



Safilo Group

February 12th, 2009

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.



Agenda

- Q4 and FY2008 Preliminary Results
- Outlook and Strategy
- Q&A



Q4 and FY 2008 Preliminary Results



Key Highlights and Main Drivers in 2008 Performance



- Prescription frames business resilient in all major markets, especially on US independent opticians level
- US wholesale sunglass market weak at department store level
- Stronger demand for House Brands
- More moderate price points in high-end collections
- Trading down on average sale tickets in our wholesale as well as retail channels

FY 2008 Preliminary Highlights

(in millions of Euro)

	FY 2008 Preliminary	Q4 2008 Preliminary
Net Sales	1,147.8	282.1
% change	-3.6%	-1.6%
% change CN	Flat	-3.6%
EBITDA	126.3	24.5
	11.0%	8.7%
Net Income (*)	14.6	0.1
	1.3%	0.1%
Net Financial Position	570.0	

(*): Net Income before an extraordinary provision for deferred taxes estimated to be €35-40 millions.

FY and 4Q 2008 Preliminary Highlights

(in millions of Euro)

	FY 2008 Preliminary	Q4 2008 Preliminary	9M 2008
Net Sales	1,147.8	282.1	865.7
% change	-3.6%	-1.6%	-4.2%
% change CN	Flat	-3.6%	+1.4%
Wholesale	1,040.0	252.3	787.7
% change	-7.2%	-6.7%	-7.4%
% change CN	-4.0%	-9.0	-2.2%
Retail	107.8	29.8	78.0
% change	+54.6%	+85.1%	+45.5%
% change CN	+63.7%	+86.4%	+57.5%
<u>Comps sales (CN):</u>	-4%	-12%	-1%

FY and 4Q 2008 Preliminary Highlights

(in millions of Euro)	FY 2008 Preliminary		Q4 2008 Preliminary		9M 2008
		% change		% change	% change
EBITDA	126.3	-27.9%	24.5	-45.7%	101.8
	11.0%		8.7%		11.8%
Wholesale	127.2	-27.0%	27.3	-40.6%	99.9
	12.2%		10.8%		12.7%
Retail	(0.9)	n.s.	(2.8)	n.s.	1.9
	-0.8%		-9.5%		2.5%

FY 2008 Preliminary Highlights

(in millions of Euro)

**FY 2008
Preliminary**

9M 2008

change
vs FY 2007

Net Financial Position

570.0

+55.4

566.8

Net Financial Position/EBITDA

4.50x

Covenant

4.85x

Main drivers of change

Cash Flow from Operating Activities 55.6

➤ Net profit & other changes 43.9

➤ Change in Working Capital 11.7

Cash Flow from Investing Activities (87.7)

➤ Capex (54.4)

➤ Cash out for acquisition & other (33.3)

Dividends (26.8)



Outlook and Strategy

Current Trading Highlights

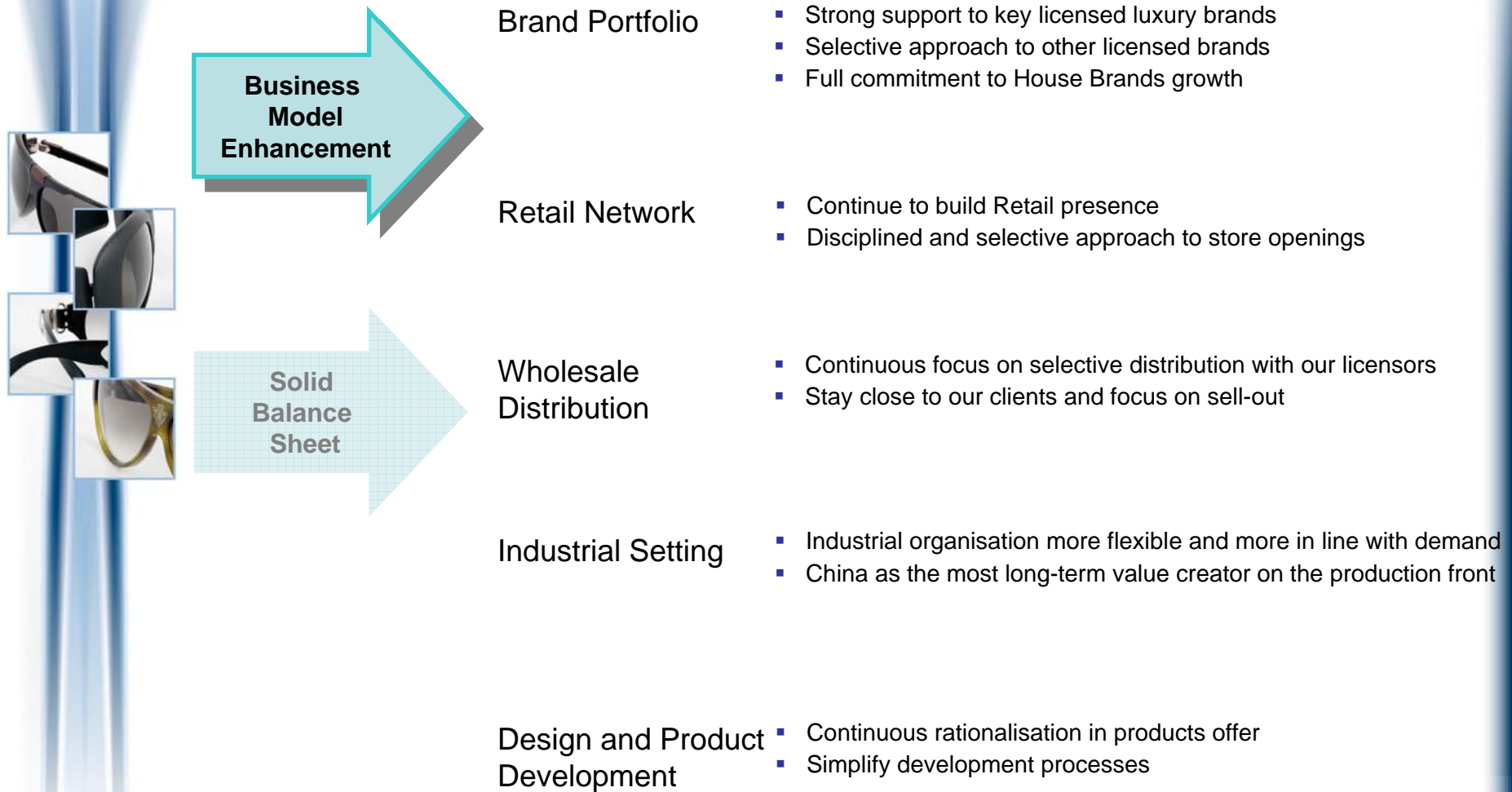
- Low double digit decline in wholesale market
- Resilient prescription business, especially in the US and Europe
- Sunglass market remains tough
- Retail comps sales declining high single digits, but better than November and December 2008

ACTION PLANNED


- ✓ Focus on selective wholesale distribution and category management
- ✓ 'Appealing' entry price selections for all top brands
- ✓ Flexible and relatively small retail network with selective new openings



Key Strategic Pillars - 1



Key Strategic Pillars - 2



Business
Model
Enhancement

Solid
Balance
Sheet

Increase cash flow
generation and focus
on de-leveraging

- Centralized Logistic project finalised in 2008 leading to increase efficiency and inventory reduction throughout the Group
- Selective Retail investments with a more conservative approach considering the current market environment
- Increase discipline in Operational capex

Appendices



Consolidated Income Statement

(non audited results)

In millions of Euro	2008 Preliminary	2007	% change	Q4 2008 Preliminary	Q4 2007	% change
Net Sales	1,147.8	1190.4	-3.6% Flat CN	282.1	286.5	-1.6% -3.6% CN
Gross profit %	663.0 57.8%	697.8 58.6%	-5.0%	159.8 56.6%	165.7 57.8%	-3.6%
EBITDA %	126.3 11.0%	175.3 14.7%	-27.9%	24.5 8.7%	45.1 15.7%	-45.7%
Operating profit %	86.3 7.5%	137.2 11.5%	-37.1%	14.7 5.2%	35.6 12.4%	-58.8%
Group net profit %	14.6 ¹ 1.3%	51.0 4.3%	-71.3%	0.1 ¹ 0.1%	12.3 4.3%	n.s.

¹ Net income 2008 and Q4 2008 Preliminary before an extraordinary provision for deferred taxes estimated to be € 35-40 millions.

Total Net Sales

(non audited results)

	2008 Preliminary	2007	% change	% change CN
In millions of Euro	1147.8	1190.4	-3.6%	Flat
	100.0%	100.0%		

By geographical region

Europe	543.8 47.4%	570.6 47.9%	-4.7%	-3.8%
America	423.0 36.8%	423.8 35.6%	-0.2%	+6.7%
Asia	147.5 12.9%	149.5 12.6%	-1.3%	+2.3%
Rest of the world	33.5 2.9%	46.5 3.9%	-28.0%	

By product category

Sunglasses	606.7 52.9%	641.4 53.9%	-5.4%	
Prescription frames	455.3 39.6%	456.3 38.3%	-0.2%	
Sport products and other	85.8 7.5%	92.7 7.8%	-7.5%	



Total Net Sales

(non audited results)

	Q4 2008 Preliminary	Q4 2007	% change	% change CN
In millions of Euro	282.1 100.0%	286.5 100.0%	-1.6%	-3.6%

By geographical region

Europe	132.8 47.1%	140.6 49.1%	-5.5%	-4.6%
America	99.1 35.1%	100.5 35.1%	-1.5%	-7.3%
Asia	35.8 12.7%	38.2 13.3%	-6.4%	-14.2%
Rest of the world	14.4 5.1%	7.2 2.5%	n.s.	

By product category

Sunglasses	140.7 49.9%	148.5 51.8%	-5.3%	
Prescription frames	112.0 39.7%	105.7 36.9%	+5.9%	
Sport products and other	29.4 10.4%	32.3 11.3%	-9.0%	



Financial Highlights by Channel

(non audited results)

In millions of Euro	2008 Preliminary	2007	% change	Q4 2008 Preliminary	Q4 2007	% change
Wholesale						
Net Sales	1040.0	1120.7	-7.2%	252.3	270.4	-6.7%
EBITDA	127.2 12.2%	174.4 15.6%	-27.0%	27.3 10.8%	46.1 17.0%	-40.7%
Retail						
Net Sales	107.8	69.7	+54.6%	29.8	16.1	+85.1%
EBITDA	-0.9 -0.8%	0.9 1.3%	n.s.	(2.8) -9.5%	(1.0) -6.0%	n.s.