

LUXOTTICA GROUP SPA
Form 6-K
October 28, 2010

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**

October 28, 2010

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 October 25, 2010.

Luxottica continues to show strong growth in 3Q10

Net income for third quarter exceeded 100 million, net sales approach 1.5 billion

Milan, Italy, October 25, 2010 The Board of Directors of **Luxottica Group S.p.A. (MTA: LUX; NYSE: LUX)**, a global leader in the design, manufacture and distribution of fashion, luxury and sports eyewear, met today and approved the consolidated results for the third quarter and first nine months of the year ended on September 30, 2010, in accordance with IAS/IFRS.

Third quarter 2010(1) IAS/IFRS

(In millions of Euro)	Q3 2010	Q3 2009	Change
Net sales	1,464.7	1,223.3	+19.7% (+8.6% at constant exchange rates(2))
Operating income	186.4	139.6	+33.6%
Net income	101.9	75.8	+34.5%
Earnings per share	0.22	0.17	+34.1%
<i>in US\$</i>	<i>0.29</i>	<i>0.24</i>	<i>+21.1%</i>

First nine months of 2010(1) IAS/IFRS

(In millions of Euro)	9M 2010	9M 2009	Change
Net sales	4,451.5	3,937.2	+13.1% (+7.3% at constant exchange rates(2))
Operating income	616.0	497.0	+23.9%
Net income	347.1	269.9	+28.6%

Earnings per share	0.76	0.59	+28.2%
<i>in US\$</i>	<i>0.99</i>	<i>0.81</i>	<i>+23.4%</i>

Operating performance for the third quarter of 2010

During the third quarter of 2010, Luxottica's solid growth continued to contribute towards excellent results thanks to the intense work of both its Retail and Wholesale Divisions, the strength of its brands and the success of commercial initiatives in all the main geographic areas in which the Group operates. Net income for the quarter topped the 100 million mark, with net sales approaching 1.5 billion.

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Results achieved in the third quarter of 2010 were positive, commented Andrea Guerra, Chief Executive Officer of Luxottica. All our people were able to strongly react to and make the best of the opportunities offered by the *New World* in which we operate. Such results may be summarized in a solid growth in so-called mature markets - net sales in Europe were up by 12.7% and net sales in U.S. dollars in North America rose by 8.5% over the third quarter last year - as well as in a strong increase in key emerging markets, where net sales grew by 26.2% over last year.

Sun season results were positive all over the world and Sunglass Hut, our specialty sun stores chain, posted successful performances both in the U.S., where comparable store sales(4) were up by 12.5%, and globally.

Due attention must be given to the new growth trend of our premium and luxury brands: over the last two quarters, we have experienced a steady increase in the number of consumers again interested in these brands.

I am also really proud of our excellent positive free cash flow(3), equivalent to more than 250 million in the quarter, which confirmed the validity of our business model and the constant attention to working capital.

The results achieved thus far allow us to look optimistically toward a year-end that, if we continue to work with the determination and passion shown in recent months, may allow us to reach the threshold of 400 million of net income.

During the third quarter of the year, Luxottica successfully achieved very positive results in most of the geographic regions in which it operates. The Wholesale Division made a decisive contribution to these results with its continued growth in both more mature markets, such as the United States and Europe, and in emerging markets, where net sales increased by more than 20% for the fourth consecutive quarter, with increases of approximately 40% seen in India and South Korea.

The Group also posted very positive results at LensCrafters, which returned to its position as a leader in the North American optical retail sector, and at Sunglass Hut, today more than ever, the world's leading sun specialty stores chain.

Consolidated results

In the third quarter of 2010, net sales rose by 19.7% at current exchange rates and by +8.6% at constant exchange rates(2) to 1,464.7 million, from 1,223.3 million in the third quarter of 2009. In the first nine months, net sales rose by 13.1% to 4,451.5 million, from 3,937.2 million in the first nine months of 2009.

EBITDA(3) grew over the previous year by +25.6% to 263.5 million, from 209.8 million in the third quarter of 2009. In the first nine months, EBITDA(3) increased from 711.3 million for the first nine months of 2009 to 841.5 million (+18.3%) for the same period in 2010.

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Operating income was 186.4 million for the third quarter of 2010 (139.6 million for the same period last year, +33.6%), while the Group's operating margin improved from 11.4% in the third quarter of 2009 to 12.7% for the same period in 2010. In the first nine months of the year, operating income amounted to 616.0 million, up 23.9% from the 497.0 million posted for the same period last year.

Net income for the third quarter of 2010 increased to 101.9 million (up by +34.5% from 75.8 million for the same period in 2009), resulting in earnings per share (EPS) of 0.22 (at an average Euro/Dollar exchange rate of 1.2910). In the first nine months of the year, net income amounted to 347.1 million, up 28.6% from the 269.9 million posted for the same period last year, resulting in EPS of 0.76 (at an average Euro/Dollar exchange rate of 1.3145).

For the third quarter of 2010, once again, the Group generated excellent positive free cash flow⁽³⁾ (more than 250 million). Net debt⁽³⁾ as of September 30, 2010, amounted to 2,269 million (2,337 million at the end of 2009), with a ratio of net debt to EBITDA⁽³⁾ of 2.3X as compared with 2.7X at the end of 2009.

Overview of performance at the Wholesale Division

During the third quarter, the Wholesale Division continued to record excellent results thanks to the continued success of commercial initiatives, the great appreciation by customers of collections and initiatives such as the Buying Days, along with positive results from all Group brands. Particularly noteworthy, for the second quarter in a row, the premium and luxury brands accelerated their improvement trend, marking a 18% increase in net sales. Ray-Ban and Oakley continued their double-digit growth, with great success enjoyed by the optical collections. In terms of sales performance in the main geographical areas, Luxottica saw very positive results in emerging markets, in particular in Brazil, China and India, as well as in Europe.

The Division's net sales rose to 518.3 million in the third quarter of 2010, from 429.5 million in the third quarter of 2009 (+20.7% at current exchange rates and +12.4% at constant exchange rates⁽²⁾). In the first nine months of 2010, net sales were 1,722.9 million, up 14.4% from the 1,506.5 million recorded for the first nine months of 2009 (+9.5% at constant exchange rates⁽²⁾).

Operating income for the Wholesale Division amounted to 94.9 million in the third quarter of 2010, up by 53.8% compared with 61.7 million for the third quarter of 2009. The operating margin rose to 18.3% during the third quarter of 2010, from 14.4% for the third quarter of 2009, confirming the effectiveness of the measures taken to recover margins and a better price point/product mix effect. In the first nine months of 2010, the operating margin was 21.6% (19.7% in the same period of 2009).

Overview of performance at the Retail Division

During the third quarter, the Retail Division posted good results, boosted by positive performances at LensCrafters and Sunglass Hut. In particular, comparable store sales⁽⁴⁾ at LensCrafters were up by 8.4% for the third quarter of 2010 over the same period last year, thanks to the strong efforts of the entire organization and the solid trend of both plano and prescription sunglass sales, as well as the positive results seen in sales during the back-to-school period.

Sunglass Hut also posted very positive results in terms of margins, with overall comparable store sales⁽⁴⁾ up 9.6% as compared to last year, with a very positive trend in the United States (+12.5%).

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On the other hand, comparable store sales(4) were negative in Australia, where the retail market scenario is still challenging. In this market, the Group is reacting with new initiatives aimed at increasing consumer traffic at the store level and at further improving the buying experience. Early results in the current quarter are positive.

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Net sales for the Retail Division therefore rose to 946.5 million in the third quarter of 2010, from 793.8 million in the third quarter of 2009 (+19.2% at current exchange rates, +6.5% at constant exchange rates(2)). In the first nine months of 2010, net sales were 2,728.6 million, up 12.3% on the 2,430.8 million recorded for the first nine months of 2009 (+5.9 at constant exchange rates(2)).

The Division's operating income grew by +13.5% to 129.3 million, from 113.9 million in the third quarter of 2009. The operating margin for the third quarter of 2010 decreased from 14.3% during the same period last year to 13.7%. In the first nine months of 2010, the operating margin was 13.0% (12.8% in the first nine months of 2009).

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The Board of Directors also resolved to amend the Company's by-laws, in order to meet the new criteria introduced by Italian Legislative Decree no. 27/2010, implementing Directive 2007/36/EC on shareholder rights.

In line with the provisions of Consob Regulation no. 17221/2010, and with the favorable recommendation of the Internal Control Committee, whose members are exclusively independent directors, the Board of Directors approved the new procedure on transactions with related parties.

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The results of the third quarter and first nine months of 2010 will be discussed today at 6:00 p.m. (CET) during a conference call with the financial community. The presentation will be available via webcast directly from the website at www.luxottica.com.

In accordance with subsection 2 of Article 154-bis of the Italian Consolidated Finance Law, the Director appointed to prepare the company's accounts, Enrico Cavatorta, hereby declares that the accounting disclosure contained in this release complies with the results of the accounting records, books and registers of the Group.

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(1) All comparisons, including percentage changes, are between the three and nine-month periods ended September 30, 2010 and September 30, 2009, as indicated, in accordance with IAS/IFRS.

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

(3) EBITDA, free cash flow, net debt and the ratio of net debt to EBITDA are not measures in accordance with IAS/IFRS. For further information on such non-IAS/IFRS measures, please see the attached tables.

(4) 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.

Luxottica Group S.p.A.

Luxottica Group is a global leader in premium fashion, luxury and sports eyewear with more than 6,300 optical and sun retail stores in North America, Asia-Pacific, China, South Africa and Europe and a strong and well-balanced brand portfolio. Luxottica's key house brands include Ray-Ban, the best-known sun eyewear brand in the world, Oakley, Vogue, Persol, Oliver Peoples, Arnette and REVO, while license brands include Bvlgari, Burberry, Chanel, Dolce & Gabbana, Donna Karan, Polo Ralph Lauren, Prada, Salvatore Ferragamo, Tiffany and Versace. In addition to a global wholesale network covering 130 different countries, the Group manages leading retail brands such as LensCrafters, Pearle Vision and ILORI in North America, OPSM and Laubman & Pank in Asia-Pacific, LensCrafters in China and Sunglass Hut globally. The Group's products are designed and manufactured at its six manufacturing plants in Italy, two wholly-owned plants in China and a sport sunglass production facility in the US. In 2009, Luxottica Group posted consolidated net sales of \$5.1 billion. Additional information about 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, our ability to manage the effect of the uncertain current global economic conditions on our business, our ability to successfully acquire new businesses and integrate their operations, our ability to predict future economic conditions and changes in consumer preferences, our ability to successfully introduce and market new products, our ability to maintain an efficient distribution network, our ability to achieve and manage growth, our ability to negotiate and maintain favorable license arrangements, the availability of correction alternatives to prescription eyeglasses, fluctuations in exchange rates, changes in local conditions, our ability to protect our proprietary rights, our ability to maintain our relationships with host stores, any failure of our information technology, inventory and other asset risk, credit risk on our accounts, insurance risks, changes in tax laws, as well as other political, economic, legal and technological factors and other risks and uncertainties described 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 Luxottica Group does not assume any obligation to update them.

- TABLES FOLLOW -

LUXOTTICA GROUP

CONSOLIDATED FINANCIAL HIGHLIGHTS
FOR THE THREE-MONTH PERIODS ENDED
SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009

In accordance with IAS/IFRS

	2010	2009	% Change
KEY FIGURES IN THOUSANDS OF EURO (1)			
NET SALES	1,464,732	1,223,272	19.7%
NET INCOME	101,934	75,784	34.5%
BASIC EARNINGS PER SHARE (ADS)(2):	0.22	0.17	34.1%
	2010	2009	% Change
KEY FIGURES IN THOUSANDS OF U.S. DOLLARS (1) (3)			
NET SALES	1,890,969	1,749,646	8.1%
NET INCOME	131,597	108,394	21.4%
BASIC EARNINGS PER SHARE (ADS) (2):	0.29	0.24	21.1%

Notes :

	2010	2009
(1) Except earnings per share (ADS), which are expressed in Euro and U.S. Dollars, respectively		
(2) Weighted average number of outstanding shares	458,527,966	457,214,454
(3) Average exchange rate (in U.S. Dollars per Euro)	1.2910	1.4303

LUXOTTICA GROUP

**CONSOLIDATED FINANCIAL HIGHLIGHTS
FOR THE NINE-MONTH PERIODS ENDED
SEPTEMBER 30, 2010 AND SEPTEMBER 30, 2009**

In accordance with IAS/IFRS

2010	2009	% Change
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