

THE FIRST HALF OF 2015 FOR ITALIAN EYEWEAR SHOW STRONG INCREASES IN EXPORTS

TIMID SIGNS OF RECOVERY ON THE INTERNAL MARKET

Milan, September 26 2015 - In the first half of 2015 Italian eyewear expanded and confirmed its status as a leader in international markets: this is what emerges from the Confindustria data published by **ANFAO-National Association for Eyewear Manufacturers**, relative to the January-June period of this year.

This confirms the growth of a sector that exports over 80% of its production: the **exporting of frames, sunglasses and lenses grew by 14.5%** in value with respect to the same period last year. A significant figure following a 2014 that resulted in record numbers for exports.

"The data for the first half of the year are certainly positive, more than encouraging," comments **Cirillo Marcolin, President of ANFAO** – *"though we must remember that during the summer the economic scenario is newly affected by a slowing of world trade and a consequent correction downwards of the growth rates in the main countries, including China. It will be important"*, continues Marcolin - *"to monitor how Italian eyewear will react, not forgetting though that the sector has always found a way to absorb each change and grab every opportunity, making exports and internationalisation the key to success which has brought it to the position of undisputed worldwide leader. We might however gain further advantage from the fact that the world progressively produces greater numbers of sophisticated consumers, those who seek a product especially because it is Italian, identifying it as a luxury product and for this reason being prepared to spend."*

The positive trend in exports in the first half of 2015 was brought about by a like increase in both main areas of the sector, frames and sunglasses. **Sunglasses exports** increased by **15.1%** while exports of frames grew by **13.5%**.

America, Asia and Europe: these are the areas in which the exports in the sector were highest performing in the first six months. Italian eyewear exports also did well in the **emerging markets** as well as already-established markets in the sector and those in the most recently-addressed markets. No surprise, then, with respect to the trend that was already established towards the end of 2014.

Lastly the **internal market** also showed **slight signs of recovery** in the first half of 2015, with a few percent increase in value and volume of sales, **especially of sunglasses**, which had been hit during the downturn.

The points to be picked up on with respect to the pre-downturn period are still numerous, but on the bright side this is the first period of positivity in both areas and the market has rediscovered its old dynamism for sunglasses, too.

"Notwithstanding the forecasts for a downturn in worldwide trade, the low interest rates, the exchange rate of the Euro and the price of oil together make a scenario that is more favourable to the Italian economy. Now,", concludes **the ANFAO President**, *"in order not to lose in competitiveness and transform the timid recovery in the internal market under way, as Confindustria, of which we are a member, has remarked many times, we call upon the **Institutions** to promote **policies for relaunching demand**, facilitating investments in **research and development** companies, pushing ahead with the **structural reforms**, concentrating on manufacturing, which is the engine that fuels growth."*

EXPORTS BY GEOGRAPHICAL AREA AND COUNTRY

In detail, considering exports overall, i.e. sunglasses and frames, here are the statistics:

- in **Europe** total Italian exports in the sector for the first six months of 2015 grew by **7.9%** compared with the same period of the previous year (+8.9% for sunglasses, +6% for frames).
- In **America** the increase in exports in the sunglasses-eyeglasses sector was **26.3%** with respect to the same period in 2014 (+25.1 for sunglasses, +29.8% for frames). **North America** returned the best result at +32%.
- In **Asia** the export in the first half of 2015 was +21.4% compared with the same period of the previous year (+19.4% for sunglasses, +28.8% for frames).

As regards the analysis of exports to the single countries, we note:

- in the **United States** (which has always been the prime market of reference for the sector with a quota of 25%) the **total quantity of sunglasses-eyeglasses export was up 31.9%** with respect to the January-June 2014 period. Both sunglasses (+32.2%) and eyeglasses (+31.2%) fed this growth in value.
- In the **UK**, Italian eyeglass exports grew by **+36.6%** with respect to the first half of 2014, with +37.9% in sunglasses and +33.9% for frames, while in **Germany** overall Italian exports in the sunglasses sector grew by **10.1%**, thanks to the excellent result in the sunglasses sector, which is now discovering its potential in the country (+19.2% in the first half of 2015). The first half of 2015 confirmed, as did the year-end figures for 2014, important recovery in exports in the sector in Greece, Spain and Portugal: **Greece** (+6.7% overall, +5.6% for sunglasses and +15.3% for frames), **Portugal** (+12.6% overall for sunglasses and eyeglasses with +15.5% for frames and +10.8% for sunglasses) and **Spain** (+13.4% with respect to the first six months of 2014 for both sunglasses and frames)
- In **France**, which has always been the second favourite country of destination for our exports with a quota exceeding 13%, the export performance of Italian eyewear in the first half of 2015 was good in relation to sunglasses (+7.6%), below par for frames (+0.7%).
- Further comments are required for eyewear exports in **emerging countries**. In terms of market share we are still faced with not very significant numbers, so it is very easy to record signals (both positive and negative) that go into three figures, though there is an enormous potential in terms of outlets for exporting of Italian

eyewear. As usual we report, in order of significance with regard to the present market share that the exports in the sector absorb (from 4.4% to 0.5%), the positive trend variations recorded in the first six months of 2015 by Italian eyewear to the following countries:

- **China +118.2%** (this was accompanied by a significant drop in HK, so this might be a simple change of export gate)
- **South Korea +22.1%**
- **Turkey +21%**
- **United Arab Emirates +7.3%**
- **Japan +22.9%**
- **Saudi Arabia +24.7%**
- **Israel +5.8%**
- **South Africa +21.8%**
- **Thailand +122.2%**.

➤ Geopolitical difficulties continue to represent an obstacle for eyewear exports to **Russia** (the trend for the sunglasses-eyeglasses sector was -35.5% for the first half of 2015).