



CROSS



 **COSTA DEL MAR**
see what's out there



 **NATIVE**
EYEWEAR
ALL SPORTS ALL POLARIZED

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (including, but not limited to statements related to the growth of Cross branded product extensions through the Cross Accessory Division (“CAD”); the ability of CAD to operate successfully on a reduced cost base; the growth of direct to consumer channels of distribution in CAD; the expected growth from emerging markets in CAD; the leveragability of CAD’s SG&A infrastructure, the continued growth of the Optical Group through demographic expansion and acquisition; the impact of senior management on operating results; and expected cash flow generation and growth of corporate revenue and operating income). In addition, words such as “believes,” “anticipates,” “expects”, and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to risks and uncertainties, including but not limited to risks associated with economic uncertainty in global consumer markets; the difficulty in identifying appropriate acquisition candidates; consumer reaction to the Company’s new products; consumers’ reluctance to purchase non-essential products; customer and consumer support for strategic initiatives such as expanding the Cross brand outside of quality writing instruments; and the ability of Costa Del Mar and Native to broaden and deepen distribution. The information included in the attached presentation is correct as of November 6, 2009. Please note that the Company has taken no obligation to update this information. Additional discussion of factors that could cause actual results to differ materially from management’s expectations is contained in the Company’s filings under the Securities Exchange Act of 1934.

Cross Accessory Division



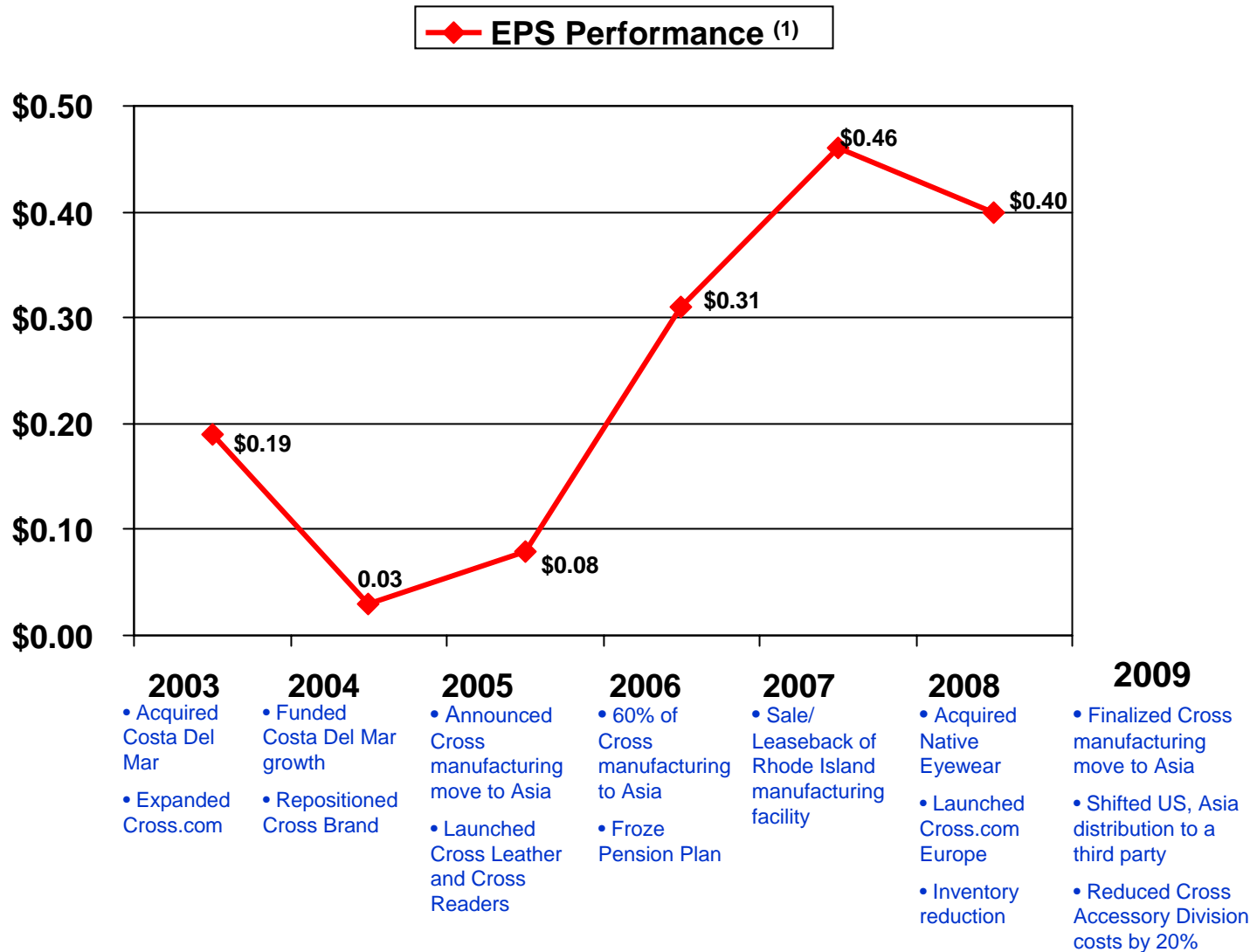
- Global iconic brand
- Emphasis on cost reduction and growth of operating margin
- Leveraging brand and distribution strengths
- Benefiting from industry consolidation

Cross Optical Group



- Authentic premium sport/performance sunglass brands
- Manage for high growth and attractive returns
- Capital-lite business model
- Develop sunglass brands to become dominant within a specific sport category

Well capitalized and positioned to take advantage of current market opportunities.



(1)Excludes One-Time Charges

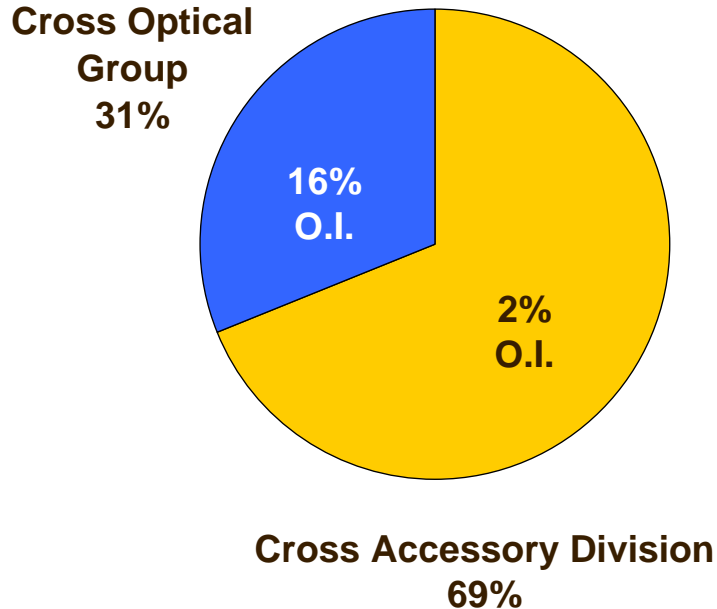
<u>Name</u>	<u>Cross Position</u>	<u>Years with Cross</u>	<u>Prior Position</u>
David Whalen	President & CEO	10	Ray Ban
Charles MacDonald	President Costa Del Mar	6	Outlook Eyewear
Charles Mellen	President Cross Accessory Division	5	Tumi
Kevin Mahoney	Sr. Vice President & Chief Financial Officer	5	Deloitte & Touche
			<u>Current Position</u>
Andrew Parsons	Lead Director	8	McKinsey & Company
Harlan Kent	Director	2	CEO, Yankee Candle
Susan Gianinno	Director	1	CEO, Publicis USA

- Growth slowed but share improved
 - Costa Del Mar +5% -- Premium Sunglass market -12%
 - Cross -20% -- Premium Writing Instrument market -23%
- Both brands gained shelf space as retailers reduced inventory by cutting back weaker brands.
- Recession forced acceleration of Cross Division cost reductions. Expense base reduced 20% from 2008 to 2009.

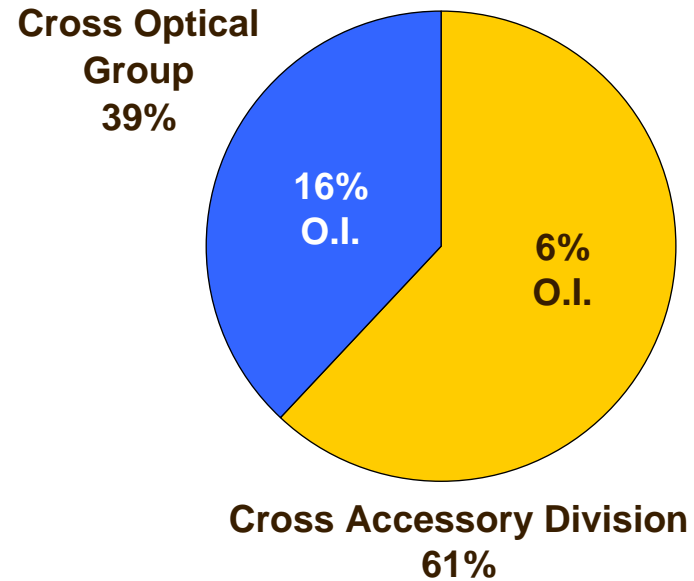


When consumer returns, ATX revenue and profit will grow at better than market rates.

2008
Revenue: \$160M
Operating Income: \$10M

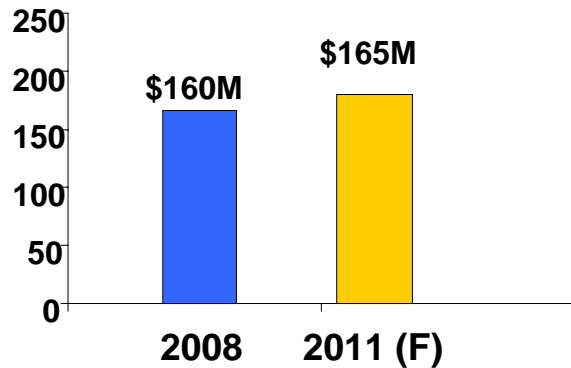


2011 (F)
Revenue: \$165M
Operating Income: \$16M

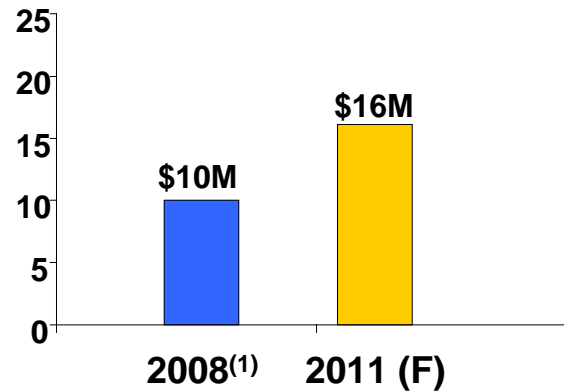


Greater contribution from Premium Sunglasses and lower costs within the Cross Division generates \$6M operating income improvement from \$5M increase in revenue.

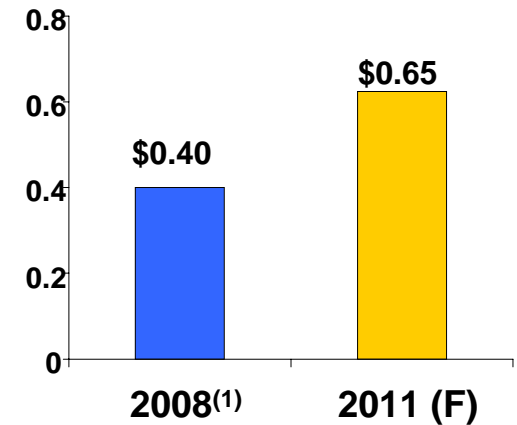
2008-2011 Revenue
CAGR = 1%



2008-2011 Operating Income
CAGR = 17%



2008-2011 EPS
CAGR = 18%



(1) 2008 figures exclude restructuring and other non-recurring charges.

\$5 million of revenue growth will produce \$6 million of operating income growth.

- Premium sport/performance sunglass business that has grown from zero representation to \$50M (33% of ATX sales) since 2003...provides double digit growth opportunity
- Cross Optical Group produces attractive returns...historical operating income margins of approximately 15%
- Cross Accessory Division – Iconic brand with 160 year history...outperforming in a weak market
- Within the Cross Accessory Division, removed \$12M in costs since January 2008 (20% of total)
- Experienced Management Team

Key Data

Nasdaq: ATX

52 Week Range: \$1.62 - \$7.00

Recent Price: \$4.00

Market Cap: \$62M

Cash and Cash Equivalents: \$16.4M

Long-Term Debt: \$19.7M

Tangible Book Value: \$3.20/share

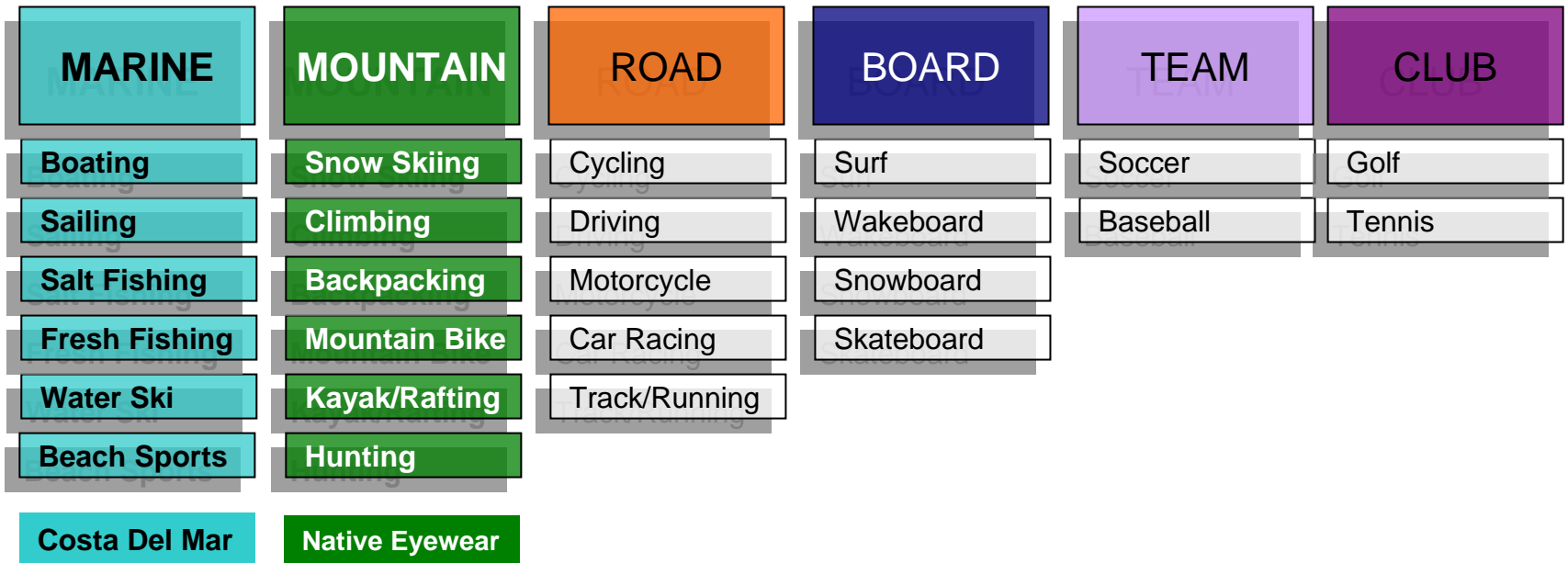
Premium sunglass growth + Cross reduced costs
= \$0.65 earnings power by 2011

Cross Optical Group



- **\$800M category: Growing due to distribution, active lifestyles, optical health**
- **Authentic brands win – Can't be all things to all people**
- **Function not Fashion – Performance Sunglasses viewed as important equipment**

Sport Categories



- CAGR – 38% 2003 – 2008
- Outperforming category in 2009
 - Costa Del Mar +5% vs. -12% category
- Strong Returns
 - Limited Working Capital / Capex Investment
 - ROIC 11% moving to 15% by 2011
 - 25% for Costa alone
 - 11% for total COG division as Native was just acquired
 - 15%+ by 2011
 - 20%+ long term

Cross Optical Group

	<u>2008</u>	<u>2011 (F)</u>
Brands	Costa Del Mar + Native Eyewear	Costa Del Mar + Native Eyewear
Revenue	\$49 M	\$65 M
Operating Income Margin	16%	16%
ROIC	11%	15%
% ATX Business	31%	39%

Relatively little capital required to drive high margin business.



- Premium sport sunglass for the water sports enthusiast.
- Fishermen are core users – 40 million in the U.S.
- 2008 revenue of \$41M, 16% operating margin.
- 27% CAGR since acquisition in 2003.
- Growth in first half 2009 vs. a market decline of 12%.
- Geographic expansion will drive growth – currently in 3,000 doors potential is 6,000.
- Historically, a functionally superior glass for male fishermen. New styles have brought women and college students to the franchise.
- Brand is linked to organizations and programs that support the water environment.





Sport Categories

MARINE

Boating

Sailing

Salt Fishing

Fresh Fishing

Water Ski

Beach Sports

Costa Del Mar

MOUNTAIN

Snow Skiing

Climbing

Backpacking

Mountain Bike

Kayak/Rafting

Hunting

Native Eyewear

ROAD

Cycling

Driving

Motorcycle

Car Racing

Track/Running

BOARD

Surf

Wakeboard

Snowboard

Skateboard

TEAM

Soccer

Baseball

CLUB

Golf

Tennis



Many of the same attributes as Costa Del Mar acquisition and equal upside potential.

Acquired in 2008

- Authentic Mountain Brand
- \$8M Revenue @ 65% Gross Margin
- Strong consumer base in Northeast and Northwest
- Accessible price points \$89 to \$119
- All products are polarized
- Opportunity to expand product line
- Opportunity to move into many of Costa's key accounts (150 new accounts added since March 2008 acquisition)
- Native current distribution is 1,000 doors – potential is 4,000



L.L.Bean



EASTERN MOUNTAIN SPORTS®





- Cross Optical Group is growing faster than the category. We will invest to build on this advantage.
- Expand the Costa Del Mar and Native brands nationally and aggressively cross pollinate distribution.
- Deeper penetration into existing accounts being demonstrated in current market (Bass Pro, Cabela's, West Marine, Dick's, Academy, REI).
- New product development will appeal to wider demographic (women, college students).
- Penetrate the wider fishing, marine and mountain/outdoor markets.
- Maintain each brand's independence and authenticity.
- Evaluate additional acquisitions in new categories.

Cross Accessory Division

- 120 Shop-in-Shops worldwide
- Global potential 200
- Two-year sales growth +50%
- Average investment \$30K
- Three-year supply agreements

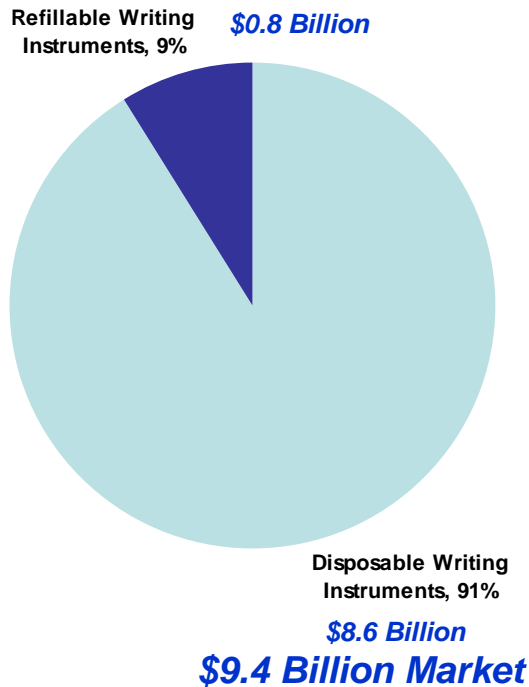


INNO, Belgium

- 160 year-old brand with significant brand equity.
 - Taking market share in recession.
 - Global distribution with 60% of revenue outside of U.S.
 - Removed \$12M costs since January 2008 (Manufacturing, Distribution and Administration).
 - Opportunities to drive mid single digit growth and margin expansion with category expansion, emerging market growth and cross.com.
- More profitable business post recession
 - Increase Operating Income 2% - 6%
 - Drive high single digit ROIC

Will be a valuable contributor to increasing returns and building shareholder value.

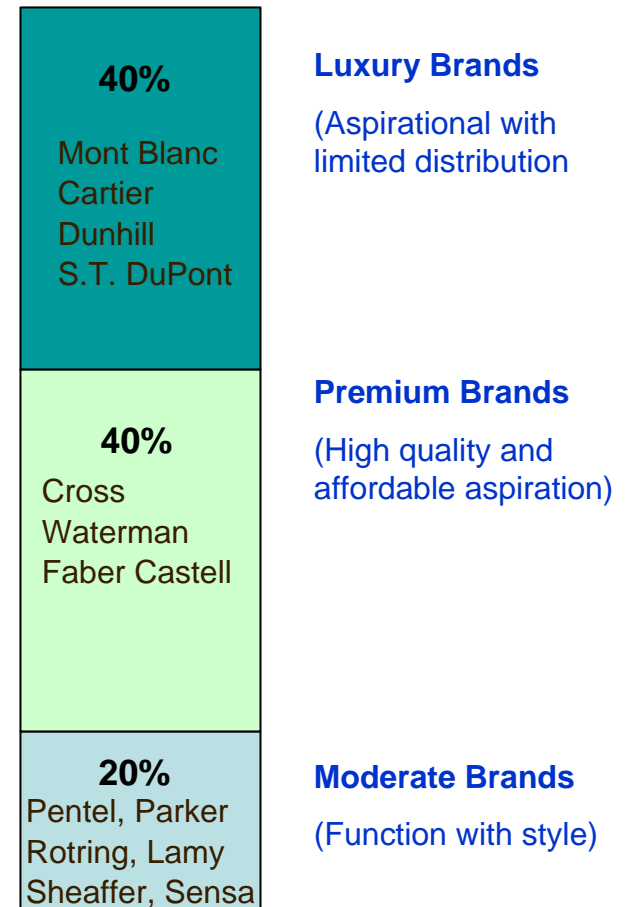
Global Writing Instruments Market: 2004



Cross well positioned for “new normal” post luxury environment.

Source: WIMA, SHOPA, A.T. Cross Analysis

Global Refillable Writing Instruments Market: 2004



Luxury Brands

(Aspirational with limited distribution)

Premium Brands

(High quality and affordable aspiration)

Moderate Brands

(Function with style)



Cross Townsend Rollerball Selected as the Official Pen for President Obama and President Bush

Cross Accessory Division

	<u>2008</u>	<u>2011(F)</u>
Revenue	\$111 M	\$100 M
Operating Income Margin	2% ⁽¹⁾	6%
ROIC	3% ⁽¹⁾	8%
% ATX Business	69%	61%

(1) Before restructuring and other non-recurring charges.

Manage for modest growth and improving operating margins.

WRITING INSTRUMENTS



TIME MANAGEMENT



READERS



- Emerging Markets

	<u>Cross Position</u>	
<u>Market</u>	<u>2008</u>	<u>Growth 06 - 08</u>
India	1	+124%
Turkey	2	+5%
UAE	2	+29%
Saudi	4	+35%
China	4	NM
Mexico	2	+5%

Global E-Commerce

- Cross is sold on-line in the US and Western Europe
- Over 3.0 million unique visitors
- Represents approximately 4% of CAD sales
- Potential to grow to 6% of Cross Division sales
- Relaunch of website in early 2010
- High margin business

The screenshot shows the A. T. Cross website interface. At the top, there's a navigation bar with a search box, 'MY ACCOUNT', 'ORDER STATUS', 'VIEW/CHECKOUT', and 'HELP'. Below this is the 'CROSS' logo. The main content area features a large image of a woman wearing sunglasses and holding a smartphone, with the text 'A new vision with Cross' and a 'SHOP NOW' button. To the right of this image are three product tiles: 'NEW MEN'S & WOMEN'S WATCHES \$140-\$180', 'TECH3 \$50' (showing pens), and 'CENTURY® II STARLIGHT \$70-\$100' (showing pens). A sidebar on the left lists various product categories like 'What's New', 'Gift Ideas', 'Pens', 'Pencils', etc. At the bottom, there's a footer with contact information (800.282.7677), a row of international flags, and a copyright notice: '© 1998-2009 A. T. Cross Company. All Rights Reserved.'

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