

**E Y E**

**C A R E ,**

**W E**

**C A R E M O R E**

2015  
Annual General Meeting  
Presentation

8 May 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.*

# First Quarter 2015 Trading Update



- **Revenue grew by 15.6% at constant exchange rates with comparable growth of 5.5%**
  - G4 revenue **+9.7%** at constant exchange rates, comparable growth **+6.8%**
  - Other Europe revenue **+19.9%** at constant exchange rates, comparable growth **+1.4%**
  - Latin America and Asia revenue **+48.5%** at constant exchange rates, comparable growth **+8.8%**
  
- **Adjusted EBITDA<sup>1</sup> +16.3%, organic growth +13.8%**
  - Adj. EBITDA broadly stable at **15.6%** including acquisitions
  - Excluding acquisitions, adj. EBITDA margin would have increased +92bps to **16.5%**

Key Performance Indicators	1Q15
Revenue growth (constant FX)	+15.6%
Revenue growth (organic)	+7.1%
Comparable growth	+5.5%
Adj. EBITDA growth (constant FX)	+16.3%
Adj. EBITDA growth (organic)	+15.3%
Adj. EBITDA margin	15.6%



<sup>1</sup> Adjusted EBITDA = EBITDA excluding non-recurring items

# 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%)

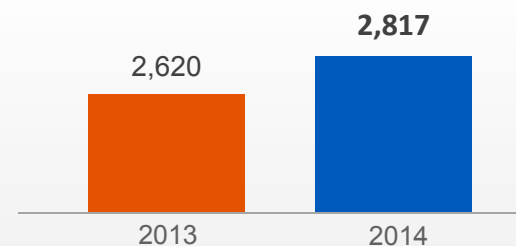
## ■ 5,814 stores at year-end

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

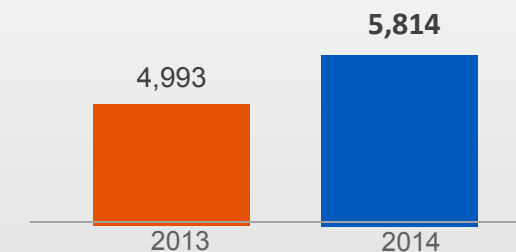
## ■ Improved profitability

- Adjusted EBITDA up **12.3%** at constant exchange rates to **€449 million** (2013: €400 million)
- Organic Adjusted EBITDA **+12.7%**
- Adjusted EBITDA margin **+68 bps** to **16.0%**

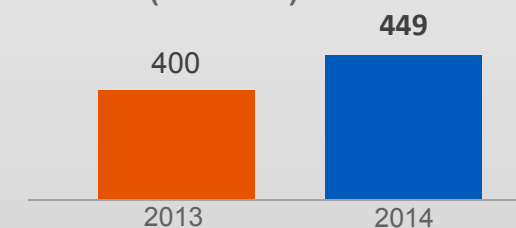
Revenue (€ million)



Stores



Adjusted EBITDA (€ million)



## Strategic priorities

---



Further 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

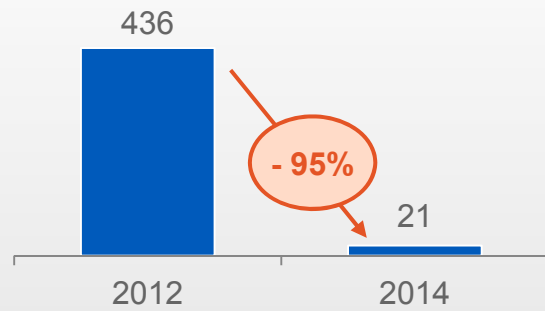


Enter new markets

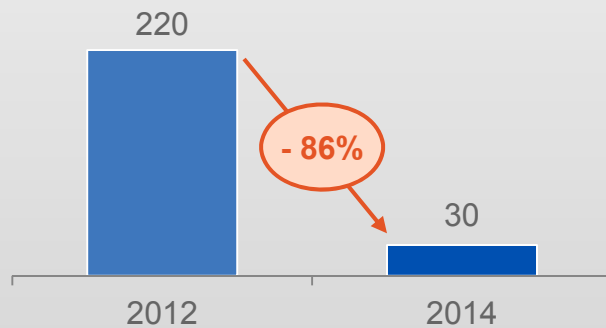
## 2014 Achievements (1/2)

### Exclusive brands portfolio

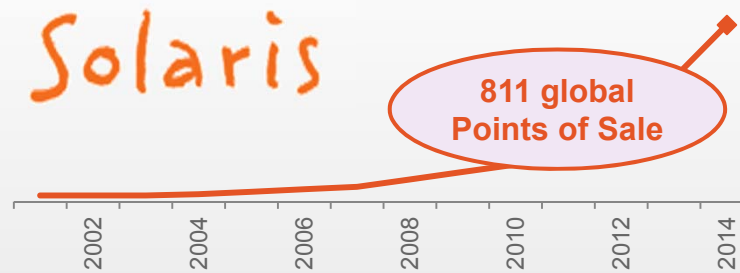
e.g. reduced number of exclusive in-house frame brands



e.g. decreased number of frame suppliers



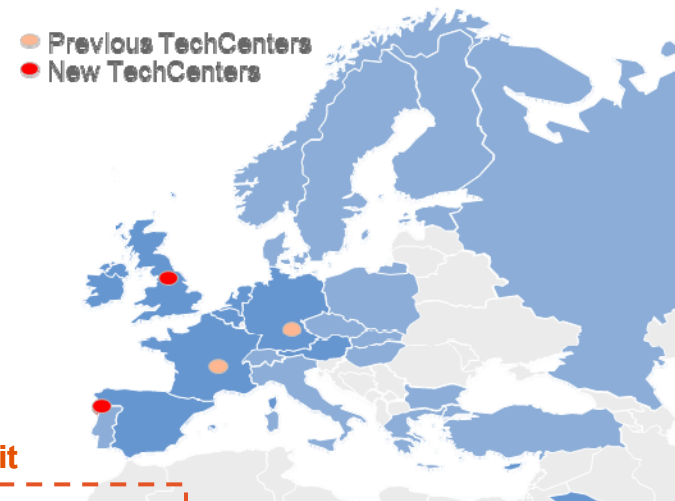
### Solaris' expansion



## 2014 Achievements (2/2)

### Further roll-out of TechCenters

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



### Process flow cut, edge and fit

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



## 2014 Acquisitions



- Expanded in
  - Colombia
  - Germany
  - Italy
  - United Kingdom



- Entered new markets in
  - China
  - Peru
  - Turkey





**E Y E**

**C A R E ,**

**W E**

**C A R E M O R E**

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%** (2013: 19.3%)
- Strengthened market-leading position in all G4 business units

G4 – key figures	2014
Revenue growth (constant rates)	+ 6.8%
Revenue growth (organic)	+ 4.8%
Comparable growth	+ 3.7%
Adj. EBITDA growth (constant rates)	+ 11.1%
Adj. EBITDA growth (organic)	+ 10.2%
Adj. EBITDA margin	20.0%



## 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
Revenue growth (constant rates)	+ 7.3%
Revenue growth (organic)	+ 6.1%
Comparable growth	+ 4.1%
Adj. EBITDA growth (constant rates)	+ 26.3%
Adj. EBITDA growth (organic)	+ 25.0%
Adj. EBITDA margin	15.6%



## Segment Review: Latin America and Asia



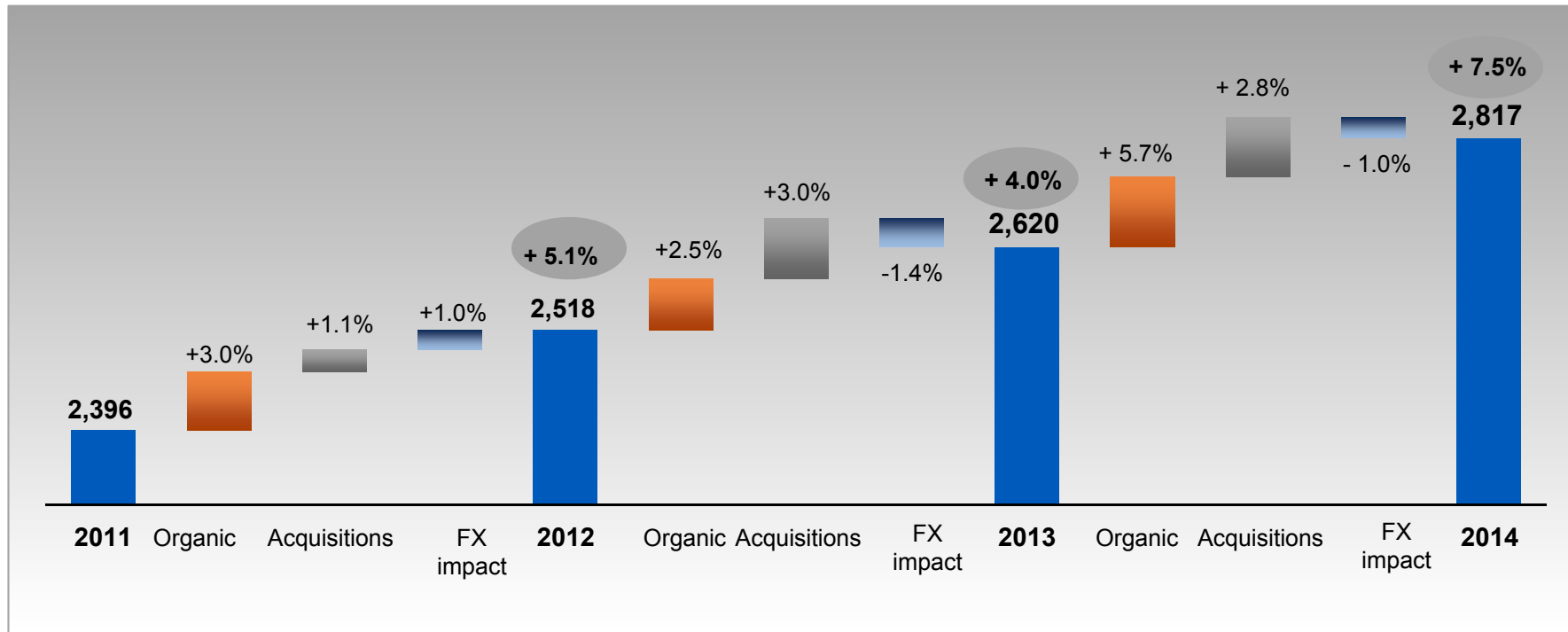
### 2014 Highlights

- 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 of **4.6%** excluding acquisitions, and **1.9%** including acquisitions

LatAm & Asia - key figures	2014
Revenue growth (constant rates)	+ 23.7%
Revenue growth (organic)	+ 11.0%
Comparable growth	+ 9.4%
Adj. EBITDA growth (constant rates)	+ 6.6%
Adj. EBITDA growth (organic)	+ 108.7%
Adj. EBITDA margin	1.9%



# Comparable growth development

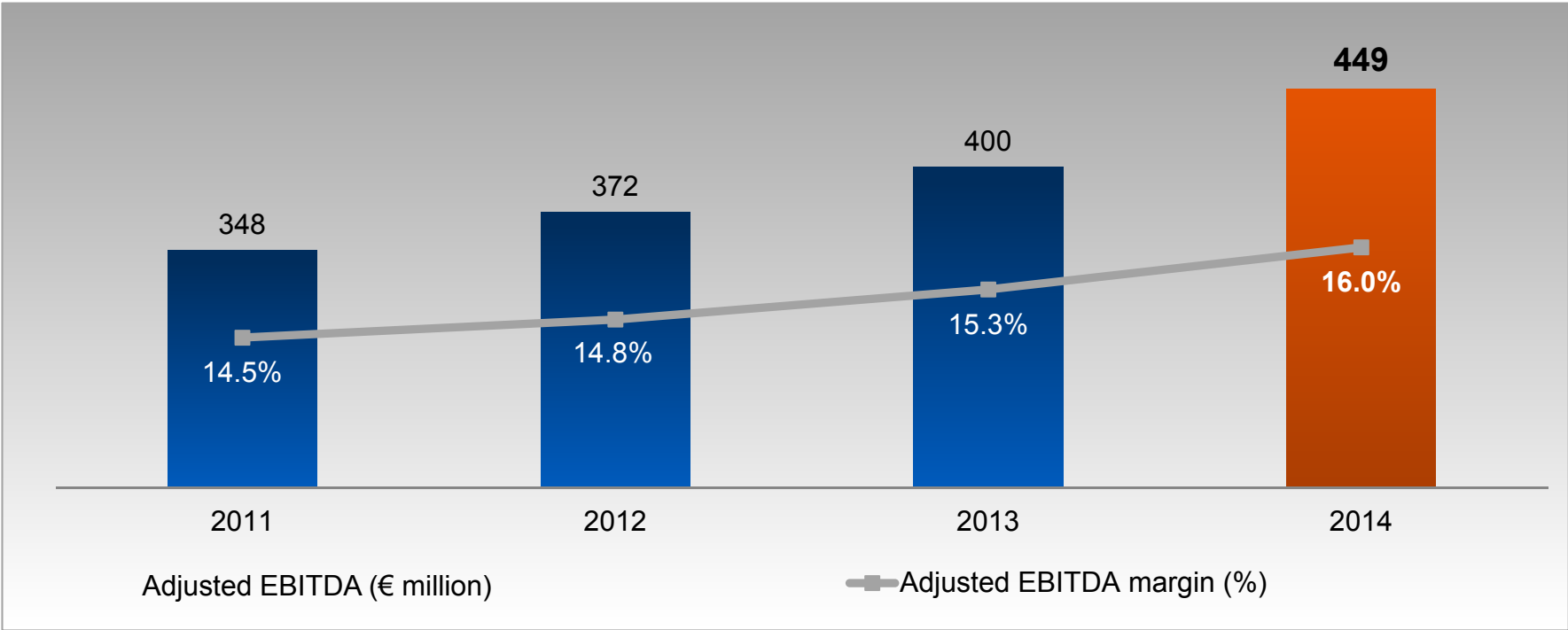


**+0.8%**  
Comparable Growth

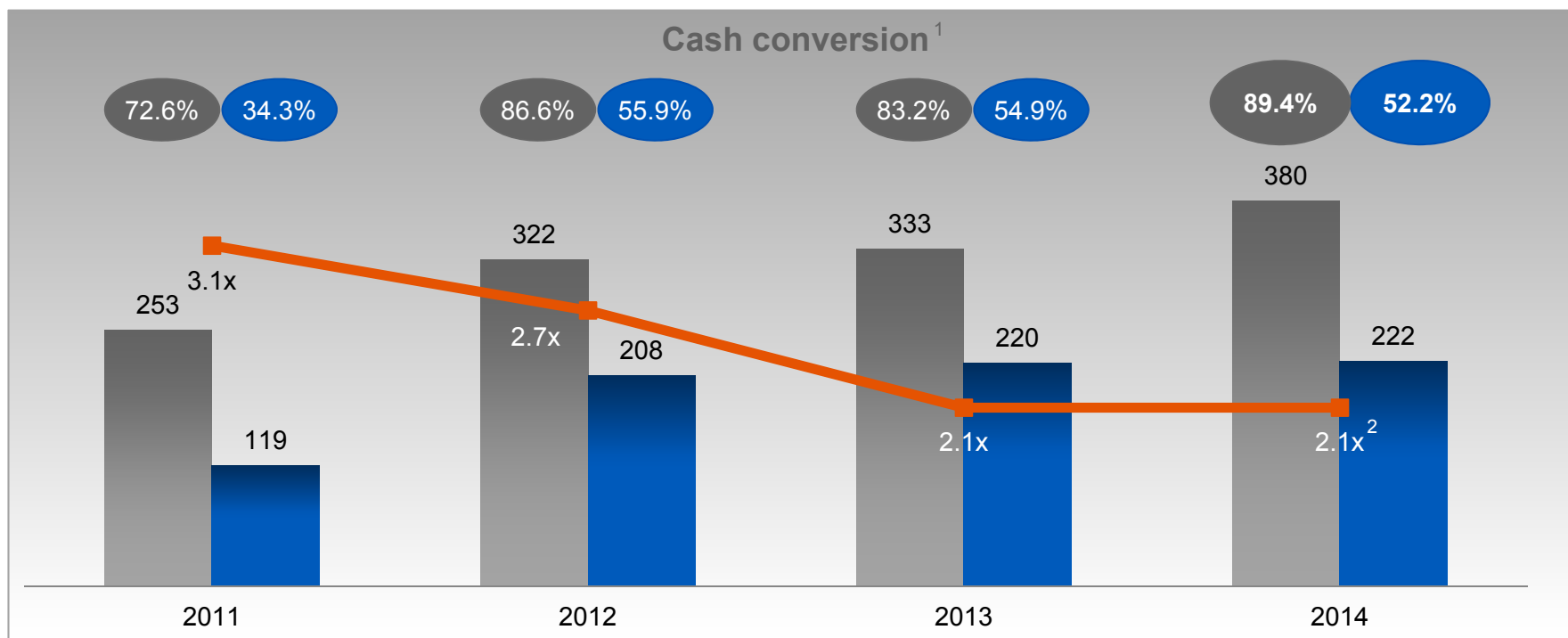
**+1.6%**  
Comparable Growth

**+4.3%**  
Comparable Growth

# Adjusted EBITDA and margin development



# Cash Flow generation



Net cash from operating activities (€mm);
  Free Cash Flow (€mm)

Net debt / Adj. EBITDA

<sup>1</sup> Net cash from operating activities / EBITDA and Free cash flow / EBITDA

<sup>2</sup> Net debt/EBITDA ratio impacted by late in year acquisitions

Thank you

**E Y E**

**C A R E ,**

**W E**

**C A R E M O R E**