

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

LUXOTTICA GROUP SPA
Form 6-K
July 01, 2003

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13A-16 OR 15D-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED MARCH 31, 2003

COMMISSION FILE NO. 1 - 10421

LUXOTTICA GROUP S.P.A.

VIA CANTU 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 /X/ 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): / /

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 /X/

[LOGO]

F O R M 6 K

FOR THE THREE MONTHS
ENDED MARCH 31 OF
FISCAL YEAR 2003

LUXOTTICA GROUP S.p.A.

INDEX TO FORM 6--K

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

PAGE

Item 1	Financial Statements:	
	-Consolidated Balance Sheets (U.S. GAAP) at December 31, 2002 (audited) and March 31, 2003 (unaudited).....	3
	-Statements of Consolidated Income (U.S. GAAP) for the three months ended March 31, 2002 and 2003 (unaudited).....	4
	-Statement of Consolidated Shareholders' Equity (U.S. GAAP) for the three months ended March 31, 2003 (unaudited).....	5
	-Statements of Consolidated Cash Flows (U.S. GAAP) for the three months ended March 31, 2002 and 2003 (unaudited).....	6
	-Condensed Notes to Consolidated Financial Statements (unaudited).....	7
Item 2	Management's discussion and analysis of financial condition and results of operations for three months ended March 31, 2002 and 2003.....	9
Item 3	Press Release for March 31, 2003.....	17

2

CONSOLIDATED BALANCE SHEETS--US GAAP

DECEMBER 31, 2002 AND MARCH 31, 2003

	DECEMBER 31, 2002 (Thousand of Euro)	MARCH 31, 2003 (UNAUDITED)	MAR ((Thousand

ASSETS			
CURRENT ASSETS:			
Cash	151,418	241,220	\$
Accounts receivable--net	370,234	420,161	
Sales and income taxes receivable	10,956	7,043	
Inventories	406,032	404,948	
Prepaid expenses and other	53,385	55,661	
Net deferred tax assets--current	148,088	146,031	
	-----	-----	
TOTAL CURRENT ASSETS	1,140,113	1,275,065	
	-----	-----	
PROPERTY, PLANT AND EQUIPMENT--NET	506,545	488,244	
	-----	-----	
OTHER ASSETS:			
Intangible assets--net	1,916,526	1,908,312	
Investments	12,837	12,680	
Other assets	10,311	13,165	
	-----	-----	
TOTAL OTHER ASSETS	1,939,674	1,934,156	
	-----	-----	
TOTAL	3,586,332	3,697,465	\$

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Bank overdrafts	371,729	504,584	\$
Current portion of long-term debt	178,335	200,391	
Accounts payable	202,897	187,577	
Accrued expenses and other	217,883	219,123	
Accrual for customers' right of return	9,130	9,209	
Income taxes payable	18,748	34,122	

TOTAL CURRENT LIABILITIES 998,722 1,155,006

LONG TERM LIABILITIES

Long term debt	855,654	827,031	
Liability for termination indemnities	48,945	44,637	
Net deferred tax liabilities--non current	121,805	123,007	
Other	133,605	142,432	

TOTAL LONG TERM LIABILITIES 1,160,010 1,137,107

MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES 9,705 9,135

SHAREHOLDERS' EQUITY

Capital stock par value Euro 0.06--454,263,600 and 454,266,000 ordinary shares authorized and issued at December 31, 2002 and March 31, 2003, respectively; 452,351,900 and 447,831,214 shares outstanding at December 31, 2002 and March 31, 2003, respectively.	27,256	27,256	
Additional paid-in capital	34,799	34,822	
Retained earnings	1,447,374	1,512,988	
Accumulated other comprehensive income (loss)	(66,987)	(108,862)	

TOTAL 1,442,442 1,466,204

Less--Treasury shares at cost; 1,911,700 and 6,434,786 shares at December 31, 2002 and March 31, 2003, respectively. 24,547 69,987

SHAREHOLDERS' EQUITY 1,417,895 1,396,217

TOTAL 3,586,332 3,697,465 \$

(1) Translated at the Noon Buying Rate of Euro 1.00=US\$1.0900 on March 31, 2003 (see Note 5).

3

STATEMENTS OF CONSOLIDATED INCOME--US GAAP FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2003 (UNAUDITED)

	2002 (3)	2003	2003
	(Thousand of Euro) (1)	(Thousand of Euro) (1)	(Thousand of Euro) (1)
NET SALES	880,486	704,547	
COST OF SALES	258,246	208,016	
GROSS PROFIT	622,240	496,531	

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

OPERATING EXPENSES:		
Selling and advertising	375,823	315,128
General and administrative	83,232	70,051
TOTAL	459,055	385,179
INCOME FROM OPERATIONS	163,185	111,351
OTHER INCOME (EXPENSE):		
Interest income	1,555	897
Interest expense	(20,674)	(11,808)
Other--net	2,962	(4,587)
OTHER INCOME (EXPENSE) NET	(16,157)	(15,498)
INCOME BEFORE PROVISION FOR INCOME TAXES	147,028	95,853
PROVISION FOR INCOME TAXES	44,108	28,761
INCOME BEFORE MINORITY INTERESTS IN INCOME OF CONSOLIDATED SUBSIDIARIES	102,920	67,092
MINORITY INTERESTS IN INCOME OF CONSOLIDATED SUBSIDIARIES	1,849	1,478
NET INCOME	101,071	65,614
EARNINGS PER SHARE:		
Basic	0.22	0.15
Diluted	0.22	0.15
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (thousands):		
Basic	451,990.5	450,957.2
Diluted	454,925.4	452,104.3

- (1) Except for earnings per share which are stated in Euro and U.S. dollars.
- (2) Translated at the Noon Buying Rate of Euro 1.00=US\$1.0900 on March 31, 2003 (see Note 5).
- (3) Certain amounts presented in the prior year financial statements have been reclassified to conform with the current presentation. Among them was a reclassification of certain revenue items of the retail segment which were recorded in prior year as a reduction in the related costs and are now reflected as gross revenues and gross costs. The effect of this reclassification is an increase in sales for the three-month period ended March 31, 2002 of U.S. Dollars 12.0 million, and an offsetting increase in costs for the same amounts.

4

STATEMENT OF CONSOLIDATED SHAREHOLDERS' EQUITY--US GAAP

FOR THE THREE MONTHS ENDED MARCH 31, 2003

(UNAUDITED)

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

	COMMON STOCK SHARES	STOCK AMOUNT	PAID-IN CAPITAL	ADDITIONAL RETAINED EARNINGS (Thousand of Euro)	COMPREHENSIVE INCOME (LOSS)	AC COM INC
BALANCES, January 1, 2003	454,263,600	27,256	34,799	1,447,374		
Exercise of stock options	2,400	0	23			
Translation adjustment					(40,465)	
Purchases of treasury shares						
Other					(1,410)	
Net income				65,614	65,614	
Comprehensive income					23,739	
BALANCES, March 31, 2003	454,266,000	27,256	34,822	1,512,988		
Comprehensive income					\$ 25,876	
(Thousand of US dollars) (1)						
BALANCES, March 31, 2003	454,266,000	\$29,709	\$37,956	\$1,649,157		\$

	TREASURY SHARES (Thousand of Euro)	CONSOLIDATED SHAREHOLDERS' EQUITY (Thousand of Euro)
BALANCES, January 1, 2003	(24,547)	1,417,895
Exercise of stock options		23
Translation adjustment		(40,465)
Purchases of treasury shares	(45,440)	(45,440)
Other		(1,410)
Net income		65,614
Comprehensive income		
BALANCES, March 31, 2003	(69,987)	1,396,217
Comprehensive income		
(Thousand of US dollars) (1)		
BALANCES, March 31,		

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

2003 \$(76,286) \$1,521,876
 ===== =====

(1) Translated at the Noon Buying Rate of Euro 1.00=US\$1.0900 on March 31, 2003
 (see Note 5).

5

STATEMENTS OF CONSOLIDATED CASH FLOWS--US GAAP

FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2003 (UNAUDITED)

	2002	2003	2004
	(Thousand of Euro)		(Thousand of Euro)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income before minority interests	102,920	67,092	
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:			
Depreciation and amortization	39,134	33,073	
Benefit for deferred income taxes	1,962	(269)	
Losses (Gains) on disposal of fixed assets--net	(2,511)	32	
Termination indemnities matured during the period	1,451	514	
Changes in assets and liabilities:			
Accounts receivable	(89,995)	(36,810)	
Prepaid expenses and other	(14,794)	593	
Inventories	12,754	1,057	
Accounts payable	14,731	(23,966)	
Accrued expenses and other	150,866	4,693	
Accrual for customers right of return	1,851	417	
Income taxes payable	39,518	14,992	
TOTAL ADJUSTMENTS	154,967	(5,674)	
Cash provided by operating activities	257,887	61,418	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Property, plant and equipment:			
Additions	(53,251)	(10,409)	
Disposals	4,888	(1,718)	
Acquisitions of business (net of cash acquired)	--	(23,708)	
Increase (Decrease) in intangible assets	(143,133)	(28,852)	
Cash used in investing activities	(191,496)	(64,688)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Long term debt:			
Proceeds	--	50,000	
Repayments	(219,909)	(43,348)	
(Investment in)/use of restricted cash deposit	121,877	--	
Sales of treasury shares and additional paid-in capital	8,784	--	
Purchase of treasury shares	--	(45,440)	
Exercise of stock options	5,925	23	
Net cash provided by (used in) financing activities	(83,323)	(38,765)	

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

EFFECT OF TRANSLATION ADJUSTMENTS AND OTHER	741	--
INCREASE (DECREASE) IN CASH	(16,191)	(42,033)
CASH, BEGINNING OF THE PERIOD	(211,991)	(220,311)
EFFECT OF TRANSLATION ADJUSTMENTS ON CASH	339	(1,019)
	-----	-----
CASH, END OF THE PERIOD	(227,843)	(263,363)
	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	13,776	6,344
Cash paid during the period for taxes	10,091	9,518

(1) Translated at the Noon Buying Rate of Euro 1.00=US\$1.0900 on March 31, 2003
(see Note 5).

6

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated balance sheet as of March 31, 2003 and the related statements of consolidated income and cash flows for the three months ended March 31, 2002 and 2003 and the statement of consolidated shareholders' equity for the three months ended March 31, 2003 have been prepared by Luxottica Group S.p.A. (the "Company") in accordance with accounting principles generally accepted in the United States of America. The consolidated balance sheet at March 31, 2003, the statements of consolidated income and cash flows for the three months ended March 31, 2002 and 2003, and the statement of consolidated shareholders' equity for the three months ended March 31, 2003 are derived from unaudited financial statements. In the opinion of Management, all adjustments (which include only normal recurring adjustments) necessary to fairly present the financial position, results of operations and cash flows as of and for the three months ended March 31, 2002 and 2003 have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States of America have been omitted. The consolidated financial statements as of and for the three month period ended March 31, 2003 should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2002. The results of operations for the three months ended March 31, 2003 are not necessarily indicative of the operating results for the full year.

2. INVENTORIES

Inventories consisted of the following (Thousand of Euro):

	DECEMBER 31, 2002	MARCH 31, 2003
Raw materials	64,581	63,263
Work in process	22,624	21,738
Finished goods	318,827	319,947
	-----	-----
Total	406,032	404,948

3. EARNINGS PER SHARE

Earnings per share are computed by dividing net income by the number of weighted-average shares outstanding during the period. Basic earnings per share are based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share are based on the weighted average number of shares of common stock and common stock equivalents (options) outstanding during the period.

4. STOCK OPTION AND INCENTIVE PLANS

Options to purchase an aggregate of 11,445,033 Ordinary Shares of the Company were outstanding at March 31, 2003. Outstanding options granted under the Company's Stock Option Plan (10,475,033 shares) become exercisable in three equal annual installments and expire on or before January 31, 2011. During the first three months of 2003, 2,400 options were exercised. Options granted under the Company's Incentive Plans (970,000 shares) vest and become exercisable only if certain financial performance measures are met over a three year period ending December 2004. As the Company has elected to apply Accounting Principle Board Opinion No. 25, "Accounting for Stock Issued to Employees", no compensation expense was recognized for shares issued under the Stock

7

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. STOCK OPTION AND INCENTIVE PLANS (CONTINUED)

Option Plans because each option's exercise price was equal to the fair market value of the underlying stock on each date of the grant. Compensation expense will be recognized for the options issued under the Incentive Plans based on the market value of the underlying Ordinary Shares when the number of shares to be issued is known.

5. CONVERSION OF FINANCIAL STATEMENTS INTO U.S. DOLLARS

The consolidated financial statements presented in Euro as of and for the three months ended March 31, 2003, are also translated into U.S. Dollars, solely for the convenience of the readers of these financial statements, at the noon buying rate of Euro 1.00 = U.S. Dollar 1.0900, as certified for customs purposes by the Federal Reserve Bank of New York (the "Noon Buying Rate") at March 31, 2003. Such translations should not be construed as representations that Euro amounts could be converted into U.S. Dollars at that or any other rate.

6. INCOME TAXES

The 2002 and 2003 effective tax rates are less than the statutory tax rate due to permanent differences between the Company's income for financial reporting and tax purposes which reflect the net loss carryforward caused by the prior funding of subsidiary losses through capital contributions that are deductible for income tax purposes under Italian law, and the reduction in certain investments in subsidiaries. Such subsidiary losses were primarily attributable to the amortization of certain intangible assets associated with the Company's acquisitions.

7. NEW ACCOUNTING PRONOUNCEMENTS

In June 2001 the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangibles Assets ("SFAS No. 142")". The pronouncement is effective for fiscal

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

years beginning after December 15, 2001 and applies to all goodwill and other intangible assets recognized in financial statements after that date. As a result of this statement, goodwill and intangibles deemed to have an indefinite life will no longer be amortized in the same manner as under the previous standards. However, they will be reviewed periodically for impairment and thus there may be more volatility in reported income.

After an evaluation, the Company has concluded that the carrying value of goodwill and other intangible assets included in the Consolidated Balance Sheet as of January 1, 2002, did not exceed their fair market value, and as a result, has not recorded an asset impairment charge for the adoption of SFAS No. 142. The Company has determined that the useful life of its trade names ranges from 20 to 25 years and, therefore, their value is amortized on a straight-line basis over their useful life. Amortization expense relating to intangible assets for the three months ended March 31, 2003 were Euro 9.0 million, compared to Euro 9.4 million for the same period of 2002.

8. RECLASSIFICATION OF 2002 INCOME STATEMENT

Certain amounts presented in the prior year financial statements have been reclassified to conform with the current year presentation. Among them was a reclassification of certain revenue items of the retail segment which were recorded in prior years as a reduction in the related costs and are now reflected as gross revenues and gross costs. The effect of this reclassification was an increase in sales for the three-month period ended March 31, 2002 of U.S. Dollars 12.0 million, and an offsetting increase in costs for the same amounts.

8

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2003

The following discussion should be read in conjunction with the disclosure contained in the Company's Annual Report on Form 20-F for the year ended December 31, 2002, which contains, among other things, a discussion of the Company's significant accounting policies and risks and uncertainties that could affect the Company's future operating results or financial condition.

OVERVIEW

The Company operates in two industry segments: manufacturing and wholesale distribution, and retail distribution. Through its manufacturing and wholesale distribution operations, the Company is engaged in the design, manufacture, wholesale distribution and marketing of house brand and designer lines of mid-to premium-priced prescription frames and sunglasses. The Company operates in the retail segment through its Retail Division, consisting of LensCrafters, Inc. and other affiliated companies ("LensCrafters") and, since April 2001, Sunglass Hut International, Inc. and its subsidiaries ("Sunglass Hut"). As of March 31, 2003 LensCrafters operated 876 stores throughout the United States of America, Canada and Puerto Rico and Sunglass Hut operated 1,890 stores and kiosks located internationally in North America, Europe and Australia.

Our net sales consist of direct sales of finished products that we manufacture to opticians and other independent retailers through our wholesale distribution channel and sales directly to consumers through our Retail Division. Our average retail unit selling price is significantly higher than our average wholesale unit selling price, as our retail sales typically include lenses as well as frames.

Demand for our products, particularly our higher-end designer lines, is largely dependent on the discretionary spending power of the consumers in the

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

markets in which we operate. We have historically experienced sales volume fluctuations by quarter due to seasonality associated with the sale of sunglasses. With the acquisition of Sunglass Hut in April 2001, we believe that this seasonality effect has increased. As a result, net sales are typically higher in the second quarter and lower in the fourth quarter.

As a result of the acquisition of LensCrafters in May 1995 and the Company's subsequent expansion of its business activities in the United States through the acquisition of the Ray-Ban sunglass business in 1999 and Sunglass Hut in 2001, the Company's results of operations, which are reported in Euro, have been rendered more susceptible to currency fluctuations between the Euro and the U.S. Dollar. The U.S. Dollar/Euro exchange rate has fluctuated from an average exchange rate in the three months ended March 31, 2002 of Euro 1.00 = U.S. Dollar 0.8766 to Euro 1.00 = U.S. Dollar 1.0730 in the three months ended March 31, 2003. Although the Company engages in certain foreign currency hedging activities to mitigate the impact of these fluctuations, they have impacted the Company's reported revenues and expenses during the periods discussed herein. Fluctuations in currency exchange rates could significantly impact the Company's reported financial results in the future.

On June 26, 1999, the Company acquired the Ray-Ban business for a purchase price of approximately U.S. \$655 million (Euro 635 million based on the exchange rate in effect at such time), subject to post-closing adjustments. The acquisition was accounted for under the purchase method. As such, the results of the Ray-Ban business have been accounted for in our consolidated results since the date of acquisition. Since the acquisition, the Company has closed Ray-Ban's frame manufacturing facilities outside Italy and integrated these operations into its own. This integration was substantially completed by the second quarter of 2000. In January 2002, the Company settled a purchase price dispute with Bausch & Lomb Incorporated, along with certain other litigation between us. The settlement resulted in a reduction in the purchase price of approximately U.S. \$42 million and, accordingly, goodwill and a liability to Bausch & Lomb previously recorded were reduced at December 31, 2001. A receivable was recorded at December 31, 2001 for the final settlement amount. The Company received a payment of U.S. \$23 million in January 2002 as the final settlement payment.

9

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2003

The following table sets forth for the periods indicated the amount and percentage of net sales represented by certain items included in the Company's statements of consolidated income.

Three months ended March 31,

	2002 (Thousand of Euro)	%	2003 (Thousand of Euro)	%
Net sales	880,486	100.0	704,547	100
Cost of sales	258,246	29.3	208,016	29
Gross profit	622,240	70.7	496,531	70
Selling, general and administrative expense	459,055	52.1	385,179	54
Income from operations	163,185	18.5	111,351	15
Other expense (income)--net	16,157	1.8	15,498	2

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

Provision for income taxes	44,108	5.0	28,761	4
Minority interests	1,849	0.2	1,478	0
	-----	-----	-----	-----
Net income	101,070	11.5	65,614	9
	=====	=====	=====	=====

NON-GAAP FINANCIAL MEASURES

The Company 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 Company 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 quarter of 2003 and the first quarter of 2002 are calculated using for each currency the average exchange rate for the three-month period ended March 31, 2002.

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 the table below for a reconciliation of the operating measures excluding the impact of fluctuations in currency exchange rates to their most directly comparable U.S.GAAP

10

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.

	1Q02	1Q03	ADJUSTMENT	1Q03
	U.S. GAAP	U.S. GAAP	FOR CONSTANT	ADJUSTED
	RESULTS	RESULTS	EXCHANGE	RESULTS
			RATES	
	(in millions of Euro)			
Consolidated net sales	880.5	704.5	118.3	822.8
Manufacturing/Wholesale net sales	324.8	275.7	24.6	300.3
Less: intercompany sales	-26.6	-40.3	-9.0	-49.3
Wholesale sales to third parties	298.2	235.4	16.1	251.5
Retail net sales	582.3	469.2	101.8	571.0
	=====	=====	=====	=====

NET SALES--Net sales decreased 20.0 percent to Euro 704.5 million during the first three months of 2003, as compared to Euro 880.5 million for the same period of 2002. This net decrease was mostly due to the weakening of the U.S. dollar against the Euro. At constant exchange rates between the periods, net

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

sales would have decreased by 6.6 percent during the first three months of 2003, compared to the same period of 2002, mainly due to the reduction of Armani and retail sales.

During the first three months of 2003, net sales in the retail segment accounted for approximately 66.6 percent of total net sales, as compared to 66.1 percent of total net sales in the same period of 2002.

Net sales in the retail segment, through LensCrafters and Sunglass Hut, decreased 19.4 percent to Euro 469.2 million for the first three months of 2003 from Euro 582.3 million for the same period of 2002. This decrease was primarily due to the weakening of the U.S. dollar against the Euro. Using constant exchange rates between the periods, net retail sales would have decreased by 1.9 percent as compared to the same period of 2002. Comparable store sales in constant U.S. Dollars for the first three months of 2003 decreased 3.0 percent.

Net sales to third parties in the manufacturing and wholesale segment decreased 21.1 percent to Euro 235.4 million for the first three months of 2003 as compared to Euro 298.2 million in the same period of 2002. Assuming constant exchange rates, wholesale sales to third parties for the first three months of 2003 would have decreased by 15.7 percent as compared to the same period of 2002. This decline was mostly due to the reduction by approximately 50% of Armani sales during the period, following the termination of the license agreement.

On a geographic basis, the United States and Canada operations had net sales of Euro 486.1 million in the first three months of 2003, comprising 69.0 percent of total net sales, a decrease of Euro 147.3 million from the same period of 2002. This decrease was substantially due to the weakening of the U.S. dollar against the Euro (in U.S. dollars, the United States and Canada operations had a decrease of U.S. dollars 33.6 million as compared to the same period of 2002). Net sales for the rest of the world accounted for the remaining Euro 218.4 million of net sales during the first three months of 2003, which represented an 11.6 percent decrease as compared to the same period of 2002. This decrease was largely due to the reduction of Armani sales.

COST OF SALES--Cost of sales decreased 19.5 percent to Euro 208.0 million in the first three months of 2003, from Euro 258.2 million in the same period of 2002, and increased as a percentage of net sales to 29.5 percent from 29.3 percent, respectively. Manufacturing labor costs decreased 6.1 percent to Euro 65.4 million in the first three months of 2003, from Euro 69.6 million in the same period of 2002. As a percentage of net sales, cost of labor increased to 9.3 percent in the first three months of 2003 from 7.9 percent in the same period of 2002. The increase in cost of sales, including manufacturing labor costs, as a percentage of net sales, was mainly attributable to lower net sales in the current period, resulting primarily from the weakening of the U.S. Dollar against the Euro. For each of 2002 and 2003, the

11

average number of frames produced daily in Luxottica's facilities (including Tristar) was approximately 130,000.

GROSS PROFIT--For the reasons outlined above, gross profit decreased 20.2 percent to Euro 496.5 million in the first three months of 2003, from Euro 622.2 million in the same period of 2002. As a percentage of net sales, gross profit decreased to 70.5 percent in the first three months of 2003 from 70.7 percent in the same period of 2002.

OPERATING EXPENSES--Total operating expenses decreased 16.1 percent to Euro 385.2 million in the first three months of 2003, from Euro 459.1 million in the same period of 2002. As a percentage of net sales, operating expenses increased

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

to 54.7 percent in the first three months of 2003 from 52.1 percent in the same period of 2002.

Selling, royalty and advertising expenses decreased 16.2 percent to Euro 315.1 million during the first three months of 2003, from Euro 375.8 million in the same period of 2002. As a percentage of net sales, these expenses increased to 44.7 percent from 42.7 percent. While the reduction in absolute amounts is largely due to the weakening of the U.S. Dollar against the Euro, the increase as a percentage of net sales is mainly due to the less efficient leverage of our fixed costs in the Retail Division, due to the reduction in sales.

General and administrative expenses, including intangible asset amortization, decreased 15.8 percent to Euro 70.1 million in the first three months of 2003 from Euro 83.2 million in the same period of 2002. As a percentage of net sales, general and administrative expenses increased to 9.9 percent from 9.5 percent. While the reduction in absolute amount is largely due to the weakening of the U.S. Dollar against the Euro, the increase as a percentage of net sales is mainly due to the less efficient leverage of our fixed costs in the wholesale division, due to the reduction in sales.

INCOME FROM OPERATIONS--Income from operations for the first three months of 2003 decreased 31.8 percent to Euro 111.4 million, from Euro 163.2 million in the same period of 2002. As a percentage of net sales, income from operations decreased to 15.8 percent from 18.5 percent.

Operating margin in the manufacturing and wholesale distribution segment decreased to 23.4 percent in the first three months of 2003, from 27.4 percent in the same period of 2002.

Operating margin in the retail segment decreased to 11.6 percent in the first three months of 2003 from 13.3 percent in the same period of 2002.

INTEREST AND OTHER EXPENSES--Net interest and other expense was Euro 15.5 million in the first three months of 2003 compared to Euro 16.2 million in the same period of 2002. This decrease was attributable primarily to lower interest expense in the current period due to the reduction of debt balances and interest rates partially offset by realized and unrealized foreign exchange transaction and remeasurement losses, net of Euro 4.6 million recognized in the first three months of 2003, as compared to a net gain of Euro 3.0 million on similar items in the same period of 2002.

NET INCOME--Income before taxes decreased 34.8 percent to Euro 95.9 million in the first three months of 2003, from Euro 147.0 million in the same period of 2002. As a percentage of net sales, income before taxes decreased to 13.6 percent from 16.7 percent. Minority interest of Euro (1.5) million in the first three months of 2003 decreased from Euro (1.8) million in the same period of 2002. The Company's effective tax rate in the first three months of 2003 and 2002 remained constant at 30.0 percent. Net income decreased 35.1 percent to Euro 65.6 million in the first three months of 2003 from Euro 101.1 million in the same period of 2002. Net income as a percentage of net sales decreased to 9.3 percent from 11.5 percent in the first three months of 2002.

Basic and diluted earnings per share for the first three months of 2003 was Euro 0.15 decreasing from Euro 0.22 for the same period of 2002.

12

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2003, the Company's consolidated net financial position (defined as financial debt less cash balances) was Euro (1,290.8) million as compared to Euro (1,254.3) million as of December 31, 2002. This increase in net

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

debt was mainly related to the repurchase of shares and the financial outflow related to the acquisition of the Versace license.

Set forth below is certain information regarding our net financial position as of December 31, 2002 and March 31, 2003:

	DECEMBER 31, 2002 (million of Euro)	MARCH 31, 2003 (million of Euro)
Cash	151.5	241.2
Bank overdrafts	(371.7)	(504.6)
Current portion of long-term debt	(178.4)	(200.4)
Long-term debt	(855.7)	(827.0)
Net Financial Position	(1,254.3) =====	(1,290.8) =====

"Net financial position" is not a financial measure in accordance with U.S. GAAP and is presented for informational purposes only. We believe that this measure is useful to investors as a measure of credit availability, leverage capacity and liquidity. The term "net financial position" is not, and should not be considered as, a substitute for our total long-term debt, total liability or any other financial measures presented in accordance with U.S. GAAP. The term, "net financial position," as the Company defines it, may differ from similarly titled financial measures used by other companies.

The Company has relied primarily upon internally generated funds, trade credit and bank borrowings to finance its operations and expansion. In June 1999, the Company received the proceeds of a Euro 350 million eurobond offering by a wholly-owned subsidiary of the Company, which was used to repay indebtedness under a prior credit agreement. Luxottica Group S.p.A. had guaranteed the subsidiary's obligations under the eurobonds, which were repaid in full in June 2002. To refinance the eurobonds, in June 2002, Luxottica U.S. Holdings Corp. ("U.S. Holdings"), a U.S. subsidiary, entered into a U.S. \$350 million credit facility with a group of four Italian banks led by UniCredito Italiano S.p.A. The new credit facility is guaranteed by Luxottica Group S.p.A. and matures in June 2005. The term loan portion of the credit facility provides US\$ 200 million of borrowing and requires equal quarterly principal installments beginning in March 2003. The revolving loan portion of the credit facility allows for maximum borrowings of US\$ 150 million; the revolving loan was fully drawn as of March 31, 2003. Interest accrues under the credit facility at LIBOR (as defined in the agreement) plus 0.5 percent (1.8400 percent on March 31, 2003) and the credit facility allows the Company to select interest periods of one, two, or three months. The credit facility contains certain financial and operating covenants. Under this credit facility, US\$ 330 million was outstanding as of March 31, 2003.

In July 2002, U.S. Holdings entered into a Convertible Swap Step-Up ("2002 Swap"). 2002 Swap beginning and maximum notional amount is U.S. \$ 275 million, which will decrease by U.S.\$ 20 million quarterly starting with the quarter beginning March 17, 2003. This Swap will expire on June 17, 2005. 2002 Swap was entered into to convert the floating rate credit agreement referred to in the preceding paragraph to a mixed position rate agreement. 2002 Swap allows U.S. Holdings to pay a fixed rate of interest if LIBOR remains under certain defined thresholds and for U.S. Holdings to receive an interest payment of the three

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

month LIBOR rate as defined in the agreement. These amounts are settled net every three months. This derivative does not qualify for hedge accounting under Statement of Financial Accounting Standards No. 133, and as such is marked to market with the gains or losses from the change in value reflected in current operations.

13

In June 1999, the Company acquired the Ray-Ban business from Bausch & Lomb Incorporated for a purchase price of U.S. \$655 million (Euro 635 million based on exchange rates in effect at such time), subject to post-closing adjustments. The purchase price was paid with the proceeds of a U.S. \$650 million (Euro 630 million based on exchange rates in effect at such time) credit facility with UniCredito Italiano S.p.A. The interest rate applicable to amounts provided to the Company under the credit facility was Euribor plus 0.5 percent. In June 2000, the Company refinanced this short-term credit facility with a new credit facility with several financial institutions which provides for total maximum borrowings of Euro 500 million. The new credit facility was unsecured, expired in June 2003, and allowed the Company to select interest periods of one, two, three or six months. The facility included a term loan in the amount of Euro 300 million and required equal quarterly installments of principal (Euro 25 million). Interest accrued on the term loan at Euribor (as defined in the agreement) plus 0.4 percent (2.980 percent on March 31, 2003). The revolving loan portion allowed for maximum borrowings of Euro 200 million; amounts borrowed under the revolving loan facility could be repaid and re-borrowed until the expiration of the agreement. The Company could select interest periods of one, two, three or six months until the agreement terminated in June 2003 and interest accrued at Euribor plus 0.375 percent (3.093 percent on March 31, 2003). Under this credit facility, Euro 125 million was outstanding as of March 31, 2003. All amounts outstanding under this credit facility were repaid, and the credit facility was terminated, in June 2003.

In December 2000, the Company entered into a new credit facility providing for maximum borrowing of Euro 256 million from San Paolo IMI S.p.A. Bank. This credit facility matured in June 2002, and the amount outstanding at that time was repaid in full.

In March 2001, the Company entered into a new credit facility with Banca Intesa S.p.A. to finance the acquisition of Sunglass Hut. The credit facility was unsecured and scheduled to expire in September 2002. In September 2002, the Company agreed with Banca Intesa S.p.A. to extend the credit facility until December 2002, on the same terms and conditions. On December 27, 2002 the amount outstanding at that time of Euro 500 million was repaid in full.

In December 2002, the Company entered into a new unsecured credit facility with Banca Intesa S.p.A. The new unsecured credit facility provides borrowing availability up to Euro 650 million. The facility includes a Euro 500 million term loan, which will require a balloon payment of Euro 200 million in June 2004 and equal quarterly installments of principal of Euro 50 million subsequent to that date. Interest accrues on the term loan at Euribor (as defined in the agreement) plus 0.45 percent (3.317 percent on March 31, 2003). The revolving loan portion provides borrowing availability of up to Euro 150 million; amounts borrowed under the revolver portion can be borrowed and repaid until final maturity. Interest accrues on the revolving loan at Euribor (as defined in the agreement) plus 0.45 percent (3.021 percent on March 31, 2003). The final maturity of the credit facility is December 27, 2005. The Company can select interest periods of one, two, three or six months. The credit facility contains certain financial and operating covenants. Under this credit facility, Euro 575 million was outstanding as of March 31, 2003.

In December 2002, the Company entered into two interest rate swap transactions ("Intesa Swaps") beginning with an aggregate maximum notional

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

amount of Euro 250 million which will decrease by Euro 100 million on June 27, 2004 and Euro 25 million each subsequent 3-month period. These Intesa Swaps will expire on December 27, 2005. Intesa Swaps were entered into as a cash flow hedge on a portion of the Banca Intesa Euro 650 million unsecured credit facility discussed above. The Intesa Swaps exchange the floating rate based on Euribor to a fixed rate of 2.985% per annum.

Capital expenditures for the first three months of 2003 were Euro 10.4 million. It is the Company's expectation that 2003 annual capital expenditures will be less than Euro 100 million.

14

RECENT DEVELOPMENTS AND OTHER EVENTS

On November 21, 2002, the Company announced that its license agreements for the manufacturing and distribution of the Giorgio Armani and Emporio Armani eyewear collections expired on December 31, 2002 and will terminate in the first half of 2003. Armani eyewear collections represented approximately 7.2 percent of the Company's consolidated net sales for 2002. Copies of the press releases relating to the Armani license agreement terminations were filed with the Securities and Exchange Commission under the cover of Form 6-K on November 21, 2002.

On January 15, 2003, the Company announced the signing of a worldwide license agreement for the design, production and distribution of Versace, Versus and Versace Sport sunglasses and prescription frames. The initial ten-year agreement is renewable, at the Company's discretion, for an additional ten year period. The new collections were launched in March 2003.

On September 25, 2002, the Company announced that its subsidiary, Luxottica U.S. Holdings Corp., had authorized the purchase of up to 11,500,000 of the Company's ADRs (one ADR represents one Ordinary Share), representing 2.5 percent of the authorized and issued capital of the Company, over the 18 month period commencing on September 25, 2002. On March 20, 2003, the Company announced that U.S. Holdings had resolved to purchase up to an additional 10,000,000 of the Company's ADRs, representing 2.2 percent of the authorized and issued share capital of Luxottica Group S.p.A., over the 18 month period commencing on March 20, 2003. The actual amount and timing of ADR purchases will depend on market conditions and other factors. Through March 31, 2003, Luxottica U.S. Holdings Corp. had repurchased 6,434,786 ADRs at an aggregate purchase price of approximately Euro 70.0 million.

The Company and its subsidiaries become involved in legal and regulatory proceedings from time to time, some of which are significant. The timing and outcome of these proceedings are inherently uncertain and, the outcomes could have a material adverse effect on the Company's business, financial position or operating results. See Item 3 - "Key Items--Risk Factors" in the Company's annual report on Form 20-F for its fiscal year ended December 31, 2002.

On June 16, 2003, our wholly-owned subsidiary, Luxottica South Pacific Pty Limited ("Luxottica South Pacific") commenced a cash offer to acquire all of the outstanding shares, performance rights and options of OPSM Group Ltd ("OPSM"), the largest eyewear retailer in Australia. The cash offer is subject to certain conditions, including, but not limited to, approval by relevant governmental authorities and the acquisition by Luxottica South Pacific, either alone or together with one or more affiliates, of the full beneficial interest in at least 90 percent by value of all of the outstanding shares and securities convertible into shares of OPSM. The Board of Directors of OPSM has unanimously recommended that OPSM shareholders and holders of performance rights and options accept our offer, in the absence of a superior offer. In addition, all OPSM directors and OPSM's Managing Director have stated that they intend to accept

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

our offer in respect of their personal holdings of OPSM shares, options and performance rights, in the absence of a superior offer. If the offer is successful, the acquisition of OPSM is expected to close in July 2003. We intend to finance the aggregate purchase price of approximately A\$ 536 million (Euro 312 million as of June 26, 2003) with proceeds from certain credit arrangements that we expect will be available to us from commercial banks. However, there can be no assurance that the transaction will be consummated on the terms or within the time period contemplated or at all.

FORWARD LOOKING INFORMATION

Certain statements in this Form 6-K may constitute forward-looking statements which are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially, including risks that may not be subject to the Company's control. These risks and uncertainties include, but are not limited to, fluctuations in exchange rates, economic and weather factors affecting consumer spending, our ability to successfully

15

introduce new products, our ability to maintain an efficient distribution network, our ability to effectively integrate newly acquired businesses, our ability to negotiate and maintain favorable license agreements, liabilities arising from legal or regulatory proceedings to which we are or may become a party, the availability of correction alternatives to prescription eyeglasses, our ability to adequately protect our intellectual property and other proprietary rights, the consummation of the pending transaction to acquire OPSM Group Ltd and other risks and uncertainties referred to in the Company's annual report on Form 20-F for its fiscal year ended December 31, 2002 (including under Item 3--"Key Items--Risk Factors") and its other filings with the Securities and Exchange Commission.

LUXOTTICA GROUP S.P.A.

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.

Date: July 1, 2003

LUXOTTICA GROUP S.P.A.

By: _____ /s/ ROBERTO CHEMELLO

ROBERTO CHEMELLO
CHIEF EXECUTIVE OFFICER

16

[LOGO]

SET FORTH BELOW IS THE TEXT OF A PRESS RELEASE ISSUED BY THE COMPANY FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2003. THE PRESS RELEASE SPEAKS AS OF THE DATE IT WAS FIRST ISSUED, AND THE COMPANY DOES NOT INTEND TO UPDATE OR REVISE ANY FORWARD LOOKING STATEMENTS CONTAINED IN THE PRESS RELEASE BASED ON NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

Luxottica Group Announces 1Q03 Results

Group highlights for the first quarter of 2003:

17

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

- NET SALES TO EUR 704.5 (US\$756.0 MILLION)
- OPERATING INCOME TO EUR 111.4 MILLION
- EARNINGS PER ADS TO EUR 0.15 (US\$0.16)

MILAN, ITALY, APRIL 24, 2003--LUXOTTICA GROUP S.P.A. (NYSE: LUX; MTA: LUX), worldwide leader in the eyewear sector, today announced results for the three-month period ended March 31, 2003(1). Results for the first quarter were negatively affected by the 18 percent year-over-year devaluation of the U.S. Dollar against the Euro.

Consolidated Results:

- FIRST QUARTER

Consolidated net sales for the quarter declined year-over-year by 20.0 percent to EUR 704.5 million. Assuming constant exchange rates, consolidated net sales for the quarter would have declined by 6.6 percent.

Consolidated operating income for the quarter was EUR 111.4 million. Consequently, consolidated operating margin for the quarter was 15.8 percent.

Consolidated net income for the quarter was EUR 65.6 million. Consequently, consolidated net margin for the quarter was 9.3 percent.

Earnings per American Depositary Share (ADS) (one ADS represents one ordinary share) for the quarter were EUR 0.15. In U.S. Dollars, earnings per ADS (EPADS) for the quarter were US\$0.16.

Breakdown of Manufacturing/ Wholesale and Retail Results:

- MANUFACTURING/WHOLESALE DIVISION

The Group's manufacturing/wholesale sales for the first quarter declined year-over-year by 15.1 percent to EUR 275.7 million. Assuming constant exchange rates manufacturing/wholesale sales for the quarter would have declined by 7.5 percent.

17

Manufacturing/wholesale operating income for the quarter was EUR 64.4 million, reflecting an operating margin of 23.4 percent.

Leonardo Del Vecchio, Chairman of Luxottica Group, commented on the results of the manufacturing/wholesale division: "In January, we added two new designer brands to our portfolio, Versace and Versus, and in March we launched new Luxottica-designed and -made collections for both. We also concurrently introduced the first prescription eyewear collection for Ray-Ban, further leveraging what is historically the world's leading sun brand by broadening the assortment of products offered under this name. Based on the more than positive feedback from opticians so far, I am fairly confident that over the coming months sales of the new lines should offset sales lost as a result of the non-renewal of the Armani licenses. At the same time, certain brands of our portfolio are gaining market share as the creative resources and manufacturing investments previously dedicated to the Armani brands were reallocated across our entire portfolio. This demonstrates our Group's ability to quickly and seamlessly adapt to changes in the market and competitive scenario."

- RETAIL DIVISION

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

Retail sales declined year-over-year by 19.4 percent to EUR 469.2 million. Assuming constant exchange rates, retail sales for the quarter would have declined by 1.9 percent. Same store sales in U.S. Dollar for the quarter declined year-over-year by 3.0 percent.

Retail operating income for the first quarter was EUR 54.3 million, resulting in an operating margin of 11.6 percent.

Mr. Del Vecchio continued: "The results of our retail division for the quarter were affected by unusually bad weather in the U.S. in February, as well as overall uncertainty due to the war in Iraq. However, U.S. consumers' data since the beginning of the hostilities show that consumption levels did not decline further. In fact, this month we are already seeing signs of a reversal of the negative trend: retail sales are up by three percent, compared with a 1.9 percent decline for the first quarter. As a result, we are hopeful to see a recovery in coming quarters. At the same time, management continues to be focused on all aspects of the business, seeking to achieve improvements both in efficiency and profitability."

Statement from the Chairman:

Mr. Del Vecchio concluded: "The Group's consolidated results for the first quarter of this year mainly reflected the impact of three factors. Firstly, results were negatively affected by the 18 percent year-over-year devaluation of the U.S. Dollar against the Euro in the quarter. Additionally, in line with management's expectations, sales of Giorgio Armani and Emporio Armani eyewear nearly halved during the quarter. Finally, the continued weakness of the economy in the U.S., which as a market represents approximately 70 percent of the Group's consolidated sales, affected retail sales. We expect that the impact of these factors will progressively lessen during the course of the year. In particular, the loss of sales due to the non-renewal of the Armani licenses should be offset by sales from the new lines launched in March. Additionally, in light of the evolution of the Euro/U.S. Dollar exchange rate during 2002 (the average exchange rates for last year were: EUR 1.00 = US\$0,8766 for the first quarter, EUR 1.00 = US\$0,9198 for the second quarter, EUR 1.00 = US\$0,9838 for the third quarter and EUR 1.00 = US\$0,9982 for the fourth quarter) and assuming that Euro/U.S. Dollar exchange rate stabilizes at current levels, or EUR 1.00 = US\$1.10, for the balance of the year, the impact from the devaluation of the U.S. Dollar against the Euro should progressively decline to nine percent by the final quarter of this year, down from 18 percent for the quarter just ended."

"The results for the first quarter confirm that 2003 will be a year of transition for us, as well as for the global economy, and that we should expect to return to growth in sales and earnings only in 2004. We

18

confirm our previously announced expectations of earnings per share (EPS) for fiscal year 2003 of Euro 0.69, or EPADS of US\$0.76, with an exchange rate of EUR 1.00 = US\$1.10."

About Luxottica Group S.p.A.:

Luxottica Group is the world leader in the design, manufacturing, marketing and distribution of prescription frames and sunglasses in mid- and premium-priced categories. The Group's products, which are designed and manufactured in six facilities in Italy and one in the People's Republic of China, include over 2,250 styles in a wide array of colors and sizes and are sold through 21 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, Hong Kong and Australia; two 75%-owned subsidiaries in Israel and Poland;

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

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 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-Registered Trademark-, Revo-Registered Trademark-, ArnetteTM and Killer Loop-Registered Trademark-brands, in June 1999, and LensCrafters, the largest optical retail chain in North America, in May 1995. For fiscal 2002, Group net sales improved year-over-year by 2.2 percent to EUR 3,132.2 million and net income by 17.6 percent to EUR 372.1 million. Additional information on the company is available on the web at www.luxottica.com.

Non-GAAP Financial Measures:

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 quarter of 2003 and the first quarter of 2002 are calculated using for each currency the average exchange rate for the three-month period ended March 31, 2002. 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 below 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.

	1Q02	1Q03	ADJUSTMENT FOR CONSTANT EXCHANGE RATES	1Q03 ADJUSTED RESULTS
	U.S. GAAP RESULTS	U.S. GAAP RESULTS	(in millions of Euro)	
Consolidated net sales	880.5	704.5	118.3	822.8
Manufacturing/wholesale net sales	324.8	275.7	24.6	300.3
Retail net sales	582.3	469.2	101.8	571.0

19

Safe Harbor Statement:

CERTAIN STATEMENTS IN THIS PRESS RELEASE MAY CONSTITUTE FORWARD LOOKING STATEMENTS WHICH ARE BASED ON MANAGEMENT'S CURRENT EXPECTATIONS AND BELIEFS AND ARE SUBJECT TO A NUMBER OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

RESULTS TO DIFFER MATERIALLY, INCLUDING RISKS THAT MAY NOT BE SUBJECT TO THE COMPANY'S CONTROL. THESE RISKS AND UNCERTAINTIES INCLUDE, BUT ARE NOT LIMITED TO, FLUCTUATIONS IN EXCHANGE RATES, ECONOMIC AND WEATHER FACTORS AFFECTING CONSUMER SPENDING, THE COMPANY'S ABILITY TO SUCCESSFULLY INTRODUCE AND MARKET NEW PRODUCTS, THE COMPANY'S ABILITY TO EFFECTIVELY INTEGRATE RECENTLY ACQUIRED BUSINESSES, THE COMPANY'S ABILITY TO SUCCESSFULLY LAUNCH INITIATIVES TO INCREASE SALES AND REDUCE COSTS, THE AVAILABILITY OF CORRECTION ALTERNATIVES TO PRESCRIPTION EYEGLASSES, AS WELL AS OTHER POLITICAL, ECONOMIC AND TECHNOLOGICAL FACTORS AND OTHER RISKS REFERRED TO IN THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE FORWARD-LOOKING STATEMENTS ARE MADE AS OF THE DATE HEREOF, AND THE COMPANY DOES NOT ASSUME ANY OBLIGATION TO UPDATE THEM.

Company contacts:

Sabina Grossi, Director, Investor Relations

Alessandra Senici, Investor Relations

Silvia Cestelli Guidi, Investor Relations

Luxottica Group

Tel.: +39-02-8633-4665

E-mail:AlessandraSenici@Luxottica.com

SilviaCestelli@Luxottica.com

FINANCIAL TABLES TO FOLLOW

- (1) UNLESS OTHERWISE NOTED, ALL COMPARISONS MADE IN THIS ANNOUNCEMENT ARE BETWEEN THE THREE-MONTH PERIOD ENDED MARCH 31, 2003, AND THE EQUIVALENT THREE-MONTH PERIOD ENDED MARCH 31, 2002. THE COMPANY'S RESULTS ARE DISCUSSED IN THIS ANNOUNCEMENT IN ACCORDANCE WITH U.S. GAAP AND ARE BROKEN OUT FOR ADDITIONAL PERSPECTIVE INTO CONSOLIDATED, MANUFACTURING/WHOLESALE, INCLUDING RAY-BAN AND RETAIL COMPONENTS, WHICH INCLUDE SUNGLASS HUT INTERNATIONAL AND LENS CRAFTERS. AS THERE ARE INTERCOMPANY ITEMS, IT IS IMPORTANT TO NOTE THE FULL RECONCILIATION DETAILED IN THE SEGMENTAL INFORMATION TABLE PROVIDED WITH THIS ANNOUNCEMENT. ADDITIONALLY, LUXOTTICA GROUP CONSIDERS THE FINANCIAL RESULTS DENOMINATED IN EURO (EUR), THE GROUP'S REPORTING CURRENCY, TO BE A MORE ACCURATE GAUGE OF ITS OPERATING PERFORMANCE. THE RESULTS DENOMINATED IN U.S. DOLLARS WERE CONVERTED AT THE AVERAGE EXCHANGE RATE FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2003, OF EUR 1.00 = US\$1.0730, COMPARED WITH EUR 1.00 = US\$0.8766 FOR THE FIRST QUARTER OF 2002. RESULTS OF THE SUNGLASS HUT INTERNATIONAL OPERATIONS WERE CONSOLIDATED INTO THE GROUP'S RESULTS AS OF MARCH 31, 2001.

#

20

[LOGO]

LUXOTTICA HEADQUARTERS AND REGISTERED OFFICES-Via Cantu 2, 20123 Milan, Italy -
Tel. + 39.02.863341 - Fax + 39.02.86996550

THE BANK OF NEW YORK (ADR DEPOSITARY BANK)-101 Barclay Street West, New York, NY
10286 USA

Tel. + 1.212.815.8365 - Fax + 1.212.571.3050

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

LUXOTTICA S.R.L.
LOC. VALCOZZENA - 32021 AGORDO
(BELLUNO) - ITALY

KILLER LOOP EYEWEAR S.R.L.
LOC. VALCOZZENA - 32021 AGORDO
(BELLUNO) - ITALY

SUNGLASS HUT INTERNATIONAL, INC.
255 ALHAMBRA CIRCLE
CORAL GABLES - FLORIDA 33134 - USA

LUXOTTICA FASHION BRILLEN VER TRIEBS GMBH
HANS-PINSEL STR. 10A - 85540
MUNCHEN - DEUTSCHLAND

LUXOTTICA PORTUGAL SA
R. JOAO DE FREITAS BRANCO, 32-C - 1500-351
LISBOA - PORTUGAL

LUXOTTICA FRANCE S.A.
LES ESPACES DE SOPHIA - BAT. B 80,
ROUTE DES LUCIOLES - VALBONNE
06902 SOPHIA ANTIPOLIS CEDEX
FRANCE

LUXOTTICA IBERICA SA
C/SILICI, 79-81
08940 CORNELLA DE LLOBREGAT
BARCELONA - ESPANA

LUXOTTICA U.K. LTD
IRON BRIDGE CLOSE - GREAT CENTRAL WAY
LONDON NW 10 0NW
UNITED KINGDOM

LUXOTTICA BELGIUM N.V.
AIRPORT BUSINESS CENTER - LUCHTHAVENLEI F17
2100 DEURNE - BELGIUM

LUXOTTICA HELLAS AE
ANTHOUSAS AVE, 3-153 51 PALLINI - GREECE

LUXOTTICA SWEDEN A.B.
TRALOSVAGEN, 14 - VASTRA FROLUNDA
GOTEBORG - SVERIGE

LUXOTTICA (SWITZERLAND) AG
WIESENSTRASSE, 1 - 4900 LANGENTHAL - SCHWEIZ

LUXOTTICA POLAND SP.Z.O.O
UL.ZACHODNIA 5/73
30-350 KRAKOW, POLAND

LUXOTTICA NEDERLAND B.V.
POSTBUS 506 - VAN DEN EIJNDEKADE, 2
2100 AM HEEMSTEDE - NEDERLAND

OY LUXOTTICA FINLAND AB
SINIKALLIONTIE 12 - 02630 ESPOO - SUOMI

LUXOTTICA VERTRIEBS GMBH

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

INKUSTRASSE, 1 - 7-A-3400
KLOSTERNEUBURG - OSTERREICH

LUXOTTICA NORGE AS
STORGT, 23
3611 KONGSBERG - NORWAY

LUXOTTICA GOZLUK TIC. A.S.
SEHITLER CAD. 1519 - SOKAK N. 5
UMURBEY IZMIR - TURKEY

AVANT-GARDE OPTICS LLC
44 HARBOR PARK DRIVE - PORT WASHINGTON
NEW YORK 11050 - USA

LENSCRAFTERS INC.
4000 LUXOTTICA PLACE
MASON - OHIO 45040 - USA

LUXOTTICA CANADA INC.
947, VERBENA ROAD - MISSISSAUGA
TORONTO - ONTARIO L5T 1T5 - CANADA

LUXOTTICA DO BRASIL LTDA
AVENIDA TAMBORE,
1180-MODULO B03-CEP 06460-000 BARUERI
SAO PAULO - BRASIL

LUXOTTICA MEXICO S.A. DE C.V.
MONTE ELBRUZ 132 - 9 DEG. PISO
ENTRE MOLIERE Y BLVD. M. AVILA CAMACHO
COL. LOMAS DE CHAPULTEPEC
11000 MEXICO D.F. - MEXICO

LUXOTTICA ARGENTINA S.R.L.
AVENIDA ALICIA MOREAU DE JUSTO, 550
PISO 1, OF. 20 Y 23 - 1107 BUENOS AIRES
ARGENTINA

MIRARI JAPAN LTD
AOBADAI BUILDING, 8F
10-9 AOBADAI 3 - CHOME
MEGURO-KU, TOKYO 153-0042 - JAPAN

LUXOTTICA SOUTH AFRICA (PTY) LTD
UNIT 5, 778 RICHARDS DRIVE - MIDRAND,
1685-PRIVATE BAG X213,
HALFWAY HOUSE 1685 - SOUTH AFRICA

LUXOTTICA AUSTRALIA PTY LTD
UNIT 8/26 JAMES STREET - P.O. BOX 47
LIDCOMBE NSW 2141 SYDNEY - AUSTRALIA

LUXOTTICA OPTICS LTD.
32 MASKIT ST. - HERZELIA-PITUAH -
P.O.B. 2038 HERZELIA 46120 - ISRAEL

LUXOTTICA GULF L.L.C.
OFFICE N. 2B LEVEL 10 - PLOT N.
ONE TRADE CENTRE SHEIKH ZAYED ROAD
DUBAI - U.A.E.

Edgar Filing: LUXOTTICA GROUP SPA - Form 6-K

MIRARIAN MARKETING PTE LTD
315 OUTRAM ROAD, 13-04 TAN BOON
LIAT BUILDING, 169074 SINGAPORE

RAY BAN SUN OPTICS INDIA LTD
FLAT 802, TOWER-A SIGNATURE TOWERS, SOUTH CITY
GURGAON 122 02-INDIA

LUXOTTICA (DONG GUAN) TRISTAR
OPTICAL CO. LTD.
OU DENG CUN
DONG GUAN CITY
GUAN DONG PROVINCE
THE PEOPLES REPUBLIC OF CHINA

www.luxottica.com