarter of 2012 will be discussed today at 6:30 p.m. (CET) during a conference call with the financial community. The presentation will be available via live webcast at [www.luxottica.com](http://www.luxottica.com).

*The officer responsible for preparing the company's financial reports, Enrico Cavatorta, declares, pursuant to Article 154-bis, Section 4, of the Consolidated Law on Finance, that the accounting information contained in this press release is consistent with the data in the supporting documents, books of accounts and other accounting records.*

**[www.luxottica.com](http://www.luxottica.com)**

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**Notes on the press release**

(1) All comparisons, including percentage changes, refer to the three months ended March 31, 2012 and March 31, 2011, respectively.

(2) Figures given at constant exchange rates have been calculated using the average exchange rate of the respective comparative period in the previous year. For further information, please refer to the attached tables.



(3) The adjusted data for the first quarter of 2012 does not include restructuring costs relating to the reorganization of OPSM amounting to an approximately 22 million adjustment to Operating Income and an approximately 15 million adjustment to Net Income.

(4) EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted operating margin, free cash flow, net debt, the ratio of net debt to adjusted EBITDA, adjusted net income, adjusted operating income and adjusted earnings per share are not measures in accordance with IAS/IFRS. For additional information on non-IAS/IFRS measures, please see the attached tables.

(5) Comparable store sales reflect the change in sales from one period to another that, for comparison purposes, includes in the calculation only stores open in the more recent period that also were open during the comparable prior period, and applies to both periods the average exchange rate for the prior period and the same geographic area.

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

Luxottica Group is a leader in premium, luxury and sports eyewear with approximately 7,100 optical and sun retail stores in North America, Asia-Pacific, China, South Africa, Latin America and Europe, and a strong, well-balanced brand portfolio. House brands include Ray-Ban, the world's most famous sun eyewear brand, Oakley, Vogue, Persol, Oliver Peoples, Arnette and REVO, while licensed brands include Bvlgari, Burberry, Chanel, Coach, Dolce & Gabbana, Donna Karan, Polo Ralph Lauren, Prada, Tiffany and Versace. In addition to a global wholesale network involving 130 different countries, the Group manages leading retail chains in major markets, including LensCrafters, Pearle Vision and ILORI in North America, OPSM and Laubman & Pank in Asia-Pacific, LensCrafters in China, GMO in Latin America and Sunglass Hut worldwide. The Group's products are designed and manufactured at its six manufacturing plants in Italy, two wholly owned plants in the People's Republic of China, one plant in Brazil and one plant in the United States devoted to the production of sports eyewear. In 2011, Luxottica Group posted net sales of more than 6.2 billion. Additional information on the Group is available 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, the ability to manage the effect of the current uncertain international economic outlook, the ability to successfully acquire new businesses and integrate their operations, the ability to predict future economic conditions and changes in consumer preferences, the ability to successfully introduce and market new products, the ability to maintain an efficient distribution network, the ability to achieve and manage growth, the ability to negotiate and maintain favorable license arrangements, the availability of correction alternatives to prescription eyeglasses, fluctuations in exchange rates, changes in local conditions, the ability to protect intellectual property, the ability to maintain relations with those hosting our stores, computer system problems, inventory-related risks, credit and insurance risks, changes to tax regimes as well as other, political, economic and technological factors and other risks and uncertainties described in our filings with the Securities and Exchange Commission. These forward-looking statements are made as of the date hereof, and we do not assume any obligation to update them.

## LUXOTTICA GROUP

**CONSOLIDATED FINANCIAL HIGHLIGHTS**  
**FOR THE THREE-MONTH PERIODS ENDED**  
**MARCH 31, 2012 AND MARCH 31, 2011**

In accordance with IAS/IFRS

(KEY FIGURES IN THOUSANDS OF EURO (1))	2012	2011	% Change
<b>NET SALES</b>	1,788,172	1,556,102	14.9%
<b>NET INCOME ATTRIBUTABLE TO LUXOTTICA GROUP STOCKHOLDERS</b>	130,776	114,695	14.0%
<b>BASIC EARNINGS PER SHARE (ADS) (2)</b>	0.28	0.25	13.5%

(KEY FIGURES IN THOUSANDS OF U.S. DOLLARS (1) (3))	2012	2011	% Change
<b>NET SALES</b>	2,343,936	2,128,748	10.1%
<b>NET INCOME ATTRIBUTABLE TO LUXOTTICA GROUP STOCKHOLDERS</b>	171,421	156,903	9.3%
<b>BASIC EARNINGS PER SHARE (ADS)(2)</b>	0.37	0.34	8.7%

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Notes :	2012	2011
(1) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively		
(2) Weighted average number of outstanding shares	462,217,203	459,932,593
(3) Average exchange rate (in U.S. Dollars per Euro)	1.3108	1.3680

## LUXOTTICA GROUP

## CONSOLIDATED INCOME STATEMENT

## FOR THE THREE-MONTH PERIODS ENDED

MARCH 31, 2012 AND MARCH 31, 2011

In accordance with IAS/IFRS

(KEY FIGURES IN THOUSANDS OF EURO (1))	2012	% of sales	2011	% of sales	% Change
<b>NET SALES</b>	<b>1,788,172</b>	<b>100.0%</b>	<b>1,556,102</b>	<b>100.0%</b>	<b>14.9%</b>
COST OF SALES	(622,564)		(554,453)		
<b>GROSS PROFIT</b>	<b>1,165,608</b>	<b>65.2%</b>	<b>1,001,648</b>	<b>64.4%</b>	<b>16.4%</b>
<i>OPERATING EXPENSES:</i>					
SELLING EXPENSES	(571,572)		(492,264)		
ROYALTIES	(32,518)		(28,543)		
ADVERTISING EXPENSES	(101,978)		(90,412)		
GENERAL AND ADMINISTRATIVE EXPENSES	(202,207)		(162,644)		
TRADEMARK AMORTIZATION AND OTHER	(20,818)		(20,368)		
<b>TOTAL</b>	<b>(929,093)</b>		<b>(794,232)</b>		
<b>OPERATING INCOME</b>	<b>236,515</b>	<b>13.2%</b>	<b>207,416</b>	<b>13.3%</b>	<b>14.0%</b>
<i>OTHER INCOME (EXPENSE):</i>					
INTEREST EXPENSES	(36,984)		(29,262)		
INTEREST INCOME	5,417		2,087		
OTHER - NET	(69)		(1,745)		
<b>OTHER INCOME (EXPENSES)-NET</b>	<b>(31,636)</b>		<b>(28,919)</b>		
<b>INCOME BEFORE PROVISION FOR INCOME TAXES</b>	<b>204,880</b>	<b>11.5%</b>	<b>178,497</b>	<b>11.5%</b>	<b>14.8%</b>
PROVISION FOR INCOME TAXES	(72,181)		(61,399)		
<b>NET INCOME</b>	<b>132,699</b>	<b>7.4%</b>	<b>117,098</b>	<b>7.5%</b>	<b>13.3%</b>
OF WHICH ATTRIBUTABLE TO:					
- LUXOTTICA GROUP STOCKHOLDERS	130,776	7.3%	114,695	7.4%	14.0%
- NON-CONTROLLING INTERESTS	1,923	0.1%	2,403	0.2%	
<b>NET INCOME</b>	<b>132,699</b>	<b>7.4%</b>	<b>117,098</b>	<b>7.5%</b>	<b>13.3%</b>
<b>BASIC EARNINGS PER SHARE (ADS):</b>	0.28		0.25		
<b>FULLY DILUTED EARNINGS PER SHARE (ADS):</b>	0.28		0.25		
<b>WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES</b>	<b>462,217,203</b>		<b>459,932,593</b>		
FULLY DILUTED AVERAGE NUMBER OF SHARES	464,615,581		462,150,235		

Notes :

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

## LUXOTTICA GROUP

## CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2012 AND DECEMBER 31, 2011

In accordance with IAS/IFRS

(KEY FIGURES IN THOUSANDS OF EURO)	March 31, 2012	December 31, 2011
<i>CURRENT ASSETS:</i>		
CASH AND CASH EQUIVALENTS	1,277,788	905,100
ACCOUNTS RECEIVABLE - NET	843,464	714,033
INVENTORIES - NET	669,992	649,506
OTHER ASSETS	215,650	230,850
<b>TOTAL CURRENT ASSETS</b>	<b>3,006,894</b>	<b>2,499,489</b>
<i>NON-CURRENT ASSETS:</i>		
PROPERTY, PLANT AND EQUIPMENT - NET	1,145,324	1,169,066
GOODWILL	3,101,140	3,090,563
INTANGIBLE ASSETS - NET	1,310,950	1,350,921
INVESTMENTS	8,252	8,754
OTHER ASSETS	140,807	147,625
DEFERRED TAX ASSETS	385,157	377,739
<b>TOTAL NON-CURRENT ASSETS</b>	<b>6,091,630</b>	<b>6,144,667</b>
<b>TOTAL</b>	<b>9,098,523</b>	<b>8,644,156</b>
<i>CURRENT LIABILITIES:</i>		
BANK OVERDRAFTS	189,326	193,834
CURRENT PORTION OF LONG-TERM DEBT	686,893	498,295
ACCOUNTS PAYABLE	523,747	608,327
INCOME TAXES PAYABLE	82,824	39,859
OTHER LIABILITIES	662,072	632,932
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,144,863</b>	