

**FIRST HALF OF 2021 EYEWEAR DATA:
FORECAST IMPROVED, APPROACHING 2019 LEVELS**

Milano, September 30, 2021

The first half of 2021 has raised the confidence of Italian eyewear players: ANFAO data from the January-June period improve expectations and anticipate a complete return to 2019 levels as early as year's end.

Key features:

- Above all optical frames for exports and ophthalmic lenses in the domestic market are leading the recovery.
- The main export markets for Italian eyewear are all showing revival. For some of these, eyewear sales have already returned to pre-covid levels.

DATA

2021 is likely to be crucial for the recovery for global economies, also due to the massive influx of Covid vaccines.

China and the United States were able to react immediately to the crisis and were the first to meet the recovery head on, as early as last year.

In terms of infections and resumption of business as usual, the vaccine has certainly played a key role in Italy. Confidence among households has taken a positive turn while spending levels have also risen. Investments, production and exports, especially in the manufacturing sector, have shown fast reaction times and are on their way to a strong recovery. Even the outlook for public accounts appears to be better than expected.

Nonetheless, there are still some critical factors that could undermine this general recovery, starting with the substantial uncertainty instilled by variants of the virus and by the course of the pandemic and vaccination campaigns.

In Italy, inflation trends and the announced increases in energy prices, the boost to the recovery given by the construction sector (will this be sustainable over the medium- to long-term?) and, above all, compliance with the conditions imposed by Europe for Italy's Recovery and Resilience Plan, will all require close monitoring.

In this general setting, Italian eyewear is also following this track, with a recovery that appears to be exceeding forecasts for early 2021.

*"2020 was an extremely challenging year for the sector and for our entire ANFAO System - both for the Association and for our industry-leading trade fair: MIDO," stated **President Giovanni Vitaloni**. "We had anticipated that 2021 would be a somewhat subdued transition year, as we waited to see a recovery of pre-Covid values only in 2022. The first half year's data, from both domestic consumption*

and above all from exports, have instead allowed us to adjust our forecasts for the better, to the point of believing we might just reach 2019 levels by the end of this year.

Even at the trade fairs that are finally popping up again on the markets: take for example, DaTE or SILMO, held just a few days ago, where there were clear signs of recovery and a strong desire to start back anew. From this standpoint, I am viewing the next MIDO with great optimism. Even though there is still an atmosphere of having to coexist with the pandemic, this trade fair truly offers an invaluable opportunity for relaunch.”

EXPORTS

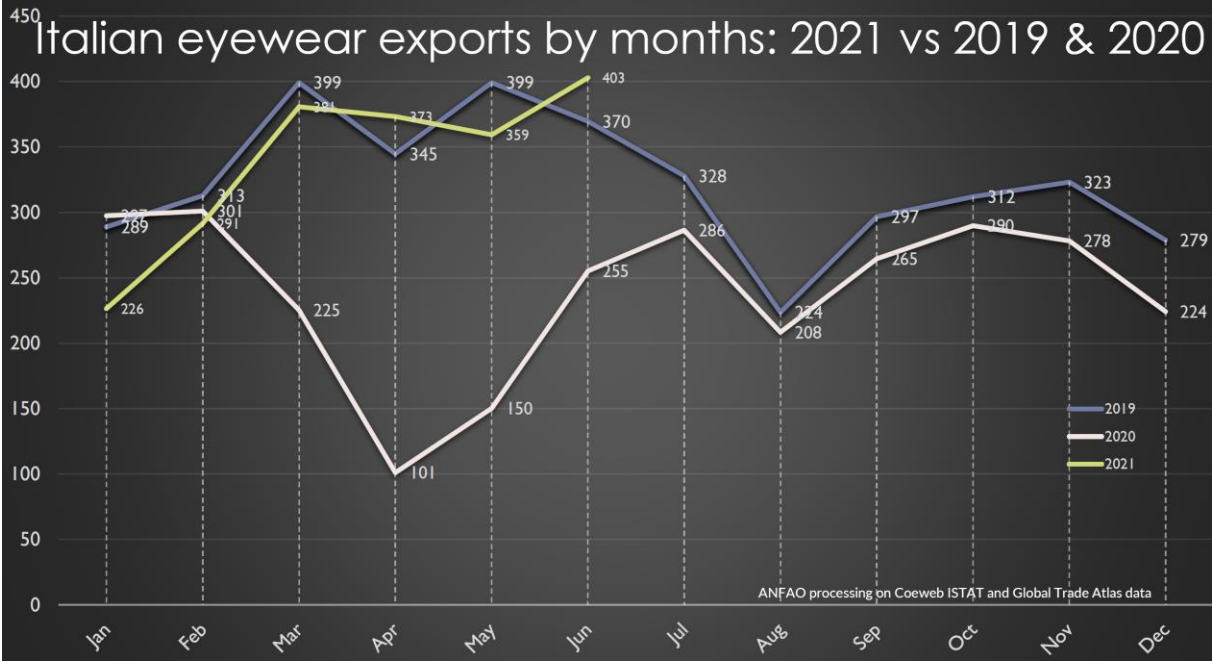
Exports, which we should recall make up around 90% of the sector’s production, stood at €2,034 million, **up over 52% against the same period in 2020**, and **only 4 percentage points below 2019 levels**.

This acceleration was more markedly observed in the **frames** segment, whose exports in the **January-June 2021 period surpassed the levels of the same period in 2019**.

Less enthusiastic were the exports of **sunglasses**, which recovered nicely over 2020, but which still remained negative compared to 2019 (-6.7%).

import	EXPORT				
TOTAL	TOTAL	FRAMES	SUNGLASSES	LENSES	
638 m€	2.034 m€	649 m€	1.342 m€	42 m€	
+27,5%	+52,8%	+68,7%	+47%	+30,8%	vs 2020
-9,9%	-4,1%	+2,6%	-6,7%	-15,5%	vs 2019

Encouraging data come from the **monthly export trends** for the first half of 2021 that were actually very **similar to those from 2019** and even exceeded those levels in **April and June**.











However, by far the most interesting and encouraging analysis for Italian eyewear is by geographical region and country.









Exports recovered nicely in all **geographical areas** compared to 2020.

The most significant figure, however, was the result in value achieved compared to the same period in 2019 for exports to Europe and America, which together claim well over 80% of the sector's total exports:

- exports to **Europe +55.6%**
- exports to **America -4%**.

MKT SHARE € VALUE		% VS 2020 % VS 2019			
1,4% 27,4 ml €	 AFRICA	+77,9% -7,7%	+98,7% +0,7%	+66,2% -11%	
12% 240 ml €	 ASIA	+26% -25%	+53% -3,3%	+16,1% -33%	
31,7% 632 ml €	 AMERICA	+61,9% -4%	+74,5% -6,1%	+57,3% -3,5%	
54,4% 1.084 ml €	 EUROPE	+55,6% +5,5%	+68,7% +12,5%	+49,5% +2%	
0,4% 8,4 ml €	 OCEANIA	+48,2% +18,9%	+88,6% +53%	+31,6% +5%	

Even greater optimism arose from the export analysis to **individual countries**, which shows that among the main markets for Italian eyewear the gap compared to 2019 was either partly or totally closed, except for Spain.

MKT SHARE € VALUE		% VS 2020 % VS 2019			
27,2% 542,4 ml €	 UNITED STATES	+61,2% -1%	+69,5% -5,5%	+58,4% +1%	
12,3% 245,3 ml €	 FRANCE	+63,4% +1%	+77,2% +5%	+54,6% -1,5%	
7,7% 152,3 ml €	 GERMANY	+32,7% +2,5%	+34,1% +1,3%	+32% +3,1%	
7,6% 152,2 ml €	 UNITED KINGDOM	+103,6% +24%	+144,4% +13%	+91,6% +28,8%	
4,3% 86,5 ml €	 SPAIN	+40,4% -25%	+61,9% -3%	+29,9% -34%	

THE DOMESTIC MARKET

In the first half of 2021 there were **encouraging signs even on the domestic market** for Italian eyewear.

Though the recovery was clear compared to 2020, where sales in the eyeglass channel for the first half of 2021 grew by more than 30 percentage points, they were still about 4% below the levels of the same period in 2019.

This dynamic seems to be following the general Italian eyeglass market trend from recent years: growth propelled by ophthalmic lenses (and within that, moved by the segment with the highest added value - progressive lenses) and partly by frames. Sunglasses, which recovered well from 2020, remained somewhat sluggish and still far from 2019 levels.

In this context, it will also be necessary to monitor the online channels, which are seeing significant growth for the sunglass sector, also due to advanced digitalization, greater familiarity with digital tools and almost immediate availability.

2021 FORECAST

Based on the first half year's results, ANFAO revised its forecasts for 2021 upwards. If the trends were to remain constant, the sector would close the year at a slightly higher value (between 0.5% and 1%) than in 2019, both for exports and for production.

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