

LUXOTTICA GROUP SPA
Form 6-K
May 01, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

May 1, 2013

COMMISSION FILE NO. 1 - 10421

LUXOTTICA GROUP S.p.A.

VIA C. CANTÙ 2, MILAN, 20123 ITALY
(Address of principal executive office)

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):

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 April 29, 2013

Press release

Luxottica continues solid growth in first quarter of 2013

Net sales increased by 5.6% (at constant exchange rates¹) to approximately Euro 1.9 billion with double-digit growth (up 17% at constant exchange rates^{1,6}) in emerging markets

Milan, Italy, April 29, 2013 The Board of Directors of Luxottica Group S.p.A. (MTA: LUX; NYSE: LUX), a leader in the design, manufacture and distribution of fashion, luxury and sports eyewear, met today and approved the consolidated results for the quarter ended March 31, 2013, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IAS/IFRS).

First quarter of 2013²

(in millions of Euro)	1Q 2013	1Q 2012	Change
Net sales	1,864	1,788	+4.2% (+5.6% at constant exchange rates ¹)
Wholesale Division	781	727	+7.5% (+9.3% at constant exchange rates ¹)
Retail Division	1,083	1,061	+2.0% (+3.1% at constant exchange rates ¹)
Operating income	275	234	+17.6%
Adjusted^{3,4}	275	255	+7.7%
Net income attributable to Luxottica Group stockholders	159	129	+23.5%
Adjusted^{3,4}	159	144	+10.5%
Earnings per share	0.34	0.28	+21.5%
Adjusted^{3,4}	0.34	0.31	+8.7%
<i>In US\$ adjusted^{3,4}</i>	<i>0.45</i>	<i>0.41</i>	+9.5%

Operating performance for the first quarter of 2013

Luxottica's strong growth continued into 2013 and the Group has a positive and optimistic outlook for its future performance. The first quarter of 2013 saw positive growth in terms of both net sales and profits and confirmed the Group's expectations in terms of robust and continued growth, particularly in emerging markets (+17% at constant exchange rates^{1,6}).

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Net income for the first quarter of 2013 increased to Euro 159 million (+10.5%³) from adjusted net income^{3,4} of Euro 144 million reported in the first quarter of 2012. Net sales in the period reached approximately Euro 1.9 billion (+5.6% at constant exchange rates¹), with double-digit growth in emerging markets (+17% at constant exchange rates^{1,6}). The Group's operating income for the period rose to Euro 275 million (+7.7%³).

The first quarter has marked a strong, solid start to the year, sustained by all of our leading brands in all the geographic areas important to our company. The positive results in the first quarter of 2013 confirmed our expectations for the period and provide a strong basis for another year of growth. We have managed to improve on our record profits and net sales by focusing on the Group's unique and specific assets and continuing to invest in high-potential, fast-growing markets, commented Andrea Guerra, Chief Executive Officer of Luxottica.

We achieved significant growth especially in emerging countries, where net sales increased by almost 20% at constant exchange rate^{1,6}. In Brazil, where Luxottica net sales grew 30% at constant exchange rates^{1,6}, the merger with TecnoL is now running smoothly, delivering significant benefits as a result of our dedicated focus during 2012. North America, our most important region, once again registered solid growth, after a few jitters in February and a slight pick-up in March, which has continued into April. In Europe, we are performing at three different speeds: in Eastern Europe, growth has been very fast; in Continental Europe the results have exceeded expectations and are extremely satisfactory; and in Mediterranean Europe the business is going through a difficult patch, but Italy is keeping the pace thanks to the investments made by the Group.

Our brand portfolio is in excellent shape and it is expanding. Ray-Ban and Oakley continued to perform extremely well, retaining their titles as captains in the industry. During the first quarter 2013, in the premium and luxury segment, the licensing agreement with Armani Group became operational and we completed the merger with the iconic Alain Mikli brand, enriching the newly created Atelier Division. We are taking important steps in the development process that aims to make Luxottica the benchmark in an increasingly strategic market segment where we expect to see double-digit growth in 2013.

Looking forward to the next few months, we will continue to invest in our expansion. In particular, the emerging markets are expected to be one of the main drivers of growth, sustained by ongoing investments in people and brands, and by expanding the Retail Division via acquisitions and better penetration of existing channels, especially in Southeast Asia and Latin America.

The important achievements in the first quarter of the year are also the result of the work of all the people at Luxottica who have performed with commitment, competence and determination. Their commitment to quality and excellence allows us to look to the future with optimism and confidence.

The Group

Net sales for the first quarter of 2013 were Euro 1,864 million, up 4.2% from the same period in 2012 (+5.6% at constant exchange rates¹).

EBITDA⁴ for the first quarter of 2013 increased by 6.6% over adjusted EBITDA^{3,4} in the same period in 2012, reaching Euro 365 million. The EBITDA margin^{3,4} was therefore up from an adjusted 19.2%^{3,4} recorded in the first quarter of 2012 to 19.6% in the first quarter of 2013.

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Operating income for the first quarter of 2013 amounted to Euro 275 million up 7.7% from adjusted operating income^{3,4} of Euro 255 million in the same period of 2012.

The Group's operating margin therefore rose to 14.7% in the first quarter of 2013 from an adjusted operating margin^{3,4} of 14.3% in the first quarter of 2012.

Net income for the period was Euro 159 million, up by 10.5% from adjusted net income^{3,4} of Euro 144 million for the first quarter of 2012, corresponding to earnings per share (EPS) of Euro 0.34.

Net debt⁴ as of March 31, 2013 was Euro 1,816 million (Euro 1,662 million at December 31, 2012), and the ratio of net debt to EBITDA⁴ was 1.3x compared with a ratio of net debt to adjusted EBITDA^{3,4} of 1.2x at the end of 2012. During the first quarter of 2013, the Group invested approximately Euro 138 million in acquisitions.

Wholesale Division

Total sales for the Wholesale Division rose to Euro 781 million from Euro 727 million in the first quarter of 2012 (+7.5% at current exchange rates and +9.3% at constant exchange rates¹).

The Wholesale Division's operating income amounted to Euro 188 million, up by 9% compared with the Euro 173 million reported in the first quarter of 2012, which also was successful for the Division.

The operating margin rose to 24.1% from 23.8% in the first quarter of 2012.

Sales performance for the Wholesale Division in Luxottica's primary geographic markets saw markedly positive results in emerging markets (approximately +19% at constant exchange rates^{1,6}), North America (+9.4% at constant exchange rates^{1,6}) and continental Europe (+9.2% at constant exchange rates^{1,6}), especially in France, Germany and the Nordic countries.

Net sales in Eastern Europe increased by 19.8% at constant exchange rates^{1,6}, while the markets in Mediterranean Europe felt more keenly the effects of the difficult macroeconomic environment.

In the first quarter of the year, the optical business saw robust and continuous double-digit growth, becoming one of the Group's businesses with the greatest potential for growth, capitalizing on favorable international demographic and social trends.

Retail Division

Net sales for the Retail Division were Euro 1,083 million up from Euro 1,061 million in the first quarter of 2012 (+2% at current exchange rates and +3.1% at constant exchange rates¹).

The Division's operating income for the first quarter of 2013 amounted to Euro 132 million, up by 5.9% over the Euro 125 million in adjusted operating income^{3,4} recorded for the same period of 2012.

The operating margin for the quarter was 12.2% up from the adjusted operating margin^{3,4} of 11.8% in the first quarter of 2012.

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The Retail Division in North America experienced a solid start to the year. Despite the fact that the month of February was slow in terms of traffic, the Division resumed its positive growth trend in March and this trend has continued into April.

Additionally, during the first quarter of 2013, Australia experienced excellent performance in both the specialized sun store chain (Sunglass Hut) and optical stores (OPSM), producing increased comparable store sales of 16.1% at Sunglass Hut and 9.6% at OPSM.

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Luxottica Group S.p.A. Board of Directors has authorized the establishment of a Euro 2,000,000,000 Euro Medium Term Note Programme pursuant to which Luxottica Group S.p.A. may from time to time offer notes to institutional investors in certain jurisdictions (excluding the United States). The notes issued under this program are expected to be listed on the Luxembourg Stock Exchange.

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The Annual General Meeting of Stockholders of Luxottica Group S.p.A. took place today. Stockholders approved the Company's financial statements for the fiscal year ended December 31, 2012 and the distribution of a cash dividend of Euro 0.58 per ordinary share, reflecting a year-over-year increase of 18%. The aggregate dividend amount is approximately Euro 270 million.

The cash dividend will be payable on May 23, 2013 (the coupon detachment date will be May 20, 2013 pursuant to the Borsa Italiana calendar with a record date of May 22, 2013). Regarding the American Depositary Receipts (ADRs) listed on the New York Stock Exchange, the record date will be May 22, 2013 and, according to Deutsche Bank Trust Company Americas (the depository bank for the ADR program), the payment date for the dividend in U.S. dollars is expected to be May 31, 2013 at the Euro/U.S. Dollar exchange rate as of May 23, 2013.

The Annual General Meeting of Stockholders also approved the adoption of the incentive plan for employees of the Company and its subsidiaries Performance Share Plan 2013-2017 and the Remuneration Policy in accordance with Article 123-ter of the Consolidated Law on Finance.

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Luxottica also announced that its Annual Report on Form 20-F for the fiscal year ended December 31, 2012 has been filed with the U.S. Securities and Exchange Commission (SEC). The report is available at the registered office, on the Group's corporate website at www.luxottica.com, on the SEC website at www.sec.gov and on the Milan stock exchange Borsa Italiana website at www.borsaitaliana.it. Requests for hard copies (free of charge) of the Group's complete audited financial statements which are included in our Form 20-F may be made by contacting the Group's investor relations department at the address investorrelations@luxottica.com.

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The results for the first quarter of 2013 will be discussed today at 6:30 p.m. (CET) during a conference call with the financial community. The audio portion and related presentation will be publicly available via live webcast at www.luxottica.com.

The officer responsible for preparing the Company's financial reports, Enrico Cavatorta, declares, pursuant to Article 154-bis, Section 4, of the Consolidated Law on Finance, that the accounting information contained in this press release is consistent with the data in the supporting documents, books of accounts and other accounting records.

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Notes on the press release

(1) Figures given at constant exchange rates have been calculated using the average exchange rates of the respective comparative period in the previous year. For further information, please see the attached tables.

(2) All comparisons, including percentage changes, are between the three-month periods ended March 31, 2013 and March 31, 2012, as indicated, in accordance with IAS/IFRS. As of January 2013, the Group adopted the revised IAS 19 – Employee Benefits standard. Group information for prior periods has been restated in compliance with the requirements of the revised standards. As a result, the Group's first quarter 2012 operating income and net income decreased by Euro 2.9 million and Euro 1.8 million, respectively.

(3) The adjusted data for the first quarter of 2012 does not include restructuring costs relating to the reorganization of the Australian retail business amounting to an approximately Euro 22 million adjustment to operating income and an approximately Euro 15 million adjustment to net income.

(4) EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted operating margin, free cash flow, net debt, the ratio of net debt to adjusted EBITDA, adjusted net income, adjusted operating income and adjusted earnings per share are not measures in accordance with IAS/IFRS. For

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further information on such non-IAS/IFRS measures, please see the attached tables.

(5) Comparable store sales reflect 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.

(6) Sales performance of Luxottica Group in the first quarter of 2013 at current exchange rates was approximately +13% in the emerging markets and +15% in Brazil.

Sales performance of the Wholesale Division in the first quarter of 2013 at current exchange rates was approximately +13% in the emerging markets, +8.5% in North America and +9.3% in continental Europe. Sales performance of the Wholesale Division in the first quarter of 2013 at current exchange rates was +20.1% in Eastern Europe.

Luxottica Group S.p.A.

Luxottica Group is a leader in premium, luxury and sports eyewear with approximately 7,000 optical and sun retail stores in North America, Asia-Pacific, China, South Africa, Latin America and Europe, and a strong, well-balanced brand portfolio. Proprietary brands include Ray-Ban, the world's most famous sun eyewear brand, Oakley, Vogue Eyewear, Persol, Oliver Peoples, Alain Mikli, Arnette and REVO, while licensed brands include Giorgio Armani, Bulgari, Burberry, Chanel, Coach, Dolce & Gabbana, Donna Karan, Polo Ralph Lauren, Prada, Starck Eyes, Tiffany and Versace. In addition to a global wholesale network involving 130 different countries, the Group manages leading retail chains in major markets, including LensCrafters, Pearle Vision and ILORI in North America, OPSM and Laubman & Pank in Asia-Pacific, LensCrafters in China, GMO in Latin America and Sunglass Hut worldwide. The Group's products are designed and manufactured at its six manufacturing plants in Italy, two wholly owned plants in the People's Republic of China, one plant in Brazil and one plant in the United States devoted to the production of sports eyewear. In 2012, Luxottica Group posted net sales of more than 7.0 billion. 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, the ability to manage the effects of the current uncertain international economic outlook, the ability to successfully acquire and integrate new businesses, the ability to predict future economic conditions and changes to consumer preferences, the ability to successfully introduce and market new products, the ability to maintain an efficient distribution network, the ability to achieve and manage growth, the ability to negotiate and maintain favorable license agreements, the availability of correction alternatives to prescription eyeglasses, fluctuations in exchange rates, changes in local conditions, the ability to protect intellectual property, the ability to maintain relations with those hosting our stores, computer system problems, inventory-related risks, credit and insurance risks, changes to tax regimes as well as other political, economic and technological factors and other risks and uncertainties 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 we do not assume any obligation to update them.

- APPENDIX FOLLOWS -

LUXOTTICA GROUP

CONSOLIDATED FINANCIAL HIGHLIGHTS

FOR THE THREE-MONTH PERIODS ENDED

MARCH 31, 2013 AND MARCH 31, 2012

In accordance with IAS/IFRS

KEY FIGURES IN THOUSANDS OF EURO (1)	2013	2012 (2)	% Change
NET SALES	1,864,119	1,788,172	4.2%
NET INCOME ATTRIBUTABLE TO LUXOTTICA GROUP STOCKHOLDERS	159,234	128,976	23.5%
BASIC EARNINGS PER SHARE (ADS) (3)	0.34	0.28	21.5%

KEY FIGURES IN THOUSANDS OF U.S. DOLLARS (1) (4)	2013	2012 (2)	% Change
NET SALES	2,460,637	2,343,936	5.0%
NET INCOME ATTRIBUTABLE TO LUXOTTICA GROUP STOCKHOLDERS	210,189	169,062	24.3%
BASIC EARNINGS PER SHARE (ADS)(3)	0.45	0.37	21.6%

Notes :

(1) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively.

(2) As of January 1, 2013, the Group adopted the revised IAS 19 Employee Benefits standard. Group information for prior periods has been restated in compliance with the requirements of the revised standard.

As a result, the Q1 2012 Group's operating income and net income decreased by Euro 2.9 million and Euro 1.8 million, respectively.

(3) Weighted average number of outstanding shares	469,697,345	462,217,203
(4) Average exchange rate (in U.S. Dollars per Euro)	1.3200	1.3108

LUXOTTICA GROUP

CONSOLIDATED INCOME STATEMENT

FOR THE THREE-MONTH PERIODS ENDED

MARCH 31, 2013 AND MARCH 31, 2012

In accordance with IAS/IFRS

KEY FIGURES IN THOUSANDS OF EURO (1)	2013	% of sales	2012	% of sales	% Change
NET SALES	1,864,119	100.0%	1,788,172	100.0%	4.2%
COST OF SALES	(645,713)		(622,564)		
GROSS PROFIT	1,218,406	65.4%	1,165,608	65.2%	4.5%
<i>OPERATING EXPENSES:</i>					
SELLING EXPENSES	(562,685)		(571,572)		
ROYALTIES	(36,170)		(32,518)		
ADVERTISING EXPENSES	(111,553)		(101,978)		
GENERAL AND ADMINISTRATIVE EXPENSES	(233,181)		(225,945)		
TOTAL	(943,589)		(932,013)		
OPERATING INCOME	274,817	14.7%	233,595	13.1%	17.6%
<i>OTHER INCOME (EXPENSE):</i>					
INTEREST EXPENSES	(26,555)		(36,984)		
INTEREST INCOME	2,548		5,417		
OTHER - NET	177		(69)		
OTHER INCOME (EXPENSES)-NET	(23,830)		(31,636)		
INCOME BEFORE PROVISION FOR INCOME TAXES	250,987	13.5%	201,960	11.3%	24.3%
PROVISION FOR INCOME TAXES	(90,366)		(71,061)		
NET INCOME	160,622	8.6%	130,899	7.3%	22.7%
OF WHICH ATTRIBUTABLE TO:					
- LUXOTTICA GROUP STOCKHOLDERS	159,234	8.5%	128,976	7.2%	23.5%
- NON-CONTROLLING INTERESTS	1,387	0.1%	1,923	0.1%	
NET INCOME	160,622	8.6%	130,899	7.3%	22.7%
BASIC EARNINGS PER SHARE (ADS):	0.34		0.28		
FULLY DILUTED EARNINGS PER SHARE (ADS):	0.34		0.28		
WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES	469,697,345		462,217,203		
FULLY DILUTED AVERAGE NUMBER OF SHARES	472,742,228		464,615,581		

Notes :

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

LUXOTTICA GROUP

CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2013 AND DECEMBER 31, 2012

In accordance with IAS/IFRS

KEY FIGURES IN THOUSANDS OF EURO	March 31, 2013	December 31, 2012
<i>CURRENT ASSETS:</i>		
CASH AND CASH EQUIVALENTS	582,096	790,093
ACCOUNTS RECEIVABLE - NET	893,286	698,755
INVENTORIES - NET	765,732	728,767
OTHER ASSETS	228,202	209,250
TOTAL CURRENT ASSETS	2,469,315	2,426,866
<i>NON-CURRENT ASSETS:</i>		
PROPERTY, PLANT AND EQUIPMENT - NET	1,200,668	1,192,394
GOODWILL	3,299,528	3,148,770
INTANGIBLE ASSETS - NET	1,389,867	1,345,688
INVESTMENTS	57,225	11,745
OTHER ASSETS	163,804	147,036
DEFERRED TAX ASSETS	162,696	169,662
TOTAL NON-CURRENT ASSETS	6,273,790	6,015,294
TOTAL	8,743,105	8,442,160