

EYEWEAR DATA FIRST QUARTER 2023:

POSITIVE RESULTS, ESPECIALLY FOR EXPORTS BUT UNCERTAINTY STILL HOLDS SWAY, PROMPTING MORE CAUTIOUS OPTIMISM

Milan, July 7, 2023 - The ANFAO General Meeting was held yesterday in Verona, in the splendid setting of Palazzo Verità-Poeta.

The traditional summer appointment provided an opportunity to take **stock of the eyewear sector and the general economic context by talking about Made in Italy, production excellence and sustainability** together with ANFAO President, Giovanni Vitaloni, and the Members.

Guests at the meeting also included the **Veneto Region Councilor for Economic Development, Roberto Marcato**, delegated by President Luca Zaia, and, in a heartfelt and interesting video message, the **Minister of Business and Made in Italy, Adolfo Urso**, expressing the interest of the institutions.

Minister Urso recalled that *"Eyewear is a model of Made in Italy, a synthesis of internationally recognized quality and excellence. We are the top exporter in Europe, the second exporter in the world and leaders in the high-end. This industry has a historical and cultural heritage lending form to highly valued and practical creations."* He then dwelt on the Made in Italy bill that has been approved by the Italian government and will soon begin its path through parliament, emphasizing the encouragement of *"the dissemination of Italian knowledge and know-how, wealth of skills and knowledge to be passed on and invested in."*

He also emphasized the **aspects of innovation and sustainability** as **strategic** for the eyewear sector.

The manufacturing excellence in the trade and Made in Italy were also central to **Roberto Marcato's** speech, Councilor for Economic Development, for the Veneto region: *"Eyewear is one of the **most strategic industries in the region**, a showcase in Italy and worldwide, thanks to its strong international vocation. This sector is a driver of economic development and employment for the entire region. Through **innovation, research and design**, entrepreneurs and operators maintain the value of Made in Italy high and have been able to react faster than others to the recent crises."*

In thanking his guests, President Vitaloni recalled how crucial the support of the institutions is for the sector.

END 2022

Before revealing the first figures for 2023, a recap on the end of 2022, released earlier as a provisional final account, was made.

Thanks to its strong international appeal, Italian eyewear achieved brilliant results in international markets, but inflationary tensions and uncertainty weighed on the domestic market and margins.

The 2022 financial statements saw Italian eyewear production at 5.08 billion euros, up 22% from 2021. Exports of frames, sunglasses and lenses, which account for about 90% of trade production, increased by 21% over 2021, reaching about 5 billion euros (4.88 billion euros). The total number of manufacturers fell by about 2% to 830 companies nationwide. On the employment front, the industry closed with 18,250 employees, a situation that was essentially stable compared to 2021.

FIRST QUARTER 2023

In the first quarter of 2023, exports in the industry again showed a two-figure increase compared to the first quarter of 2022: **+16.7% in value, amounting to 1 billion 388 million.**

EXPORTS		
TOTAL	FRAMES	SUNGLASSES
1,388 ml€	439 ml€	949 ml€
+16.7%	+20.4%	+15.9%

Exports of **frames** performed very well (+20.4%), with the upward trend in exports of **sunglasses** of 2022 also confirmed (+15.9%).

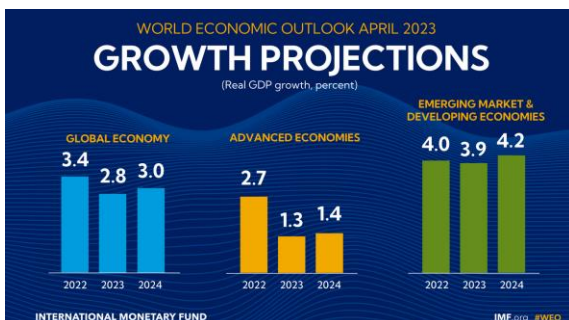
In terms of **geographical areas**, all exports continued to grow compared to the same period in 2022: **Europe +15.1%, America +10.9%, and Asia +39.1%.**

Analyzing **exports by individual country** highlighted the following:

- in the **United States**, which has always been the benchmark market for the industry, the overall export of frames and sunglasses rose by +9.1% compared to the first quarter of 2022, with a slowdown in growth for sunglasses (+1.1%) compared to frames exports, which continue to grow at a very fast pace (+35.7%).
- in the major European countries, Italian export trends compared to the same period in 2022 continued well: **France +18.1%, Germany +5.1%, Spain +21.7%.**

"Despite these good results in the first quarter of 2023," said ANFAO President, Giovanni Vitaloni, "considering the general context, it is very likely that the rest of 2023 will be less brilliant for our exports, even if by exploiting the weak euro, it will still be able to grow in value. We are picking up a less optimistic outlook from our companies with regard to orders in general. The core element of this slowdown is mainly attributable to the generalized increases in costs that companies are no longer able to absorb internally."

Currently, **the forecast for the first half of 2023 is for export growth around 8% compared to the same period in 2022.**



According to the **International Monetary Fund's WORLD ECONOMIC OUTLOOK**, global growth forecasts were revised downwards for 2023 with a shift to **2.8%** from 3.4% in 2022.

What is more worrying is the growth rate in advanced economies, which are still the main outlet for all major industries, not expected to go above 1.3% in 2023.

The **European Area** is particularly important for the eyewear sector: it absorbs alone about 50% of the industry exports and, according to the latest forecasts, appears to have the **lowest growth rate of all** in 2023: **0.8%**.

*"Certainly exports are the best instrument for measuring the health of the eyewear industry, and this gives us strength and confidence, considering the trend in the first quarter of 2023. However, we must take an **extremely cautious** approach, considering the general economic forecasts,"* concluded **ANFAO President, Giovanni Vitaloni**, commenting on the latest data released by the International Monetary Fund at the end of the Meeting.

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