

LUXOTTICA GROUP SPA
Form 6-K
July 29, 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

July 28, 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

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):

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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)(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 July 7, 2005.

Luxottica to Acquire Leading Optical Chain in China

Milan, Italy - July 7, 2005 - Luxottica Group S.p.A. (NYSE: LUX; MTA: LUX) today announced that it will acquire Xueliang Optical, the leading premium optical chain in Beijing, China.

Leonardo Del Vecchio, chairman of Luxottica Group, commented: "Today's acquisition is a key strategic step for our Group, as it strengthens our position in what is fast becoming one of the most important markets in the world for fashion and premium eyewear. In fact, following the completion of this acquisition Luxottica Group will become one of the leading operators of premium optical stores in the Chinese market, with a total of 149 stores.

Luxottica Group's leadership position in this market is particularly important. The Chinese, for one, are already one of the largest consumer groups in the luxury industry. In addition, urban middle and upper classes – which are estimated to represent two-thirds of total consumption in China – are expected to nearly triple in the next five years, driving growth in the luxury market as well as premium eyewear.

Going forward, the Group will continue to closely monitor the development of the Chinese optical retail market, where concentration is still low, while growth rates are significantly above – in some cases as much as three times – those of most developed markets.

Luxottica Group will acquire 100 percent of the equity interest in Beijing Xueliang Optical Technology Co. Ltd. for a purchase price of RMB 169 million (approx. Euro 17 million), plus RMB 40 million (approx. Euro 4 million) in assumed liabilities. Xueliang Optical posted unaudited sales for the most recent fiscal year of RMB 102 million (approx. Euro 10 million).

Xueliang Optical brings to the Group 79 stores in Beijing. Luxottica Group already operates 70 stores in Hong Kong.

As customary, completion of the transaction remains subject to approval by the relevant Chinese governmental authorities. Luxottica Group currently anticipates receiving such approvals by the end of 2005.

About Luxottica Group S.p.A.

Luxottica Group is a global leader in eyewear, with nearly 5,500 optical and sun retail stores mainly in North America and Asia-Pacific and a well-balanced portfolio that comprises leading premium house and licensed brands, including Ray-Ban, the best selling sun and prescription brand in the world. Among others, the Group's brand portfolio includes house brands Vogue, Persol, Arnette and REVO and license brands Bvlgari, Chanel, Donna Karan, Prada and Versace. Luxottica Group's global wholesale network touches 120 countries, with a direct presence in the key 28 eyewear markets worldwide. The Group's products are designed and

manufactured at its six Italy-based high-quality manufacturing plants and at the only China-based plant wholly-owned by a premium manufacturer. For fiscal year 2004, Luxottica Group posted consolidated net sales and net income of euro 3.2 billion and euro 286.9 million, respectively. Additional information on the Group is available on the web at <http://www.luxottica.com>.

Set forth below is the text of a press release issued on July 27, 2005.

LUXOTTICA GROUP 2Q05 CONSOLIDATED NET SALES AGAIN TOP ONE BILLION EURO MARK, NET INCOME FOR THE QUARTER UP 15.3 PERCENT

Milan, Italy July 27, 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 six-month periods ended June 30, 2005.

Financial highlights

Second Quarter of 2005 (1)

Consolidated sales: 1,145.6 million (+41.1%, +45.0% assuming constant exchange rates (2))

Retail sales: 842.9 million (+53.4%); Retail comparable store sales (3): +8.3%

Total wholesale sales: 368.3 million (+17.6%)

Consolidated operating income: 165.7 million (+19.1%); Operating margin: 14.5%

Retail operating income: 100.6 million (+26.6%); Retail operating margin: 11.9%

Wholesale operating income: 90.3 million (+24.6%); Wholesale operating margin: 24.5%

Consolidated net income: 91.1 million (+15.3 %); Net margin: 7.9%

Earnings per share: 0.20 (US\$0.25 per ADS)

Six-Month Period (4)

Consolidated sales: 2,182.6 million (+38.1%, +42.5% assuming constant exchange rates (5))

Retail sales: 1,599.6 million (+50.5%); Retail comparable store sales (6): +5.9%

Total wholesale sales: 695.2 million (+13.6%)

Consolidated operating income: 302.2 million (+16.6%); Operating margin: 13.8%

Retail operating income: 177.1 million (+23.4%); Retail operating margin: 11.1%

Wholesale operating income: 168.0 million (+19.6%); Wholesale operating margin: 24.2%

Consolidated net income: 167.4 million (+11.5%); Net margin: 7.7%

Earnings per share: 0.37 (US\$0.48 per ADS)

Andrea Guerra, chief executive officer of Luxottica Group, commented: Today we are reporting record sales results for our Group and continued progress towards the successful completion of

the Cole National integration. For the quarter, we posted consolidated sales levels again well above the one billion Euro mark, in line with our forecast of between 4.0 and 4.15 billion euro for the full year. These strong results – sales for the quarter were up by over 41.1 percent, earnings per share by 14.9 percent - reflected the strength of our business and continued good performance by our entire team as we prepare for the second half of the year.

Results of the retail division for the second quarter were particularly strong, especially in North America where the sun business experienced significant comparable store growth. Retail results were strong also in Asia-Pacific, with comparable store sales growth in excess of five percent as well as improvements in terms of profitability. Within retail, the integration of the former Cole National businesses continued to proceed smoothly, with operating margin for the quarter doubling year-over-year.

For the second quarter, the Group's wholesale business experienced significant additional growth and improved profitability. Wholesale sales to third parties rose by 16.3% (by 17.0% assuming constant exchange rates), while operating margin for the entire wholesale division reached 24.5%, up 140 bps year-over-year. This significant improvement was reached despite the additional decline in the value of the U.S. currency against the Euro, by an average of nearly five percent for the quarter. Specifically, the performance of the wholesale business continued to reflect the ongoing strengthening of Luxottica Group's brand portfolio as well as improved penetration and distribution of the Group's product in several markets. Key house brands posted yet another quarter of strong results - Ray-Ban Sun above all - with over 20 percent growth rates for the quarter both in units and value. Within license brands, it is worth mentioning the performance of Bvlgari, which continued to show potential for additional growth.

Cash flow generation was again one of the main highlights of Luxottica Group results for the quarter. For the three-month period the Group generated 135.0 million, net of currency effect and before the payment of dividends. On June 30, 2005, Luxottica Group's consolidated net outstanding debt was 1,673.2 million.

Luxottica Group's consolidated results for the three- and six-month periods ended June 30, 2005, were approved today by its Board of Directors. Consolidated results for the quarter and the first half of the year include the consolidation of the Cole National business.

Luxottica Group's financial statements for the six-month period ended June 30, 2005, according to International Financial Reporting Standards (IFRS) will be approved and communicated to the market in September 2005.

About Luxottica Group S.p.A.

Luxottica Group is a global leader in eyewear, with nearly 5,500 optical and sun retail stores mainly in North America and Asia-Pacific and a well-balanced portfolio that comprises leading premium house and licensed brands, including Ray-Ban, the best selling sun and prescription eyewear brand in the world. Among others, the Group's brand portfolio includes house brands Vogue, Persol, Arnette and REVO and license brands Bvlgari, Chanel, Donna Karan, Prada and Versace. Luxottica Group's global wholesale network touches 120 countries, with a direct presence in the key 28 eyewear markets worldwide. The Group's products are designed and manufactured at its six Italy-based high-quality manufacturing plants and at the only China-based plant wholly-owned by a premium eyewear manufacturer. For fiscal year 2004, Luxottica Group posted consolidated net sales and net income of 3.2 billion and 286.9 million, respectively. Luxottica Group's 2004 annual report is available online at <http://annual-report-2004.luxottica.com>. Additional information on the Group is available at 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.

(1) All comparisons, including percentage changes, are between the three-month periods ended June 30, 2005, and 2004.

(2) 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.

(3) Comparable store sales reflects 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. The calculation of comparable store sales for the three- and six-month periods ended June 30, 2005, includes relevant stores of the former Cole National business as if the Cole National acquisition had been completed as of January 1, 2004. Cole National results are actually consolidated with Luxottica Group results only as of the October 4, 2004, acquisition date.

(4) All comparisons, including percentage changes, are between the six-month periods ended June 30, 2005, and 2004.

(5) See note (2).

(6) See note (3)..

LUXOTTICA GROUP

CONSOLIDATED FINANCIAL HIGHLIGHTS

FOR THE THREE-MONTH PERIODS ENDED

JUNE 30, 2005 AND JUNE 30, 2004

KEY FIGURES IN THOUSANDS OF EURO (4)

| | 2005 | 2004 (5) | % Change |
|--|-----------|----------|----------|
| NET SALES | 1,145,566 | 811,711 | 41.1% |
| NET INCOME | 91,067 | 78,968 | 15.3% |
| EARNINGS PER SHARE (ADS) (2) | 0.20 | 0.18 | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (3) | 0.20 | 0.18 | |

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

| | 2005 | 2004 (5) | % Change |
|--|-----------|----------|----------|
| NET SALES | 1,442,726 | 977,787 | 47.6% |
| NET INCOME | 114,690 | 95,125 | 20.6% |
| EARNINGS PER SHARE (ADS) (2) | 0.25 | 0.21 | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (3) | 0.25 | 0.21 | |

Notes :

| | 2005 | 2004 |
|---|-------------|-------------|
| (1) Average exchange rate (in U.S. Dollars per Euro) | 1.2594 | 1.2046 |
| (2) Weighted average number of outstanding shares | 449,821,300 | 448,141,852 |
| (3) Fully diluted average number of shares | 452,429,155 | 450,035,449 |
| (4) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively | | |

(5) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation

LUXOTTICA GROUP

CONSOLIDATED FINANCIAL HIGHLIGHTS

FOR THE SIX-MONTH PERIODS ENDED

JUNE 30, 2005 AND JUNE 30, 2004

KEY FIGURES IN THOUSANDS OF EURO (4)

| | 2005 | 2004 (5) | % Change |
|--|-----------|-----------|----------|
| NET SALES | 2,182,567 | 1,580,830 | 38.1% |
| NET INCOME | 167,405 | 150,143 | 11.5% |
| EARNINGS PER SHARE (ADS) (2) | 0.37 | 0.34 | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (3) | 0.37 | 0.33 | |

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

| | 2005 | 2004 (5) | % Change |
|--|-----------|-----------|----------|
| NET SALES | 2,803,988 | 1,940,153 | 44.5% |
| NET INCOME | 215,069 | 184,271 | 16.7% |
| EARNINGS PER SHARE (ADS) (2) | 0.48 | 0.41 | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (3) | 0.48 | 0.41 | |

Notes :

| | 2005 | 2004 |
|--|-------------|-------------|
| (1) Average exchange rate (in U.S. Dollars per Euro) | 1.2847 | 1.2273 |
| (2) Weighted average number of outstanding shares | 449,524,021 | 448,112,865 |

| | | |
|---|-------------|-------------|
| (3) Fully diluted average number of shares | 452,216,587 | 450,033,844 |
| (4) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively | | |

(5) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation

LUXOTTICA GROUP

CONSOLIDATED INCOME STATEMENT
FOR THE THREE-MONTH PERIODS ENDED
JUNE 30, 2005 AND JUNE 30, 2004

| In thousands of Euro (1) | 2Q05 | % of sales | 2Q04 (2) | % of sales | % Change |
|---|--------------------|---------------|--------------------|---------------|--------------|
| NET SALES | 1,145,566 | 100.0% | 811,711 | 100.0% | 41.1% |
| COST OF SALES | (364,419) | | (254,843) | | |
| GROSS PROFIT | 781,146 | 68.2% | 556,868 | 68.6% | 40.3% |
| <i>OPERATING EXPENSES:</i> | | | | | |
| SELLING EXPENSES | (393,250) | | (264,445) | | |
| ROYALTIES | (17,981) | | (13,997) | | |
| ADVERTISING EXPENSES | (83,428) | | (57,945) | | |
| GENERAL AND ADMINISTRATIVE EXPENSES | (107,227) | | (70,618) | | |
| TRADEMARK AMORTIZATION | (13,537) | | (10,736) | | |
| TOTAL | (615,422) | | (417,742) | | |
| OPERATING INCOME | 165,724 | 14.5% | 139,127 | 17.1% | 19.1% |
| <i>OTHER INCOME (EXPENSE):</i> | | | | | |
| INTEREST EXPENSES | (15,945) | | (12,298) | | |
| INTEREST INCOME | 1,259 | | 799 | | |
| OTHER - NET | 1,095 | | (2,779) | | |
| OTHER INCOME (EXPENSES) NET | (13,591) | | (14,278) | | |
| INCOME BEFORE PROVISION FOR INCOME TAXES | 152,133 | 13.3% | 124,848 | 15.4% | 21.9% |
| PROVISION FOR INCOME TAXES | (57,811) | | (43,652) | | |
| INCOME BEFORE MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | 94,322 | | 81,196 | | |
| MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | (3,255) | | (2,229) | | |
| NET INCOME | 91,067 | 7.9% | 78,968 | 9.7% | 15.3% |
| EARNINGS PER SHARE (ADS) (1) | 0.20 | | 0.18 | | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (1) | 0.20 | | 0.18 | | |
| WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES | 449,821,300 | | 448,141,852 | | |
| FULLY DILUTED AVERAGE NUMBER OF SHARES | 452,429,155 | | 450,035,449 | | |

Notes :

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

(2) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation

LUXOTTICA GROUP

CONSOLIDATED INCOME STATEMENT

FOR THE SIX-MONTH PERIODS ENDED

JUNE 30, 2005 AND JUNE 30, 2004

| In thousands of Euro (1) | 2005 | % of sales | 2004 (2) | % of sales | % Change |
|---|--------------------|---------------|--------------------|---------------|--------------|
| NET SALES | 2,182,567 | 100.0% | 1,580,830 | 100.0% | 38.1% |
| COST OF SALES | (698,478) | | (498,888) | | |
| GROSS PROFIT | 1,484,089 | 68.0% | 1,081,942 | 68.4% | 37.2% |
| <i>OPERATING EXPENSES:</i> | | | | | |
| SELLING EXPENSES | (766,802) | | (529,064) | | |
| ROYALTIES | (34,528) | | (27,472) | | |
| ADVERTISING EXPENSES | (149,094) | | (104,079) | | |
| GENERAL AND ADMINISTRATIVE EXPENSES | (204,911) | | (140,744) | | |
| TRADEMARK AMORTIZATION | (26,583) | | (21,347) | | |
| TOTAL | (1,181,917) | | (822,705) | | |
| OPERATING INCOME | 302,172 | 13.8% | 259,237 | 16.4% | 16.6% |
| <i>OTHER INCOME (EXPENSE):</i> | | | | | |
| INTEREST EXPENSES | (31,753) | | (24,380) | | |
| INTEREST INCOME | 3,215 | | 2,169 | | |
| OTHER - NET | 7,576 | | 1,583 | | |
| OTHER INCOME (EXPENSES) NET | (20,962) | | (20,628) | | |
| INCOME BEFORE PROVISION FOR INCOME TAXES | 281,210 | 12.9% | 238,609 | 15.1% | 17.9% |
| PROVISION FOR INCOME TAXES | (106,860) | | (83,523) | | |
| INCOME BEFORE MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | 174,350 | | 155,086 | | |
| MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | (6,945) | | (4,943) | | |
| NET INCOME | 167,405 | 7.7% | 150,143 | 9.5% | 11.5% |
| EARNINGS PER SHARE (ADS) (1) | 0.37 | | 0.34 | | |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (1) | 0.37 | | 0.33 | | |
| WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES | 449,524,021 | | 448,112,865 | | |
| FULLY DILUTED AVERAGE NUMBER OF SHARES | 452,216,587 | | 450,033,844 | | |

Notes :

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

(2) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation

LUXOTTICA GROUP

CONSOLIDATED BALANCE SHEET

AS OF JUNE 30, 2005 AND DECEMBER 31, 2004

| In thousands of Euro | June 30, 2005 | December 31, 2004 (1) |
|---|------------------|-----------------------|
| CURRENT ASSETS: | | |
| CASH | 381,362 | 257,349 |
| ACCOUNTS RECEIVABLE | 554,591 | 406,437 |
| SALES AND INCOME TAXES RECEIVABLE | 32,446 | 33,120 |
| INVENTORIES | 399,833 | 433,158 |
| PREPAID EXPENSES AND OTHER | 78,188 | 69,151 |
| DEFERRED TAX ASSETS - CURRENT | 87,362 | 104,508 |
| TOTAL CURRENT ASSETS | 1,533,782 | 1,303,723 |
| PROPERTY, PLANT AND EQUIPMENT - NET | 685,379 | 599,245 |
| OTHER ASSETS | | |
| INTANGIBLE ASSETS - NET | 2,698,583 | 2,473,053 |
| INVESTMENTS | 14,520 | 156,988 |
| OTHER ASSETS | 55,697 | 23,040 |
| SALES AND INCOME TAXES RECEIVABLES | 292 | 9 |
| TOTAL OTHER ASSETS | 2,769,092 | 2,653,090 |
| TOTAL | 4,988,253 | 4,556,058 |
| CURRENT LIABILITIES: | | |
| BANK OVERDRAFTS | 410,148 | 290,531 |
| CURRENT PORTION OF LONG-TERM DEBT | 245,388 | 405,369 |
| ACCOUNTS PAYABLE | 282,808 | 222,550 |
| ACCRUED EXPENSES AND OTHER | 423,240 | 376,779 |
| ACCRUAL FOR CUSTOMERS' RIGHT OF RETURN | 12,368 | 8,802 |
| INCOME TAXES PAYABLE | 35,565 | 12,722 |
| TOTAL CURRENT LIABILITIES | 1,409,517 | 1,316,753 |
| LONG TERM LIABILITIES: | | |
| LONG TERM DEBT | 1,398,976 | 1,277,495 |
| LIABILITY FOR TERMINATION INDEMNITIES | 54,602 | 52,656 |
| DEFERRED TAX LIABILITIES - NON CURRENT | 205,904 | 215,891 |
| OTHER | 203,996 | 173,896 |
| TOTAL LONG TERM LIABILITIES | 1,863,478 | 1,719,938 |
| COMMITMENTS AND CONTINGENCY: | | |
| MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES | 14,052 | 23,760 |
| SHAREHOLDERS' EQUITY: | | |
| 456,367,573 ORDINARY SHARES AUTHORIZED AND ISSUED - 449,932,787 SHARES OUTSTANDING | 27,382 | 27,312 |
| NET INCOME | 167,405 | 286,874 |
| RETAINED EARNINGS | 1,506,419 | 1,181,421 |
| TOTAL SHAREHOLDERS' EQUITY | 1,701,206 | 1,495,607 |

| | | |
|--------------|------------------|------------------|
| TOTAL | 4,988,253 | 4,556,058 |
|--------------|------------------|------------------|

Notes :

(1) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation.

LUXOTTICA GROUP

CONSOLIDATED FINANCIAL HIGHLIGHTS

FOR THE SIX-MONTH PERIODS ENDED

JUNE 30, 2005 AND JUNE 30, 2004

- SEGMENTAL INFORMATION -

| In thousands of Euro | Manufacturing and Wholesale | Retail | Retail (in thousands of U.S. Dollars) | Inter-Segment Transaction and Corporate Adj. | Consolidated |
|-----------------------------|-----------------------------------|-----------|---|--|--------------|
| 2005 | | | | | |
| Net Sales | 695,195 | 1,599,638 | 2,055,087 | (112,266) | 2,182,567 |
| EBITDA (3) | 192,260 | 231,271 | 297,119 | (26,280) | 397,252 |
| <i>% of sales</i> | 27.7% | 14.5% | | | 18.2% |
| Operating income | 168,031 | 177,121 | 227,550 | (42,980) | 302,172 |
| <i>% of sales</i> | 24.2% | 11.1% | | | 13.8% |
| Capital Expenditures | 50,788 | 50,915 | 65,412 | | 101,703 |
| Depreciation & Amortization | 24,229 | 54,150 | 69,568 | 16,701 | 95,080 |
| Assets | 1,670,142 | 1,263,055 | 1,528,044 | 2,055,057 | 4,988,253 |
| 2004 (1) | | | | | |
| Net Sales | 611,799 | 1,062,700 | 1,304,252 | (93,669) | 1,580,830 |
| EBITDA (3) | 165,232 | 178,758 | 219,390 | (13,188) | 330,801 |
| <i>% of sales</i> | 27.0% | 16.8% | | | 20.9% |
| Operating income | 140,470 | 143,515 | 176,136 | (24,749) | 259,237 |
| <i>% of sales</i> | 23.0% | 13.5% | | | 16.4% |
| Capital Expenditures | 12,476 | 26,496 | 32,518 | | 38,972 |
| Depreciation & Amortization | 24,761 | 35,242 | 43,253 | 11,561 | 71,564 |
| Assets | 1,596,227 | 893,554 | 1,088,259 | 1,473,814 | 3,963,594 |
| 2004 As adjusted (2) | | | | | |
| Net Sales | 611,799 | 1,555,122 | 1,908,601 | (94,178) | 2,072,743 |
| EBITDA (3) | 165,232 | 191,951 | 235,581 | (13,188) | 343,994 |
| <i>% of sales</i> | 27.0% | 12.3% | | | 16.6% |
| Operating income | 140,470 | 141,779 | 174,005 | (30,622) | 251,627 |
| <i>% of sales</i> | 23.0% | 9.1% | | | 12.1% |
| Depreciation & Amortization | 24,761 | 50,172 | 61,577 | 17,433 | 92,367 |

Notes :

- (1) Certain amounts for 2004 have been reclassified to conform to the 2005 presentation.
- (2) 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 Cole National for both years 2004 and 2005. They reflect the consolidation of Cole National results for the first six months of 2004 (as it is in 2005). This information does not purport to be indicative of the actual results that would have been achieved had the Cole National

- acquisition been completed as of January 1, 2004.
- (3) EBITDA is intended as the sum of Operating income and Depreciation & Amortisation

LUXOTTICA GROUP

NON-GAAP COMPARISON OF CONSOLIDATED NET SALES
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2005
AND JUNE 30, 2004, ASSUMING CONSTANT EXCHANGE RATES

| In million of Euro | 2Q 2004 U.S. GAAP results | 2Q 2005 U.S. GAAP results | Adjustment for constant exchange rates | 2Q 2005 adjusted results |
|-----------------------------------|---------------------------------|---------------------------------|--|--------------------------------|
| Consolidated net sales | 811.7 | 1,145.6 | 31.5 | 1,177.1 |
| Manufacturing/wholesale net sales | 313.1 | 368.3 | 3.8 | 372.1 |
| Retail net sales | 549.4 | 842.9 | 30.0 | 872.9 |

| In million of Euro | 1H 2004 U.S. GAAP results | 1H 2005 U.S. GAAP results | Adjustment for constant exchange rates | 1H 2005 adjusted results |
|-----------------------------------|---------------------------------|---------------------------------|--|--------------------------------|
| Consolidated net sales | 1,580.8 | 2,182.6 | 69.3 | 2,251.9 |
| Manufacturing/wholesale net sales | 611.8 | 695.2 | 8.3 | 703.5 |
| Retail net sales | 1,062.7 | 1,599.6 | 65.3 | 1,664.9 |

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 first six months of 2005 and the first six months of 2004 and the second quarter of 2005 and the second quarter of 2004 are calculated using for each currency the average exchange rate for the six-month period and the three-month period ended June 30, 2004, respectively. 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.

LUXOTTICA GROUP

RECONCILIATION OF THE CONSOLIDATED INCOME STATEMENT

PREPARED IN ACCORDANCE WITH US GAAP AND IAS / IFRS FOR THE SIX MONTH PERIODS ENDED
JUNE 30, 2005,

PURSUANT TO CONSOB REGULATION N. 27021 OF APRIL 7, 2000 AND IN ACCORDANCE WITH CONSOB

COMMUNICATION DME/5015175 DATED MARCH 10, 2005.

CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2005

| | US GAAP | | | | | | Total | IAS / IFRS |
|---|--------------------|-----------------|----------------------|---------------|--------------|--------------|----------------|--------------------|
| | 2005 | IFRS 2 | IFRS 3 | IAS 19 | IAS 38 | IAS 39 | IAS/IFRS | 2005 (2) |
| In thousands of Euro (1) | | Stock option | Business combination | Tfr & Pension | Intangibles | Derivatives | Adjustment | |
| NET SALES | 2,182,567 | | | | | | | 2,182,567 |
| COST OF SALES | (698,478) | | | | | | | (698,478) |
| GROSS PROFIT | 1,484,089 | | | | | | | 1,484,089 |
| <i>OPERATING EXPENSES:</i> | | | | | | | | |
| SELLING EXPENSES | (766,802) | | | | | | | (766,802) |
| ROYALTIES | (34,528) | | | | | | | (34,528) |
| ADVERTISING EXPENSES | (149,094) | | | | (934) | | (934) | (150,028) |
| GENERAL AND ADMINISTRATIVE EXPENSES | (204,911) | (4,096) | (613) | 2,159 | (29) | | (2,579) | (207,490) |
| TRADEMARK AMORTIZATION | (26,583) | | | | | | | (26,583) |
| TOTAL | (1,181,917) | (4,096) | (613) | 2,159 | (963) | | (3,513) | (1,185,431) |
| OPERATING INCOME | 302,172 | (4,096) | (613) | 2,159 | (963) | | (3,513) | 298,659 |
| <i>OTHER INCOME (EXPENSE):</i> | | | | | | | | |
| INTEREST EXPENSES | (31,753) | | | | | | | (31,753) |
| INTEREST INCOME | 3,215 | | | | | (217) | (217) | 2,998 |
| OTHER - NET | 7,576 | | | | | | | 7,576 |
| OTHER INCOME (EXPENSES) | NET | (20,962) | | | | (217) | (217) | (21,179) |
| INCOME BEFORE PROVISION FOR INCOME TAXES | 281,210 | (4,096) | (613) | 2,159 | (963) | (217) | (3,731) | 277,479 |
| PROVISION FOR INCOME TAXES | (106,860) | 1,556 | 245 | (824) | 385 | 82 | 1,444 | (105,416) |
| INCOME BEFORE MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | 174,350 | (2,539) | (368) | 1,334 | (578) | (136) | (2,286) | 172,064 |
| MINORITY INTEREST IN INCOME OF CONSOLIDATED SUBSIDIARIES | (6,945) | | | | | | | (6,945) |
| NET INCOME | 167,405 | (2,539) | (368) | 1,334 | (578) | (136) | (2,286) | 165,119 |
| EARNINGS PER SHARE (ADS) (1) | 0.37 | | | | | | | 0.37 |
| FULLY DILUTED EARNINGS PER SHARE (ADS) (1) | 0.37 | | | | | | | 0.37 |
| | 449,524,021 | | | | | | | 449,524,021 |

**WEIGHTED AVERAGE
NUMBER OF OUTSTANDING
SHARES**

| | | |
|---|-------------|-------------|
| FULLY DILUTED AVERAGE NUMBER OF SHARES | 452,216,587 | 452,216,587 |
|---|-------------|-------------|

Notes :

- (1) Except earnings per share (ADS), which are expressed in Euro**
- (2) Preliminary data pending Board approval. Final data could differ from those presented herein, although not for significant amount.**

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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: July 28, 2005

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