



fielmann

INTERIM REPORT  
AS AT 30 SEPTEMBER 2019

## Fielmann Group Interim Report as at 30 September

### **Dear Shareholders, Dear Friends of the Company,**

The results for the first three quarters of 2019 are in line with our expectations. With its customer-friendly philosophy, Fielmann has once again increased the number of units sold, sales revenue and profits.

### **Units sold and sales revenue**

Fielmann increased its number of units sold in the first three quarters to 6.13 million glasses (previous year: 6.06 million) and raised external sales by 7.5% to €1,347.6 million (previous year: €1,253.6 million). Consolidated sales went up by 7.5% to €1,158.3 million (previous year: €1,077.8 million). On a currency-adjusted basis, sales grew by 7.0%.

Fielmann increased its units sold in the third quarter by 2.5% to 2.06 million (previous year: 2.01 million). External sales grew by 7.6% to €463.2 million (previous year: €430.6 million) and consolidated sales rose by 9.2% to €400.1 million (previous year: €366.4 million).

### **Earnings and investments**

The pre-tax profit amounted to €206.1 million after nine months of the year (previous year: €196.1 million) and the net income was €143.0 million (previous year: €135.7 million). The quarterly pre-tax profit reached €78.5 million (previous year: €80.0 million) and the net income stood at €54.7 million (previous year: €55.4 million). The profit development has been particularly influenced by the employee increases and the non-recurring effects in the previous year. After three quarters, investments totalled €74.4 million (previous year: €47.1 million). All investments were financed from our cash flow and were significantly increased in line with the Vision 2025 strategy.

With effect of 1 September of this year, Fielmann AG acquired 70% of shares in the Slovenian optical chain Optika Clarus and its 27 stores, thereby entering the 14th European market. As at 30 September 2019, Fielmann operated 770 stores (previous year: 729), 206 of which also contained hearing aid studios (previous year: 191).

### **Earnings per share**

The earnings per share were €1.65 (previous year: €1.58). There were no circumstances which could have diluted earnings per share during the period under review or comparable periods.

On 11 July 2019, the Annual General Meeting of Fielmann AG agreed a dividend payout of €1.90 per share for the financial year 2018 (previous year: €1.85), which represents a 2.7% increase over the previous year.

## **Dividend**

Fielmann has created 894 additional jobs to drive its expansion and its digitization, of which 428 are for apprentices. The acquisition of Optika Clarus has boosted the number of employees by 137. As at 30 September, Fielmann employed a total of 20,519 members of staff (previous year: 19,488), of whom 4,356 are apprentices (previous year: 3,928).

## **Employees**

IFRS 16 "Leasing" is mandatory for the reporting periods beginning as of 1 January 2019. This standard sets out the principles for the recognition, measurement and disclosure of leases in the Notes, and has an impact on the presentation of assets, financial position and earnings as well as on the scope of the disclosures required in the Notes. Fielmann is a lessee as it uses leases to rent business premises. Leasing also plays a minor role in the field of car financing. In the reporting period, the first application of IFRS 16 at Fielmann only led to additional costs of €1.3 million. A significant increase to the balance sheet total of more than 40% has resulted from taking the rights of usufruct from leases (rental agreements) into account. This has an impact on the Fielmann Group's key figures. The equity ratio fell due to the increase to the balance sheet total from 75.1% as at 31 December 2018 to 50.7% as at 30 September 2019.

## **Change to the accounting principles**

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 2018 on the opportunities and risks of the business model remain unchanged, too.

## **Forecast, opportunities and risk report**

Fielmann has used its available liquidity to strengthen its position in the market, invest in digitization and accelerate its expansion. For the year as a whole, we expect a result at the same level as the previous year.

## **Outlook**

Hamburg, November 2019      Fielmann Aktiengesellschaft  
The Management Board

**Cash flow statement**

<b>Cash flow statement according to IAS 7 for the period from 1 January to 30 September in €000s</b>	<b>2019</b>	<b>2018</b>	<b>Change</b>
Earnings before taxes (EBT)	206,118	196,121	9,997
-/+ Profit shares of associates	445	0	445
+ Statement-related interest expenditure from leases	1,801	0	1,801
+ Statement-related other expenditure in the final result	849	649	200
- Statement-related income in the final result	-1,299	-759	-540
+ Write-downs on tangible assets and intangible assets	37,287	33,304	3,983
+ Write-downs on rights of usufruct from leases	57,821	0	57,821
- Taxes on income paid	-58,308	-53,475	-4,833
+/- Other non-cash income/expenditure	-911	9,161	-10,072
+/- Increase/decrease in accruals	6,826	-2,743	9,569
-/+ Profit/loss on disposal of tangible assets as properties kept as financial investments and intangible assets	-110	-3,167	3,057
-/+ Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations	-406,216	-45,988	-360,228
+/- Increase/decrease in trade creditors and other liabilities not attributable to investment or financial operations	427,323	39,077	388,246
- Interest paid	-461	-513	52
+ Interest received	399	188	211
<b>= Cash flow from operating activities</b>	<b>271,564</b>	<b>171,855</b>	<b>99,709</b>
Receipts from the disposal of tangible assets	277	137	140
- Payments for tangible assets	-38,404	-36,914	-1,490
- Payments for intangible assets	-22,661	-9,933	-12,728
+ Receipts from the disposal of financial assets	110	105	5
- Payments for financial assets	0	-226	226
- Payments for the acquisition of subsidiaries	-13,388	0	-13,388
+ Receipts from the disposal of securities and other investments	88,772	96,738	-7,966
- Payments for the acquisition of securities and other investments	-25,508	-72,875	47,367
<b>= Cash flow from investment activities</b>	<b>-10,802</b>	<b>-22,968</b>	<b>12,166</b>
Payments to company owners and non-controlling shareholders	-163,952	-158,736	-5,216
+/- Sale/Acquisition of own shares	-3,687	-3,539	-148
+ Receipts from loans raised	323	0	323
- Repayment of loans	-231	-1,293	1,062
- Payments for liabilities from leases	-58,345	0	-58,345
- Payments for the acquisition of additional shares in subsidiaries	-650	-276	-374
<b>= Cash flow from financing activities</b>	<b>-226,542</b>	<b>-163,844</b>	<b>-62,698</b>
Changes in cash and equivalents	34,220	-14,957	49,177
+/- Changes in cash and equivalents due to exchange rates	-67	-88	21
+ Cash and equivalents at the beginning of the period	138,557	172,131	-33,574
<b>= Cash and equivalents at the end of the period</b>	<b>172,710</b>	<b>157,086</b>	<b>15,624</b>

**Summary of financial assets**

in €000s	2019-09-30	2018-09-30	Change
Liquid funds	118,334	103,284	15,050
Capital investments with a specific maturity of up to 3 months	54,376	53,802	574
<b>Cash and cash equivalents</b>	<b>172,710</b>	<b>157,086</b>	<b>15,624</b>
Non-current financial assets	2,205	2,821	-616
Other non-current financial assets	34,847	47,482	-12,635
Capital investments with a specific maturity of more than 3 months	73,021	103,962	-30,941
<b>Financial assets</b>	<b>282,783</b>	<b>311,351</b>	<b>-28,568</b>

**Financial calendar 2020**

Preliminary figures 2019	February 2020
Interim report	29 April 2020
Financial statement press conference	29 April 2020
Annual General Meeting	9 July 2020
Bloomberg code	FIE
Reuters code	FIEG.DE
Securities ID number/ISIN	DE0005772206

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**Segment reporting 1 January to 30 September 2019** The previous year's figures are stated in parentheses.

in € million	Germany	Switzerland	Austria	Other	Consolidation	Consolidated value
Sales revenues from the segment	975.9 (913.8)	135.4 (125.8)	67.3 (62.5)	40.0 (33.7)	-60.3 (-58.0)	1,158.3 (1,077.8)
Sales revenues from other segments	60.0 (57.7)		0.3 (0.3)			
<b>Outside sales revenues</b>	<b>915.9 (856.1)</b>	<b>135.4 (125.8)</b>	<b>67.0 (62.2)</b>	<b>40.0 (33.7)</b>		<b>1,158.3 (1,077.8)</b>
Cost of materials	236.6 (221.2)	28.6 (27.7)	15.4 (15.6)	11.7 (10.4)	-52.3 (-50.8)	240.0 (224.1)
Personnel costs	379.4 (349.0)	53.7 (50.1)	23.8 (22.4)	14.9 (11.9)		471.8 (433.4)
Scheduled depreciation	71.1 (27.2)	11.2 (3.3)	4.8 (1.2)	8.0 (1.6)		95.1 (33.3)
Expenses in the financial result	2.4 (0.5)	0.4 (0.1)	0.3 (0.0)	0.6 (0.4)	-0.6 (-0.4)	3.1 (0.6)
Income in the financial result	1.5 (0.9)	0.3 (0.3)		0.1 (0.0)	-0.6 (-0.4)	1.3 (0.8)
<b>Earnings before tax</b> – in segments excl. investment income	<b>175.6 (169.8)</b>	<b>20.9 (18.0)</b>	<b>13.4 (10.7)</b>	<b>-3.8 (-2.4)</b>	<b>0.0 (0.0)</b>	<b>206.1 (196.1)</b>
Taxes on income and earnings	55.9 (54.7)	4.0 (3.5)	2.4 (1.8)	0.8 (0.4)		63.1 (60.4)
<b>Consolidated net income for the period</b>	<b>119.7 (115.1)</b>	<b>16.9 (14.5)</b>	<b>11.0 (8.9)</b>	<b>-4.6 (-2.8)</b>	<b>0.0 (0.0)</b>	<b>143.0 (135.7)</b>
Non-current segment assets excluding financial instruments and deferred tax assets	564.3 (283.8)	82.9 (30.5)	39.2 (5.6)	87.3 (19.4)		773.6 (339.3)
Additions to non-current segment assets excluding financial instruments and deferred tax assets	341.0 (38.1)	61.5 (4.3)	39.0 (0.4)	71.5 (4.3)		513.0 (47.1)
Shares in associates	4.8 (0.0)					4.8 (0.0)
Deferred tax assets	10.6 (10.4)		0.3 (0.3)	0.8 (2.2)		11.7 (12.9)

## Consolidated profit and loss account

For the period from 1 July to 30 September	Q3 2019 in €000s	Q3 2018 in €000s	Change from previous year in %
1. Consolidated sales	400,057	366,353	9.2
2. Changes in inventories	-366	5,685	-106.4
<b>Total consolidated sales</b>	<b>399,691</b>	<b>372,038</b>	<b>7.4</b>
3. Other operating income	3,872	2,412	60.5
4. Cost of materials	-83,344	-77,261	7.9
5. Personnel costs	-156,546	-137,917	13.5
6. Write-downs on rights of usufruct from leases	-19,532	0	
7. Other write-downs	-12,833	-11,264	13.9
8. Other operating expenses	-52,382	-68,055	-23.0
9. Interest expenditure from leases	-604	0	
10. Other expenses in the financial result	-461	-212	117.5
11. Income in the financial result	621	243	155.6
<b>12. Result before taxes</b>	<b>78,482</b>	<b>79,984</b>	<b>-1.9</b>
13. Taxes on income and earnings	-23,780	-24,634	-3.5
<b>14. Net income for the quarter</b>	<b>54,702</b>	<b>55,350</b>	<b>-1.2</b>
15. Income attributable to minority interests	-2,036	-1,800	13.1
<b>16. Profits to be allocated to parent company shareholders</b>	<b>52,666</b>	<b>53,550</b>	<b>-1.7</b>
<b>Earnings per share in € (diluted/basic)</b>	<b>0.63</b>	<b>0.64</b>	

## Consolidated profit and loss account

For the period from 1 January to 30 September	2019 in €000s	2018 in €000s	Change from previous year in %
1. Consolidated sales	1,158,253	1,077,829	7.5
2. Changes in inventories	6,072	5,700	6.5
<b>Total consolidated sales</b>	<b>1,164,325</b>	<b>1,083,529</b>	<b>7.5</b>
3. Other operating income	13,574	13,911	-2.4
4. Cost of materials	-240,037	-224,092	7.1
5. Personnel costs	-471,779	-433,373	8.9
6. Write-downs on rights of usufruct from leases	-57,821	0	
7. Other write-downs	-37,287	-33,304	12.0
8. Other operating expenses	-163,061	-210,660	-22.6
9. Interest expenditure from leases	-1,801	0	
10. Other expenses in the financial result	-1,294	-649	99.4
11. Income in the financial result	1,299	759	71.1
<b>12. Result before taxes</b>	<b>206,118</b>	<b>196,121</b>	<b>5.1</b>
13. Taxes on income and earnings	-63,072	-60,401	4.4
<b>14. Consolidated net income for the period</b>	<b>143,046</b>	<b>135,720</b>	<b>5.4</b>
15. Income attributable to minority interests	-4,535	-3,355	35.2
<b>16. Profits to be allocated to parent company shareholders</b>	<b>138,511</b>	<b>132,365</b>	<b>4.6</b>
<b>Earnings per share in € (diluted/basic)</b>	<b>1.65</b>	<b>1.58</b>	

## Consolidated balance sheet

Assets	Position as at 30 September 2019 in €000s	Position as at 31 December 2018 in €000s
<b>A. Non-current fixed assets</b>		
I. Intangible assets	49,346	33,987
II. Goodwill	60,988	47,509
III. Tangible assets	269,975	262,253
IV. Investment property	13,315	13,639
V. Rights of usufruct from leases	379,946	0
VI. Shares in associates	4,774	5,218
VII. Other financial assets	2,205	2,315
VIII. Deferred tax assets	11,687	12,276
IX. Other financial assets	34,847	61,574
X. Receivables from leases	1,015	0
	<b>828,098</b>	<b>438,771</b>
<b>B. Current assets</b>		
I. Inventories	154,540	136,307
II. Trade debtors	44,545	38,579
III. Other financial assets	55,728	55,473
IV. Non-financial assets	20,868	19,241
V. Tax assets	6,760	8,062
VI. Financial assets	73,021	109,803
VII. Cash and cash equivalents	172,710	138,557
	<b>528,172</b>	<b>506,022</b>
	<b>1,356,270</b>	<b>944,793</b>
<b>Liabilities</b>		
<b>A. Equity</b>		
I. Subscribed capital	84,000	84,000
II. Capital reserves	92,652	92,652
III. Profit reserves	494,273	514,391
IV. Other reserves	14,791	17,966
<b>Consolidated equity of the parent company's shareholders</b>	<b>685,716</b>	<b>709,009</b>
V. Non-controlling interests	1,306	207
	<b>687,022</b>	<b>709,216</b>
<b>B. Non-current liabilities</b>		
I. Accruals	31,658	25,482
II. Financial liabilities	1,387	1,363
III. Deferred tax liabilities	12,550	12,135
IV. Liabilities from leases	303,910	0
	<b>349,505</b>	<b>38,980</b>
<b>C. Current liabilities</b>		
I. Accruals	49,435	48,784
II. Financial liabilities	184	115
III. Liabilities from leases	78,270	0
IV. Trade creditors	80,311	56,337
V. Other financial liabilities	23,750	21,843
VI. Non-financial liabilities	74,358	58,544
VII. Income tax liabilities	13,435	10,974
	<b>319,743</b>	<b>196,597</b>
	<b>1,356,270</b>	<b>944,793</b>