



**Interim report
as at 31 March 2017**

fielmann

Fielmann Group

Interim report as at 31 March 2017

Dear Shareholders and Friends of the Company,

Our Q1 2017 results are in line with our expectations. Year-on-year, Fielmann increased the number of units sold, sales revenue and profits.

Units sold and sales revenue

With its customer-friendly services, glasses at the best prices and wide-ranging guarantees, Fielmann increased its units sold in the first quarter to 1.95 million glasses (previous year: 1.87 million), and raised external sales incl. VAT to € 402.9 million (previous year: € 372.1 million). Consolidated sales went up to € 341.9 million (previous year: € 316,4 million). This performance has to be viewed in the context of two more shopping days than in Q1 2016.

Earnings and investments

Fielmann generated a pre-tax profit of € 60.6 million (previous year: € 54.1 million) and the net income for the quarter amounted to € 43.0 million (previous year: € 38.3 million).

In the first three months, investments totalled € 10.2 million (previous year: € 5.9 million). All investments were financed from our cash flow.

As at 31 March 2017, Fielmann operated 706 stores (previous year: 695), 170 of which also contained hearing aid studios (previous year: 149).

Fielmann will continue to grow, open up new stores, expand existing ones and move into better locations. In Italy, we are pushing ahead with our expansion. In the first few months of the year, we opened stores in Vicenza, Verona and Trento, and more will follow.

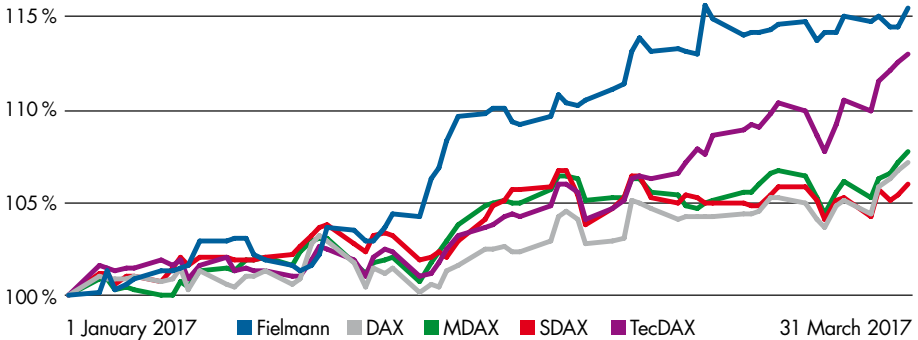
Earnings per share

Q1 earnings per share were € 0.50 (previous year: € 0.44). There were no circumstances which could have diluted earnings per share during the period under review or comparable periods.

Dividend

The Supervisory Board and Management Board of Fielmann Aktiengesellschaft are going to recommend to the Annual General Meeting on 1 June 2017 that a dividend of € 1.80 per share be paid out. This represents an increase of 2.9% over the previous year. The total dividend pay-out would amount to € 151.2 million (previous year: € 147.0 million). The dividend will be paid out after the approval by the Annual General Meeting on 7 June 2017.

Performance comparison of the Fielmann share, DAX, MDAX, SDAX and TecDAX



Fielmann is Germany's largest employer in the optical industry, with 17,775 employees as at 31 March 2017 (previous year: 17,095), of which 3,048 are apprentices (previous year: 2,935). Fielmann is also the biggest training provider and accounts for more than 40% of all apprentices in Germany. National awards testify to the high standard of our training. In the German optical industry competition, Fielmann accounted for all national winners over the last five years.

Employees

To the Company's knowledge, there is no information necessitating changes to the main forecasts or other expectations formulated in the last Group Management Report. The statements provided in the Annual Report 2016 on the opportunities and risks of the business model remain unchanged, too.

Forecast, opportunities and risk report

We are confident of expanding our market position and expect a positive business development throughout the year. Customers buy from companies that guarantee the best service at reasonable prices. In the optical industry, this means they buy at Fielmann.

Outlook

After the first quarter provided two more shopping days, the second quarter will contain three days less. In total, the financial year 2017 will have four fewer shopping days.

Hamburg, April 2017

Fielmann Aktiengesellschaft
The Management Board

Cash flow statement

| Cash flow statement according to IAS 7 for the period from 1 January to 31 March | 2017 € '000 | 2016 € '000 | Change € '000 |
|---|----------------|----------------|------------------|
| Earnings before taxes (EBT) | 60,610 | 54,072 | 6,538 |
| + Statement-related expenditure in the final result | 416 | 338 | 78 |
| - Statement-related income in the final result | -192 | -289 | 97 |
| + Write-downs on tangible assets and intangible assets | 10,358 | 9,422 | 936 |
| - Taxes on income paid | -24,123 | -21,029 | -3,094 |
| +/- Other non-cash income/expenditure | -1,043 | -80 | -963 |
| +/- Increase/decrease in accruals | 11,896 | 9,578 | 2,318 |
| -/+ Profit/loss on disposal of tangible assets and intangible assets | 23 | 8 | 15 |
| -/+ Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations | -7,155 | -15,342 | 8,187 |
| +/- Increase/decrease in trade creditors and other liabilities not attributable to investment or financial operations | 12,814 | 2,342 | 10,472 |
| - Interest paid | -329 | -244 | -85 |
| + Interest received | 332 | 305 | 27 |
| -/+ Increase/decrease in financial assets held for trading | -1,884 | -26,468 | 24,584 |
| = Cash flow from operating activities | 61,723 | 12,613 | 49,110 |
| Receipts from the disposal of tangible assets | 92 | 52 | 40 |
| - Payments for tangible assets | -6,870 | -3,362 | -3,508 |
| - Receipts from the disposal of intangible assets | -2,532 | -2,063 | -469 |
| + Receipts from the disposal of financial assets | 33 | 11 | 22 |
| - Payments for investment property | -800 | -500 | -300 |
| = Cash flow from investment activities | -10,077 | -5,862 | -4,215 |
| Payments to company owners and non-controlling shareholders | -1,202 | -1,052 | -150 |
| - Acquisition of own shares | -1,780 | -1,313 | -467 |
| + Receipts from loans raised | 411 | 213 | 198 |
| - Repayment of loans | -294 | -72 | -222 |
| = Cash flow from financing activities | -2,865 | -2,224 | -641 |
| Payment-affecting changes in cash and equivalents | 48,781 | 4,527 | 44,254 |
| +/- Changes in cash and equivalents due to exchange rates | 257 | -34 | 291 |
| + Cash and equivalents at the beginning of the period | 114,032 | 95,649 | 18,383 |
| = Cash and equivalents at the end of the period | 163,070 | 100,142 | 62,928 |

Offsetting and reconciliation to cash flow

| For the period from 1 January to 31 March | 2017 in € '000 | 2016 in € '000 | Change in € '000 |
|--|-------------------|-------------------|---------------------|
| = Cash flow before increase/decrease in financial assets held for trading or to maturity | 63,607 | 39,081 | 24,526 |
| -/+ Increase/decrease in financial assets held for trading | -1,884 | -26,468 | 24,584 |
| = Cash flow from current business activities | 61,723 | 12,613 | 49,110 |

Financial resources totalling T€ 163,070 (previous year: T€ 100,142) correspond to the item posted on the balance sheet as “Cash and cash equivalents” and includes liquid funds as well as securities with a fixed term of up to three months. The financial assets, which also count as financial capital, generally have a residual term of over three months and are broken down according to the typical maturities pursuant to IAS 1. The composition of the financial assets of T€ 420,110 (previous year: T€ 387,432) is shown in a separate table as follows:

Explanatory notes on the cash flow statement

Summary of financial assets

| | 31 March 2017 in € '000 | 31 March 2016 in € '000 | Change in € '000 |
|--|----------------------------|----------------------------|---------------------|
| Liquid funds | 115,851 | 89,937 | 25,914 |
| Securities with a fixed term up to 3 months | 47,219 | 10,205 | 37,014 |
| Cash and cash equivalents | 163,070 | 100,142 | 62,928 |
| Non-current financial assets | 2,080 | 1,154 | 926 |
| Other non-current financial assets | 77,644 | 75,992 | 1,652 |
| Capital investments with a specific maturity of more than 3 months | 177,316 | 210,144 | -32,828 |
| Financial assets | 420,110 | 387,432 | 32,678 |

Segment reporting 1. 1. to 31.3.2017

The figures for the previous year are indicated in parentheses.

| in € million | Germany | Switzerland | Austria | Other | Consolidation | Goodwill |
|--|----------------------|--------------------|--------------------|-------------------|-------------------|----------------------|
| Sales revenues from the segment | 284.8 (262.4) | 44.4 (40.4) | 20.2 (19.1) | 9.2 (7.7) | -16.7 (-13.2) | 341.9 (316.4) |
| Sales revenues from other segments | 16.5 (13.1) | 0.1 (0.0) | 0.1 (0.1) | | | |
| External sales revenues | 268.3 (249.3) | 44.3 (40.4) | 20.1 (19.0) | 9.2 (7.7) | | 341.9 (316.4) |
| Cost of materials | 69.6 (62.0) | 8.9 (7.2) | 4.9 (4.4) | 2.9 (2.3) | -15.7 (-12.3) | 70.6 (63.6) |
| Personnel costs | 116.4 (109.0) | 17.5 (16.9) | 7.6 (7.0) | 3.0 (2.3) | | 144.5 (135.2) |
| Scheduled depreciation | 8.6 (7.8) | 1.1 (1.0) | 0.4 (0.4) | 0.3 (0.2) | | 10.4 (9.4) |
| Expenses in the financial result | 0.4 (0.4) | | | 0.1 (0.0) | -0.1 (-0.1) | 0.4 (0.3) |
| Income in the financial result | 0.2 (0.2) | 0.1 (0.2) | | | -0.1 (-0.1) | 0.2 (0.3) |
| Result before taxes¹ | 47.3 (41.4) | 9.5 (8.4) | 4.0 (4.2) | -0.2 (0.1) | 0.0 (0.0) | 60.6 (54.1) |
| Income taxes | 14.6 (13.1) | 1.9 (1.7) | 0.7 (0.8) | 0.2 (0.1) | 0.2 (0.0) | 17.6 (15.7) |
| Profit for the period after tax | 32.7 (28.3) | 7.6 (6.7) | 3.3 (3.4) | -0.4 (0.0) | -0.2 (0.0) | 43.0 (38.4) |
| Non-current segment assets excluding financial instruments and deferred tax assets | 257.6 (251.6) | 28.4 (27.7) | 7.3 (6.2) | 10.8 (7.4) | | 304.1 (292.9) |
| Investments | 7.2 (4.5) | 0.7 (0.7) | 0.2 (0.2) | 2.1 (0.5) | | 10.2 (5.9) |
| Deferred tax assets | 8.8 (7.9) | | 0.3 (0.3) | 0.3 (0.7) | | 9.4 (8.9) |

¹ In the segments excl. income from participations

Financial calendar 2017/18

| | |
|--------------------------|------------------|
| Annual General Meeting | 1 June 2017 |
| Dividend payout | 7 June 2017 |
| Half-year report | 31 August 2017 |
| Analyst's conference | 1 September 2017 |
| Quarterly report | 2 November 2017 |
| Preliminary figures 2017 | February 2018 |
| Bloomberg code | FIE |
| Reuters code | FIEG.DE |
| ISIN | DE0005772206 |

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Consolidated profit and loss account

| For the period from 1 January to 31 March | 2017 in € '000 | 2016 in € '000 | Change |
|---|-------------------|-------------------|---------------|
| 1. Consolidated sales | 341,871 | 316,368 | 8,1 % |
| 2. Changes in inventories | 7,322 | 5,890 | 24,3 % |
| Total consolidated revenues | 349,193 | 322,258 | 8,4 % |
| 3. Other operating income | 2,594 | 2,892 | -10,3 % |
| 4. Cost of materials | -70,631 | -63,593 | 11,1 % |
| 5. Personnel costs | -144,508 | -135,150 | 6,9 % |
| 6. Depreciation | -10,358 | -9,422 | 9,9 % |
| 7. Other operating expenses | -65,456 | -62,864 | 4,1 % |
| 8. Expenses in the financial result | -416 | -338 | 23,1 % |
| 9. Income in the financial result | 192 | 289 | -33,6 % |
| 10. Result before taxes | 60,610 | 54,072 | 12,1 % |
| 11. Income taxes | -17,621 | -15,733 | 12,0 % |
| 12. Consolidated net income for the period | 42,989 | 38,339 | 12,1 % |
| 13. Income attributable to other shareholders | -1,364 | -1,264 | 7,9 % |
| 14. Profit for the period under review | 41,625 | 37,075 | 12,3 % |
| Earnings per share in € (diluted/basic) | 0.50 | 0.44 | |

Consolidated balance sheet

| Assets | Position as at 31 March 2017 in € '000 | Position as at 31 December 2016 in € '000 |
|--|---|--|
| A. Non-current fixed assets | | |
| I. Intangible assets | 19,604 | 18,379 |
| II. Goodwill | 45,894 | 45,704 |
| III. Tangible assets | 222,345 | 224,389 |
| IV. Investment property | 16,280 | 16,404 |
| V. Financial assets | 2,080 | 1,313 |
| VI. Tax assets | 9,373 | 9,224 |
| VII. Other financial assets | 77,644 | 87,000 |
| | 393,220 | 402,413 |
| B. Current assets | | |
| I. Inventories | 137,248 | 128,136 |
| II. Trade debtors | 27,456 | 26,733 |
| III. Other financial assets | 47,599 | 46,416 |
| IV. Non-financial assets | 16,644 | 20,314 |
| V. Tax assets | 8,943 | 9,725 |
| VI. Financial assets | 177,316 | 165,765 |
| VII. Cash and cash equivalents | 163,070 | 114,032 |
| | 578,276 | 511,121 |
| | 971,496 | 913,534 |
| | | |
| Equity and liabilities | Position as at 31 March 2017 in € '000 | Position as at 31 December 2016 in € '000 |
| A. Equity capital | | |
| I. Subscribed capital | 84,000 | 84,000 |
| II. Capital reserves | 92,652 | 92,652 |
| III. Profit reserves | 506,812 | 358,167 |
| IV. Profit for the period under review | 41,625 | 151,200 |
| V. Non-controlling interests | 293 | 246 |
| | 725,382 | 686,265 |
| B. Non-current liabilities | | |
| I. Accruals | 24,215 | 23,325 |
| II. Financial liabilities | 1,714 | 1,605 |
| III. Deferred tax liabilities | 7,846 | 8,430 |
| | 33,775 | 33,360 |
| C. Current liabilities | | |
| I. Accruals | 52,501 | 41,495 |
| II. Financial liabilities | 174 | 166 |
| III. Trade creditors | 67,560 | 63,035 |
| IV. Other financial liabilities | 19,196 | 20,426 |
| V. Non-financial liabilities | 61,677 | 50,730 |
| VI. Income tax liabilities | 11,231 | 18,057 |
| | 212,339 | 193,909 |
| | 971,496 | 913,534 |