



## **Luxottica Group Sees Cole National Acquisition As Key Step in Strategy for Future Growth**

**Milan, Italy, October 6, 2004 – Luxottica Group (NYSE: LUX; MTA: LUX)** today announced initial steps in the integration process of Cole National Corporation. “The integration of Cole National represents a key step in the strategy for future growth of our Group,” said Leonardo Del Vecchio, chairman of Luxottica Group. “In fact, it further enhances our leadership position in the single most important optical market in the world, North America. This is something that has been at the core of our strategy since the acquisition of LensCrafters in 1995.”

Luxottica Group believes that the retail format and commercial model of Cole National are highly complementary to its existing operations in North America. Together the two are stronger, more efficient and form a broader platform from which to generate additional synergies within retail, managed vision care, manufacturing and wholesale. This is also an important opportunity for Luxottica Group to enter new channels through Cole National’s presence in franchising and licensed brands.

Luxottica Group will fully integrate its North American retail division and Cole National into one business. As the integration process goes forward, Cole National’s retail store and field management systems will continue to operate as usual to serve their customer base. Cole National’s corporate, administrative and service center functions will be consolidated from Twinsburg, OH, to Cincinnati, OH, where Luxottica Retail North America is headquartered. Things Remembered will be managed separately from the Company’s optical business.

Over the next few months, the Group will study, review and confirm Cole National’s non-store operations, distribution systems, product mix, manufacturing labs, technology and other business areas. The goal is to identify maximum synergies, areas for improvement and opportunities for growing the brands.

Luxottica Group anticipates many opportunities to enhance current business models. For example, the two companies’ managed vision care (MVC) businesses, EyeMed and Cole Managed Vision, already offer innovative and diverse insurance products with balanced provider panels of independent optometrists, ophthalmologists, opticians and retail locations. By combining, Luxottica Group’s managed vision care operations will benefit from an even more compelling proposition, which will allow it to be more competitive in this important segment of the U.S. optical market.

In this initial transition period Luxottica Group expects that the Cole National acquisition will have essentially a neutral impact on Group profitability for the three-month period to December 2004. For fiscal year 2004, the Group currently expects at most a € 0.01 dilutive effect on consolidated earnings per share (EPS), to EPS of € 0.64, or EPADS of US\$ 0.80 (based on a € 1 = US\$ 1.25 exchange rate). “We look forward to the contribution that the addition of Cole National will bring to our North American retail operations and Group as a whole,” concluded Mr. Del Vecchio. “2004 has already been and will close as a particularly solid year for our organization, setting the stage for future growth.”

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

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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 20 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 and Australia; two 75%-owned subsidiaries in Israel and Poland; a 70%-owned subsidiary in Greece; three 51%-owned subsidiaries in the Netherlands, Turkey and Singapore, one 49%-owned subsidiary in the Arab Emirates and one 44%-owned subsidiary in India.

In September 2003, Luxottica Group acquired OPSM, the leading eyewear retailer in Australia. In March 2001, Luxottica Group acquired Sunglass Hut International, a leading sunglass retailer with approximately 1,900 stores worldwide. This followed the acquisitions of 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 2003, Luxottica Group posted net sales and net income respectively of € 2,824.6 and € 267.3 million. Additional information on the company is available on the web at [www.luxottica.com](http://www.luxottica.com).

## **Safe Harbor Statement**

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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 effectively integrate recently acquired businesses, the ability to successfully launch initiatives to increase sales and reduce costs, the availability of correction alternatives to prescription eyeglasses, risks that the integration with Cole National's operations will not succeed as currently planned, that expected synergies from the acquisition of Cole National will not be realized as planned, that the combination of Luxottica Group's managed vision care business with Cole National's will not be as successful as planned, as well as other political, economic and technological factors and other risks referred to in the 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.

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