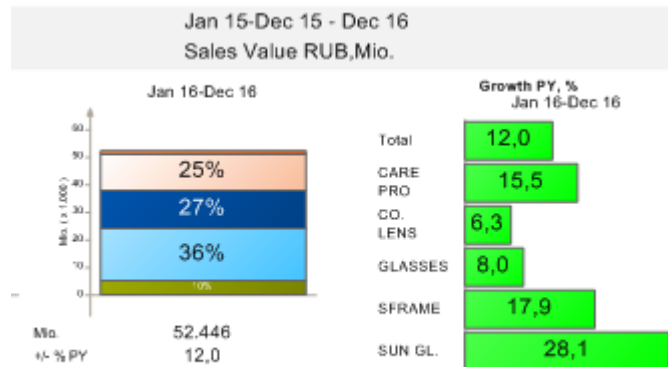


OPTICS RUSSIA



GfK Panel market covers Russian cities with a population of over 100 thousand inhabitants, Opticians distribution channel excluding Internet sales. All subsequent figures apply only to this segment of the Russian market.



Optics market in Russia has exceeded 52 bln Rub and recorded a growth of 12% in 2016. The main products for turnover are spectacle lenses, spectacle frames and contact lenses. The demand was also growing to year 2015 due to the market recovery after challenging year 2015. The demand (sales units) for sunglasses and frames has recorded double digits growth. Consumer behavior has changed towards rationality. Consumers are getting less loyal to retailer or brand looking for the best product, service and value for money.

Consumers have got accustomed to “new” prices which are above previous year understanding that nothing will be cheaper. Sunglasses price is +15% to year 2015 while spectacle frames price has grown only by 3%. Consumers are ready to pay more for fashion and image than for everyday need.