



Safilo Group

Full Year Results 2007

March 28, 2008

Consolidated Income Statement

In millions of Euro	2007	2006	% change	% change CN
Net Sales	1,190.4	1,122.0	+6.1%	+10.2%
Gross profit	697.8	663.5	+5.2%	+9.2%
%	58.6%	59.1%		
EBITDA	175.3	162.4	+7.9%	+13.0%
%	14.7%	14.5%		
Operating profit	137.2	125.6	+9.3%	+15.3%
%	11.5%	11.2%		
Group net profit	51.0	37.5	+36.2%	
%	4.3%	3.3%		



Consolidated Income Statement

Net Sales drivers

In millions of Euro

2007

1,190.4 +6.1% **+10.2% CN**

- Europe +9.5%
- Americas +1.2% +9.9% CN
- Asia +15.7% +24.1% CN

- Prescription +8.8%
- Sunglasses +3.9%
- Sport +2.6%

- Asia confirming leading performance
- Prescription business recovering two years of flat trend
- Difficult comparison base for sunglasses

Consolidated Income Statement

Net Sales drivers

In millions of Euro

2007

1,190.4 +6.1% +10.2% CN

➤ Wholesale: **1,120.7 +3.8% +7.6% CN**

ca €60m with Hugo Boss, A/X Armani
Exchange and Marc by Marc Jacobs

High-single digit performance of top
licensed brands

Double digit growth of priority
House Brands

➤ Retail: **69.7 +64.4% +74.5% CN**

180 directly operated stores:
114 Solstice
66 Loop Vision

Consolidated Income Statement

Gross profit drivers

In millions of Euro

2007

697.8

58.6% -50 bps **+5.2%**

- License one-time costs
- Product complexity
- Slow-moving products
- Italian plants efficiencies

Consolidated Income Statement

Ebitda drivers

In millions of Euro

2007

175.3

14.7% +20 bps **+7.9%**

- Gross margin impacts
- Key accounts management
- Wholesale G&A reduction
- Retail business development
- One-off costs

Consolidated Income Statement

Net profit drivers

In millions of Euro

2007

51.0

4.3%

+100 bps **+36.2%**

- Total financial charges reduction
- One-time adjustment in deferred tax assets and fiscal wedge due to the new Italian fiscal policy

Consolidated Balance Sheet

In millions of Euro

	2007	2006	change
Net Working capital	395.4	362.3	33.1
Tangible & Intang. fixed assets	980.3	1,029.1	(48.8)
Financial fixed assets	14.7	16.0	(1.3)
Other assets/(liabilities)	(34.9)	(31.4)	(3.5)
Net Capital Employed	1,355.5	1,376.0	(20.5)
Net financial position	514.6	531.8	(17.2)
Minority interest	4.9	5.4	(0.5)
Shareholders' equity	836.0	838.8	(2.8)



Consolidated Balance Sheet

In millions of Euro

	2007	2006	change	% change
Net Working capital	395.4	362.3	33.1	+9.1%
Trade receivables	315.8	319.5	(3.7)	-1.2%
Inventories	274.3	271.6	2.7	1.0%
Trade payables	(194.7)	(228.8)	34.1	-14.9%

- Stable trade receivables in spite of revenues growth
- Better receivable days thanks to higher mix of Asian countries

- Higher stock turnover
- Improving inventory quality

- Trade payables main reason of WC increase
- Normalized level after inventory build-up last year

Consolidated Free Cash Flow

In millions of Euro

	2007	2006
Cash Flow operating activities prior to changes in WC	98.5	87.8
Changes in WC	(45.2)	(81.5)
Cash Flow operating activities	53.3	6.3
Cash Flow investing activities	(43.8)	(36.9)
Free Cash Flow	9.5	(30.6)



Disclaimer

This document may contain forward-looking statements relating to future events and operating, economic and financial results for Safilo Group. Such forecasts, due to their nature, imply a component of risk and uncertainty due to the fact that they depend on the occurrence of certain future events and developments. The actual results may therefore vary even significantly to those announced in relation to a multitude of factors.

