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Full Year 2014 Results
Presentation

18 March 2015



Forward looking statements



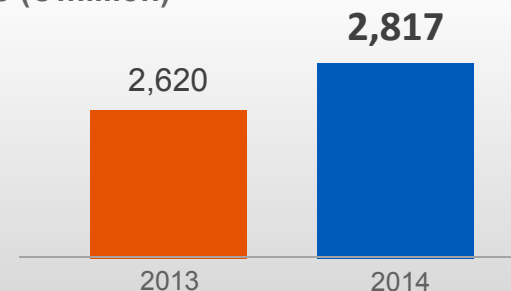
This presentation contains forward-looking statements that reflect GrandVision's current views with respect to future events and financial and operational performance. These forward-looking statements are based on GrandVision's beliefs, assumptions and expectations regarding future events and trends that affect GrandVision's future performance, taking into account all information currently available to GrandVision, and are not guarantees of future performance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and GrandVision cannot guarantee the accuracy and completeness of forward-looking statements. A number of important factors, not all of which are known to GrandVision or are within GrandVision's control, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing GrandVision. Any forward-looking statements are made only as of the date of this press release, and GrandVision assumes no obligation to publicly update or revise any forward looking statements, whether as a result of new information or for any other reason.

Full Year 2014 highlights

■ Revenue of €2,817 million

- Growth of **8.5%** at constant exchange rates and **5.7%** organic growth
- Comparable growth of **4.3%** (2013: 1.6%)

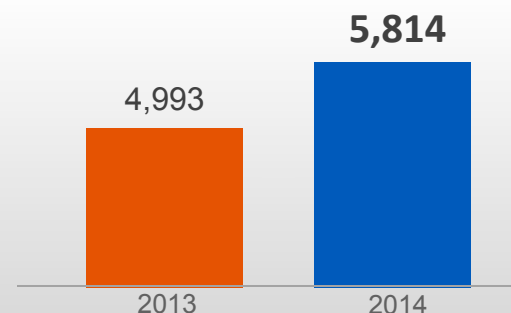
Revenue (€ million)



■ 5,814 stores at year-end

- Store network expanded by 821 to 5,814 in 2014

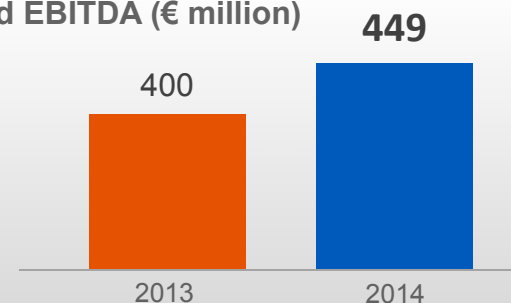
Stores



■ Improved profitability

- Adjusted EBITDA¹ up to **€449 million** from €400 million in 2013
- Organic Adjusted EBITDA **+12.7%**
- Adjusted EBITDA margin **+68 bps** to 16.0%

Adjusted EBITDA (€ million)



¹ Adjusted EBITDA = EBITDA excluding non-recurring items

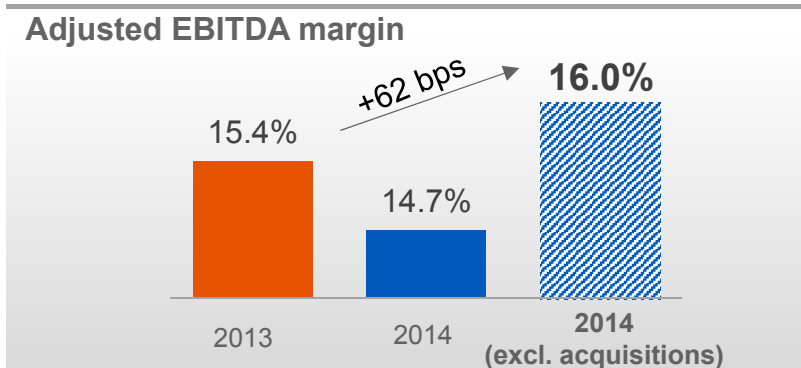
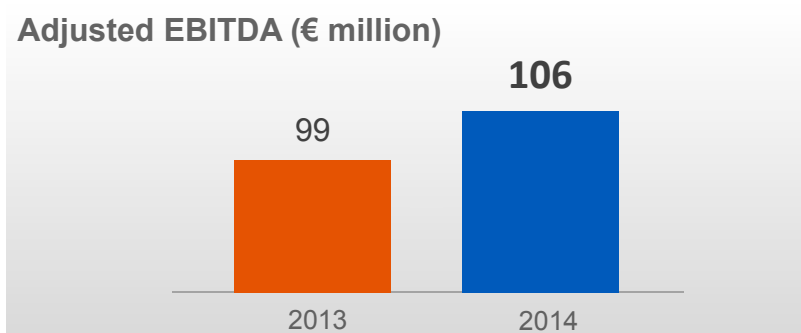
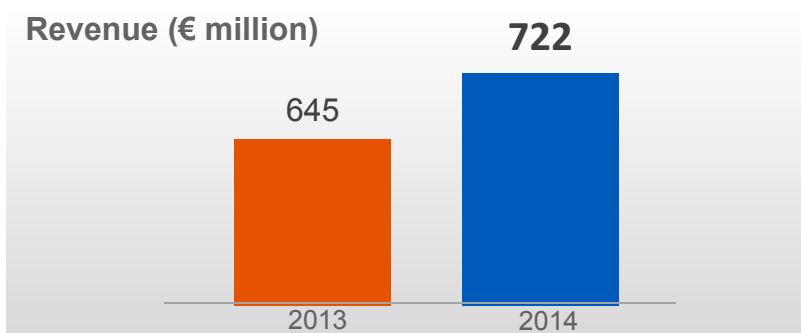
Fourth Quarter 2014 highlights

■ Revenue €722 million

- Growth of **12.8%** at constant exchange rates and **7.5%** organic growth
- Comparable growth of **6.1%**

■ Adjusted EBITDA growth

- Adjusted EBITDA of **€106 million up** from €99 million in the Fourth Quarter 2013
- Organic Adjusted EBITDA **+11.7%**, partially offset by negative EBITDA contribution from acquisitions of -3.5%
- Adjusted EBITDA margin **-62 bps** to 14.7%, (but +62 bps to 16.0%, when excluding acquisitions)



GrandVision is the global leader in optical retail



- #1 Market share in all GrandVision segments:

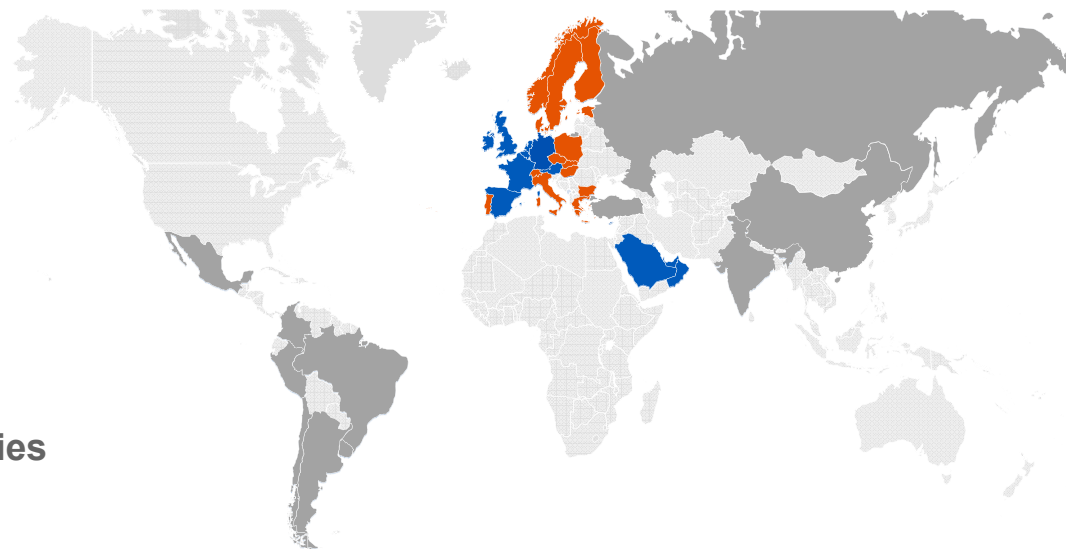
■ G4 ¹

■ Other Europe

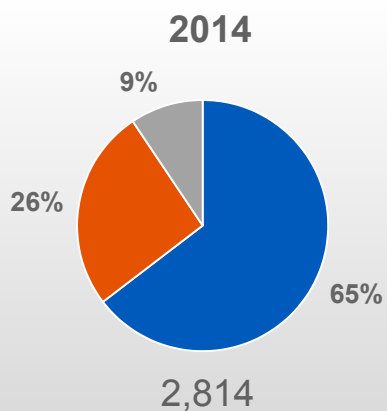
■ Latin America and Asia

- Top 3 position in almost all 43 countries

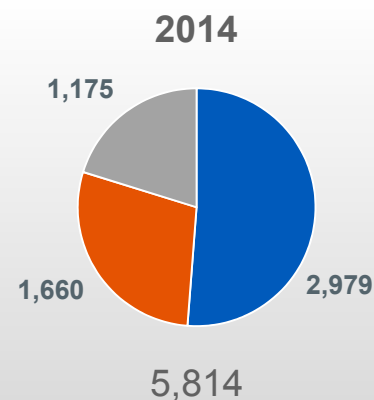
Geographic footprint



Revenue by segment

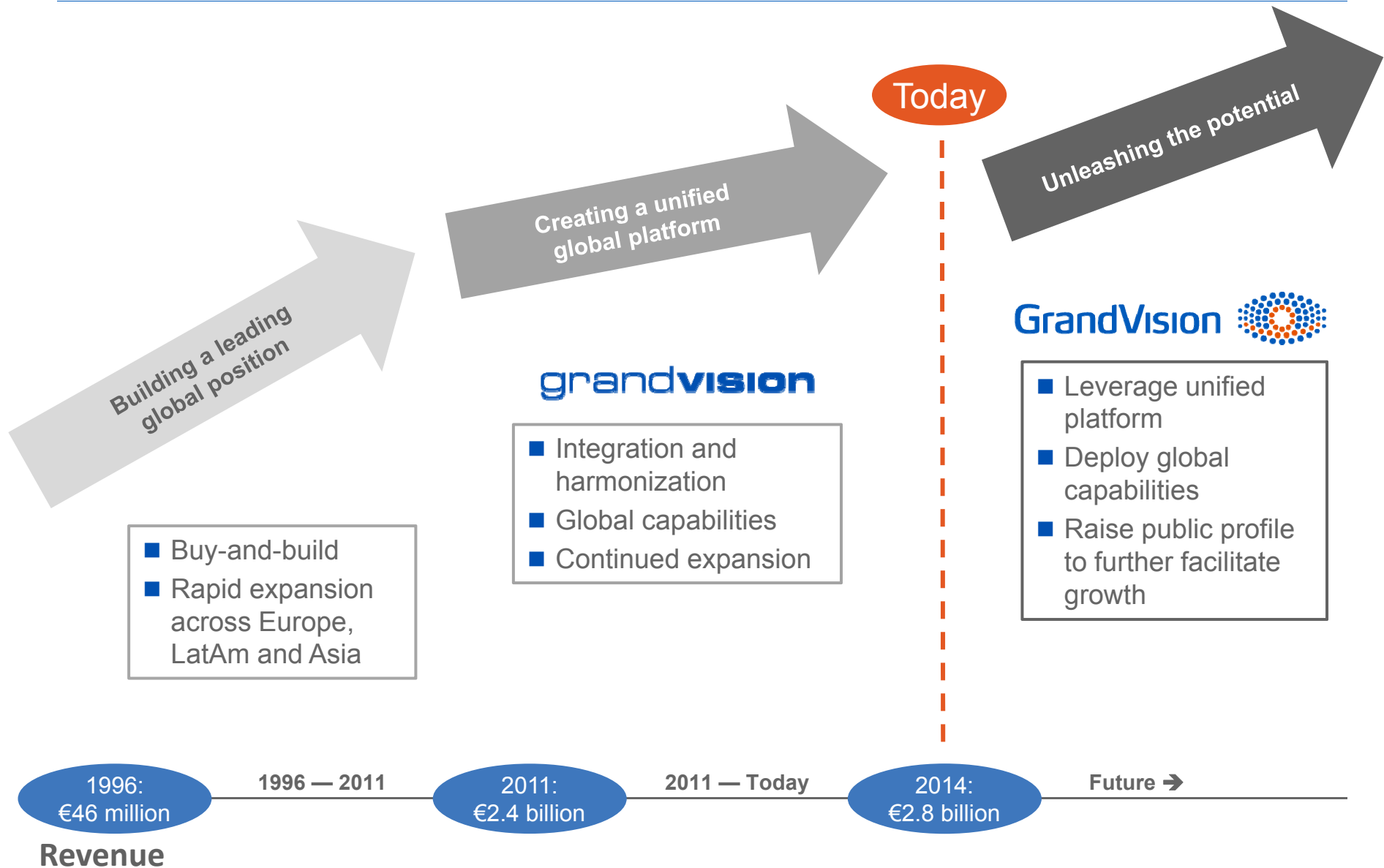


Stores by segment



¹ Incl. Germany & Austria, France & Spain & Luxembourg, Netherlands & Belgium, UK & Ireland & Middle East

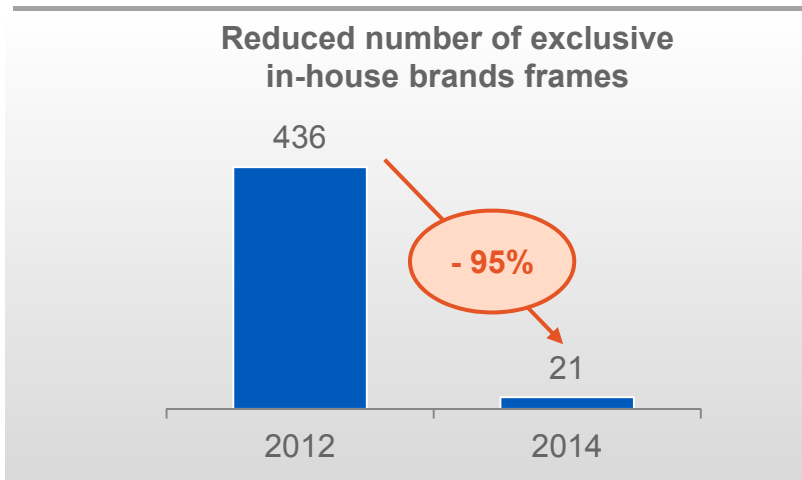
Development of GrandVision



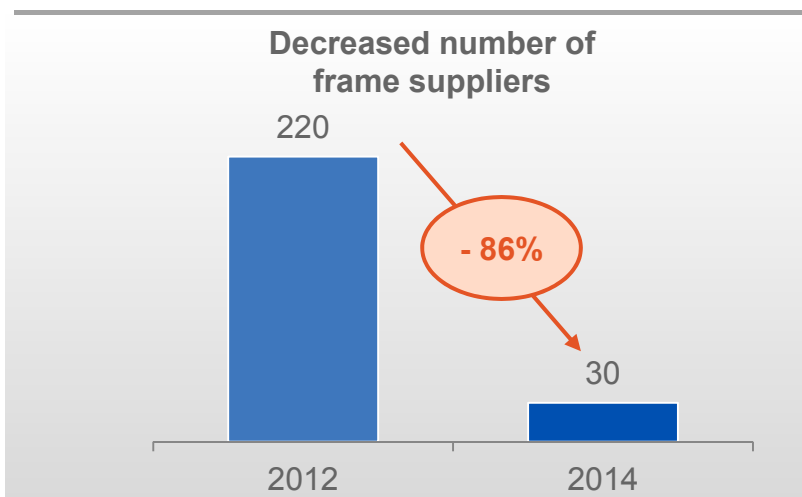
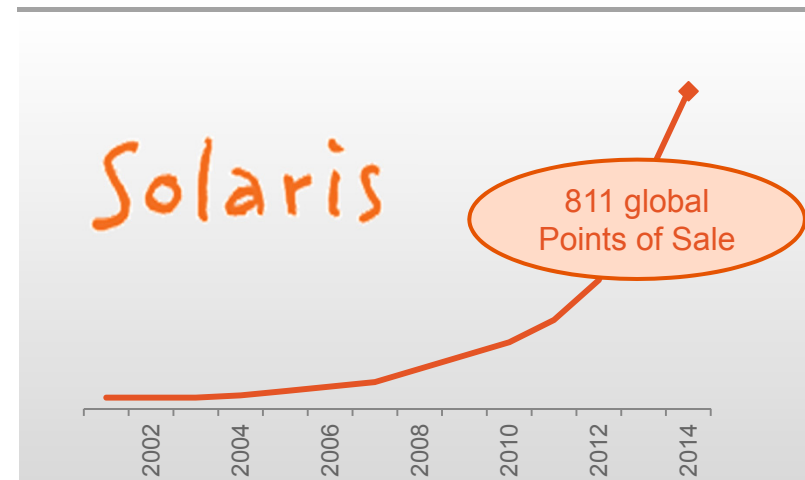
-  Strengthen and deploy group's global capabilities
-  Drive further comparable growth
-  Optimize the existing store network
-  Expand in current markets also through bolt-on acquisitions
-  Enter new markets

2014 Achievements (1/2)

Exclusive brands portfolio

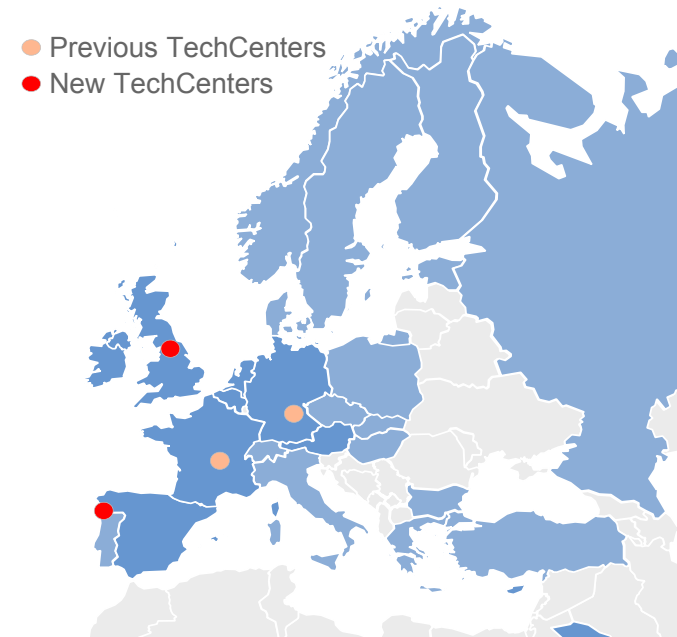


Solaris' expansion



Further roll-out of TechCenters

- Transfer lab-work out of stores into network of industrialized cut, edge and fit facilities
 - Increase store staff productivity
 - Increase floor productivity (resizing stores, less non-sales areas)
 - Increase product quality and delivery reliability and improve customer satisfaction



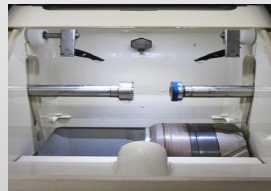
Remove lab-work from stores

1



2

Lens is ordered from supplier or stock and edged in the industrial process



3

Lens is mounted in selected frame by a specialist



4



Process flow cut, edge and fit

2014 Acquisitions

■ Expanded in

- Colombia
- Germany
- Italy
- United Kingdom

■ Entered new markets in

- China
- Peru
- Turkey

MULTIOPTICAS

Robin Look
Der unverschämt günstige Optiker.

OPTISSIMO
GRUPPO SANDAZZO

Conloni
OPTICIANS
'experience the difference'

Rayner
OPTICIANS

 SINCE 1990
REDSTAROPTICAL

VISION CENTER

ECONO
lentes

atasun
"Hem uzman hem ekonomik" OPTİK

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Segment and Financial
Performance



Segment Review: G4

2014 Highlights

- Revenue growth of **6.8%** at constant exchange rates, with organic revenue growth of **4.8%**
- Comparable growth of **3.7%** (2013: 0.6%)
- Total number of stores increased from 2,823 to **2,979**
- Adj. EBITDA **+11.1%** at constant exchange rates, to €364 million, with organic EBITDA growth of **+10.2%**
- Adj. EBITDA margin improved to **20.0%** from 19.3% in 2013
- Strengthened market-leading position in all G4 business units

G4 – key figures	2014	Fourth Quarter 2014
Revenue growth (constant rates)	+ 6.8%	+ 9.0%
Revenue growth (organic)	+ 4.8%	+ 7.0%
Comparable growth	+ 3.7%	+ 5.9%
Adj. EBITDA growth (constant rates)	+ 11.1%	+ 13.7%
Adj. EBITDA growth (organic)	+ 10.2%	+ 12.7%
Adj. EBITDA margin	20.0%	19.2%



Segment Review: Other Europe

2014 Highlights

- Revenue growth of **7.3%** at constant exchange rates, with organic revenue growth of **6.1%**
- Comparable growth of **4.1%** (2013: 3.3%)
- Total number of stores increased from 1,412 to **1,660** mainly as a result of acquisitions
- Adj. EBITDA **+26.3%** at constant exchange rates to €114 million, +23.7% reported
- Adj. EBITDA margin improved from 13.3% in 2013 to **15.6%** in 2014
- Good results achieved in all regions within the segment (Northern, Eastern and Southern Europe)

Other Europe – key figures	2014	Fourth Quarter 2014
Revenue growth (constant rates)	+ 7.3%	+8.6%
Revenue growth (organic)	+ 6.1%	+7.3%
Comparable growth	+ 4.1%	+ 5.2%
Adj. EBITDA growth (constant rates)	+ 26.3%	+ 22.2%
Adj. EBITDA growth (organic)	+ 25.0%	+ 21.2%
Adj. EBITDA margin	15.6%	15.3%



Segment Review: Latin America and Asia

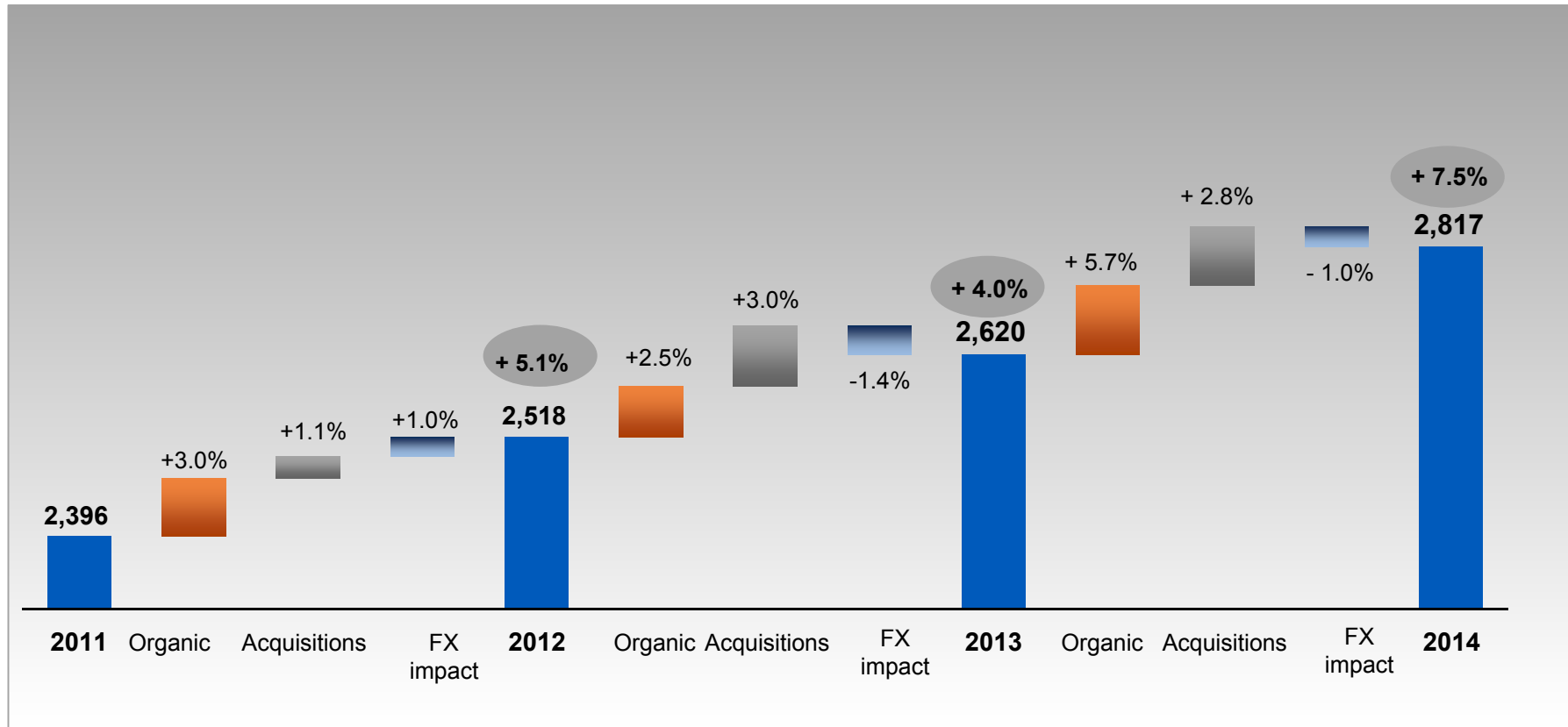
2014 Highlights

- Revenue growth of **23.7%** at constant exchange rates, with organic revenue growth of **11.0%**
- Comparable growth of **9.4%** (2013: 3.1%)
- Total number of stores increased from 758 to **1,175**
- Adj. EBITDA increased **6.6%** at constant exchange rates to €5 million, -7.8% reported with impact from acquisitions
- Organic adj. EBITDA growth of **over +100%** with sound contributions in Brazil, Colombia and Russia
- Adj. EBITDA margin 4.6% excluding acquisitions, and 1.9% including acquisitions

LatAm & Asia - key figures	2014	Fourth Quarter 2014
Revenue growth (constant rates)	+ 23.7%	+ 48.1%
Revenue growth (organic)	+ 11.0%	+ 11.4%
Comparable growth	+ 9.4%	+ 10.4%
Adj. EBITDA growth (constant rates)	+ 6.6%	- 51.0%
Adj. EBITDA growth (organic)	+ 108.7%	+ 81.7%
Adj. EBITDA margin	1.9%	1.0%



Comparable growth development

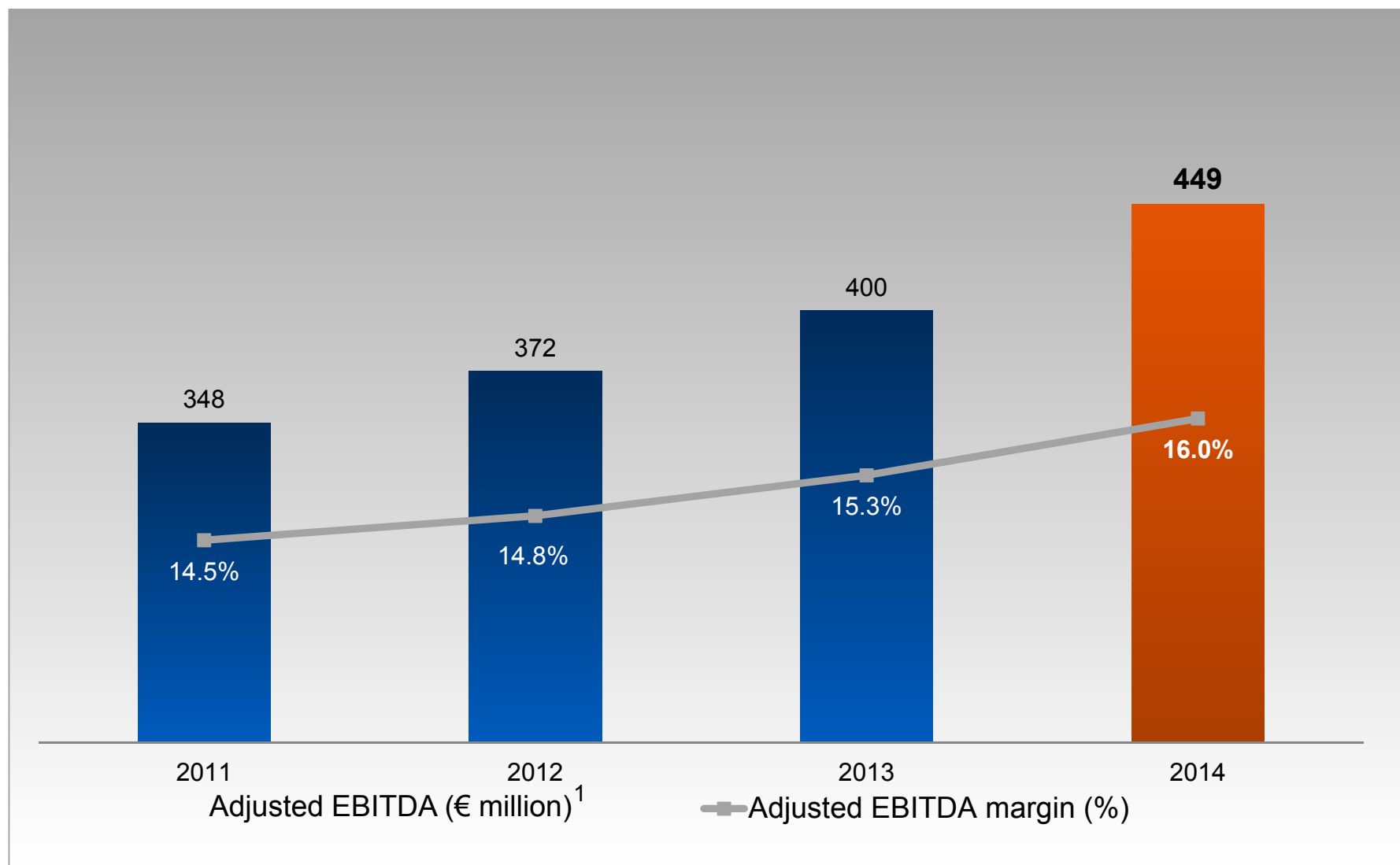


+0.8%
Comparable Growth

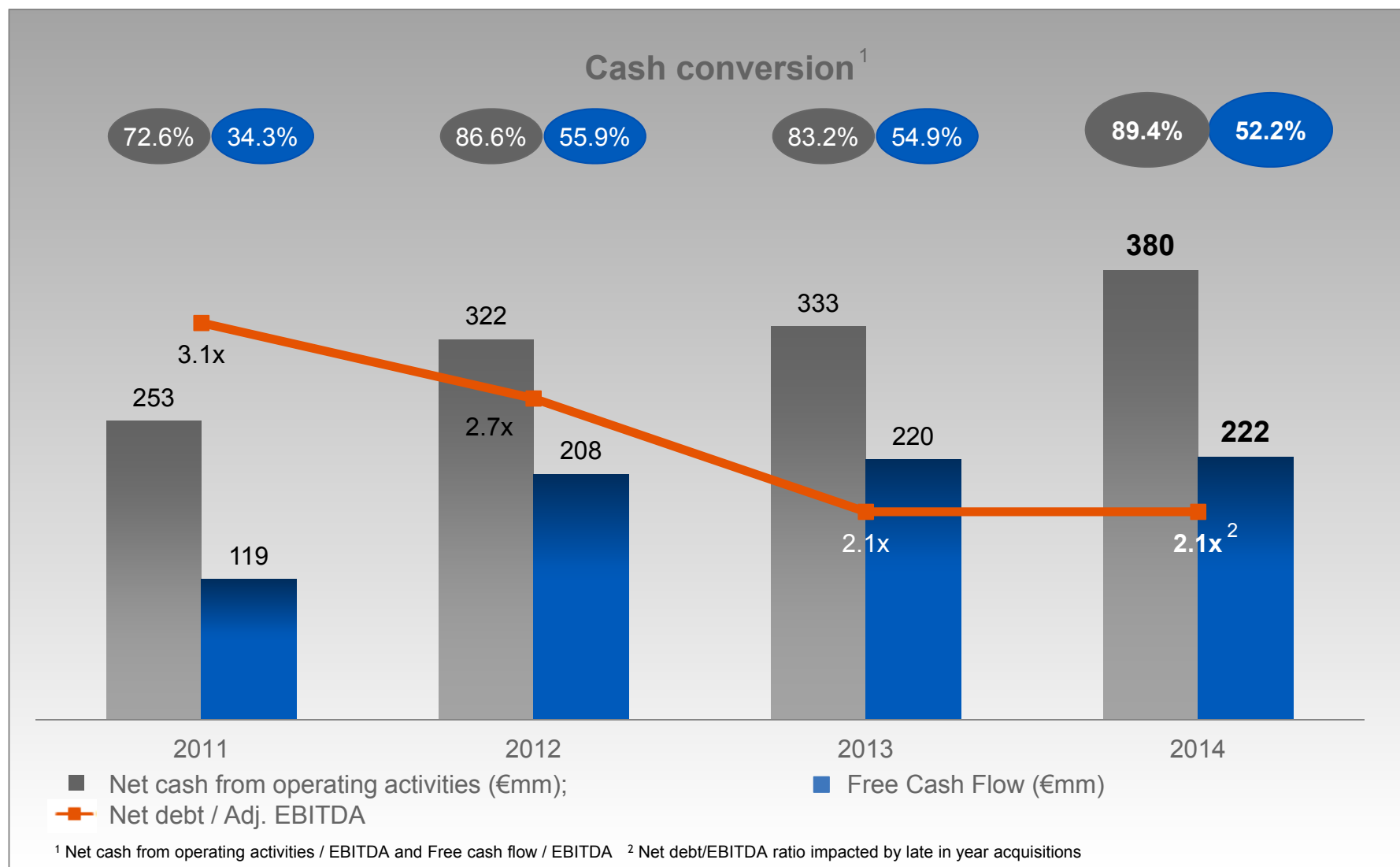
+1.6%
Comparable Growth

+4.3%
Comparable Growth

Adjusted EBITDA and margin development



Cash Flow generation



Medium term financial objectives and dividend policy

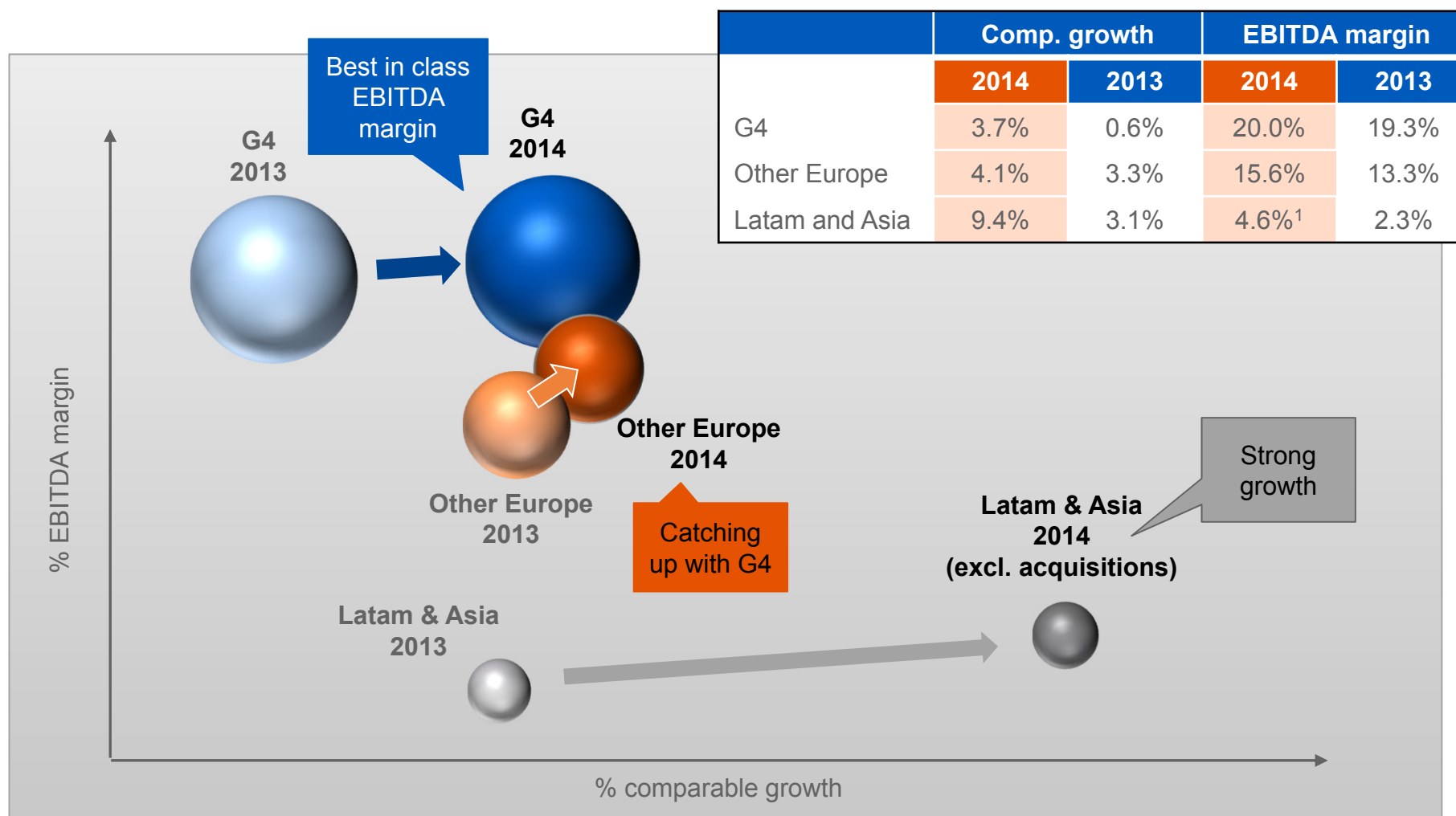
Medium term financial objectives

- Annual revenue growth rate >5% at constant exchange rates
- Average annual EBITDA growth in high single digits
- Net debt / EBITDA ratio of max. 2.0x

Dividend policy

- Intention to pay 2015 interim dividend of €35 million in September 2015 – subject to Board approval
- Remainder over 2015 determined at 2016 AGM and paid in May 2016
- After 2016, intention to pay ordinary dividend in line with medium to long term financial performance
- Target to increase DPS over time
- Ordinary dividend payout ratio 25-50%

GrandVision – a unique platform of three distinctive parts offering resilient growth, increasing profitability and high cash flow generation



¹ Latam and Asia EBITDA margin excluding acquisitions

Questions and Answers



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Annex



Consolidated Income Statement

Consolidated Income Statement (€ million)	2014	2013
Revenue	2,817	2,620
Cost of sales and direct related expenses	-744	-672
Gross profit	2,073	1,948
Selling and marketing costs	-1,446	-1,377
General and administrative costs	-342	-303
Share of result of associates	3	1
Operating result	289	270
Financial income	4	7
Financial costs	-39	-48
Financial result	-34	-41
Result before tax	254	229
Income tax	-80	-73
Result for the year	175	156
Attributable to:		
Equity holders	161	141
Non-controlling interests	13	14

Summarized Consolidated Balance Sheet

Summarized Consolidated Balance Sheet (€ million)	2014	2013
Property, plant and equipment	408	359
Intangible assets	1,334	1,123
Other non-current assets	166	127
Non-current assets	1,908	1,609
Inventories	240	193
Other current assets	266	236
Cash and cash equivalents	134	103
Current assets	640	532
Total assets	2,548	2,141
Total equity	668	546
Borrowings	960	845
Other non-current liabilities	273	203
Non-current liabilities	1,233	1,048
Trade and other payables	503	391
Borrowings	93	89
Other current liabilities	51	67
Current liabilities	647	547
Total equity and liabilities	2,548	2,141

Cash Flow Statement

Cash Flow Statement (€ million)	2014	2013
Cash flows from operating activities		
Cash generated from operations	477	392
Tax paid	- 97	- 58
Net cash from operating activities	380	333
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	- 233	- 14
Investment in associates and property	- 1	- 1
Purchase of property, plant and equipment	- 132	- 97
Proceeds from sales of property, plant and equipment	4	4
Purchase of intangible assets	- 26	- 17
Proceeds from sales of intangible assets	3	2
Other non-current receivables	4	-
Dividends received	3	3
Interest received	5	5
Net cash used in investing activities	- 374	- 113
Cash flows from financing activities		
Proceeds from shareholder contribution	-	2
Proceeds from borrowings	999	148
Repayment of shareholder loan	- 325	- 75
Repayments of other borrowings	- 602	- 282
Interest swap payments	- 4	- 5
Acquisition of non-controlling interest	-	- 1
Dividends paid	- 10	- 8
Interest paid	- 28	- 38
Net cash generated from/ (used in) financing activities	29	- 259
Increase / (decrease) in cash and cash equivalents	36	- 39
Movement in cash and cash equivalents		
Cash and cash equivalents at beginning of the year	22	55
Increase / (decrease) in cash and cash equivalents	36	- 39
Exchange gains/ (losses) on cash and cash equivalents	- 3	6
Cash and cash equivalents at end of year	54	22