Annual Report 2007

fielmann

Fielmann at a Glance

		2007 IFRS	2006 IFRS	2005 IFRS	2004 IFRS	2004 HGB	2003 HGB
Sales	in € m						
External sales [1]	inc. VAT	984.4	913.4	843.0	763.9	763.9	1,010.2
Change	in %	+7.8	+8.4	+10.4		–24.4	+25.2
Consolidated sales	exc. VAT	839.2	792.9	733.1	668.3	642.0	814.5
Change	in %	+5.8	+8.2	+9.7		–21.2	24.0
Quantities sold	glasses/ thousands	6,030	5,810	5,660	5,110	5,110	6,435
Change	in %	+3.8	+2.7	+10.8		–20.6	+27.8
Pre-tax profit	in € m	136.3	106.9	87.0	76.0	72.0	112.2
Change	in %	+27.5	+22.9	+14.5		–35.8	+78.1
Net income	in € m	82.0	71.8	57.8	48.4	44.3	70.1
Change	in %	+14.3	+24.2	+19.3		–36.8	+55.8
Cash flow	in € m	112.0	114.1	89.4	86.6	89.1	114.4
Change	in %	–1.8	+27.6	+3.3		–22.1	+33.3
Group equity ratio	in %	60.8	62.6	63.1	64.9	67.7	54.4
Investment	in € m	42.3	47.6	61.2	45.3	41.1	27.9
Change	in %	–11.1	–22.2	+35.2		+47.3	–25.6
Number of Branches		599	571	538	520	520	512
Employees	as at 31. 12.	11,858	11,160	10,470	9,776	9,776	10,348
of which trainees		1,941	1,715	1,502	1,484	1,484	1,701
Key data per share [2]							
Earnings [3]	in €	1.88	1.64	1.31	1.11	1.09	1.66
Cash flow [3]	in €	2.67	2.72	2.13	2.06	2.12	2.73
Dividend	in €	1.40	1.20	0.95	0.80	0.80	0.80

[1] Sales including VAT/work in progress, HGB: Sales including franchisers, VAT and work in progress
[2] Changed, because of share split
[3] IFRS 2004–2007: According to IAS 7; HGB 2002–2004: According to DVFA/SG

Glasses: Fielmann

The name Fielmann is synonymous with fashion eyewear at a fair price. Fielmann is known to 90 per cent of the German population. We are the market leader. With 17 million people wearing Fielmann glasses, in Germany, every second pair of glasses sold is from Fielmann. The company is firmly rooted in the industry and is active at every level of the value creation chain in the optical industry. We are manufacturers, agents and opticians. Fielmann has shaped the optical industry. It was Fielmann who made health service glasses attractive, socially acceptable, removed the stigma of wearing them and democratised spectacle fashion.

Time and again, Fielmann has introduced pioneering customer-oriented services to the market. The fundamental hallmarks of our success are customer-friendly services, an extensive selection of models at prices guaranteed to be reasonable, the best technical equipment and a high level of professional competence.

"You are the customer" is the guiding principle of our corporate philosophy. Absolute dedication to customer needs has taken us right to the top. We see ourselves reflected in our customers. Every member of our staff is committed to this principle.

We shall also be demonstrating our customer-orientation and our core competence in new markets.

Content

Dear Shareholders and Friends of the Company,

Günther Fielmann

We recorded a further significant improvement in our results in financial year 2007. Fielmann sold more than 6 million pairs of glasses. External sales revenue including VAT rose by 7.8 per cent to € 984.4 million, while consolidated sales grew by 5.8 per cent to € 839.2 million. We increased the pre-tax result by 27.5 per cent to € 136.3 million, with the profit for year up by 14.3 per cent to € 82.0 million to generate a pre-tax return on sales of 16.2 per cent.

Among others, the pre-tax result reflects – in an amount of about € 10 million – the consequences of the ruling by the Federal Social Court from September 2007 on the problems relating to the cut-off date caused by the Gesundheitsmodernisierungsgesetz (Healthcare Reform Act). This is a one-off extraordinary item. The statutory health insurance companies will settle our claims from financial year 2004 in 2008.

Fielmann allows its shareholders to participate in the company's success. In the light of the pleasing financial results and the positive business development, the Management and Supervisory Boards are recommending payment of a dividend of € 1.40 per share to the Annual Shareholders' Meeting, representing an increase on the previous year of 16.7 per cent.

We achieved our excellent result in the face of challenging conditions. While Germany's gross domestic product rose by 2.5 per cent, the increase was primarily attributable to exports and investment in plant and equipment. When adjusted for inflation, private consumption was 0.3 per cent down on the previous year.

The German retail trade recorded a fall in sales of 2.2 per cent in real terms. The optical industry in Germany reported growth in unit sales of 0.5 per cent to 10.6 million glasses in 2007. Sales revenues rose by 2.8 per cent to € 3.8 billion. Allowing for the increase in VAT of 3 per cent on 1 January 2007, this signifies de facto stagnation.

Fielmann has become the market leader with the slogan: "You are the customer". Our employees identify with our customers and serve them in the manner in which they themselves would like to be served: with fairness, courtesy, friendliness and competence. Fielmann employees provide impartial advice; they are not under any pressure to force consumers to buy expensive glasses. They have the satisfaction of being able to tailor the best possible solution to suit the needs of each individual customer, irrespective of price.

A key reason for our success is the high level of qualification of our employees. Fielmann admits itself to the elite. By providing more training places than anyone else in the optical industry, Fielmann shapes training in German craftsmanship, which is carried out with customary German precision and thoroughness, even in our branches abroad.

Year on year, Fielmann makes a seven figure investment in its trainees. National awards testify to the excellence of Fielmann training. In 2007, Fielmann staff again accounted for more than 80 per cent of all state winners in the optical industry's examinations.

At the non-profit Fielmann Academy at Schloss Plön, we train future managers for Europe. The training centre, which is also open to external opticians, trains more than 6,000 course participants every year.

Fielmann branches are located in top city locations alongside the branches of market leaders in other sectors. We display the entire optical universe: major brands, international couturiers and the fashion eyewear offered by the Fielmann Collection. Our ultra-modern shops feature the latest technology in our consulting rooms, eyesight testing areas and in the workshops. We offer long guarantees and fair prices. Fielmann combines fashion flair with reasonable prices.

A new generation of professional opticians has emerged from our basic understanding of the market: modern, innovative, reasonably priced.

Our shops are bigger than the average shops of our competitors and, on average, generate five times the sales revenue of a traditional optician. A base that is opening up opportunities for growth in many areas.

Fielmann always aims to be better and cheaper than other opticians, for which our customers thank us. They appreciate honesty and sincerity and more than 90 per cent of our customers would like to buy their next pair of glasses from Fielmann.

The performance of Fielmann's shares reflects the confidence that investors place in us. At the end of the reporting year, growth including dividends since the IPO in 1994 stood at 370 per cent.

Fielmann has made health service glasses attractive and removed the stigma of wearing them. Fielmann's reasonable prices have democratised spectacle fashion.

Time and again, Fielmann has introduced consumer-friendly services to the market, which did not previously exist in the optical industry: such as fashion glasses for free, the three-year guarantee, the money-back guarantee, the satisfaction guarantee by thank you letter, acknowledgement of every complaint or the glasses for free insurance in 2004.

The glasses for free insurance offered by Fielmann and HanseMerkur is making a sustained contribution to our success. Since it was introduced on the market in October 2004, more than three million Fielmann customers have chosen the glasses for free insurance.

For an annual premium of only € 10, the insured party is offered a pair of the latest fashion glasses from the scheme's range of metal or plastic frames with Zeiss lenses and a three year guarantee on taking out the policy and then again every two years, as well as replacement, free of charge, in the event of breakage, damage or a change in prescription.

If customers opt for a model for which they need to pay, they receive a € 15 voucher towards the purchase price. Anybody wishing to insure varifocal glasses will pay an annual premium of € 50 and will receive a € 70 voucher if they opt for a model for which they need to pay. In the event of damage, a 70 per cent credit is awarded against the purchase price of the insured frames.

Fielmann expansion has continued, with our customary good judgement. Germany is our home market. We achieve market shares of between 40 and 50 per cent virtually across the board in smaller to medium-sized towns.

In the medium term, our aim in Germany is to sell 6.5 million units from 700 branches, achieving sales revenue of € 1.1 billion and pre-tax profit amounting to € 120 million.

In Switzerland, we are planning 40 branches, unit sales of 400,000, sales revenue totalling € 120 million to generate pre-tax profit of € 24 million in the medium term. In Austria, we aim to sell 450,000 glasses through 40 branches, achieving sales revenues of € 85 million and a profit of € 10 million before tax.

We are focusing our expansion on the German-speaking market and neighbouring European countries.

We are so successful abroad because we have exported the principles that have made us great in Germany to the rest of Europe. We not only offer consumers a guarantee of good value for money, in other countries we stand out from our competitors even more than in Germany, in terms of location, size, equipment, selection, price and professional advice.

The structure of our customer base offers significant potential. On average, our customers are younger than those of our traditional competitors. Because our customers remain loyal to us, our share of the more costly varifocals which may be needed in the second half of life, is on the increase. The proportion of varifocals sold by Fielmann is likely to increase by more than 50 per cent in the coming years, even without any consideration of new customers. Sunglasses, contact lenses and hearing aids are other segments which also offer added potential. Our regular customers in our core catchment areas alone need more than 60,000 hearing aids every year.

For 2008, Fielmann is expecting to expand its units sales, sales revenue and profit, which will be adjusted for the extraordinary impact of payments by the statutory health insurance companies. We plan to open 30 new branches, with the creation of more than 400 new jobs.

The first few months of the current financial year have filled us with confidence.

We should like to express our thanks to all our staff, who have contributed to the success of the company with their dedication, competence and conscientiousness throughout the past year. We should also like to take this opportunity of thanking our customers, associates, friends and shareholders for their loyalty to the company.

Günther Fielmann


Günther Fielmann


Günter Schmid


Dr. Stefan Thies


Georg Alexander Zeiss

Management Board

Günther Fielmann	Chairman of the Management Board, Sales/Marketing/since 01.04.07 Human Resources
Günter Schmid	Materials Management/Production
Dr. Stefan Thies	IT/Controlling (since 20.04.07)
Georg Alexander Zeiss	Finance/Properties
Dr. Emmanuel Siregar	Human Resources (until 31.03.07)

Supervisory Board

Sharehoder representatives	Prof. Dr. Mark K. Binz	Lawyer, Stuttgart, Chairman
	Anton-Wolfgang Graf von Faber-Castell	Managing Director of A. W. Faber-Castell AG, Stein/Nuremberg
	Prof. Dr. Ing. Jobst Herrmann	Graduate Engineer, Aalen
	Helmut Nanz	Managing Director of the Nanz Group, Stuttgart
	Hans Joachim Oltersdorf	Managing Director of MPA Pharma GmbH, Rellingen
	Prof. Dr. Hans-Joachim Priester	Notary, retired, Hamburg
Employee representatives	Uwe Martens	Union Secretary of ver.di, Hamburg, Deputy Chairman
	Petra Bruning-Diekhöner	Technical Trainer at Fielmann Aus- und Weiterbildungs GmbH, Bielefeld
	Holger Glawe	Union Secretary of ver.di, Hamburg, until 12.07.07
	Johannes Haerkötter	Branch Manager at Fielmann AG & Co. Potsdam, Berlin
	Karin Höft	Employee at Fielmann Aktiengesellschaft, Hamburg
	Eva Schleifenbaum	Union Secretary of ver.di, Hamburg, from 13.07.07
	Sabine Thielemann	Precision Optician at Fielmann AG & Co., Naumburg

Report of the Supervisory Board

Professor Dr. Mark K. Binz
Chairman of the
Supervisory Board

In financial year 2007, the Supervisory Board regularly obtained information on all important business developments and supervised the work of the Management Board, giving advice where necessary. It discussed in detail the business plan of the Management Board for 2008 and the medium-term planning until 2010 and adopted them in the form of an overall plan. On the basis of comprehensive written and oral reports from the Management Board, the Supervisory Board dealt with the business and financial position, corporate strategy, staff situation and the risks in detail in its discussions.

Other important topics discussed at the meetings of the Supervisory Board were the Company's PR work and the corporate social report of Fielmann Aktiengesellschaft, pricing Strategys of competitors, expansion in Germany and abroad including the opening of megastores in major cities, the training policy and management of the Fielmann Academy at Plön Castle, entry into the hearing aid market and the development of this segment, the excellent results for Fielmann Aktiengesellschaft established by the Emnid survey on customer satisfaction in the optical sector and of the Kundenmonitor 2007 (2007 customer barometer), the effects of the company tax reform and progress regarding the legal actions against health insurance companies. The Supervisory Board also dealt with the German Corporate Governance Code and the EU Directive on the auditing of annual accounts.

In addition, the Chairman of the Supervisory Board and the Management Board informed each other directly about any other important matters, as in previous years.

There were four meetings of the Supervisory Board in the financial year under review and one meeting of the HR Committee. There was no need for a meeting of the Mediation Committee under Section 27 para. 3 of the Mitbestimmungsgesetz (Codetermination Act). No other committees were formed. The Supervisory Board submitted to an assessment of its efficiency in the reporting year.

In the year under review, the Supervisory Board appointed Dr. Stefan Thies as an additional Management Board member with responsibility for IT and Controlling and extended the appointment of Management Board member Georg Alexander Zeiss until 30 June 2010. Dr. Emmanuel Siregar has departed from the Management Board. The division of responsibilities was adjusted accordingly and approved.

Mr Holger Glawe (employee representative) resigned from the Supervisory Board for personal reasons in 2007. He has been replaced by Ms Eva Schleifenbaum, who succeeds him as a new Supervisory Board member. We would like to take this opportunity to thank Mr Glawe for his invaluable cooperation.

The annual accounts of Fielmann Aktiengesellschaft, the consolidated accounts for financial year 2007 and the Management Report for Fielmann Aktiengesellschaft and the Group were audited by Susat & Partner, Hamburg, and passed without qualification. These documents, including the Management Board's proposed appropriation of profits, were duly submitted to each member of the Supervisory Board and were discussed in detail in the accounts meeting of the Supervisory Board on 17 April 2008 in the presence of the auditors, Rudolph and Deike. Following the final results of its examination, the Supervisory Board found no cause for objection. With regard to the information in the Management Report pursuant to Section 289 para. 4 of the German Commercial Code (HGB) on the shareholder structure, on the rules regarding the appointment and dismissal of members of the Management Board and on changes to the Articles of Association as well as the powers of the Management Board within the context of the authorised capital 2006, the Supervisory Board is convinced that this is pertinent, complete and so comprehensible as to require no explanation. The Supervisory Board approves the annual accounts, which are therefore adopted, as well as the consolidated accounts and seconds the Management Board's proposed appropriation of profits.

The auditors also examined the report of the Management Board on transactions with related parties in financial year 2007 and passed it with the unqualified confirmation.

The Supervisory Board has examined the report of the Management Board and in its meeting on 17 April 2008, heard a presentation on the key findings of the audit by the auditor. The Supervisory Board raises no objection to the report of the Management Board and the relevant audit conducted by the auditors.

The Supervisory Board would like to thank the Management Board and all the staff for their outstanding work during the past financial year.

Hamburg, April 2008

Professor Dr. Mark K. Binz
Chairman of the Supervisory Board

Glasses: Fielmann

With more than 90 per cent of the German population knowing us, Fielmann is as well known as the major political parties. We are the market leaders. We sell every second pair of glasses in Germany and 17 million people now wear Fielmann glasses. We owe our top position to absolute dedication to the customer and committed staff, who make our customer-oriented philosophy a daily reality. None of our opticians is under pressure to talk their customers into buying expensive glasses.

"You are the customer" is our slogan. We see ourselves reflected in our customers and try hard to fulfil the wishes and desires of our customers. The advice we give is the advice we would like to receive. Customer satisfaction is our overriding goal.

Making claims is easy, but meeting them is more difficult. We stand by our principles. Time and again, Fielmann has introduced pioneering and customer-friendly services to the market, such as fashion glasses for free, the three-year guarantee, the money-back guarantee, the satisfaction guarantee by thank you letter, acknowledgement of every complaint or the glasses for free insurance in 2004.

Fashion glasses for free

Before Fielmann, German opticians operated in a cartel-like market. Prices were uniformly high across the regions, health service glasses timelessly ugly. Those unable to afford an expensive pair of good glasses had to wear the evidence of their income on the end of their nose, so to speak.

Fielmann removed this stigma and this is our company's historic achievement. The special agreement signed with the AOK Essens health insurance was pioneering. The eight timelessly ugly health service frames were transformed into a range of 90 fashionable, high quality metal and plastic frame models in 640 different designs. We replaced the single frame available under health insurance contracts with a varied fashionable collection.

In spite of the numerous structural reforms of recent years and the resultant evaporation of health insurance subsidies, Fielmann continues to offer fashion glasses for free with the insurance it offers in conjunction with HanseMerkur, thereby ensuring basic care at a high level.

The glasses for free insurance offered by Fielmann and HanseMerkur provides a considerably favourable alternative to the previous service supplied by the statutory health insurance schemes. Already more than three million Fielmann customers have taken advantage of this offer.

For a premium of just € 10 per year, immediately on signing the contract, insured parties are offered high fashion metal or plastic glasses from the glasses for free collection, with Zeiss single-vision lenses, a new pair of glasses every two years and free replacement in the event of breakage, damage or a change of prescription.

Our insured parties can choose from a selection of more than 600 variations of 90 metal or plastic fashion models in the glasses for free range. Similar model frames like these are generally sold by opticians at between € 60 and € 120, usually with printed design logos.

Anybody opting for a model where an additional charge is payable is given a € 15 credit against the purchase price. Customers wishing to insure varifocals or multifocals pay an annual premium of € 50 and are given a voucher for € 70 against the price of glasses carrying an additional charge. In addition, in the event of damage to a pair of glasses for which an additional charge is payable, customers are given a 70 per cent credit against the purchase price of the insured frames.

Fashion, quality and fair prices

Previously, the optician determined the choice in advance. Opticians kept their glasses in drawers and boxes and decided which frames to show the customers. Fielmann introduced the concept of several thousand pairs of glasses being openly displayed in the branch. Today, it is the customers who decide which glasses they select.

We display more than 2,000 pairs of glasses in every branch, major brands, international couturiers and the ultra-fashionable Fielmann Collection, all at a reasonable price. We vouch for this with our money-back guarantee, the inalienable right of every customer. If Fielmann customers see a product they have bought at a cheaper price elsewhere during a period of up to six weeks after buying it, Fielmann will take the product back and refund the price paid without further ado. This gives consumers an assurance that they have not paid a single euro too much.

Fielmann has brought price competition into the optical industry, and democratised spectacle fashion as a result. Today, anyone can afford fashionable glasses. Fielmann customers buy without any risk. If they are not satisfied, they can exchange or return the glasses made for them: we will refund the price paid. Only satisfied customers will recommend Fielmann. For us, complaints are an opportunity to improve our advice and service. Fielmann offers a three-year guarantee for all corrective glasses. We test our models in our own laboratory. Our frames have undergone successful product testing according to EN ISO 12870, are corrosion-proof, non-fading, do not release nickel and they are completely compliant with the product functionality decree.

We think long term. “Take less, get more” is our maxim. We charge low prices for the many and not very high prices for the few.

Customer-orientation

Our success is based on the competence and dedication of our staff. We offer fair and transparent advice, enquire about customers’ individual requirements and how they will get optimal benefit from their glasses, have the advantage of an excellent professional training, which is constantly updated. Our staff undergo continuous training, tests and certifications. We appoint management from our own ranks where possible. Year after year we make a double million figure investment in training and further training, upholding the German tradition of craftsmanship, which is evidence of culture and tradition. Fielmann is the major employer and trainer in the optical industry, training more than 1,900 apprentices. With a 5 per cent share of professional opticians in Germany, Fielmann accounts for 29 per cent of all trainees in the optical industry. One in three trainees in the sector is trained by Fielmann.

Fielmann's training is highly sought-after. Each year more than 8,000 young people apply for a training place at Fielmann, of whom around 650 are offered a training place after passing an examination. The excellence of our training is confirmed every year by the national awards we win for its high quality. As in previous years, we provided more than 80 per cent of all state winners and more than 50 per cent of all Chamber of Commerce winners in the examinations in 2007. In the last five years, we have trained 63 state winners and 189 Chamber of Commerce winners. Fielmann trainees are at home at every level of the optical industry. Our customers benefit from this specialist knowledge of glasses design, the aesthetics of glasses, the manufacture of frames and glasses as well as the individual production of the glasses they have chosen. We admit ourselves to elites; we set young people clear targets and offer them convincing values.

More than 70 per cent of our staff have invested in the company through contributions or shares, which is evidence of their faith in it. They not only receive good salaries but also interest, a share in the profits and dividends. This motivates them and customers benefit from it.

Fielmann Akademie Schloss Plön

Fielmann assumes responsibility for training the entire optical sector. Fielmann Akademie Schloss Plön is a non-profit educational establishment for the optical industry to pro-

Fielmann Academy at Plön Castle

mote training and further training. Fielmann Academy Schloss Plön is also open to external opticians. It trains master opticians for the entire sector and qualifies 6,000 course participients every year.

In recent years, large-scale units employing far in excess of 50 staff have sprung up in the optical industry and now offer state of the art equipment in refractive technology, contact lens fitting, their own workshops and advisory services plus complex IT systems. The ultra-modern Fielmann branches reflect this structural change. They are larger than the average shops of our competitors and, at the top end, achieve twenty to fifty times the sales revenue of traditional opticians. Our super centres in major cities generate annual sales revenue of between € 5 million and € 15 million. We must train management for branches of this size ourselves. The non-profit Fielmann Academy Schloss Plön trains the next generation of professional opticians, the staff we need for further expansion in Europe.

Increasingly opticians are taking over the job of determining the lens prescriptions: 69 per cent of all refractions in Germany are currently carried out by master opticians. Optometrists are specially trained in refraction. In the English-speaking world, only optometrists and eye doctors can carry out lens prescription tests. In the rest of Europe as well, bio-medical aspects are being added to opticians' training. Graduates of the Fielmann Academy Schloss Plön will be equal to their future responsibilities.

Fielmann: manufacturer, agent and optician

Fielmann has demand equal to that of some countries, and sells more glasses per year than all the other opticians in Denmark, Switzerland, Austria and the Netherlands together. We are able to base our price calculations on the economies of scale obtained through the high number of units sold. Purchasing advantages are passed on to our customers.

Fielmann is at the same time a manufacturer, agent and optician and the master of every process throughout the value added chain. Our frames are produced in Germany and the French part of the Jura, we operate joint ventures in the Far East and we supply our branches directly, bypassing any intermediaries. Where the Fielmann collection is concerned, our branches constitute factory outlets, so to speak.

Our production and logistics centre is located at Rathenow in Brandenburg state, the cradle of German spectacle production. This is where we have amalgamated our own manufacturing and logistics expertise. From under one roof, we produce mineral and plastic lenses to order and fit them into the frames selected in our own grinding plant to produce the glasses which are then delivered overnight to our branches.

Fielmann also buys from manufacturers who produce for major brand names. To a growing degree, brands are no longer manufacturing, but buying in their products, putting their designer names on the frames and selling them on to opticians at a hefty margin. Opticians pay a multiple of the factory price for products carrying designer names.

Our customers, on the other hand, buy our own high fashion Fielmann collection at the virtually the cost price paid by traditional opticians. We are content with the wholesaler's margin. Our customers do not pay the additional uplift in price charged by our fellow opticians.

In this segment, Fielmann prices are around 70 per cent below the general level of branded products.

However, even branded products, i.e. designer frames, are guaranteed to be more reasonable from Fielmann, due to the high volume of sales. This is warranted by our money-back guarantee. In this segment, our prices are up to 50 per cent below the general level.

Opticians are craftspeople. As a rule, they buy frames and lens discs from industrials or wholesalers and assemble them in their workshops to produce the glasses which are the end product. Opticians have difficulty in assessing the origin, quality and price and the composition of lens coatings are equally hard to judge, not to speak of any estimate of the production costs. Consequently, a high price and impressive designer logo can all too easily become the hallmark of quality to an optician.

Fielmann is committed to the highest quality at every price level. Where easily formable German silver is often used as the basic material for metal frames, we opt for a more expensive material like monel for bridges and middle sections or the springier bronze for shanks. High quality frames made of stainless steel are even supplied to customers for free. Whereas the majority of metal frames are assembled from standard components, Fielmann offers its customers a top class, individually finished special product even in the lowest price ranges. Fielmann also places a high value on first class, multiple-process coatings.

Germany's optical industry consists of smaller to medium sized operations. The industry is strongly fragmented. Unit numbers are small and the distribution costs are high, with productivity very low. The average optician sells fewer than two pairs of glasses a day. A Fielmann branch sells an average of 35 per day. Every day, the Fielmann Group sells more than 20,000 pairs of glasses.

Growth

Fielmann is continuing to pursue its policy of expansion. Germany is our home market. In the medium term, our aim in Germany is to sell 6.5 million units from 700 branches generating sales revenue of € 1.1 billion and pre-tax profit amounting to € 120 million. We shall be opening a further 150 branches in Germany, the majority of which will be located in the South, with its reliably good future prospects and the rest in regions with a high level of immigration.

In the German-speaking world, in Germany, Switzerland and Austria, we aim to sell 7.4 million units, generate sales revenues of € 1.3 billion and report a pre-tax profit of € 150 million.

Fielmann assumes responsibility for its customers, its staff and for society. Investment in the community represents investment in the future. Each year, Fielmann plants a tree for every employee: to date it has planted well in excess of 900,000 trees and shrubs.

Fielmann finances long-term monitoring programmes aimed at nature conservation, environmental protection and at providing medical services. It is involved in organic agriculture, in teaching and research. Fielmann encourages popular sport: more than 5,000 children's and young people's teams play in Fielmann jerseys.

Shares: Fielmann

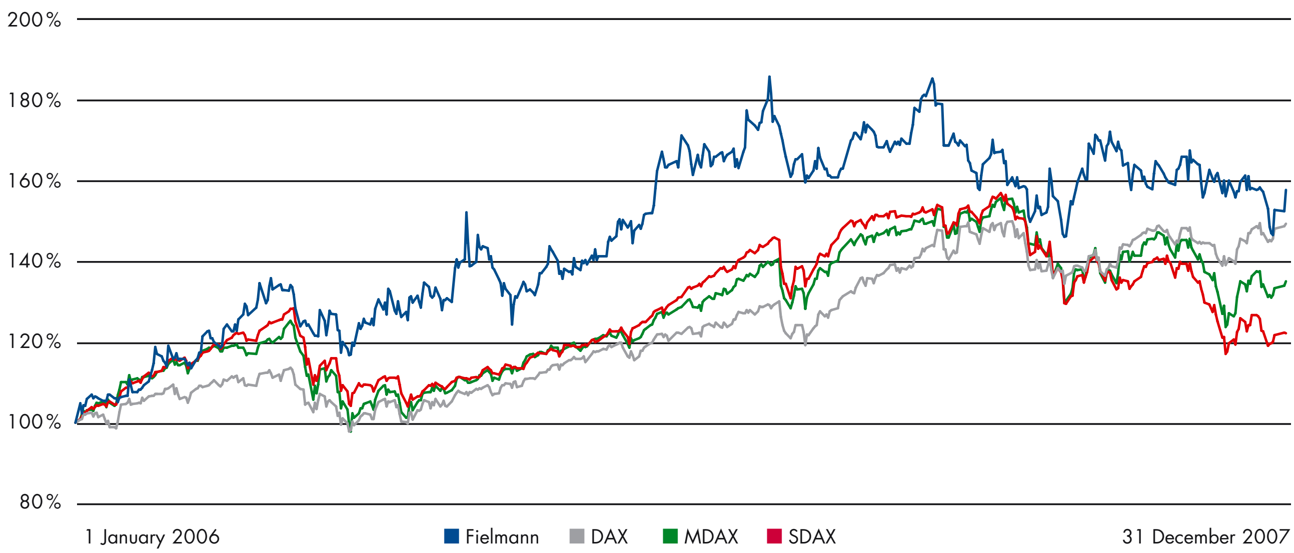
The sub-prime crisis in the USA, record oil prices, an all-time high for the DAX, dramatic price falls – 2007 was a turbulent year on global stock markets and this trend is continuing. The German Share Index (DAX) closed the year on 8,067.32 points (+22 per cent). The second-line stocks in the MDAX rose by 4 per cent to 9,864.62 points, while SDAX stocks recorded a fall of 7 per cent to 5,191.56 points.

Dividend

Fielmann Aktiengesellschaft has pursued a shareholder-friendly dividend policy for years.

The company's success is always shared by its shareholders. Since its IPO, Fielmann shareholders have achieved growth of 370 per cent including dividends. At the Annual General Meeting on 10 July 2007 in Hamburg, the Management Board and the Supervisory Board will propose a dividend of € 1.40 per share, which results in a dividend yield of 3.1 per cent on the closing price of € 45.00 at the year-end.

Comparison of Fielmann share price performance, DAX, MDAX and SDAX



Fielmann shares

Fielmann is equally appealing to investors and those simply buying spectacles. We are a firm favourite with investors at home and abroad. At the year-end, shares were listed at € 45.00 and the market capitalisation stood at around € 1.89 billion.

Investor Relations

We attach great importance to open and transparent communication with shareholders, analysts, investors and the financial press. To consolidate trust in the company and its successful strategy, we are actively involved in investor relations.

Key data Fielmann-Share		2007	2006
Share volume	pcs m	42.00	42.00
Highest price	€	53.00	48.82
Lowest price	€	41.65	29.23
Value end of year	€	45.00	48.82
Price/earning ratio		23.94	29.77
Price/cash flow ratio		16.85	17.95
Sales of Fielmann shares	€ m	398.70	409.50
Dividend total	€ m	58.80	50.40

Key data per Fielmann-share		2007	2006
Net income for the year	€	1.95	1.71
Earnings	€	1.88	1.64
Cash flow	€	2.67	2.72
Equity capital as per balance sheet	€	9.82	9.14
Dividend per share	€	1.40	1.20

Our aim is to achieve a continuous improvement in our dialogue with private and institutional investors.To this end we use the entire range of modern communication tools.

We publish a detailed annual report and provide copious information in our quarterly reports. The Annual General Meeting provides an opportunity for us to engage in debate with our shareholders. We carry out company presentations at a range of conferences and in individual meetings.

We also carry out regular roadshows in Europe and North America. In 2007, Fielmann Aktiengesellschaft was comprehensively assessed by analysts and investment houses.

Financial Calendar

Quarterly report
24 April 2008

Annual General Meeting
10 July 2008

Dividend payment
11 July 2008

Interim report
28 August 2008

Analysts' conference
29 August 2008

Quarterly report
6 November 2008

Preliminary figures for 2008
February 2009

Bloomberg code
FIE

Reuters code
FIEG.DE

Securities id. number/ISIN
DE0005772206

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This annual report is also available in German.
The annual reports for Fielmann Aktiengesellschaft are available on request.

Key industry data

One in two people wears glasses

In Germany, one in two members of the population wears glasses; more accurately, 64 per cent, or 40.4 million of the adult population (aged 16+). More than 75 per cent of 45-59 year olds wear glasses, as do virtually all retirement age adults. In the latter half of life, even those with normal sight wear reading glasses. (Allensbach, KGS)

No. 1 for customer satisfaction

In the "Kundenmonitor 2007" comparison of various sectors, German opticians ranked first in terms of customer satisfaction for the sixth time in succession. Among the chain store companies, Fielmann achieved the best marks in terms of price-performance ratio, recommendation to others and willingness to make another purchase. Fielmann achieved a mark of 93 per cent for willingness to make another purchase. The "Kundenmonitor Deutschland" is a representative long term study on customer satisfaction in 21 sectors, which has been carried out annually by ServiceBarometer AG since 1992. In 2007, 21,000 private consumers were interviewed.

(ServiceBarometer AG)

Unit sales and sales revenue

Every year, the total market volume is calculated by the ZVA – Zentralverband der Augenoptiker (German central association of opticians), in conjunction with the lens makers' industrial association, Spectaris, and GfK – the consumer research company.

Based on a modified basis for calculation, the ZVA has calculated the 2007 sales by the optical industry in Germany as 10.6 million units (+0.5 per cent up on the previous year). According to the ZVA, total sales revenue increased by 2.8 per cent to € 3.8 billion. If the three per cent increase in VAT since the beginning of the year is taken into consideration, this equates to stagnation.

Unit sales in Switzerland rose by 3 per cent to one million pairs of glasses, while sales revenue also rose by 3 per cent to € 0.5 billion. Switzerland has 1,100 specialist opticians.

In Austria, unit sales by the optical industry grew by 2 per cent to 1.3 million glasses, while sales revenue grew by 7 per cent to € 0.4 billion. There are 1,100 specialist opticians in Austria.

(ZVA, Spectaris, GfK, SOV)

Specialist opticians

The number of specialist opticians in Germany fell by 0.8 per cent to 10,016 in 2007. The sector employed 44,100 people. In Germany, chains account for 15 per cent of all outlets. In bordering European countries, the level of branch cover is higher than in Germany. In Switzerland it is 16 per cent and in Austria, 24 per cent. (ZVA)

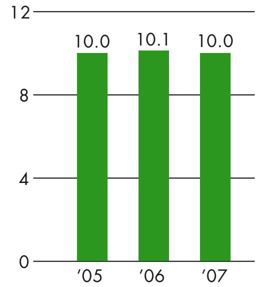
Productivity

Whereas the traditional German optician sells fewer than 2 pairs of glasses per day average, a Fielmann branch sells 35. Every year, the average optician sells fewer than 600 pairs of glasses; Fielmann sells around 10,000 per branch. (ZVA)

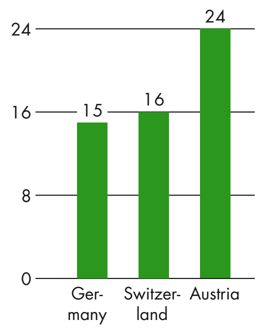
Sales revenue per shop

The average sales revenue of a professional optician in Germany is around € 0.3 million. By comparison, on average, a Fielmann branch generates sales revenue amounting to € 1.6 million in Germany, € 2.5 million in Austria and € 4.0 million in Switzerland. (ZVA)

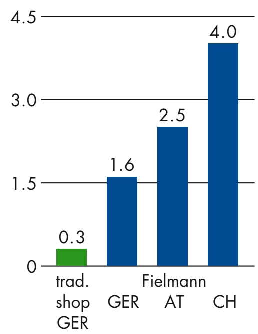
Shops in the German optical industry
in thousends



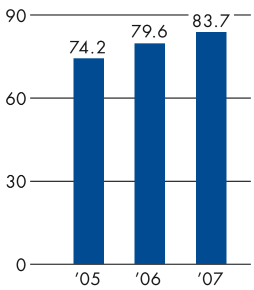
Percentage of chains
Numbers of branches in %



Sales revenue per shop
Traditional optician/Fielmann
in € million



Plastic lenses
Shares in %, GfK



The profession

By their own understanding, opticians see themselves as members of the healthcare profession, helping those with poor sight. In Germany, opticians are permitted to determine prescriptions and fit contact lenses. In the year under review opticians carried out 69 per cent of all sight tests, while eye doctors carried out 31 per cent. Opticians advise customers on their choice of frames and lenses and manufacture individual glasses in their workshops from bought-in frames and lens discs.

In Germany, every optician approved by the health insurance schemes must be managed by a master optician.

As craftspeople, German opticians are organised in guilds. Fielmann is also a member of a guild. More than half the owner-managed shops are members of a purchasing or promotional cooperative.

(ZVA, KGS)

Glasses: fashion accessories

The average German spectacle-wearer buys a pair of glasses every four years. Alongside altered prescriptions, wear and tear or loss, the most significant factors here are changing fashion trends. For some considerable time now, glasses have not been regarded purely as a means of correcting vision. Glasses communicate image and have a symbolic character. Through its pricing policy and selection, Fielmann has transformed glasses into an essential fashion accessory and established them in the media.

Anybody glancing through today's fashion magazines will find far more glasses pictured in their pages than years ago. A large number of the glasses shown are from Fielmann, who offer the media, photographers and stylists a free lending service.

(Allensbach, Spectaris, Emnid)

Lenses

Not all lenses are the same. Less than a fifth of lenses are mineral based and whilst they are somewhat heavier than organic ones, mineral-based lenses are particularly scratch-resistant. Today, for more than 80 per cent of all lenses, the basic material is organic. In the case of plastic lenses, the lightweight and largely shatter-proof CR 39 predominates. To prevent scratching, the surface is often given a hard coating. Use of plastic materials, to produce even thinner and lighter lenses than ever before, is on the increase. All materials used are non-reflective to prevent glare. An increasing number of customers are demanding this level of comfort.

(GfK, Spectaris, ZVA)

Varifocals: a growing market

Virtually all those of advancing years rely on reading glasses. With age, people with poor sight who have worn glasses since they were young usually need glasses for both close and distance reading. Varifocals are more convenient. Increasingly, bifocals with a visible reading glass area are being replaced by varifocals where the lens progression is not visible to others. To the beholder, varifocals are not recognisably different from the single vision lenses worn when younger. However, increased convenience has its price. On average, the complex surface geometry of varifocals and the time taken to adjust them make them four times as expensive as single vision lenses.

Fielmann is generating growth with varifocals which is above the average for the industry. This is accounted for by the customer structure. As a rule, from around 45 years of age, spectacle wearers have to rely on glasses for close and distance reading. Instead of having to carry two pairs of glasses, one for close and one for distance reading, this customer group is increasingly opting for just one pair of varifocals.

Fielmann customers, who are generally younger than traditional opticians' customers, value the consumer-friendly services offered by the company and tend to remain loyal to Fielmann with advancing age. Consequently, even without gaining any new customers, the varifocal share of Fielmann sales is likely to rise by more than 50 per cent in the next years. (Allensbach, KGS, GfK)

Sunglasses

Sunglasses offer professional opticians considerable growth potential. Every year, some 20 million pairs of sunglasses are sold in Germany. The weather is a significant factor: if the sun shines, demand rises. Four fifths of sunglasses are sold over the counters of department stores, perfumeries, boutiques, sports' shops, specialist retailers and petrol stations.

One in five pairs of sunglasses is sold by opticians. The trend is towards expensive glasses, with a fashion label and guaranteed UV protection. This development is enhanced by the debate on the harmful effects of UV radiation. As until recently, only 45 per cent of all spectacle wearers were wearing prescription sunglasses, Fielmann is anticipating further growth from the rising numbers of more costly individual prescription fashion sunglasses.

(Focus, Jobson Optical Report, Spectaris)

Contact lenses

Contact lenses are gaining ground in Germany. While in Germany, only 5 per cent of the population use contact lenses, the figure is 12 per cent in the USA and 13 per cent in Switzerland. New developments in soft lenses, such as the one-day contact lenses which are easy and comfortable to wear and new varifocal contacts are likely to stimulate growth in the German market.

Sales revenue from contact lenses, accessories and lens care products amounted to around € 500 million in Germany. The share of this attributable to opticians was € 400 million. Contact lenses are sold by eye doctors, as well as opticians, in addition to which there are specialist mail order companies. For the coming years, Fielmann is anticipating sales revenue from contact lenses and accessories to double.

(Allensbach, KGS, Spectaris, GfK, PRB)

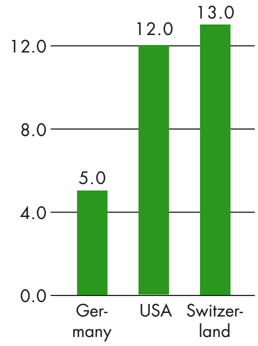
Hearing aids

The market for hearing aids is an expanding market. Each year, 800,000 aids are fitted by ENT doctors and 3,900 shops in Germany. Sales revenue in the sector stands at € 1.3 billion.

As with the optical industry, the hearing aid industry is very fragmented and prices are high. Structures in the hearing aid market are similar to those in the optical industry 30 years ago.

In our industrialised society, people are aging rapidly and becoming more demanding. They not only want to see well but also to hear well. Our regular customers in our core catchment areas alone need more than 60,000 hearing aids every year. (ZVEI)

Contact lens wearers
in % of population



Declaration on Corporate Governance

Corporate Governance rules serve to improve transparency and openness, consideration for shareholders' interests and close and efficient cooperation between the Management Board and the Supervisory Board with the aim of increasing the company's value in the long term. Corporate Governance rules are a permanent component of the corporate culture of Fielmann Aktiengesellschaft. We therefore welcome the recommendations and suggestions of the German Corporate Governance Code presented by the Government Commission and last updated in June 2007.

Declaration of compliance with the German Corporate Governance Code

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of Fielmann Aktiengesellschaft declare that Fielmann Aktiengesellschaft complies with the recommendations of the Government Commission German Corporate Governance Code with the following exceptions:

In principle, there is no age limit for members of the Management Board and Supervisory Board. We believe that expertise and performance should not be determined by rigid age restrictions. Succession planning for members of the Management Board is discussed between the Boards on a case by case basis. (5.1.2 of the Code in conjunction with 5.4.1 of the Code)

The Supervisory Board has no current plans to set up an Audit Committee ahead of schedule. Matters relating to accounting, risk management and determining the focus of audits are to remain under the aegis of the whole Supervisory Board until new legal regulations come into effect. In order adequately to fulfil these major responsibilities, the members of the Supervisory Board intend to remain directly involved in future. In addition to the annual balance sheet meeting of the Management Board and the Supervisory Board in the presence of the auditors, at which the accounts of the Group and the Company are discussed in depth, all Supervisory Board members have the opportunity of obtaining a detailed briefing on the content and results of the audit beforehand in a discussion forum attended by the chief auditor and his deputy. (5.3.2 of the Code)

At times of elections to the Supervisory Board, a vote on the election process will in future be held at the Annual General Meeting if requested by a shareholder. This ballot will be exercised if the majority of the share capital represented at the Annual General Meeting votes in favour of it. (5.4.3 of the Code)

The current remuneration structure for the Supervisory Board members takes into account their responsibility and scope of activity. It therefore includes no performance-related components. There total emoluments are set out in the notes to the Group accounts and in the annual accounts of Fielmann Aktiengesellschaft in compliance with the statutory regulations. (5.4.7 of the Code)

The majority shareholder structure of the voting capital was last published in the Börsenzeitung on 3 May 2002, in the notes to the Group accounts and in the annual accounts of Fielmann Aktiengesellschaft. In financial year 2006, the details were also published in the Börsenzeitung on 11 August and this information can also be downloaded from the Fielmann Aktiengesellschaft website. Additional details of individual shareholdings are not provided since they do not exceed 1% of the voting capital. (6.6 of the Code)

The audited Group accounts and the interim reports will be published within the timeframe set out by the stock exchange. (7.1.2 of the Code)

Remuneration report

The emoluments paid to the Management Board members for their work during the financial year are divided into fixed and performance-related variable components as well as a pension commitment. The premium for a group accident insurance policy apportionable to Management Board members was included pro rata in the fixed emoluments. The variable results are based on the Fielmann Group's net profit for the year. There are no stock option programmes in place. Regular review of the structure of the remuneration system for the Management Board by the Supervisory Board is waived in favour of an assessment of individual cases. The amounts attributable to financial year 2007 are shown on an individualised basis in the notes to the Group accounts under note (29), as are explanatory notes on a severance package. (4.2.3 of the Code in conjunction with 4.2.4 of the Code in conjunction with 4.2.5 of the Code in conjunction with 4.2.2 of the Code)

Hamburg, March 2008

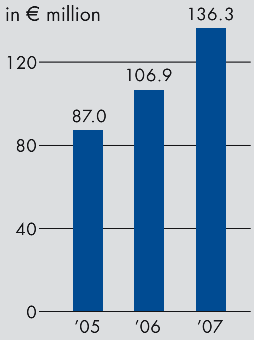
On behalf of the Management Board
Signed:
Günther Fielmann
On behalf of the Supervisory Board
Signed:
Prof. Dr. Mark K. Binz

Combined Management Report and Consolidated Accounts for financial year 2007 Fielmann Aktiengesellschaft

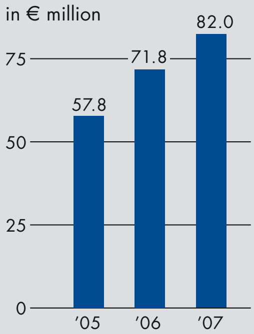
Contents

Combined Management Report for the Group and Aktiengesellschaft for financial year 2007

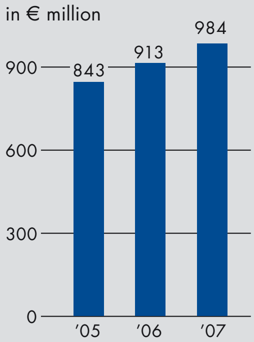
Pre-tax profit
in € million



Net income
in € million



External sales
in € million



Fielmann

Our expectations for financial year 2007 were met. Pre-tax profits rose by 27.5 per cent to € 136.3 million (previous year: € 106.9 million) while net income for the year increased by 14.3 per cent to € 82.0 million (previous year: € 71.8 million). Pre-tax profits take into account an amount of approximately € 10 million relating in part to the effects of the decision by the Bundessozialgericht (Federal Social Court) regarding the issue of the cut-off date for the Gesundheitsmodernisierungsgesetz (Healthcare Reform Act).

Unit sales of spectacles amounted to 6.0 million in the period under review (previous year: 5.8 million). External sales (total sales incl. VAT/changes to inventories) grew by 7.8 per cent to € 984.4 million (previous year: € 913.4 million) and consolidated sales by 5.8 per cent to € 839.2 million (previous year: € 792.9 million). Earnings per share stand at € 1.88 (previous year: € 1.64), a rise of 14.6 per cent on the previous year. At the end of the year under review, Fielmann had 599 branches (previous year: 571 branches).

Earnings		2007	2006
Consolidated net income for the year	€ m	82.0	71.8
Minority interest	€ m	3.0	2.7
Profit for the year	€ m	**79.0**	**69.1**
Number of shares	m pcs.	42.0	42.0
Earnings per share	€	**1.88**	**1.64**

General conditions

Europe The economy of the euro zone recorded growth in 2007, with gross domestic product rising by 2.6 per cent in real terms (EU 15). Despite the strong euro, the European economy benefited above all from export levels (+6 per cent). Private consumption increased by 1.4 per cent in 2007. Economic growth slowed down in the course of the year. The average unemployment rate at EU level amounted to 7.2 per cent in 2007 (previous year: 8.1 per cent).

Germany Gross domestic product rose by 2.5 per cent in 2007, largely driven by exports and demand for capital goods.

In 2007, public sector spending increased by 2.0 per cent in real terms. Private consumption in real terms was down 0.3 per cent on the previous year. Experts attribute this partly to the increase in value added tax by 3 percentage points and higher crude oil and food prices. The annual average rise in consumer prices amounted to 2.2 per cent. German retail recorded a fall of 2.2 per cent compared with the previous year. Uncertainty in the financial markets depressed sentiment towards the end of the year.

The rate of unemployment in Germany fell in 2007. The annual average unemployment figure was down to 3.8 million people in 2007 (previous year: 4.5 million). On average, the annual unemployment rate fell to 9.0 per cent (previous year: 10.8 per cent).

Switzerland In 2007, the Swiss economy grew by 3.1 per cent in real terms. Alongside exports, private consumption contributed to growth with an increase of 2.0 per cent. The rate of unemployment stood at 2.8 per cent (previous year: 3.3 per cent).

Austria Gross domestic product rose by 3.4 per cent in 2007, an above-average increase compared with other EU countries. Consumer demand by private households was up by 1.5 per cent. The annual average unemployment rate fell to 6.2 per cent (previous year: 6.8 per cent).

Poland In 2007, gross domestic product in Poland increased by 6.5 per cent. Growth in the Polish economy was driven by gross fixed capital expenditure and private consumption, which rose by 5.6 per cent. The rate of inflation stood at 2.6 per cent, with an unemployment rate of 11.4 per cent (previous year: 14.8 per cent).

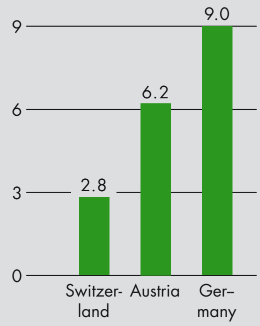
The market For 2007, the ZVA – Zentralverband der Augenoptiker (German central association of opticians) has established unit sales in the optical sector in Germany of 10.6 million pairs of spectacles (+0.5 per cent on the previous year). Total sales in the optical industry amounted to € 3.8 billion according to the association. Sector sales increased by 2.8 per cent. Taking into account the value added tax rise of 3 per cent as at 1 January 2007, this represents flat growth. There are 10,016 optical stores in Germany.

Unit sales in Switzerland totalled one million pairs of spectacles, with sales rising by around 3 per cent to € 0.5 billion. The Swiss market comprises 1,100 optical stores.

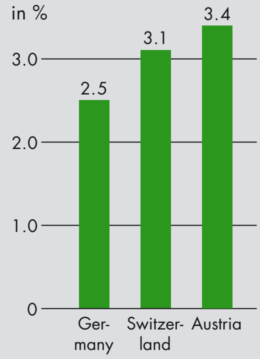
In Austria, unit sales of the optical industry amounted to 1.3 million pairs of spectacles and sales to € 0.4 billion (previous year: 0.4 billion). There are 1,100 specialist opticians in Austria.

The optical industry is highly fragmented in Germany. Traditional German optical stores sell fewer than two pairs of glasses a day, whereas Fielmann branches sell 35 pairs. The average optician sells fewer than 600 pairs of spectacles per year. Fielmann branches sell an average of 10,000 pairs every year. In 2007, Fielmann sold a total of 5 million pairs of glasses in the German market. Average sales by optical stores in Germany amounted to € 0.3 million. By comparison, a single Fielmann branch in Germany generated average sales of € 1.6 million, with the figure for Austria amounting to € 2.5 million and for Switzerland, to € 4.0 million.

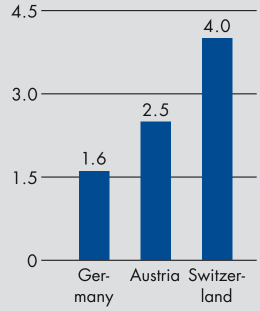
Unemployment rate
in %



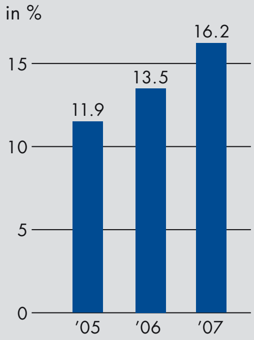
Growth rate GDP
in %



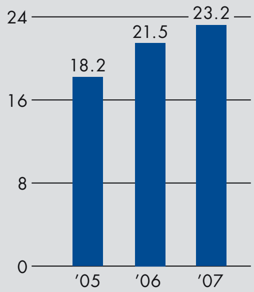
Average sales Fielmann shops
in € million



Pre-tax return on sales Fielmann-Group
in %



ROE after tax Fielmann-Group
in %



Fielmann Group

Fielmann is a producer, agent and optician covering the sector's entire value added chain. The company produces frames in Germany and the French part of the Jura, while also purchasing throughout the world: Fielmann's demand equals the national demand of some countries.

Our production and logistics centre is located in Rathenow. In 2007, we manufactured more than 3 million lenses of every degree of sophistication and supplied 6 million spectacle frames. Not only are our professional opticians larger than the average outlets operated by our traditional competitors, but they are located in the best positions, offer a vast selection and have the best quality equipment on the sales floor, in the eyesight testing area and in the workshops.

Fielmann Aktiengesellschaft Fielmann Aktiengesellschaft, which is based at Weidestraße 118 a, Hamburg, is the Group's parent company. Fielmann Aktiengesellschaft is involved in the operation of and investment in opticians' shops, hearing aid companies and the manufacture and sale of visual aids and other optical products, in particular, spectacles, spectacle frames and glasses, sunglasses, contact lenses, related articles and accessories, merchandise of all kinds as well as hearing aids and related accessories.

The company is represented by Mr Günther Fielmann, the Chairman of the Management Board, or two members of the Management Board acting jointly.

In financial year 2007, the company employed an average of 515 staff (previous year: 503). As at December 31, 2007, Fielmann Aktiengesellschaft had 31 trainees (previous year: 26). During the reporting period, sales rose by 6.6 per cent to € 236.0 million and earnings before tax increased by 41.2 per cent to € 91.8 million, while the net profit for the year was up by 33.6 per cent to € 65.4 million.

Corporate management The key statistics for corporate management are customer satisfaction, unit sales, sales revenue and profit. Customer satisfaction is paramount. We do not see customer service as an aid to increasing sales, but as their agent. The company is managed in accordance with segment reporting.

In addition to the Wholesale/Service, Production/Logistics and Retail divisions, corporate management focuses on the major unit sales markets of Germany, Switzerland and Austria.

Earnings

Consolidated results In financial year 2007, earnings before tax rose by 27.5 per cent to € 136.3 million, while the profit for the year increased by 14.3 per cent to € 82.0 million. Earnings before tax take into account an amount of around € 10 million relating in part to the effects of the decision by the Bundessozialgericht (Federal Social Court) regarding the issue of the cut-off date for the Gesundheitsmodernisierungsgesetz (Healthcare Reform Act). This represents a non-recurring special factor, whereby the health insurance funds make payments in 2008 relating to receivables from 2004.

The pre-tax return on consolidated sales amounted to 16.2 per cent (previous year: 13.5 per cent) and the net yield was 9.8 per cent (previous year: 9.1 per cent). The return on equity after tax stood at 23.2 per cent (previous year: 21.5 per cent). Earnings before interest, tax, depreciation and amortisation (EBITDA) improved to € 164.8 million (previous year: € 141.2 million) and earnings per share rose to € 1.88 (previous year: € 1.64). The result was achieved by 599 branches (previous year: 571 branches), of which 522 are based in Germany (previous year: 500), 29 in Switzerland (previous year: 27), 24 in Austria (previous year: 24) and 24 in other countries (previous year: 20).

Germany, Switzerland and Austria In the period under review, Fielmann generated sales of € 713.1 million (previous year € 681.3 million). In 2007, unit sales amounted to 5 million pairs of glasses (previous year: 4.9 million pairs). With 5 per cent of all branches, Fielmann achieved a 21 per cent market share in terms of sales and a 48 per cent market share in terms of unit sales.

In Germany, Fielmann achieved an increase of 28.4 per cent in its pre-tax result to € 110.4 million. The pre-tax return on sales stood at 15.5 per cent.

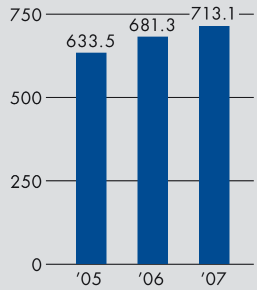
More than 3 million spectacle wearers have opted for the glasses for free insurance offered by Fielmann and HanseMerkur.

In Switzerland, unit sales reached 350,000 pairs, which represents an increase of 4.5 per cent. Sales increased by 6.3 per cent to € 89.0 million (previous year: € 83.7 million). The result was € 19.5 million (previous year: € 17.5 million) and the pre-tax return on sales, 21.9 per cent (previous year: 20.9 per cent). With 3 per cent of all branches in the Swiss optical sector, Fielmann achieved a market share of 17 per cent in terms of sales and of 33 per cent in terms of unit sales.

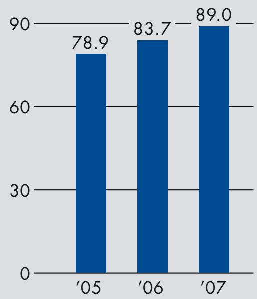
Unit sales in Austria improved by 6.4 per cent to 298,000 pairs of spectacles. Sales rose by 12.2 per cent to € 45.0 million (previous year: € 40.1 million).

The result amounted to € 7.7 million (previous year: € 4.1 million) in the financial year ended, representing an 88 per cent increase. The pre-tax sales return rose to 17.1 per cent (previous year: 10.2 per cent). With 2 per cent of all branches, Fielmann achieved a market share in terms of sales of 13 per cent and 23 per cent in terms of unit sales.

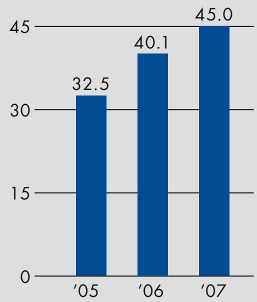
Sales revenue Germany
in € million



Sales revenue Switzerland
in € million



Sales revenue Austria
in € million



Financial position

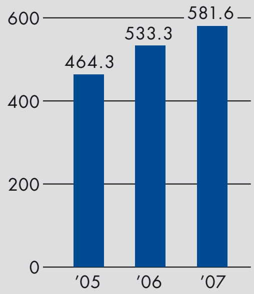
Financial management The financial position of the Fielmann Group has been sound for years. At the end of the reporting year, financial resources amounted to € 106.5 million (previous year: € 104.0 million). As at the reporting date, the financial assets plus cash and cash equivalents totalled € 146.6 million (previous year: € 124.3 million).

Liabilities to banks amounted to € 4.7 million (previous year: € 18.2 million). Additional available short-term lines of credit were not utilised. The interest result of € 3.6 million (previous year: € 2.3 million) was positive.

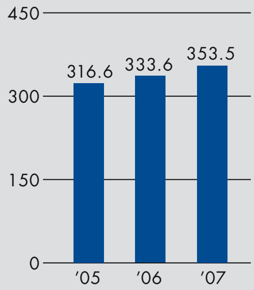
Cash flow trend and investments The gross cash flow amounted to € 112.0 million (previous year: € 114.1 million). Cash flow per share totalled € 2.67 (previous year: € 2.72). The cash flow from operations totalled € 111.8 million (previous year: € 123.6 million).

Cash flow from investment operations amounted to € 41.0 million (previous year: € 45.5 million). In the reporting year, the volume of investments amounted to € 42.3 million (previous year: € 47.6 million). This was financed from cash flow. The funds were mainly used to expand and maintain the branch network. Investment by Fielmann Aktiengesellschaft amounted to € 12.4 million (previous year: € 19.6 million) adjusted for capital contributions.

Total Group assets
in € million



Equity capital
without dividend
in € million



Assets

Assets and capital structure Total Group assets rose to € 581.6 million (previous year: € 533.3 million) in the reporting year. In the Aktiengesellschaft, total assets increased to € 505.1 million (previous year: € 467.7 million). Consolidated fixed assets were up by 3.5 per cent to € 254.0 million (previous year: € 245.3 million).

Short-term assets amounted to € 305.8 million (previous year: € 257.2 million). For the Group, tangible assets of € 191.4 million (previous year: € 185.4) were reported. This corresponds to a share of 32.9 per cent of consolidated total assets. Depreciation amounted to € 32.0 million (previous year: € 36.6 million). Inventories under the current assets rose by 11.9 per cent to € 96.3 million and inventory turnover within the Group was 9.2.

Trade receivables increased by € 3.6 million to € 21.2 million during the reporting period. Other receivables rose by € 7.8 million to € 31.1 million.

Consolidated equity capital of € 353.5 million (previous year: € 333.6 million) was reported, after deduction of the proposed dividend payout. This corresponds to an equity ratio of 60.8 per cent of the balance sheet total.

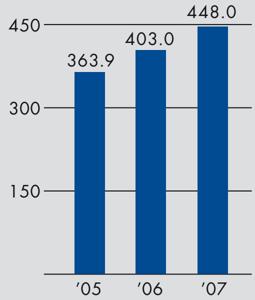
Accruals totalled € 42.4 million (previous year: € 36.9 million). Short-term financial liabilities, trade payables and other liabilities rose by 8.1 per cent to € 72.1 million in the year under review (previous year: € 66.7 million).

Value added The value added calculation determines the economic value achieved by a company via production and services. It also shows the share received by individuals directly or indirectly from the company.

Origin	€ '000
Sales including changes to inventories	839,194
Other income	68,506
Total sales	**907,700**
Cost of materials	–247,400
Depreciation	–32,002
Other operating expenses	–179,968
Other taxes	–321
Total preliminary liabilities	**–459,691**
Value added	**448,009**

Application	€ '000	%
Shareholders and other partners	61,768	14
Employees	314,897	70
Public sector	54,270	12
Creditors	1,608	0
Company	15,466	4
	448,009	

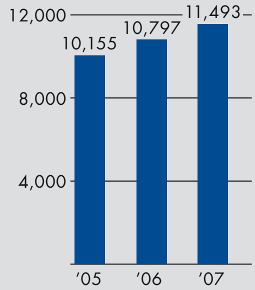
Value added
in € million



Non financial performance indicators

Staff Fielmann is the largest employer in the German optical industry. In the year under review, an average of 11,493 staff (previous year: 10,797) were employed in the Group. In Germany, 9,518 people worked for Fielmann. In Switzerland, Fielmann employed 813 staff, while the company employed 505 in Austria, 196 in Poland and 92 in the Netherlands. Staff expenditure totalled € 314.7 million, while the staff cost ratio in relation to consolidated total sales amounted to 37.5 per cent (previous year: 37.6 per cent).

Average number of employees of the Group



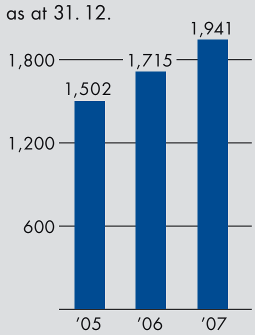
Fielmann training and continued professional development Unlike most other European countries, in Germany, specialist opticians which are approved by the various health insurance companies must be run by a qualified optician. As tradespeople, German opticians are organised in guilds. Fielmann is a guild member and all Fielmann branches in Germany and abroad are managed by qualified opticians. Every optician is supported by a team of competent and friendly staff.

Being an optician is a skilled profession, for which Fielmann's training is highly sought-after. Last year, more than 8,000 young people applied for a training place at Fielmann, with 650 being taken on by the market leader.

Fielmann is the largest trainer in the optical industry. A total of 1,941 young people were trained in the Group during the period under review.

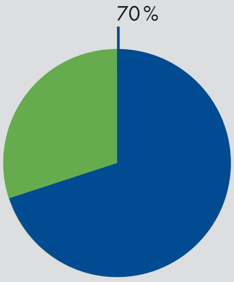
The Fielmann Academy at Schloss Plön, Fielmann Akademie Schloss Plön gemeinnützige Bildungsstätte der Augenoptik GmbH, trains young talent to become the new generation of specialist opticians. As a training centre of excellence, Fielmann fulfils a role of responsibility for the optical sector as a whole. External opticians also have access to the Fielmann Academy.

Apprentices
as at 31. 12.



Since the winter term of 2005/06, the Fielmann Academy has offered a Bachelor of Science degree course in optics/optometry, which is recognised throughout Europe. More than 6,000 opticians qualify at the Fielmann Academy every year.

Staff interest



Remuneration "You are the customer" is the slogan that exemplifies our corporate philosophy. This philosophy is also reflected in the salaries we pay our staff. Part of our branch managers' bonus depends on customer satisfaction.

Fielmann also offers staff the opportunity to invest in the company. More than 70 per cent of staff take advantage of this opportunity and receive dividends, a share in the profits and interest in addition to their salaries. This increases their motivation and customers benefit from it.

The remuneration paid to members of the Management Board for their work in the financial year under review is divided into a fixed component and a variable component that is solely dependent on results, as well as an addition to pension provisions. Please refer to note (29) in the notes to the consolidated accounts with regard to the Management Board's remuneration and to the remuneration report, which forms part of the declaration on corporate governance and in which the remuneration system is explained (cf. page 24 of the annual report).

The members of the Supervisory Board receive a fixed remuneration for their work. The Chairman of the Supervisory Board receives three times this amount, while his deputy receives one and a half times this amount. Please refer to page 80 in the notes to the consolidated accounts.

Details pursuant to Article 289 para. 4 of the German Commercial Code (HGB)

Shareholder structure The subscribed capital of Fielmann Aktiengesellschaft amounted to T€ 54,600 as at 31 December 2007 and is divided into 42 million ordinary shares of no par value.

As at the time of preparing the accounts, the ownership structure of Fielmann Aktiengesellschaft is as follows*:

- Mr Günther Fielmann, Chairman of the Management Board, holds 36.80 per cent of the share capital.
- The Fielmann Family Foundation represents 11.36 per cent of the shares. The shareholding of Fielmann Interoptik GmbH & Co. KG amounts to 15.12 per cent.
- Mr Marc Fielmann holds 7.73 per cent of the subscribed capital of Fielmann Aktiengesellschaft directly.
- The free float amounts to 28.99 per cent.

  On 8 February 2008, Fielmann Aktiengesellschaft was notified by AKO Capital LLP, London, UK, that it holds 3.10 per cent of the shares in Fielmann Aktiengesellschaft indirectly via subsidiaries. No other shareholding exceeding 3 per cent has been notified.

Regulations on the appointment and dismissal of members of the Management Board and amendments to the Articles of Association The statutory provisions on appointing and dismissing members of the Management Board are laid down in Article 84 of the German Stock Corporation Act (AktG). The Articles of Association of Fielmann Aktiengesellschaft provide the following regulation on the composition of the Management Board under Article 7 para. 1:

"(1) The Company's Management Board shall consist of at least three persons. The Supervisory Board shall determine the number of Management Board members and the person who is to be the Chairman of the Management Board as well as his deputy if applicable."

The statutory provisions on amending the Articles of Association are laid down in Article119 of the German Stock Corporation Act (AktG) in conjunction with Article 179 of the AktG. The Articles of Association of Fielmann Aktiengesellschaft provide the following regulation on amending the Articles of Association under Article 14 para 4:

"(4) The simple majority of the votes cast is required and sufficient – unless mandatory legal provisions conflict with this – to pass resolutions in the Annual General Meeting."

* Otherwise we refer to the announcements in the Börsen-Zeitung stock exchange bulletin on 11 August 2006 and 3 May 2002 with regard to the attribution of direct and indirect holdings as well as the publication in accordance with Article 26 para. 1 of the German Securities trading Act (WpHG) of 10 December 2007 and the notification on voting rights in accordance with Article 21 para. 1 WpHG of 8 February 2008.

Authorised capital The Management Board has the authority, subject to the consent of the Supervisory Board, to make new rights issues of ordinary bearer shares for cash and/or contributions in kind totalling up to € 25 million, in one or more stages up to 5 July 2011 (authorised capital 2006).

The new shares are to be offered to shareholders for subscription. However, the Management Board has the authority, subject to the consent of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

– to make use of any residual amounts by excluding shareholders' subscription rights;
– when increasing the share capital in return for cash contributions pursuant to Article186 para. 3 (4) of the AktG, if the issue amount of the new shares does not fall far short of the market price for shares that are already listed at the time the issue amount is finally determined and the shares for cash contributions, excluding subscription rights, do not in total exceed 10 per cent of the share capital at the time the option is exercised; shares, which were issued or sold in direct or analogous application of Article186 para. 3 (4) of the AktG during the term of this authorisation until the date the option is exercised are to be included against the limit;
– for a capital increase in return for contributions in kind to grant shares for the purpose of acquiring companies, parts of companies or investments in companies.

Dependency report In the course of the capital increase at listed company PROCON Multimedia AG, Hamburg, which was resolved in October 2007, Mr Günther Fielmann acquired the majority holding in this company, which means that the Management Board has prepared a report giving information on related parties in accordance with § 312 AktG (dependency report) for the first time in the reporting year:

"In accordance with Article 312 para. 3 of the AktG, the Management Board declares that our company received an appropriate service or compensation in return for each transaction mentioned in the report on relationships with affiliated companies, on the basis of the circumstances of which we were aware at the time when the transactions were carried out, and that the company was not at a disadvantage as a result of the measures being implemented or omitted. No measures that are subject to reporting requirements occurred in financial year 2007."

Supplementary report
With regard to the issue of the date of application of the Gesundheitsmodernisierungsgesetzes (German Healthcare Reform Act) which came into effect on 1 January 2004, the Bundessozialgericht (Federal Social Court) in Kassel confirmed the legal interpretation brought forward by Fielmann in its decision of 6 September 2007 (B 3 KR 20/06 R). According to this interpretation, the statutory health insurance fund must undertake to reimburse the amounts specified in framework agreements if the relevant optician received the order in 2003, the finished pair of glasses, however, was not handed over to the customer until 2004. Accordingly, this matter was already taken into account in the annual accounts for 2007.

A framework agreement was signed in February 2008 with the national AOK association regarding the settlement of individual claims. All local health insurance funds (AOK) have signed up to this agreement. Under the agreement, the health insurance funds undertake to settle the principal claim, interest and any costs incurred for the proceedings. Payments were received by 3 March 2008. The aim is to achieve a settlement with the remaining health insurance funds in the coming weeks.

Opportunities and risk management Fielmann's risk management system is an essential component of its value oriented corporate management. In order to be able to detect risks in good time, to assess them and initiate appropriate countermeasures, Fielmann has established a risk management system, which comprises all planning, controlling and reporting systems. Reports, which cover all areas of the company across the Group and facilitate the early identification of risk clusters, are submitted monthly on the basis of identified limits.

These are monitored daily and the early warning system is completed by monthly and annual reports, which take account of the likelihood of risks occurring and their impact. The effectiveness of the risk detection system is regularly assessed by internal audit and by the external auditors in accordance with the legal requirements. In essence, the Fielmann Group faces the following risks:

Opportunities and risks inherent in future development The following information on the risks inherent in future development relates to the risks included in Fielmann's risk management system. To improve the quality of the information provided, the reporting of credit risks, exchange rate risks, interest rate risks, market risks and liquidity risks required under IFRS 7 is included in the Management Report under "financial risks". The reporting of the opportunities inherent in future development mainly relates to operating areas.

Operating risks By manufacturing our own products, we are able to control the flow of goods from checking the raw materials to putting together the finished spectacles. The interlocking of central and decentralised units would impair earnings in the event of disruptions to operations or long-term production shortages. Comprehensive precautionary measures have been implemented for this purpose:

– Systematic training and qualification programmes for employees
– Further development of the production processes and technologies
– Comprehensive safeguards at the branches
– Regular maintenance of installations and networks

Furthermore, our global business relationships allow us to clear any delivery bottlenecks rapidly. In the event of any loss that may nevertheless occur, the company is insured to an economically appropriate extent.

Financial risks Foreign exchange and interest rate fluctuations may result in significant profit and cash flow risks for the Fielmann Group. Where possible, Fielmann therefore approaches these risks on a centralised basis and controls them from a forward-looking perspective, which also includes the use of derivative financial instruments and currency forwards.

Business operations give rise to risks related to interest rates and currency fluctuations for the Group. The instruments used to prevent these financial risks are described in the explanatory notes on the respective balance sheet items.

Significant purchasing contracts are priced in euros. Fielmann finances the majority of its activities from its own funds, which means that it is largely independent of movements in interest rates. Risks to securities in current assets also arise from exchange rate fluctuations. This is controlled via an investment management system to monitor credit, liquidity, market and currency risks within the context of short and long-term financial planning.

Credit risks exist in the form of default risks relating to financial assets. Liquidity risks represent funding risks and are therefore risks associated with the fulfilment of existing payment obligations of the Group by specific dates. Market risks arise within the Group in the form of interest rate risks, currency risks and other price-related risks.

Credit risks The maximum default risk within the Group corresponds to the amount of the book values of financial assets. Bad debt charges are applied to take account of default risks.

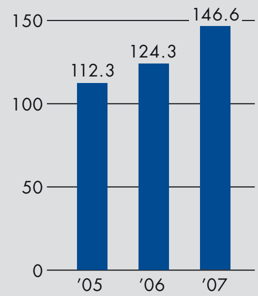
With regard to financing, the top priority of investment decisions is, in principle, to secure purchasing power on a sustained basis. Investment options are essentially limited to investment grade securities. Investment guidelines stipulate a maximum amount for all classes of financial instruments used for investment purposes.

Securities without a rating are subject to an internal assessment, which also takes into account any existing rating of the issuer or of a comparable borrower and the features of the securities. Investments with a term of up to three months do not require a rating, although this is subject to the specified exemption limits.

There is no concentration of default risks relating to trade receivables, since retail activities do not result in a focus on individual borrowers. Equally, the restriction of liquidity investments to securities with a good rating reduces the credit risk. In view of this, the default risk is estimated to be low.

Liquidity risks Financial controlling is based on ensuring that the Management Board has the necessary flexibility to make entrepreneurial decisions and guaranteeing the timely fulfilment of the Group's payment obligations. The Fielmann Group's liquidity management is centralised for all subsidiaries. Currently, there are no liquidity risks. Moreover, the high level of liquidity provides sufficient leeway for further expansion. As at 31 December 2007, the Group held financial assets, cash and cash equivalents amounting to € 146.6 million (previous year: € 124.3 million).

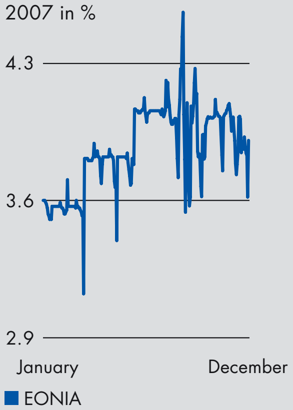
Financial assets, cash and cash equivalents
in € million



Derivative financial instruments are exclusively used to hedge foreign exchange and interest rate positions, in order to minimise currency risks and associated financing costs resulting from currency and interest rate fluctuations. The instruments Fielmann Aktiengesellschaft uses are marketable currency forwards and interest rate swaps. Hedging is not for speculative purposes, but purely to secure the currency requirement for purchasing by the Group in general and manage net interest income. Simulation on the basis of various scenarios is used to assess any risks identified. Market assessment of the derivative financial instruments used is based on available market information.

Market risks The market risks that are relevant to the Fielmann Group are primarily interest rate and currency risks. Sensitivity analysis is used to illustrate how various developments resulted from the impact of past performance or events.

Interest rate developement
2007 in %



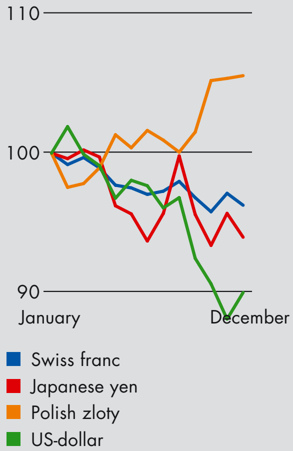
Interest rate risks The sensitivity analysis of interest rate risks is based on the following premise. Primary financial instruments are only subject to interest rate risks if they are valued at fair value. Financial instruments with floating rates are generally subject to market interest rate risks. In addition, interest rate risks arise in connection with interest rate swaps. As at the balance sheet date, the portfolio of financial instruments for the purposes of liquidity investment is representative for the full financial year in terms of maturities.

Sensitivity analysis – interest rate risks

	31.12.2007 € '000	31.12.2006 € '000
Financial instruments subject to interest rate risks	117,489	96,363
Interest +/– 2 per cent	460/–460	330/–330

In the event of a change in the interest rate of 2 per cent, the impact on net income would have amounted to T€ 460 (previous year: T€ 330), taking into account the average time to maturity of the financial instruments that are subject to interest rate risks.

Currency rate developement
2007 in %



Currency risks Given its international focus, as part of ordinary business activity, the Fielmann Group is exposed to currency risks in connection with payment flows outside its functional currency. More than 90 per cent of the Group's payment flows are in euros, approximately 7 per cent in Swiss francs, with the rest divided between US dollars, Polish zloty, Ukrainian hryvnia, Japanese yen and Belarussian rouble. In order to limit currency risks on payments relating to purchasing goods, currency forwards with maturities of up to six months are mainly used.

Foreign exchange risks resulting from the translation of financial assets and liabilities of international subsidiaries into the Group's reporting currency or which relate to the cash flow are not generally hedged.

The only other factor resulting in currency risks for the Fielmann Group is represented by forward transactions used to hedge the regular payment flow in the currency of US dollars. As at 31 December 2007, there were no open positions (previous year: US$ 3.0 million). The average amount of the secured portfolio in US$ in financial year 2007 was US$ 1.5 million with a medium-term maturity of 118 days.

Sector and other external risks Economic fluctuations in the international market and increasingly intense competition constitute fundamental risks. This gives rise to risks related to prices and unit sales. Constant decentralised and central monitoring of the competition enables us to identify trends early. The Management Board and other decision-makers are informed promptly of movements in the market. This means that risks are identified in good time and measures to limit them can be implemented promptly.

IT risks The operational and strategic management of the Group is integrated into a complex information technology system. The IT systems are regularly maintained and equipped with various safeguards. The maintenance and optimisation of the systems is assured through constant dialogue between internal and external IT specialists.

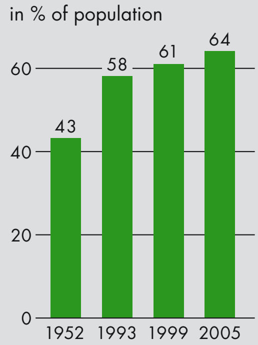
The Fielmann Group also has appropriate measures to counter risks arising from unauthorised access to data, its misuse or loss. Technological innovations and developments are continuously monitored and tested so that they can be employed where appropriate.

Opportunities Increasing demand for spectacles and contact lenses is a consequence of an increasing awareness of health issues and demographic change. The proportion of high-quality varifocals, particularly needed by people in later life, is set to grow strongly in the coming years.

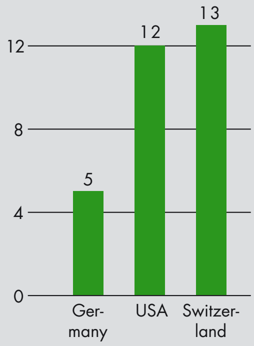
The rate of growth Fielmann records with varifocals outperforms the sector growth rate. The reason for this is the customer structure of the company. From the age of 45, spectacle wearers usually require reading glasses as well as glasses to correct their short-sightedness. Instead of using two different pairs of glasses, one for close-up and one for distance, this customer group is increasingly opting for varifocals and therefore a single pair of spectacles.

Fielmann customers are younger than the average customers of traditional opticians. They appreciate the company's customer-friendly services and remain loyal to Fielmann in later life. Without acquiring a single new customer, the proportion of varifocal sales at Fielmann will therefore increase by more than 50 per cent in the coming years.

Spectacle wearers
in % of population



Contact lens wearers
in % of population



Fielmann can sell spectacles at lower prices than its competitors because Fielmann manufactures its own products and buys substantial quantities direct from suppliers of well-known brands. We pass on the procurement benefits, which we achieve by excluding wholesalers, to our customers. Since only 45 per cent of all spectacle wearers also wear prescription sunglasses, Fielmann expects further growth from the increasing range of high-quality fashionable sunglasses available for individual prescriptions. Innovative contact lenses, such as the modern and comfortable dailies and customer-specific lenses will also boost growth.

In addition to sales growth in the optical sector, we expect additional impetus from the continued expansion of our hearing aid departments. Our long-standing customers in the core catchment areas alone require more than 60,000 hearing aids per year. Initially, we plan to set up hearing aid departments in our major units while also acquiring acoustic stores. In the medium term, we anticipate profits of single-digit million amounts and in the long term, double-digit million figures.

We are expanding our branch network in Germany and shall press ahead with our expansion abroad. The markets in Austria, Switzerland, Poland and other neighbouring countries in Europe offer opportunities for substantial growth and earnings.

Summary of the risk situation The Group's market position, its financial strength and a business model that allows Fielmann to identify and act on growth opportunities earlier than the competition, reveal no identifiable risks to future development with any substantial effect on the assets, financial position or earnings.

Outlook

According to estimates of the German government and leading economic institutes, the German economy is set to grow by almost 2 per cent in 2008, with the rate of growth slowing down. Economic institutes believe that the growth drivers are shifting from international demand to domestic demand. For 2008, there is hope that domestic demand and private consumption will develop positively. The growth rates forecast for Austria and Switzerland are pleasing.

Fielmann is continuing its expansion in Germany and its neighbouring countries with a measured approach. We carefully consider every genuine merger and acquisition opportunity arising throughout Europe. In the medium-term, we will operate 700 branches in Germany, selling more than 6.5 million pairs of glasses every year. The glasses for free insurance offered by Fielmann and HanseMerkur will once again make a sustained contribution to the company's success in 2008. Millions of customers have already opted for this consumer-friendly service.

With 40 branches, we intend to sell some 400,000 pairs of spectacles per year in Switzerland in the medium term. In Austria, we intend to sell 450,000 pairs of glasses a year through our 40 branches. We will also pursue our expansion in Poland in the future. In the medium term, we aim to have a presence in all the major cities with a total of 40 locations.

In 2008, we will invest more than € 48 million in expanding and maintaining the branch network as well as in production and infrastructure. Anticipated cash flow will be sufficient to finance this. Some € 32 million will be spent on branches, either on opening new branches or maintaining the existing network. We intend to invest € 3 million on expanding production capacity and a further € 6 million on Group infrastructure. We will be undertaking similar levels of investment in 2009.

Fielmann plans to increase unit sales, sales revenue and profit in 2008, adjusted for the non-recurring factor of payments from the health insurance funds. In the year as a whole, we intend to open 30 new branches and create in excess of 400 additional jobs. We anticipate a return on equity of between 20 and 22 per cent, against an equity ratio that has been rising for years. In financial year 2009, we will pursue our growth strategy and expect a positive performance.

Fielmann Aktiengesellschaft, Hamburg
Consolidated balance sheet as at 31 December 2007

Assets	Ref. no. in notes	Position as at 31. 12. 07 € '000	Position as at 31. 12. 06 € '000
A. Long-term fixed assets			
I. Intangible assets	(1)	9,952	7,466
II. Goodwill	(2)	41,146	40,870
III. Tangible assets	(3)	191,395	185,369
IV. Investment property	(3)	9,666	10,001
V. Financial assets	(4)	1,843	1,575
VI. Deferred tax assets	(5)	17,687	21,904
VII. Tax assets	(5)	2,913	2,799
VIII. Other financial assets	(6)	1,222	6,081
		275,824	**276,065**
B. Current assets			
I. Inventories	(7)	96,336	86,085
II. Receivables and other assets	(8)	52,245	40,833
III. Tax assets	(9)	6,666	6,963
IV. Prepaid expenses	(10)	5,154	5,125
V. Financial assets	(11)	38,834	14,169
VI. Cash and cash equivalents	(12)	106,524	104,045
		305,759	**257,220**
		581,583	**533,285**

Equity and liabilities	Ref. no. in notes	Position as at 31. 12. 07 € '000	Position as at 31. 12. 06 € '000
A. Equity capital			
I. Subscribed capital	(13)	54,600	54,600
II. Capital reserves	(14)	92,652	92,652
III. Profit reserves	(15)	206,236	186,323
IV. Balance sheet profit	(16)	58,800	50,400
V. Minority shares of third parties	(17)	–20	16
		412,268	**383,991**
B. Long-term liabilities			
I. Long-term accruals	(18)	7,089	6,344
II. Long-term financial liabilities	(19)	4,163	13,832
III. Deferred tax liabilities	(20)	6,917	7,670
		18,169	**27,846**
C. Current liabilities			
I. Current accruals	(21)	35,341	30,565
II. Current financial liabilities	(22)	1,924	7,195
III. Trade creditors and other liabilities	(22)	70,182	59,525
IV. Tax liabilities	(23)	43,699	24,163
		151,146	**121,448**
		581,583	**533,285**
Contingent liabilities	(25)	105	0

Fielmann Aktiengesellschaft, Hamburg
Consolidated profit and loss account for the period January 1 to December 31, 2007

	Ref. no. in notes	2007 € '000	2006 € '000	Change from previous year
1. Consolidated sales	(26)	839,185	792,912	5.8 %
2. Changes in finished goods and work in progress		9	923	–99.0 %
Total consolidated revenues		**839,194**	**793,835**	**5.7 %**
3. Other operating income	(27)	69,451	54,278	28.0 %
4. Costs of materials	(28)	–247,400	–234,222	5.6 %
5. Personnel costs	(29)	–314,711	–298,292	5.5 %
6. Depreciation	(30)	–32,002	–36,611	–12.6 %
7. Other operating expenses	(31)	–181,779	–174,379	4.2 %
8. Interest result	(32)	3,562	2,284	56.0 %
9. Result from ordinary activities		**136,315**	**106,893**	**27.5 %**
10. Income taxes	(33)	–54,271	–35,124	54.5 %
11. Consolidated net income	(34)	**82,044**	**71,769**	**14.3 %**
12. Income attributable to other shareholders	(35)	–2,968	–2,707	9.6 %
13. Profits to be allocated to parent company shareholders		**79,076**	**69,062**	**14.5 %**
14. Consolidated results brought forward		28	40	–30.0 %
15. Withdrawals from profit reserves	(36)	0	1,219	–100.0 %
16. Transfers to profit reserves	(37)	–20,304	–19,921	1.9 %
17. Consolidated balance sheet profit		**58,800**	**50,400**	**16.7 %**
Earnings per share in €	(34)	**1.88**	**1.64**	

Movement of Group equity note (39)

	Position as at 1. 1. 07 € '000	Dividends paid/profit shares* € '000	Consolidated net income € '000	Other changes € '000	Position as at 31. 12. 07 € '000
Subscribed capital	54,600				54,600
Capital reserves	92,652				92,652
Group equity generated	236,723	–50,372	79,076	–391	265,036
of which: securities held for sale	94			–33	61
of which: currency equalisation item	–1,142			32	–1,110
of which: own shares	388			–388	0
of which: share-based remuneration	443			95	538
Minority interests	16	–2,931	2,968	–73	–20
Group equity	**383,991**	**–53,303**	**82,044**	**–464**	**412,268**

	Position as at 1. 1. 06 € '000	Dividends paid/profit shares* € '000	Consolidated net income € '000	Other changes € '000	Position as at 31. 12. 06 € '000
Subscribed capital	54,600				54,600
Capital reserves	92,652				92,652
Group equity generated	209,235	–39,860	69,062	–1,714	236,723
of which: securities held for sale	993			–899	94
of which: currency equalisation item	0			–1,142	–1,142
of which: own shares	589			–201	388
of which: share-based remuneration	149			294	443
Minority interests	–29	–3,004	2,707	342	16
Group equity	**356,458**	**–42,864**	**71,769**	**–1,372**	**383,991**

* Dividends distributed and profit shares allocated to other shareholders

Cash flow statement Fielmann-Group note (40)

	Cash flow statement in accordance with IAS 7 1. 1. – 31. 12.	2007 € '000	2006 € '000	Change € '000
	Earnings before interest and taxes (EBIT)	132,753	104,609	28,143
	Interest expenses	–1,608	–2,392	784
	Interest income	5,170	4,676	494
	Results from ordinary activities	**136,315**	**106,893**	**29,421**
	Taxes on income	–54,271	–35,124	–19,146
	Profit for the year (including shares of minority interests)	**82,044**	**71,769**	**10,275**
+/–	Write-downs/write-ups on fixed assets	32,002	36,611	–4,609
+/–	Increase/decrease in long-term accruals	745	706	39
+/–	Other non-cash income/expenditure	–2,840	4,991	–7,831
=	**Cash flow**	**111,951**	**114,077**	**–2,126**
+/–	Increase/decrease in current accruals	24,658	6,536	18,122
–/+	Profit/loss on disposal of fixed assets	–64	–262	198
–/+	Increase/decrease in inventories, trade debtors as well as other assets not attributable to investment and financial operations	–9,057	–32,061	23,004
–/+	Increase/decrease in financial assets held for trading or to maturity	–24,664	33,733	–58,397
+/–	Increase/decrease in trade creditors as well as other liabilities not attributable to investment and financial operations	9,022	1,600	7,422
=	**Cash flow from current business activities**	**111,846**	**123,623**	**–11,777**
	Receipts from disposal of tangible assets	1,069	1,979	–910
–	Payments from investments in tangible assets	–36,603	–40,402	3,799
+	Receipts from the sale of intangible assets	18	1	17
–	Payments for investments in intangible assets	–5,122	–6,167	1,045
+	Receipts from disposal of financial assets	185	182	3
–	Payments for investments in financial assets	–461	–1,054	593
–	Payments for the acquisition of consolidated companies and other business units after deduction of acquired cash resources	–91	0	–91
=	**Cash flow from investment activities**	**–41,005**	**–45,461**	**4,456**
–	Payments to company owners and minority shareholders	–53,303	–42,864	–10,439
–	Payments for the redemption of loans and (finance) loans	–14,940	–5,519	–9,421
=	**Cash flow from financial activities**	**–68,243**	**–48,383**	**–19,860**
	Cash changes in financial resources	2,598	29,779	–27,181
+/–	Changes in financial resources due to exchange rates, scope of consolidation and valuation	–119	–174	55
+	Financial resources at 1. 1.	104,045	74,440	29,605
=	**Financial resources at 31. 12.**	**106,524**	**104,045**	**2,479**

Segment reporting, Fielmann Group

note (41), previous year in parenthesis.

	Segments by region											
In € million	**Germany**		**Switzerland**		**Austria**		**Others**		**Consoli-dation**		**Consolidated value**	
Sales revenue	713.1	(681.3)	89.0	(83.7)	45.0	(40.1)	23.0	(18.2)	–30.9	(–30.4)	839.2	(792.9)
Sales revenue from other segments	27.0	(25.7)	2.5	(2.5)			1.4	(2.2)				
Outside sales revenue	**686.1**	**(655.6)**	**86.5**	**(81.2)**	**45.0**	**(40.1)**	**21.6**	**(16.0)**			**839.2**	**(792.9)**
Result from ordinary activities (in the segments excl. income from participations)	110.4	(86.0)	19.5	(17.5)	7.7	(4.1)	–0.9	(–0.6)	–0.4	(–0.1)	136.3	(106.9)
– of which interest income	2.2	(0.6)	0.9	(1.3)	0.6	(0.3)	–0.1	(0.1)			3.6	(2.3)
Result from ordinary activities, excluding interest	**108.2**	**(85.4)**	**18.6**	**(16.2)**	**7.1**	**(3.8)**	**–0.8**	**(–0.7)**	**–0.4**	**(–0.1)**	**132.7**	**(104.6)**
Investments	35.5	(40.5)	3.2	(2.6)	0.6	(3.0)	3.0	(1.5)			42.3	(47.6)
Cash flow (in the segments excluding income from participa-tions, adjusted for tax)	92.0	(95.4)	17.1	(15.8)	7.4	(5.8)	0.1	(0.6)	–4.6	(–3.5)	112.0	(114.1)
Scheduled depreciation	27.1	(31.1)	2.2	(2.5)	1.7	(1.9)	1.0	(1.1)			32.0	(36.6)
Segment assets	467.9	(432.5)	50.1	(37.0)	14.8	(16.0)	21.5	(16.1)			554.3	(501.6)
– of which balances with banks, securities	116.3	(95.6)	23.1	(20.5)	3.1	(3.3)	4.1	(4.9)			146.6	(124.3)
	351.6	**(336.9)**	**27.0**	**(16.5)**	**11.7**	**(12.7)**	**17.4**	**(11.2)**			**407.7**	**(377.3)**
Segment debts	102.5	(105.3)	7.1	(5.5)	4.2	(3.9)	4.9	(2.8)			118.7	(117.5)
– of which amounts due to banks	3.6	(19.3)	0.7	(0.0)			0.5	(0.2)			4.8	(19.5)
	98.9	**(86.0)**	**6.4**	**(5.5)**	**4.2**	**(3.9)**	**4.4**	**(2.6)**			**113.9**	**(98.0)**

	Segments by business area									
In € million	**Wholesale/ Services**		**Production/ Logistics**		**Retail**		**Consolidation**		**Consolidated value**	
Sales revenue	267.5	(251.2)	54.0	(44.0)	829.4	(784.2)	–311.7	(–286.5)	839.2	(792.9)
Sales revenue from other segments	262.3	(246.2)	49.1	(40.3)	0.3	(0.0)				
Outside sales revenue	**5.2**	**(5.0)**	**4.9**	**(3.7)**	**829.1**	**(784.2)**			**839.2**	**(792.9)**
Result from ordinary activities (in the segments excl. income from participations)	65.2	(48.0)	15.2	(11.8)	55.9	(48.0)	0.0	(–0.9)	136.3	(106.9)
– of which interest income	9.5	(9.0)	2.5	(1.4)	–8.4	(–8.1)			3.6	(2.3)
Result from ordinary activities, excluding interest	**55.7**	**(39.0)**	**12.7**	**(10.4)**	**64.3**	**(56.1)**	**0.0**	**(–0.9)**	**132.7**	**(104.6)**
Investments	10.0	(15.5)	1.8	(1.4)	30.5	(30.7)			42.3	(47.6)
Cash flow (in the segments excluding income from participations, adjusted for tax)	51.1	(49.6)	9.9	(12.4)	61.6	(63.4)	–10.6	(–11.3)	112.0	(114.1)
Scheduled depreciation	8.6	(13.5)	1.9	(2.2)	21.5	(20.9)			32.0	(36.6)
Segment assets	314.1	(277.6)	20.9	(19.8)	219.3	(204.2)			554.3	(501.6)
– of which balances with banks, securities	144.1	(117.7)	0.1	(0.2)	2.4	(6.4)			146.6	(124.3)
	170.0	**(159.9)**	**20.8**	**(19.6)**	**216.9**	**(197.8)**			**407.7**	**(377.3)**
Segment debts	62.1	(64.3)	4.3	(4.0)	52.3	(49.2)			118.7	(117.5)
– of which amounts due to banks	3.9	(15.0)	0.4	(0.2)	0.5	(4.3)			4.8	(19.5)
	58.2	**(49.3)**	**3.9**	**(3.8)**	**51.8**	**(44.9)**			**113.9**	**(98.0)**

Fielmann Aktiengesellschaft, Hamburg
Notes to the consolidated accounts as at December 31, 2007

I. General information

The Management Board of Fielmann Aktiengesellschaft approved the consolidated accounts as at December 31, 2007 on March 20, 2008 and will submit them to the Supervisory Board on March 28, 2008 for adoption on April 17, 2008.

With regard to the problems relating to the cut-off date caused by the Gesundheitsmodernisierungsgesetz (Healthcare Reform Act), the Federal Social Court in Kassel confirmed the interpretation of the law represented by Fielmann in its judgement of September 6, 2007 (B 3 KR 20/06 R). Accordingly, the statutory health insurance company is obliged to reimburse the amounts agreed in framework agreements if the order was placed with the optician in 2003 but the completed spectacles were not handed to the customer until 2004. These circumstances have been taken into consideration in the 2007 annual accounts. A framework agreement covering settlement of individual claims was reached with the AOK-Bundesverband in February 2008. All general local health insurance companies have acceded to this. Accordingly, the health insurance companies have agreed to settle the main claim, interest and any legal costs incurred. Payments were received up to March 3, 2008. We are aiming to reach a settlement with the other health insurance companies in the next few weeks. No other significant events took place after the balance sheet date.

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS incorporating IAS) valid for the reporting period and taking into consideration the statements of the Interpretation Committees SIC, IFRIC and RIC where they apply within the EU and were compulsory during the year under review. According to IAS 1.53 and RIC 1, the balance sheet was broken down strictly according to maturities.

The following Standards or changes to Standards had to be applied for the first time in the financial year:

IAS 1 "Presentation of Financial Statements" The Group fulfilled the additional disclosure requirements with regard to targets, methods and processes in capital management.

IFRS 7 "Financial Instruments: Disclosures" The rules of IAS 32 regarding the explanatory presentation of financial instruments are replaced and extended by this Standard. The significance of the financial instruments for the assets and income and the risks associated with the financial instruments are to be shown. Financial instruments are presented by the Group in note (24) and in the Management Report.

The changes to IFRS 1 and IAS 1, 14, 17, 32 and 33 were complied with on the basis of the cancellation of IAS 30 and introduction of IFRS 7. In addition, the relevant sections are marked with [24] in the Notes.

The application of the following four Interpretations has no effect on the assets, finances or income of the Fielmann Group:

IFRIC 7 "Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies" If hyperinflation is identified in a country for the first time, this Interpretation makes clear that IAS 29 is to be applied as if the country in question had always suffered from hyperinflation.

IFRIC 8 "Scope of IFRS 2" According to this Interpretation, IFRS 2 is also to be applied to transactions where the company cannot clearly identify the service it received.

IFRIC 9 "Reassessment of Embedded Derivatives" This Interpretation addresses the question of when the first-time assessment that an embedded derivative is involved has to be reassessed during the contract term.

IFRIC 10 "Interim Financial Reporting and Impairment" This Standard states that impairments, which were recorded in interim financial accounts and which must be written up under IAS 36 or IAS 39, may not be reversed in subsequent annual and interim financial accounts.

The International Accounting Standards Board (IASB) has published the following Standards and Interpretations, which were endorsed by the European Commission by the time the balance sheet was drawn up and consequently became mandatory:

IFRS 8 "Operating Segments" This Standard applies to financial years commencing on or after January 1, 2009. It replaces the standard of relevance to segment reporting, namely IAS 14, and converts segment reporting to the "management approach". Application of IFRS 8 is planned before it becomes mandatory.

The Fielmann Group did not make use of the option of applying the following two Interpretations prematurely:

IFRIC 11 "IFRS 2 – Group and Treasury Share Transactions" This Interpretation clarifies questions connected to share-based remuneration. It is to be applied to financial years commencing on or after March 1, 2007.

IFRIC 12 "Service Concession Arrangements" This Interpretation relates to service concession arrangements under which public sector bodies grant contracts for the supply of public services to private contractors. It is to be applied to financial years commencing on or after January 1, 2008.

The following Standards and Interpretations or changes thereto have not yet been endorsed by the European Commission and are not applied within the Fielmann Group either:

IAS 1 "Presentation of Financial Statements" The changes to IAS 1 aim to facilitate the analysis and comparison of accounts. They were published by the IASB on September 6, 2007 and are to be applied to financial years commencing on or after January 1, 2009.

IAS 23 "Borrowing Costs" The change to this Standard does away with the option of capitalising borrowing costs for qualified assets. It was published by the IASB on March 29, 2007 and is to be applied to financial years commencing on or after January 1, 2009.

IFRIC 13 "Customer Loyalty Programmes" This Interpretation directs how companies, which give customers loyalty award credits when buying other goods or services, should account for these. IFRIC 13 was published by the IASB on June 28, 2007. The changes are to be applied to financial years commencing on or after July 1, 2008.

IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction " This Interpretation addresses the interaction between an obligation existing on the balance sheet date, additional amounts to be paid into a pension plan and the rules in IAS 19 on the upper value limit of a positive balance between plan assets and the defined benefit liability. IFRIC 14 was published by the IASB on July 5, 2007 and is to be applied to financial years commencing on or after January 1, 2008.

These Standards and Interpretations and changes thereto will probably have very little, if any, effect on the assets, finances or income of the Fielmann Group.

II. Scope of consolidation

The company Fielmann Aktiengesellschaft at Weidestraße 118 a, Hamburg, is the Group's parent company. Fielmann Aktiengesellschaft is involved in the operation of and investment in opticians' shops, hearing aid companies and in the manufacture and trade in visual aids and other optical products, in particular, spectacles, spectacle frames and glasses, sunglasses, contact lenses, related articles and accessories, merchandise of all kinds as well as hearing aids and related accessories. The spectacles manufacturing operation is based at the company Rathenower Optik GmbH.

All domestic and foreign subsidiaries included in the consolidated accounts are those in which Fielmann Aktiengesellschaft directly or indirectly holds the majority of the voting rights or on which a controlling influence is extended. Fielmann Aktiengesellschaft only holds a small indirect share in 33 German franchise companies but exercises control within the meaning of IAS 27. This control results from the interaction of legal, franchising and economic influences. The stipulations of the franchise agreement regarding shop locality, range, inventory, advertising etc. define the framework of business policy within the context of Fielmann Aktiengesellschaft.

24 companies were consolidated for the first time as at December 31, 2007, of which 23 are newly established distribution companies in Germany. In view of the economic importance of the branches opened as part of normal expansion during the year under review, no separate description is included of the changes to the scope of consolidation arising through this. Furthermore, Fielmann Institut für Augenoptik / Optometrie gemeinnützige GmbH was established as a subsidiary of Fielmann Akademie Schloss Plön gemeinnützige Bildungsstätte der Augenoptik GmbH. Operations had not yet started in the reporting period.

For the consolidated companies, please see the statement of holdings as at December 31, 2007, which is published in the electronic Federal Gazette (elektronischer Bundesanzeiger). This includes a list of the companies which make use of the exemption under Article 264 para. 3 and Article 264b HGB.

During the reporting period, shares were acquired in one existing Fielmann branch as at January 1, 2007 through the withdrawal of franchisees in existing contracts. Minority interests were taken over in one Fielmann branch.

As part of the acquisition of companies and holdings (acquisition costs T€ 315) differences were stated as goodwill of T€ 276. Equity amounting to T€ 39 was included in the capital consolidation. The unimpaired status of goodwill was demonstrated with impairment tests in accordance with the principles explained below. The transaction, which takes place in the normal maintenance and development of the branches, had no effect on the balance sheet total in the financial year. There was no major impact on the profit and loss account because the acquisitions and holdings had already been fully consolidated.

III. Principles of consolidation, impairment test and foreign exchange conversion

The consolidated accounts are derived from the individual accounts of the companies involved. The management accounts of the companies subject to mandatory auditing were audited as at December 31, 2007 and passed without qualification. The accounts as at December 31, 2007 of the other companies were examined to ascertain whether they were in accordance with the principles of proper accounting and whether the relevant statutes had been complied with for inclusion in the consolidated balance sheet.

Capital consolidation is carried out by setting off the acquisition costs against the pro rata equity capital of the subsidiaries at current values. It was opted not to apply IFRS 3 retrospectively. After an impairment test the goodwill was stated in the IFRS opening balance sheet as at January 1, 2004 at the book values of the HGB accounts as at December 31, 2003.

The impairment test is carried out regularly on December 31 each financial year. No events requiring an additional test are known of after this cut-off date. The cash generating units (CGU) to be examined are determined according to internal management reporting. As no stock market quotation or market price is present for these CGUs, the test is exclusively carried out by comparing the book value against the value in use. The cash flows underlying the value in use result from one year's detailed planning and a subsequent two years of Group planning. After these planning periods, no further growth is assumed. The capitalisation rate amounts to 6.2 per cent. Within the Group, planning is usually based on figures taken from previous business development. Current external data are also included in the planning process on the basis of these figures.

Receivables and liabilities and income and expenditure between Group companies are set off against each other except in individual cases where they are so minor as to be negligible. After first-time consolidation, tax was deferred for consolidation processes where they affect profits. Pursuant to IAS 12, the relevant national average income tax rates are applied for the companies concerned.

The functional currency concept is applied to accounts of consolidated companies that are prepared in foreign currencies. The foreign companies operate their businesses independently; for these companies the functional currency is the national currency of that particular country. Annual accounts from foreign currencies are adapted to comply with the accounting format and valuation principles of the Fielmann Group. In line with IAS 21, balance sheet figures are converted to euros at the mean rate on the balance sheet date, and profit and loss accounts at the average annual rate. Any foreign exchange differences are posted to a separate foreign exchange equalisation item which is included under profit reserves. Intra-Group profits on inventories and fixed assets have been eliminated.

IV. Accounting and valuation principles

Preparation of the consolidated accounts according to IFRS necessitates estimates being made in order to account for and value assets and liabilities. These estimates are continuously verified. Assumptions and estimates are made particularly in connection with the valuation of goodwill and accruals. The main assumptions and parameters on which the estimates are based are described in the notes. The accounts of the companies included in the Group accounts are prepared according to uniform accounting and valuation rules in accordance with the provisions of IAS 27.

Intangible assets and tangible assets Intangible assets and tangible assets are valued and extrapolated at acquisition or production cost less straight-line scheduled depreciation. Software developed in-house where Group companies are to be viewed as the manufacturer is capitalised at production cost in accordance with IAS 38. Outside capital is not capitalised in accordance with IAS 23.

In the case of production premises, a useful life of up to 20 years is applied. The castle in Plön is depreciated over 55 years, while other business premises are depreciated over a maximum of 50 years. Tenants' fittings are depreciated on a straight-line basis, taking into account the term of the tenancy (normally 7 – 15 years). Factory and office equipment is depreciated over 2 to 15 years (machinery and equipment 5 years as a rule, computer equipment 3 – 7 years). The useful life is reviewed regularly and adjusted where necessary to the anticipated life. Where necessary, extraordinary depreciation is applied in accordance with IAS 36, and then reversed when the original reasons for it no longer apply. Public subsidies are deducted from the acquisition costs.

Investment properties Properties which are not used in the Group's core business (investment properties in accordance with IAS 40) are also valued at amortised cost in accordance with the principles specified above. They are subjected to extraordinary depreciation if the realisable amount falls below the book value. A blanket gross rental method predetermined in-house using a rental income factor of 15 annual net rentals is used to reach this valuation, which leads to market valuations in the view of the company. The current value of this property is shown in the notes to the accounts.

Securities, participating interests and other investments Securities, participating interests and other investments are accounted for in accordance with IAS 39. Current securities and long-term investments in the "available for sale" category are generally accounted for at market value. If no stock market prices are available, market valuations by banks are used. Additions and disposals are reported at their respective value on the date the transaction is completed.

There has been no need to develop separate criteria for reporting, writing down or retiring assets for any class of financial instrument because of the Group's low-risk and clear financial management. The unrealised profits and losses resulting from the market valuation are posted to equity without affecting profit after deducting deferred taxes. In cases where the market value of a security or investment cannot be determined reliably, the valuation is made at cost and reduced by any value adjustments that may be necessary. Securities in the "held to maturity" category are generally valued at amortised cost using the effective interest rate method.

Raw materials, supplies and merchandise Raw materials, supplies and merchandise are valued at acquisition or production cost, reduced where necessary by value adjustments to the lower net sales proceeds. They are extrapolated by the moving average method. Finished and unfinished products are valued at production cost in accordance with IAS 2. This included production-related overheads. No outside capital in accordance with IAS 23 is stated.

Receivables Long-term non-interest bearing receivables and tax assets are reported at their present value. Trade receivables, other receivables and tax assets are stated at nominal value less any value adjustments obviously required. For at-risk receivables, the criterion for deciding on a value adjustment or retirement is the degree of certainty of the default risk. Receivables are retired when they are finally lost or when pursuit of the claim is futile and makes no economic sense (e.g. small amounts).

Value adjustments are calculated on a case by case basis in material cases, otherwise by grouping default risk characteristics of the same kind, e.g. temporal criteria.

Deferred taxes Deferred tax assets are the result of differing entries in the IFRS and tax accounts of Group companies and consolidation measures where such differences are balanced out again over time. In addition, tax deferrals are made, particularly for loss carryforwards in agreement with IAS 12. The tax rates valid on the cut-off date or already established and known for the future are applied by means of the "liability method". Standard tax rates in Germany have been reduced with the 2008 corporation tax reform. In accordance with IAS 12 deferred taxes are not netted but are stated as long-term assets or liabilities in accordance with IAS 1.70.

Accruals Accruals are accounted for in accordance with IAS 37. Accordingly, accruals are stated in the balance sheet for legal or de facto obligations if the outflow of funds to settle the obligations is probable and can be estimated reliably. The figure for accruals takes into account those amounts which are necessary in order to cover future payment obligations, recognisable risks and uncertain liabilities of the Group. Long-term accruals are discounted and entered at present value.

Accruals for pensions are valued for defined benefit pension obligations using the projected unit credit method. Taking dynamic aspects into account, this method determines the expected benefits to be paid on occurrence of the event and distributes them over the entire term of employment of the employee concerned. Actuarial opinions are carried out annually to allow this. Actuarial gains and losses resulting from changes in the assumptions on which calculations are based as well as differences between the assumptions and what actually occurs are entered with direct impact on net income. The following interest rates are used:

Pensions:	5.80% (previous year 4.50%)
25-year anniversaries:	4.47% (previous year 3.60%)
10-year anniversaries:	4.00% (previous year 3.19%)

Because of the minor significance of these obligations, singly and overall, no further details are included here.

Liabilities Liabilities are generally valued according to IAS 39 at the amount paid. Any difference between what is paid and the amount repayable on final maturity is amortised. Liabilities in foreign currency are converted on the date prevailing on the reporting date.

Contingent liabilities Contingent liabilities are possible obligations in respect of other parties or current obligations in which an outflow of resources is improbable, or cannot be reliably determined. Contingent liabilities are in principle not stated on the balance sheet. As of the balance sheet date, there are contingent liabilities from guarantees and warranties, which are entered at the value of the underlying primary liability and disclosed in the notes.

Revenue Revenue is primarily gained through retail business. Revenue is realised at the time ordered and completed products are delivered to the customer.

V. Notes to the consolidated accounts
Assets

Changes in consolidated fixed assets as at December 31, 2007

	Acquisition and production costs				
	Position as at 1.1.2007 € '000	**Foreign exchange conversion € '000**	**Additions * € '000**	**Disposals * € '000**	**Position as at 31.12.2007 € '000**
I. Intangible assets					
1. Rights of usufruct from company accounts	5,533	–62	2,273		7,744
2. Licences, commercial trade marks and associated rights	15,021	–7	2,665	282	17,408
			11 B		
	20,554	**–69**	**4,938**	**282**	**25,152**
			11 B		
II. Goodwill	**128,543**	**0**	**276**	**285**	**128,534**
III. Tangible assets					
1. Property and similar rights and buildings, including buildings on third-party land	101,274	–154	237	270	101,089
			2 B		
2. Tenants' fittings	121,874	–206	13,271	2,380	132,941
			382 B		
3. Factory and office equipment	226,596	–588	22,665	7,289	241,063
				321 B	
4. Assets under construction	1,403	–10	423	50	1,692
				74 B	
	451,147	**–958**	**36,596**	**9,989**	**476,785**
			384 B	395 B	
IV. Investment property	**25,663**	**0**	**7**	**0**	**25,670**
V. Financial assets					
Holdings	**1,575**	**–7**	**461**	**186**	**1,843**
Total fixed assets	**627,482**	**–1,034**	**42,278**	**10,742**	**657,984**
			395 B	395 B	

* B = Book transfer

Accumulated depreciation					Residual book values	
Position as at 1. 1. 2007 € '000	**Foreign exchange conversion € '000**	**Additions* € '000**	**Disposals* € '000**	**Position as at 31. 12. 2007 € '000**	**Position as at 31. 12. 2007 € '000**	**Position as at 1. 1. 2007 € '000**
3,925	–60	458		4,323	3,421	1,608
9,163	–5	1,987	264	10,877	6,531	5,858
			4 B			
13,088	**–65**	**2,445**	**264**	**15,200**	**9,952**	**7,466**
			4 B			
87,673	**0**	**0**	**285**	**87,388**	**41,146**	**40,870**
18,384	–47	2,311	50	20,598	80,491	82,890
81,227	–205	8,850	2,175	87,696	45,245	40,647
			1 B			
166,167	–371	18,054	6,759	177,096	63,967	60,429
		5 B				
				0	1,692	1,403
265,778	**–623**	**29,215**	**8,984**	**285,390**	**191,395**	**185,369**
		5 B	1 B			
15,662	**0**	**342**	**0**	**16,004**	**9,666**	**10,001**
0	**0**	**0**	**0**	**0**	**1,843**	**1,575**
382,201	**–688**	**32,002**	**9,533**	**403,982**	**254,002**	**245,281**
		5 B	5 B			

The changes in intangible assets, goodwill, tangible assets and financial assets are shown in detail in the above statement of assets. Technical facilities and machinery is included in item "factory and office equipment". No assets held for sale were present in the year under review.

The additions and net disposals including book transfers shown in the statement of assets break down as follows compared with the previous year. Please see note (30) refer depreciation.

	Additions		Disposals	
	2007 € '000	2006 € '000	2007 € '000	2006 € '000
Intangible assets				
Rights of usufruct	2,273	807		
Licences and associated rights	2,676	2,945	14	
	4,949	**3,752**	**14**	**0**
Goodwill	**276**	**2,415**	**0**	**0**
Tangible assets				
Property and buildings	239	15,938	220	846
Tenants' fittings	13,653	10,622	204	563
Factory and office equipment	22,665	26,474	851	553
Assets under construction	423	301	124	13,526
	36,980	**53,335**	**1,399**	**15,488**
Investment property	**7**	**1,224**		
Financial assets	**461**	**1,053**	**186**	**182**

(1) Intangible assets

The intangible assets essentially include computer software which is written down on a straight-line basis over three to seven years. This item also includes leasehold interests, which are written down over a maximum of 15 years. From additions to intangible assets a total of T€ 44 (previous year: T€ 37) relates to internally produced software capitalised in accordance with IAS 38 and mainly relates to the manufacturing process at Rathenow.

(2) Goodwill

This item shows goodwill arising from capital consolidation. Goodwill is allocated to individual cash generating units (CGUs) for the purposes of the impairment test. In established markets these are the individual branches. In the market launch regions the impairment test takes place at the level of the entire region.

Significant goodwill to the value of T€ 9,531 was allocated to the production/logistics segment as well as T€ 3,546 to the Netherlands as a market launch area. A total of T€ 23,436 was allocated to the German branches (treated as single CGUs). No write-downs were effected in the year under review (previous year: T€ 2,000).

(3) Tangible assets/ investment property

The breakdown of tangible assets among the segments is as follows as at December 31, 2007:

	31. 12. 2007 € '000	31. 12. 2006 € '000
Germany	179,281	175,289
Switzerland	10,699	9,945
Austria	4,847	5,806
Other	6,234	4,330
	201,061	**195,370**

Restrictions on powers of disposal are shown regarding buildings and other tangible assets of Fielmann Akademie gGmbH which amount to T€ 21,319 (previous year T€ 21,817) due to its non-profit-making character and the protection of historic monuments. Properties were not subject to any extraordinary depreciation (previous year: T€ 1,240). Additions to tangible assets are partly the result of the Group's expansion (T€ 12,799, previous year: T€ 12,174).

Buildings which are not actively used by any of the companies within the Group are included in the classification of investment property. Under IAS 40, such properties are classified as investments and are valued at amortised cost. The value ascertained without a professional valuer but on the basis of a gross rental method is T€ 15,382 (previous year: T€ 14,950). The corresponding rental income during the reporting period amounts to T€ 1,025 (previous year: T€ 997). Extraordinary depreciation was not required for these properties during the reporting year (previous year: T€ 555).

(4) Financial assets[24]

With the financial assets, which comprise loans, a repayment of T€ 200 is expected within the next 12 months.

(5) Deferred tax assets/ long-term tax assets

Deferred tax assets amounting to T€ 17,687 (previous year: T€ 21,904) are capitalised. Please refer to note (38) of the notes to the accounts for more details.

As at December 31, 2007, there is still an unused corporation tax credit of T€ 3,609 from the corporation tax imputation process that was valid until 2001. This will be paid out rateably from 2008. Interest was added to the discounted claim amounting to T€ 2,799 as at December 31, 2006 at 4.1% in 2007 and it was reported at T€ 2,913 as at December 31, 2007. The interest resulting from the addition of interest amounting to T€ 114 is shown under taxes on income and earnings.

[24] See note 24 for further details

(6) Other financial assets[24]

Other financial assets are primarily claims on employees in the form of loans and securities held to maturity. Loan repayments of T€ 116 are expected within the next 12 months.

(7) Inventories

	31. 12. 2007 € '000	31. 12. 2006 € '000
Raw materials and supplies	1,323	1,214
Work in progress	6,506	6,497
Finished products and merchandise	88,507	78,374
	96,336	**86,085**

Inventories relate mainly to merchandise for glasses and sunglasses as well as other products. Work in progress relates mainly to orders from branches for spectacles. The total of all value adjustments on inventories stands at T€ 10,654 (previous year: T€ 10,740) and was recognised in full in expenditure.

(8) Receivables and other assets[24]

	31. 12. 2007 € '000	31. 12. 2006 € '000
Trade debtors	21,167	17,594
Other receivables	31,078	23,239
	52,245	**40,833**

There were no contractual liens, security interests or rights of setting off applying to the receivables. There were no deviating fair values. The assets listed are not interest bearing and are consequently not subject to any interest rate risk.

Value adjustments were created for trade debtors in 2004 in particular. The deliveries to which the receivables relate were based on prescriptions and entitling certificates originating from 2003 which some health insurance companies are refusing to settle. Meetings with the health insurance companies, filing of actions and court rulings in similar cases have led to the total default risk being estimated at 50 per cent, or T€ 4,400 in previous years. On the basis of the judgement by the Federal Social Court (B3KR20/06R) on the problems relating to the cut-off date caused by the Gesundheitsmodernisierungsgesetz (Health Care Reform Act), the risk was reduced by T€ 3,520 to T€ 880 in the financial year. A value adjustment of T€ 360 was also created on the claims for damages resulting from this process of T€ 3,600. Value adjustments of T€ 1,179 were created for amounts due from customers in the branches.

(9) Tax assets

Tax assets to the value of T€ 6,666 (previous year: T€ 6,963) result largely from prepayments of trade and corporation tax.

(10) Prepaid expenses

The prepaid expenses mainly represent advance payments of rent, incidental rental charges, social security contributions and advertising that have not yet appeared.

(11) Financial assets[24]

The portfolio of Fielmann Aktiengesellschaft's own shares amounting to 8 shares (previous year 14,429) with a book value of T€ 0 as at December 31, 2007 (previous year: T€ 389) was deducted from the securities and equity within the Group according to IAS 32.33. The Fielmann shares stated were acquired within the meaning of Article 71 para. 1 no. 2 AktG in order to offer them to staff of Fielmann Aktiengesellschaft or its affiliated companies as employee shares.

(12) Cash and cash equivalents[24]

This item contains liquid funds and instruments held until maturity with a remaining term of up to one month.

Equity and liabilities

(13) Subscribed capital/ authorised capital

As at December 31, 2007, the subscribed capital of Fielmann Aktiengesellschaft was T€ 54,600. This has been divided into 42 million ordinary shares with no par value since the share split in a ratio of 1:2, which was resolved by the Annual General Meeting on July 6, 2006 and carried out on August 9, 2006. The shares are bearer shares. Please refer to note (11) for details of own shares.

Under Article 5 para. 3 of the Articles of Association, the Management Board has the authority, subject to the agreement of the Supervisory Board, to make new rights issues of ordinary bearer shares for cash and/or contributions in kind, in one or more stages (up to July 5, 2011), for up to a maximum of T€ 25,000. The Management Board did not exercise this authority in this financial year.

In its capital management, the Fielmann Group pursues the aim in principle of securing its capital base long-term and achieving an appropriate return on equity.

(14) Capital reserves

The amount shown relates exclusively to the premium from the 1994 new rights issue under Article 272 para. 2 (1) HGB. No legal reserve is therefore required (Article 150 para. 2 AktG).

(15) Profit reserves

The profit reserves contain non-distributed profits for the reporting period and previous years, foreign exchange equalisation items, profits from securities held for sale in accordance with IAS 39.55 and the profits and price gains on giving own shares to employees in accordance with IFRS 2.

	Position as at 1.1.2007 € '000	Foreign exchange conversion € '000	Book transfer € '000	Allocations € '000	Withdrawals € '000	Position as at 31.12.2007 € '000
Reserves eligible for distribution	102,908			7,001		109,909
Other reserves from company accounts	19,911			1		19,912
Reserves from Group transactions	64,552		–390	13,302		77,464
Foreign exchange equalisation items	–1,142	32				–1,110
Reserves from direct offsetting	94		–33			61
	186,323	**32**	**–423**	**20,304**	**0**	**206,236**

(16) Balance sheet profit

The balance sheet profit amounts to T€ 58,800 and comprises net income (T€ 82,044) plus the consolidated net income carried forward (T€ 28) less minority shares (T€ 2,968) and less changes in profit reserves (T€ 20,304).

(17) Minority shares

Minority shares include shares of other shareholders in corporations of the Group. The shares of other shareholders in partnerships are only stated if shares in losses are present. The minority interests in positive equity capital of partnerships were stated as liabilities in accordance with IAS 32 (see also notes (22), (24) and (39)).

(18) Long-term accruals

Long-term accruals developed as follows:

	Position as at 1.1.2007 € '000	Foreign exchange conversion € '000	Book transfer € '000	Consumption € '000	Write-backs € '000	Allocation € '000	Position as at 31.12.2007 € '000
Pension accruals	2,230		–6	–30	–344	294	2,144
Accruals for anniversary bonuses	1,770			–67		496	2,199
Reconversion obligations	1,982					88	2,070
Other long-term accruals	362		17			297	676
	6,344	**0**	**11**	**–97**	**–344**	**1,175**	**7,089**

Pension accruals mainly relate to the non-forfeitable pension commitments of Fielmann Aktiengesellschaft (T€ 984). Their book value is based on a current expert opinion dated December 31, 2007. Actuarial gains and losses are posted immediately on the profit and loss account. The accruals are matched by reinsurance credits of T€ 595 (previous year: T€ 676). Because of the relatively very low amount of this accrual, no further details are provided. Accruals for anniversary bonuses are allocated for 10 and 25-year anniversaries taking into account rates of fluctuation. Discounting is performed with an interest rate for fixed-rate securities for the period of the average remaining term until the anniversary concerned. These accruals will probably be realised during the next 12 months to the value of T€ 334. There were no significant effects arising from changes in interest rates.

The settlement dates for reconversion obligations under tenancy agreements are to be viewed as long-term. No risks are discernible during the coming 12 months. In the majority of the tenancy agreements the companies of the Fielmann Group are presented with one or more options to extend. The interest rates of long-term public loans were used to discount the settlement amounts to the balance sheet date, using an inflation rate of 1.5%. The discounted settlement amounts are capitalised in the acquisition costs of tenants' fittings within fixed assets and subjected to scheduled depreciation over the remaining term of the tenancy agreement. Interest expenditure from the change in the accrual of T€ 31 is largely the result of changes in interest rates.

(19) Long-term financial liabilities[24]

Long-term financial and other liabilities are broken down as follows:

	31. 12. 2007 € '000	31. 12. 2006 € 000
Long-term liabilities to banks – of which with a residual term of >5 years T€ 1,471	2,732	10,986
Other long-term liabilities – of which with a residual term >5 years T€ 330	1,431	2,846
	4,163	**13,832**

The repayments over the next twelve months included in long-term liabilities are shown under note (22). There are no liabilities to affiliated non-consolidated companies. All long-term liabilities to banks carry a fixed rate of interest and are for a fixed term. The vast majority were used to finance property. No significant interest-rate risk is discernible because borrowing is low.

(20) Deferred tax liabilities

Deferred tax liabilities carried as liabilities stand at T€ 6,917 (previous year: T€7,670). More information is provided in note (38) of the notes to the accounts.

(21) Current accruals

Current accruals have developed as follows:

	Position as at 1. 1. 2007 € '000	Foreign exchange conversion € '000	Book transfer € '000	Con-sumption € '000	Write-backs € '000	Allocation € '000	Position as at 31. 12. 2007 € '000
Personnel accruals	14,734	–5		–13,365	–1,284	18,566	18,646
Accruals for merchandise	10,924			–4,088		5,572	12,408
Other accruals	4,907		–17	–1,343	–2,280	3,020	4,287
	30,565	**–5**	**–17**	**–18,796**	**–3,564**	**27,158**	**35,341**

The accruals relating to personnel are set up in particular for liabilities in respect of special payments and bonuses and are realised during the first half of the following financial year.

The accruals relating to merchandise refer mainly to risks under guarantees. These include personnel costs for severance payments. The risks are largely realised within 12 months and within a maximum of three years. The assumptions regarding the valuation of risks are constantly verified by reports on guarantee cases. The increase in this accrual is essentially the result of the increase in sales. The other accruals relate to possible liabilities arising from legal disputes and the costs of legal and commercial advice as well as any court costs that may be necessary.

(22) Current financial and other liabilities[24]

Current financial and other liabilities are broken down as follows:

	31. 12. 2007 € '000	31. 12. 2006 € '000
Liabilities		
– to banks	1,924	7,195
– trade creditors	44,787	42,055
Other liabilities	25,395	17,470
	72,106	**66,720**

Owing to the low rate of debt there are no significant effects on the Group through fluctuations in interest rates. These liabilities have a term of up to one year.

Included in the other liabilities are liabilities to other shareholders of the Group, which have the nature of equity in the individual company accounts and are to be reported as liabilities in accordance with IAS 32 (see also notes (17), (24) and (39)).

(23) Tax debts

Tax debts are broken down as follows:

	31. 12. 2007 € '000	31. 12. 2006 € '000
Liabilities	8,516	8,863
Accruals	35,183	15,300
	43,699	**24,163**

The tax accruals relate mainly to corporation taxes on Fielmann Aktiengesellschaft and Rathenower Optische Werke GmbH, trade taxes on branches and corporation tax in Switzerland. The liabilities mainly result from sales and wage tax.

(24) Financial instruments

All categories of financial instruments are reported at their value on the date the respective transaction is completed. Allocation into valuation classes in accordance with IFRS 7 was effected on the basis of the economic properties and the risk structure of the respective financial instruments. In each class, current value is determined by stock market prices or corresponding market valuations by banks.

The sensitivity analyses to which financial instruments were subjected are presented in the management report (opportunity and risk management). Securities held to maturity or for trading purposes were classified in the corresponding category, the remaining securities fall into the category "available for sale financial assets".

Legend for abbreviations in the following tables

Abbreviation	Meaning	Measurement
LaR	Loans and Receivables	At amortised cost
HtM	Held to Maturity	At amortised cost
FAHfT	Financial Assests Held for Trading	Market value through profit or loss
AfS	Available for Sale	Market value without affecting profit or loss
FLAC	Financial Liabilities Measured at Amortised Cost	At amortised cost

Measurement classes in accordance with IFRS 7

				2007
in € '000	Measurement category in accordance with IAS 39	Book value on 31 December	Amortised cost	Market value with affecting profit or loss
Assets				
Loans	LaR	1,843	1,843	
Financial assets		**1,843**		
Reinsurance	LaR	698	698	
Structured investment products	HtM	0		
Loans	LaR	524	524	
Other financial assets (long-term)		**1,222**		
Trade receivables	LaR	21,167	21,167	
Other assets	LaR	31,078	31,078	
Trade receivables and other assets		**52,245**		
Asset management safe custody accounts	FAHfT	5,744		5,744
Structured investment products	FAHfT	0		
Stuctured investment products	HtM	4,767	4,767	
Loans	HtM	28,143	28,143	
Asset management safe custody accounts	AfS	180		
Financial assets (short-term)		**38,834**		
Liquid funds	LaR	63,056	63,056	
Money market funds	FAHfT	21,100		21,100
Loans	HtM	22,368	22,368	
Cash and cash equivalents		**106,524**		
Total		**200,668**		
Liabilities				
Liabilities to financial institutions	FLAC	2,732	2,732	
Loans received	FLAC	1,431	1,431	
Long-term financial liabilitiesn		**4,163**		
Liabilities to financial institutions	FLAC	1,924	1,924	
Trade creditors	FLAC	44,786	44,786	
Other liabilities	FLAC	23,401	23,401	
Equity instruments	FLAC	1,995	1,995	
Short-term liabilities		**72,106**		
Total		**76,269**		

		2006				
Market value without affecting profit or loss	**Current value on 31 December**	**Book value on 31 December**	**Amortised cost**	**Market value with affecting profit or loss**	**Market value without affecting profit or loss**	**Current value on 31 December**
		1,575	1,575			
	1,843	**1,575**				**1,575**
		702	702			
		4,691	4,691			
		688	688			
	1,222	**6,081**				**6,081**
		17,594	17,594			
		23,239	23,239			
	52,245	**40,833**				**40,833**
		5,603		5,603		
		156		156		
		0				
		8,186	8,186			
180		224			224	
	38,834	**14,169**				**14,169**
		58,728	58,728			
		15,359		15,359		
		29,958	29,958			
	106,524	**104,045**				**104,045**
	200,668	**166,703**				**166,703**
		10,986	10,986			
		2,846	2,846			
	4,163	**13,832**				**13,832**
		7,195	7,195			
		42,055	42,055			
		15,479	15,479			
		1,991	1,991			
	72,106	**66,720**				**66,720**
	76,269	**80,552**				**80,552**

Income according to measurement categories

Measurement categories in accordance with IAS 39		2007 Net profits € '000	Net losses* € '000	Impairment** expenses € '000	Interest/ dividend income € '000	Interest expenses € '000	Total € '000
Financial Assets Held for Trading	FAHfT	675					675
Held to Maturity	HtM	77	42		3,025		3,143
Loans and Receivables	LaR			3,129	1,351		4,480
Available for Sale	AfS						0
Financial Liabilities Measured at Amortised Cost	FLAC					1,416	1,416
Reconciliation interest result							
Financial income and expense for balance sheet items, which are not financial instruments***					126	192	
Income and expense on financial instruments, which are not included in the interest result		–77	–42	–3,129			
Total		**675**	**0**	**0**	**4,502**	**1,608**	**3,569**

* IFRS 7.20. (a), temporary impairments
** IFRS 7.20. (e), permanent impairments, negative amounts represent write-ups
*** IAS 32 AG 12, receivables and tax liabilities

The item for write-ups in 2007 (impairment expenses column) includes the reversal of the value adjustment for receivables from health insurance companies of T€ 3,520.

The value adjustments for financial instruments were openly deducted in the case of trade debtors and other receivables through value adjustment accounts. These developed as follows:

	2007 € '000	2006 € '000
Position as at 1.1.	5,797	5,629
Allocation	1,254	1,267
Consumption / write-backs	–4,427	–1,099
Position as at 31.12.	**2,624**	**5,797**

The figures in the above table also include value adjustments on receivables from health insurance companies, the majority of which have been written back, see also note (8).

		2006					
Measurement categories in accordance with IAS 39		**Net profits** **€ '000**	**Net losses*** **€ '000**	**Impairment** expenses** **€ '000**	**Interest/ dividend income** **€ '000**	**Interest expenses** **€ '000**	**Total** **€ '000**
Financial Assets Held for Trading	FAHfT	1,476	71		112		1,650
Held to Maturity	HtM		310		1,515		1,825
Loans and Receivables	LaR			170	1,137		1,307
Available for Sale	AfS						0
Financial Liabilities Measured at Amortised Cost	FLAC					1,842	1,842
Reconciliation interest result							
Financial income and expense for balance sheet items, which are not financial instruments***					445	240	
Income and expense on financial instruments, which are not included in the interest result			–71	–170			
Totale		**1,467**	**310**	**0**	**3,209**	**2,082**	**2,284**

Given the low risk nature of the receivables and the fact that the value adjustments are by and large immaterial, the Company has dispensed with providing more detailed information on the calculation and analysis of the financial instruments that have been written down.

Loans The loans reported under financial assets of T€ 1,843 (previous year: T€ 1,575) are mainly loans to shareholders in consolidated companies to finance shareholder capital contributions. Interest income of T€ 115 (previous year: T€ 263) was reported for these loans.

The item for other long-term financial asset includes long-term claims against employees in the form of loans amounting to T€ 430 (previous year: T€ 584). Interest of T€ 20 (previous year: T€ 24) was received and credited to the profit and loss account.

Current financial assets include government bonds amounting to T€ 28,000 (previous year: T€ 8,186). Interest of T€ 611 (previous year: T€ 422) was recorded. There are no deviating fair values.

Corporate bonds in the amount of T€ 22,368 (previous year: T€ 29,958) are shown at market value under cash and cash equivalents. The interest result includes interest of T€ 2,414 (previous year: T€ 927).

Reinsurance policies Claims under reinsurance policies for pensions and partial retirement are reported in the amount of T€ 698 (previous year: T€ 702) in other long-term financial assets.

Structured investment products The item for current financial assets contains a borrower's note loan of T€ 4,767. In the previous year, this borrower's note loan was reported under long-term financial assets (T€ 4,691). Interest is payable on this security at a variable rate and it has been written down by T€ 233 (previous year: T€ 310) to its current market value.

A cross-currency swap amounting to € 6 million has been used to finance property, which was sold in the course of financial year 2007. At the time of the sale, the value of the swap amounted to T€ 294 (value as of December 31, 2006: T€ 156, reported under current financial assets). It was valued in accordance with the market value method. Changes in value were recognised regularly in the profit and loss account.

In the course of regular liquidity hedging, Fielmann Aktiengesellschaft covered its US$ requirements by the use of forward foreign exchange transactions. The size of these contracts is determined by the value of orders. As of December 31, 2007, there were no forward foreign exchange contracts (previous year: two contracts with a volume each of US$ 1.5 million). In the previous year, an amount of T€ –71 was put aside to match the market value of the two contracts.

Investment management custodian accounts A custodian account in Switzerland managed by an external custodian, which predominantly contains shares and bonds, is reported under current financial assets in the amount of T€ 5,744 (previous year T€ 5,603). The securities held there are reported at fair value. Income in the reporting period of T€ 431 (previous year: T€ 1,187) was received and credited to the profit and loss account.

This custodian account was almost entirely restructured in the move to active management in 2006. Investment policy is based on a written strategy agreed with the custodian account manager. The securities that were not sold in financial year 2006 which amount to T€ 180 (previous year: T€ 224) are therefore shown separately. In the reporting period, sales amounting to T€ 52 took place in the custodian account. Ongoing changes of T€ -55 were reported in equity with no impact on profit or loss.

Liquid funds There are liquid funds of T€ 63,056 (previous year: T€ 58,728), of which T€ 61,718 (previous year: T€ 56,812) are credit balances with banks. Interest of T€ 966 (previous year: T€ 850) was received.

Money market funds Units of money market funds were accounted for at their current value of T€ 21,100 (previous year: T€ 15,359). The market price gains of T€ 400 (previous year: T€ 320) were taken to income and there were no price losses.

Liabilities to banks There are long-term liabilities to banks of T€ 2,732 (previous year: T€ 10,986), which are secured by charges over land or similar rights amounting to T€ 3,151 (previous year: T€ 9,201).

Current liabilities to banks amounting to T€ 1,924 (previous year: T€ 7,195) are shown.

Loans received Long-term financial liabilities include agreements (fixed interest employee holdings) on capital-building payments with a remaining term of over twelve months amounting to T€ 1,313 (previous year: T€ 1,546).
Shareholder loans to Group companies were reported in the amount of T€ 118 (previous year: T€ 1,300). The reduction in this item is attributable to changes in the remaining terms of the loans.

Equity instruments Current liabilities include third parties' capital interests amounting to T€ 1,995 (previous year: T€ 1,991), which are to be reported as liabilities in accordance with IAS 32 (see also notes (17), (22) and (39)).

Further information on the management of as well as the risks and opportunities inherent in financial instruments is provided in the section on "financial risks" in the Management Report.

(25) Contingent liabilities, other financial liabilities

In the financial year, Fielmann Aktiengesellschaft assumed guarantees for minority shareholders' liabilities to banks amounting to T€ 105 (previous year: T€ 0).

The Fielmann Group functions as a lessee of vehicles under operating leases. The lease payments are recognised as an expense. At the reporting date a residual liability of T€ 3,463 (previous year: T€ 3,436) existed in the Fielmann Group (of which T€ 1,753 had a remaining term of up to one year and T€ 1,710 had up to 5 years) based on these lease transactions.

The lease and rental payments during the reporting period amounted to T€ 55,051 (previous year: T€ 52,195).

The employment and investment commitments resulting under contractual agreements with the Treuhandanstalt were performed to contract.

The Fielmann Group is planning investments totalling T€ 48,200 for financial year 2008, of which T€ 14,000 is earmarked for new branches and T€ 17,500 for replacement investment in existing branches.

Profit and loss account

The profit and loss account of the Fielmann Group was compiled in accordance with the overall cost of production method.

(26) Income from sales, including changes in inventories

The income from sales of the Fielmann Group is attributable as follows:

	2007		2006	
	Gross € '000	Net € '000	Gross € '000	Net € '000
Branches, Germany	804,710	679,648	751,790	649,949
Fielmann AG, Germany	3,782	3,178	3,645	3,142
Branches, Switzerland	91,618	85,147	85,712	79,658
Louvre AG, Switzerland	1,438	1,336	1,618	1,504
Branches, Austria	53,974	44,978	48,179	40,149
Branches, Netherlands	9,165	7,702	8,543	7,179
Branches, Poland	7,082	6,550	6,079	5,609
Branches, Luxembourg	3,232	2,810	0	0
Other	9,368	7,836	6,759	5,722
Consolidated sales	**984,369**	**839,185**	**912,325**	**792,912**
Changes in inventories	9	9	1,077	923
Total Group sales	**984,378**	**839,194**	**913,402**	**793,835**

(27) Other operating income

Other operating income mainly comprises contributions received for advertising costs, training, logistics and listing in the Group, income from writing back accruals and value adjustments as well as income from subletting. The income from foreign exchange differences is valued at T€ 696 (previous year: T€ 915).

(28) Costs of material

The costs of merchandise bought in mainly relate to spectacle frames, lenses, contact lenses and cleaning and care products after deducting discounts, rebates and other similar amounts.

(29) Personnel costs

	2007 € '000	2006 € '000
Wages and salaries	265,467	250,118
Social security costs and pensions	49,244	48,174
	314,711	**298,292**

The remuneration of Management Board members for their work during the financial year is divided into fixed components and variable components, which are based on the result, as well as a pension plan for one Management Board member. The premium for a Group accident insurance policy for the Management Board members is attributed to the fixed remuneration pro rata. The variable components are based on the Fielmann Group's net income for the year. There are no share option programmes in place.

The Management Board's total remuneration in the period under review amounted to T€ 5,028 (previous year: T€ 4,392). In 2007, fixed remuneration amounted to T€ 1,925 (previous year: T€ 1,836). Of which Mr Fielmann received T€ 849 (previous year: T€ 849), Mr Schmid T€ 376 (previous year: T€ 336), Dr. Thies T€ 261, Mr Zeiss T€ 363 (previous year: T€ 323) and Dr. Siregar pro rata T€ 76 (previous year: T€ 328), while variable remuneration amounted to T€ 2,929 (previous year: T€ 2,533). Of which Mr Fielmann received T€ 1,708 (previous year: T€ 1,490), Mr Schmid T€ 512 (previous year: T€ 447), Dr. Thies T€ 240, Mr Zeiss T€ 384 (previous year: T€ 298) and Dr. Siregar pro rata T€ 85 (previous year: T€ 298). Mr Schmid has also been promised a pension, which guarantees him 30% of his last gross monthly salary on reaching retirement age. The transfer to the pension provision amounted to T€ 174 (previous year: T€ 22). In the event of his contract of employment not being extended for reasons for which he was not responsible, Mr Schmid was also promised a one-off payment determined by the duration of his employment up to a ceiling of two years' gross remuneration.

Under the statutory arrangements in Germany concerning capital-building payments to employees, an offer was made to the workforce to invest these benefits in the form of Fielmann shares. As of October 12, 2007 each employee was offered 9 shares at a price of € 42.89 with an option period until November 10, 2007. This offer was taken up by 2,736 employees by the time the offer period ended. As of the balance sheet date, there are now no open offers to subscribe to shares. On acceptance of the offer the average market quotation was € 46.70.

In addition, 825 employees were given 5 shares each at a market quotation of € 43.71 with their November salary. The total expenditure involved amounted to T€ 360.

In accordance with IFRS 2, the sum of T€ 1,150 was stated as expenditure for capital-building payments in the form of shares within the Group. The price advantages contained therein amounting to T€ 94 and the book profit from the disposal of the Company's own shares to the value of T€ 1 was offset directly against equity (cf. note (39) movement in Group equity).

(30) Depreciation

	2007 € '000	2006 '000€
Intangible assets	2,445	2,387
Goodwill	0	2,000
Tangible assets	29,557	32,224
	32,002	**36,611**

The figure for depreciation does not include any extraordinary write-downs in the period under review (previous year: T€ 1,795 on property).

(31) Other operating expenses

Other operating expenses include administrative and organisational costs, advertising, cost of premises and personnel costs. The expense arising from foreign exchange differences totals T€ 1,304.

(32) Interest result

The interest result is made up as follows:

	2007 € '000	2006 € '000
Interest from loans	3,308	2,919
Other interest and similar income	1,862	1,757
Interest and similar expenditure	–1,608	–2,392
	3,562	**2,284**

(33) Taxes on income and earnings

This includes trade income tax and corporation tax as well as equivalent national taxes of the consolidated companies to the value of T€ 50,734 (previous year: T€ 30,507), of which there was tax expenditure of T€ 4,078 for taxes not applying to that reporting period. The income tax-related expenditure of individual companies decreased by T€ 1,069 (previous year: T€ 3,175) through the use of tax loss carryforwards. This item includes deferred tax in the Group amounting to T€ 3,537 (previous year: T€ 4,617 income). More details can be found in note (38) of the notes to the accounts.

(34) Net profit for the year and earnings per share

Earnings per share developed as follows:

	2007 € '000	2006 € '000
Net income	82,044	71,769
Income attributable to other shareholders	–2,968	–2,707
Period result	**79,076**	**69,062**
Earnings per share in €	**1.88**	**1.64**

The table takes account of 42 million ordinary shares following the share split on August 9, 2006.

(35) Income attributable to other shareholders

Other shareholders account for T€ 2,968 (previous year: T€ 2,707) of earnings, T€ 3,635 (previous year: T€ 3,278) of the profits and T€ 667 (previous year: T€ 571) of the losses. The share of other shareholders in the net income and corresponding distributions is at the discretion of the shareholders. For this reason they are stated openly in the profit and loss account and in the movement in Group equity.

(36) Withdrawals from profit reserves

No withdrawals were made from profit reserves during the current year (previous year: T€ 1,219 from Fielmann Aktiengesellschaft).

(37) Transfers to profit reserves

This item refers to a transfer to "other profit reserves" of the Group and Fielmann Aktiengesellschaft (T€ 20,304).

(38) Deferred taxes

The deferred tax assets on losses brought forward decreased by T€ 686 (previous year: T€ 2,322) during the reporting period through corresponding net annual results, value adjustments and revaluations caused by a change in the tax rate. Of the deferred tax assets on losses brought forward, amounts of T€ 1,692 (previous year: T€ 1,443) are attributable to companies that are currently making losses. The figure was reported on the basis of positive earnings forecasts, which are also supported by these units' positive impairment tests. No deferred tax assets were stated for loss carryforwards in the value of T€ 8,391 (previous year: T€ 5,610) because no offsetting is expected. In addition, loss carryforwards amounting to T€ 577 will lapse within the next 12 months because of the passage of time.

Deferred tax assets on temporary differences from company balance sheets, contribution processes in the Group and elimination of intra-Group profits are additionally included. Realisation of deferred tax assets during the coming 12 months is likely to amount to T€ 1,500, while deferred tax liabilities will probably amount to T€ 200.

Taxes were not offset directly against equity during the reporting period. During the reporting period the tax rates in the Netherlands decreased from 26.9% to 25.5% because of legislative changes. The deferred tax expenditure is as follows:

	31. 12. 2007		31. 12. 2006	
	€ '000 Asset	€ '000 Liability	€ '000 Asset	€ '000 Liability
a) on deductible differences				
– from company accounts	3,684	358	3,538	552
– from HGB II	4,320	6,559	8,472	7,118
– from consolidation	1,802		2,286	
b) on loss carryforwards	7,881		7,608	
	17,687	**6,917**	**21,904**	**7,670**

The deferred taxes must be added to the individual balance sheet items:

	31. 12. 2007		31. 12. 2006	
	€ '000 Asset	€ '000 Liability	€ '000 Asset	€ '000 Liability
ASSETS				
Intangible assets		49		84
Goodwill	4,177	2,148	6,756	2,143
Tangible assets	752	725	3,288	977
Financial assets	0	35	1	46
Inventories	1,740	1,064	2,279	987
Receivables and other assets	301	32	241	148
Cash and cash equivalents		235		175
EQUITY AND LIABILITIES				
Equity capital	6,928		7,608	
Special reserves		1,398		1,940
Long-term accruals	2,821	24	303	39
Current accruals	968	1,207	1,428	1,131
	17,687	**6,917**	**21,904**	**7,670**

The deferred taxes applying to special reserves result from a corresponding item with taxation effect in the individual company accounts.

Tax transitional account in accordance with IAS 12	2007 € '000	2006 € '000
Profit before tax on earnings	**136,314**	**106,893**
Applicable tax rate	39.4 %	39.4 %
Expected tax expenditure	**53,708**	**42,116**
Tax rate deviations		
Impact of tax rate differences abroad	–3,616	–2,749
Impact of tax rate changes abroad		–59
Impact of tax rate changes in Germany	2,640	
Impact on tax of deviations in the tax calculation method		
Depreciation goodwill		788
Corporation tax exempt third party share of profit	–809	–701
Non-deductible expenditure	222	497
Other tax free earnings	–265	–125
Trade tax allowances and other trade tax adjustments	–2,308	–2,529
Exclusion of deferred tax assets	13	91
Utilisation of loss carryforwards previously not deferred	–83	
Non-periodic effects	4,622	–2,375
Other	147	170
Total Group tax expenditure	**54,271**	**35,124**

The parameters for calculating the expected tax rate of 39.4% in 2007 are an average trade tax (17.7% from an average collection rate of 430%), corporation tax (25.0%) and the solidarity surcharge (5.5%).

(39) Movement in Group equity

Own shares to the value of T€ 0 (previous year: T€ 389) are deducted from equity. From the Group equity generated, other profit reserves (31.12.2007: T€ 109,909) and the balance sheet profit (31.12.2007: T€ 58,800) of Fielmann Aktiengesellschaft are available for distribution to shareholders. The Group equity generated is not subject to any restrictions on distribution. The distributions during the financial year amounting to T€ 50,400 are based on a dividend of € 1.20 per share. The other changes in Group equity are primarily attributable to the reduction in own shares.

In accordance with IAS 32 the minority interests in the equity capital, if relating to positive minority interests in partnerships, are stated as liabilities. Minority interests in the net income and corresponding distributions are at the discretion of the shareholders. For this reason they are included in the profit and loss account and the movements in equity capital (see notes (17), (22), (24)).

(40) Fielmann Group cash flow statement

The financial resources stated at T€ 106,524 (previous year: T€ 104,045) comprise the liquid funds (T€ 63,056; previous year: T€ 58,728) and part of the securities with fixed maturity. These are taken into account in the financial resources, provided they have a remaining term of up to one month (T€ 22,368; previous year: T€ 29,958). The financial resources also include shares of money market funds that can be liquidated at any time (T€ 21,100; previous year: T€ 15,359).

There were no significant non-cash investments or financial transactions during the reporting period. There are restrictions on the disposal of liquid funds amounting to T€ 22 (previous year: T€ 23) with reference to Fielmann Akademie GmbH due to the non-profit-making character of the company and in the amount of T€ 141 with reference to a monetary investment pledged as collateral in Fielmann Aktiengesellschaft.

(41) Segment reporting

In accordance with the regional structure of the internal reporting system, segment reporting distinguished between the geographical regions in which the Group offers and delivers products and services. In addition to the segments of Germany, Switzerland and Austria, the regions of Luxembourg, France, the Netherlands and Eastern Europe are combined in the segment “Other”.

Segment reporting then makes a further distinction between functional units with the division into wholesale/services, production/logistics and retail. The first two segments furnish over 90% of their services within the Group. Retailing was not divided into product groups because the optical industry makes well over 95% of sales in that segment.

Segment revenues from transactions with other segments are not valued separately since these are commercial transactions on market terms and conditions.

The line "of which balances with banks and securities" is derived from various items on the balance sheet: as well as the items "cash and cash equivalents" (T€ 106,524) and "financial assets" (T€ 38,834), the item "other financial assets" (T€ 1,222) has to be added.

Segment results from normal operations are the pre-tax result, adjusted for the results from participations, which are of minor significance for the Group. Owing to the complex internal relationships, segment assets are shown without tax and segment debts are shown with their share in the consolidated goodwill. Receivables from and liabilities to banks as well as securities are openly deducted in order to compare the result without interest against the corresponding balance sheet values. Therefore no transitional value is derived.

VI. Information on related parties (IAS 24)

Mr Günther Fielmann as Chairman of Fielmann Aktiengesellschaft Management Board is deemed to be a related party because he holds, either indirectly or directly, or controls the majority of the shares in Fielmann Aktiengesellschaft. As well as the emoluments for his activities as Chairman (cf. note (29)) and payment of dividends on the shares he holds, no further payments were made to Mr Günther Fielmann apart from those listed below.

In addition, Mr Günther Fielmann has an interest in the following companies, which from the viewpoint of Fielmann Aktiengesellschaft can be classified as related parties:

MPA Pharma GmbH
PROCON MultiMedia AG
Hofladen GmbH & Co. KG
Various property management companies

During financial year 2007 and the previous year, Fielmann Aktiengesellschaft and its Group companies have purchased and provided both goods and services as well as rented and leased out premises. Premises used by Group companies essentially involve 23 branches (previous year: 22 branches). The corresponding purchase and rental agreements were concluded on customary market terms. All transactions were settled in the context of the normal payment plans (normally 30 days).

Transactions by Mr Günther Fielmann and related parties with Fielmann Aktiengesellschaft and Group companies

	2007		2006	
€ '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services		339		666
Transactions		728		510
Rent	261	2,560	72	2,586
	261	**3,627**	**72**	**3,762**

Transactions by Fielmann Aktiengesellschaft and related parties with Mr Günther Fielmann and related parties

	2007		2006	
€ '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services	513	86	513	94
Transactions		6		5
Rent	31	45	31	52
	544	**137**	**544**	**151**

	2007		2006	
Balances as at 31.12. € '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Receivables		4		41
Liabilities		59		108

VII. Other details

Employees

The average number of employees during the year was:

	2007	2006
Total staff	11,493	10,797
– of which trainees	1,748	1,537
Staff (weighted)	9,166	8,657

Auditors' fees

The fees charged for the auditors are as follows:

	Expenses 2007 € '000	Expenses 2006 € '000
Auditing of accounts	235	217
Other qualification / valuation services	34	4
Taxation advice	197	200
Other services provided	19	6
	485	**427**

German Corporate Governance Code

The Management and Supervisory Boards of Fielmann Aktiengesellschaft have issued a declaration of compliance with the recommendations of the German Corporate Governance Code as at December 31, 2007, which is permanently available on Fielmann Aktiengesellschaft's website at www.fielmann.com.

Information on the bodies of the Company

Management Board

	Günther Fielmann	Chairman of the Management Board Sales/Marketing/since 1.4.2007 Human Resources, Lütjensee
	Günter Schmid	Materials Management/Production, Kummerfeld
	Dr. Stefan Thies	IT/Controlling, Hamburg (since 20.4.2007)
	Georg Alexander Zeiss	Finance/Properties, Ahrensburg
	Dr. Emmanuel Siregar	Human Resources, Ratingen (until 31.3.2007)

Supervisory Board

Shareholder representatives:	Prof. Dr. Mark K. Binz	Lawyer, Stuttgart, Chairman of the Supervisory Board
	Anton-Wolfgang Graf von Faber-Castell	Managing Director of A. W. Faber-Castell AG, Stein/Nuremberg
	Prof. Dr. Ing. Jobst Herrmann	Graduate Engineer, Aalen
	Helmut Nanz	Managing Director of the Nanz Group, Stuttgart
	Hans Joachim Oltersdorf	Managing Director of MPA Pharma GmbH, Rellingen
	Prof. Dr. Hans-Joachim Priester	Notary (retired), Hamburg
Employee representatives:	Uwe Martens	Union Secretary of ver.di, Hamburg, Deputy Chairman of the Supervisory Board
	Petra Bruning-Diekhöner	Technical Trainer at Aus- und Weiterbildungs-GmbH, Bielefeld
	Holger Glawe	Union Secretary of ver.di, Hamburg, until 12.7.2007
	Johannes Haerkötter	Branch Manager at Fielmann AG & Co. Berlin-Zehlendorf, Berlin
	Karin Höft	Employee at Fielmann Aktiengesellschaft, Hamburg
	Frau Eva Schleifenbaum	Union Secretary of ver.di, Hamburg, since 13.7.2007
	Sabine Thielemann	Precision Optician at Fielmann AG & Co., Naumburg

The remuneration of the Supervisory Board in 2007 totalled T€ 185 (previous year: T€ 185).

These members of the Supervisory Board are active in the following managerial bodies

Prof. Dr. Mark K. Binz
- Chairman of the Supervisory Board of F. Kirchhoff AG, Stuttgart
- Chairman of the Supervisory Board of Wormland Unternehmensverwaltung GmbH, Hanover
- Member of the Supervisory Board of Faber-Castell AG, Stein/Nuremberg
- Member of the Supervisory Board of Festo AG, Esslingen
- Member of the Supervisory Board of Festo AG, Vienna

Anton-Wolfgang Graf von Faber-Castell
- Chairman of the Supervisory Board of Bayern Design GmbH, Munich
- Member of the Supervisory Board of Nürnberger Beteiligungs AG, Nuremberg
- Member of the Supervisory Board of Nürnberger allgemeine Versicherungs AG, Nuremberg
- Member of the Supervisory Board of Nürnberger Lebensversicherung AG, Nuremberg
- Member of the Supervisory Board of GARANTA Versicherungs AG, Nuremberg
- Member of the Supervisory Board of UFB/UMU AG, Nuremberg

Prof. Dr. Ing. Jobst Herrmann
- Member of the Supervisory Board of Rud-Kettenfabrik Rieger & Dietz GmbH & Co., Aalen-Unterkochen

Uwe Martens
- Deputy Chairman of the Supervisory Board of Stadtreinigung Hamburg, Anstalt des öffentlichen Rechts, Hamburg

Helmut Nanz
- Chairman of the Supervisory Board of Reiff GmbH, Reutlingen
- Chairman of the Advisory Board of Südvers-Gruppe, Freiburg
- Member of the Advisory Board of dmc digital media Center GmbH, Stuttgart
- Member of the Advisory Board of Schoeller Packaging Systems GmbH, Pullach

Hans Joachim Oltersdorf
- Member of the Supervisory Board of the Essanelle Hair Group AG, Düsseldorf
- Chairman of the Advisory Board of Parte GmbH, Cologne

Prof. Dr. Hans-Joachim Priester
- Member of the Supervisory Board of Freenet AG, Hamburg

Eva Schleifenbaum
- Member of the Media Council, Medienanstalt Hamburg Schleswig-Holstein, Norderstedt
- Deputy Chairman of the Management Board of Verbraucherzentrale Hamburg, Hamburg

Fielmann Group – an overview

A) Parent company	Location			
Fielmann Aktiengesellschaft	Hamburg			
B) Major holdings in the Fielmann Group	Location [1]	Group share of the capital (%)	Equity €	Net income for the year €
Fielmann Augenoptik AG [2]	Hamburg	100	306,674.28	82,414.51
Fielmann Aus- und Weiterbildungs-GmbH [2,3]	Hamburg	100	27,973.06	0.00 [3]
Fielmann Akademie Schloss Plön, gemeinnützige Bildungsstätte der Augenoptik GmbH [2]	Plön	100	7,544,070.49	–615,251.91
Rathenower Optische Werke GmbH [2]	Rathenow	100	74,894,683.96	4,942,225.30
Fielmann AG	Basle, Switzerland	100	18,206,639.44	12,833,193.27
Pro-optik AG	Basle, Switzerland	100	3,281,179.94	139,321.27
Fielmann GmbH	Vienna, Austria	100	22,854,127.62	5,632,939.74
C) Further holdings				

For details of other companies belonging to the Group please see the statement of holdings as at December 31, 2007, which has been lodged with the electronic Federal Gazette under no. HRB 56098.

[1] If no country is specified for the location, the company is based in Germany.
[2] This domestic subsidiary has fulfilled the conditions for joint stock companies to make use of the exemption under Article 264 para. 3 HGB and therefore does not disclose its annual account documentation including the Management Report.
[3] No net income for the year because of the profit transfer agreement.

Proposed appropriation of profit

The Management Board proposed to the General Meeting that the balance sheet profit of Fielmann Aktiengesellschaft, amounting to T€ 58,800, should be appropriated as follows:

Payment of a dividend of	€ '000
€ 1.40 per ordinary share (42.000.000 shares)	58,800

Affirmation by the Management Board

We affirm that to the best of our knowledge the consolidated accounts prepared in accordance with the applicable accounting regulations convey a view of the Group's assets, finances and income that is true and fair and that business development including business results and the position of the Group and of Fielmann Aktiengesellschaft are presented in the joint Management Report for the Group and Fielmann Aktiengesellschaft in such a way as to provide a true and fair view as well as to portray the opportunities and risks inherent in the future development of the Group and of Fielmann Aktiengesellschaft accurately.

Hamburg, March 20, 2008

Fielmann Aktiengesellschaft
The Management Board

Günther Fielmann   Günter Schmid   Dr. Stefan Thies   Georg Alexander Zeiss

Auditors' Report

We have audited the consolidated accounts, comprising the balance sheet, profit and loss account, movement in equity, cash flow statement and notes, and the Management Report for the Company and the Group for the financial year from January 1 to December 31, 2007 prepared by Fielmann AG. In accordance with IFRS as applicable in the EU and the additional provisions of commercial law pursuant to Section 315a para. 1 of the German Commercial Code (HGB), the preparation of the consolidated accounts and the Management Report for the Company and the Group is the responsibility of the statutory representatives of the Company. Our task is to provide an assessment of the consolidated accounts and the Management Report for the Company and the Group, based on the audit conducted by us.

We have audited the consolidated accounts in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the principles of proper and correct auditing laid down by the IDW (German Institute of Auditors). These state that the audit must be planned and carried out in such a way that there is sufficient certainty that inaccuracies and infringements which have a material effect on the view of assets, finances and income presented by the consolidated accounts in compliance with the applicable accounting regulations and by the Management Report for the Company and the Group, will be recognised. Audit activities are planned in accordance with our knowledge of the Group's business activities and financial and legal framework as well as the anticipated margin of error. Our audit has also assessed the effectiveness of the internal controlling system and the evidence of the disclosures in the consolidated accounts and the Management Report for the Company and the Group, mainly on the basis of random checks. The audit includes an assessment of the annual accounts of the companies included in the consolidated accounts, the delineation of the scope of consolidation, the accounting and consolidation principles used and of the material estimates made by the statutory representatives, as well as an assessment of the overall presentation of the consolidated accounts and the Management Report for the Company and the Group. We believe that our audit forms a sufficiently reliable basis for our opinion. No objections were raised by our audit.

According to our assessment based on the insight gained during the audit, the consolidated accounts comply with IFRS as applicable in the EU as well as the additional provisions of commercial law pursuant to Section 315a para. 1 of the German Commercial Code (HGB) and give a true and fair view, taking into account these regulations, of the assets, finances and income of the Group. The Management Report for the Company and the Group is in line with the consolidated accounts and provides a true and fair view of the position of the Group and accurately portrays the opportunities and risks inherent in future development.

Hamburg, March 20, 2008

Susat & Partner OHG
Wirtschaftsprüfungsgesellschaft

Rudolph	Deike
Auditor	Auditor

Freiburg, Kaiser-Joseph-Straße

Fielmann Branches Germany

by state; as at April 2008

Baden-Wurtemberg

Aalen	Radgasse 13
Albstadt-Ebingen	Marktstraße 10
Backnang	Uhlandstraße 3
Baden-Baden	Lange Straße 10
Bad Mergentheim	Marktplatz 7
Bad Reichenhall	Ludwigstraße 20
Bad Saulgau	Hauptstraße 72
Bad Tölz	Marktstraße 57
Balingen	Friedrichstraße 55
Bietigheim-Bissingen	Hauptstraße 41
Böblingen	Wolfgang-Brumme-Allee 3
Bretten	Weißhofer Straße 69
Crailsheim	Karlstraße 17
Ehingen	Hauptstraße 57
Esslingen	Pliensaustraße 12
Ettlingen	Leopoldstraße 13
Freiburg	Kaiser-Joseph-Straße 193
Freudenstadt	Loßburger Straße 13
Friedrichshafen	Karlstraße 47
Geislingen	Hauptstraße 23
Göppingen	Marktstraße 9
Heidelberg	Hauptstraße 71
Heidenheim	Hauptstraße 19/21
Heilbronn	Fleiner Straße 28
Herrenberg	Bronngasse 6-8
Karlsruhe	Kaiserstraße 50
Karlsruhe	Kaiserstraße 163
Kirchheim unter Teck	Marktstraße 41
Konstanz	Rosgartenstraße 12
Lahr	Marktplatz 5
Lörrach	Tumringer Straße 188
Ludwigsburg	Heinkelstraße 1-11
Ludwigsburg	Kirchstraße 2
Mannheim	Planken Nr. O 7/13
Mosbach	Hauptstraße 31
Offenburg	Steinstraße 23
Pforzheim	Westl. Karl-Friedr.-Str. 26
Rastatt	Poststraße 2
Ravensburg	Badstraße 8
Reutlingen	Gartenstraße 8
Rottenburg	Marktplatz 23
Rottweil	Königstraße 35
Schwäbisch-Gmünd	Marktplatz 33
Schwetzingen	Mannheimer Straße 18
Singen	August-Ruf-Straße 16
Stuttgart	Königstraße 68
Stuttgart	Marktstraße 45
Tübingen	Kirchgasse 11
Tuttlingen	Bahnhofstraße 17
Überlingen	Münsterstraße 25
Ulm	Neue Straße 71/ Münsterplatz
Villingen	Bickenstraße 15
Villingen-Schwenningen	In der Muslen 35
Waiblingen	Kurze Straße 40
Weilheim	Marienplatz 12
Weinheim	Bahnhofstraße 16
Weinheim	Hauptstraße 75

Bavaria

Amberg	Georgenstraße 22
Ansbach	Neustadt 36
Aschaffenburg	Herstallstraße 37
Augsburg	Bürgermeister-Fischer-Straße 12
Augsburg	Willy-Brandt-Platz 1
Bamberg	Grüner Markt 1
Bayreuth	Richard-Wagner-Straße 3
Coburg	Mohrenstraße 34
Dachau	Münchner Straße 42 a
Deggendorf	Rosengasse 1
Dillingen	Lammstraße 5
Erlangen	Nürnberger Straße 13
Erlangen	Weiße Herzstraße 1
Forchheim	Hauptstraße 45
Freising	Obere Hauptstraße 6
Fürth	Schwabacher Straße 36
Garmisch-Partenkirchen	Am Kurpark 11
Günzburg	Marktplatz 19
Hof	Ludwigstraße 81
Ingolstadt	Moritzstraße 3
Kaufbeuren	Kaiser-Max-Straße 30/32
Kempten	Fischerstraße 28
Kulmbach	Fritz-Hornschuch-Straße 7
Landshut	Altstadt 357/Rosengasse
Marktredwitz	Markt 20
Memmingen	Kreuzstraße 7
Munich	Hanauer Straße 68
Munich	Landsberger Straße 529
Munich	Leopoldstraße 46
Munich	Ollenhauerstraße 6
Munich	Plinganserstraße 51
Munich	Sonnenstraße 1
Munich	Tal 23-25
Munich	Weißenburger Straße 21
Neuburg a. d. Donau	Färberstraße 4
Neumarkt in der Oberpfalz	Obere Marktstraße 32
Nuremberg	Breite Gasse 64-66
Nuremberg	Breitscheidstraße 5
Nuremberg	Glogauer Straße 30-38
Nuremberg	Hauptmarkt 10
Passau	Grabengasse 2
Regensburg	Domplatz 4
Rosenheim	Max-Josefs-Platz 5
Schwabach	Könisplatz 25
Schweinfurt	Postplatz 4
Sonthofen	Bahnhofstraße 3
Straubing	Ludwigsplatz 8
Traunstein	Maximilianstraße 17
Weiden in der Oberpfalz	Max-Reger-Straße 3
Würzburg	Kaiserstraße 26

Berlin

Berlin	Alexanderplatz/Passage
Berlin	Am Borsigturm 2
Berlin	Badstraße 4/ Gesundbrunnen-Center
Berlin	Baumschulenstraße 18
Berlin	Berliner Allee 85
Berlin	Bölschestraße 114
Berlin	Breite Straße 15
Berlin	Breite Straße 22
Berlin	Brückenstraße 4
Berlin	Frankfurter Allee 71-77
Berlin	Fritz-Lang-Straße 5 Block 18
Berlin	Karl-Marx-Straße 151
Berlin	Kottbusser Damm 32
Berlin	Marzahner Promenade
Berlin	Müllerstraße 37
Berlin	Prerower Platz 1
Berlin	Reichsstraße 104
Berlin	Schloßstraße 28
Berlin	Stargarder Straße/ Schönhauser Allee 70 c
Berlin	Teltower Damm 27
Berlin	Tempelhofer Damm 182-184
Berlin	Turmstraße 44
Berlin	Wilhelmsruher Damm 136
Berlin	Wilmersdorfer Straße 121

Brandenburg

Brandenburg	Hauptstraße 43
Cottbus	Spremberger Straße 10
Eberswalde-Finow	An der Friedensbrücke 5
Eisenhüttenstadt	Lindenallee 56
Finsterwalde	Leipziger Straße 1
Frankfurt/Oder	Karl-Marx-Straße 10
Fürstenwalde	Eisenbahnstraße 22
Luckenwalde	Breite Straße 32
Neuruppin	Karl-Marx-Straße 87
Oranienburg	Bernauer Straße 43
Potsdam	Brandenburger Straße 47 a
Rathenow	Berliner Straße 76
Schwedt	Vierradener Straße 38
Senftenberg	Kreuzstraße 23
Strausberg	Große Straße 59
Wittenberge	Bahnstraße 28

Bremen

Bremen	Gerhard-Rohlfs-Straße 73
Bremen	Hans-Bredow-Straße 19
Bremen	Obernstraße 32
Bremen	Pappelstraße 131
Bremerhaven	Bürgerm.-Smidt-Straße 108
Bremerhaven	Grashoffstraße 28
Bremerhaven	Hafenstraße 147

Hamburg

Hamburg	Berner Heerweg 173/175
Hamburg	Bramfelder Chaussee 269
Hamburg	Frohmestraße 46
Hamburg	Fuhlsbüttler Straße 122
Hamburg	Heegbarg 31
Hamburg	Langenhorner Chaussee 692
Hamburg	Lüneburger Straße 23
Hamburg	Möllner Landstraße 3 R
Hamburg	Mönckebergstraße 29
Hamburg	Neue Große Bergstraße 12
Hamburg	Osterstraße 120
Hamburg	Ottenser Hauptstraße 3
Hamburg	Sachsentor 21
Hamburg	Sand 35
Hamburg	Schweriner Straße 7
Hamburg	Tibarg 19
Hamburg	Waitzstraße 12
Hamburg	Wandsbeker Marktstraße 57
Hamburg	Weiße Rose 10

Hesse

Bad Hersfeld	Klausstraße 6
Bad Homburg	Louisenstraße 87
Bensheim	Hauptstraße 20-26
Darmstadt	Elisabethenstraße 10
Darmstadt	Ludwigsplatz 1a
Frankfurt/Main	Berger Straße 171
Frankfurt/Main	Königsteiner Straße 1
Frankfurt/Main	Leipziger Straße 2
Frankfurt/Main	Roßmarkt 15
Fulda	Marktstraße 20
Gießen	Seltersweg 61
Hanau	Nürnberger Straße 23
Herborn	Hauptstraße 60
Kassel	Obere Königstraße 37 A
Limburg	Werner-Senger-Straße 2
Marburg	Markt 13
Neu-Isenburg	Hermesstraße 4
Oberursel	Vorstadt 11 a
Offenbach	Frankfurter Straße 34/36
Rüsselsheim	Bahnhofstraße 22
Wetzlar	Bahnhofstraße 8
Wiesbaden	Langgasse 3

Mecklenburg-Western Pomerania

Greifswald	Lange Straße 94
Güstrow	Pferdemarkt 16
Neubrandenburg	Turmstraße 17-19
Neubrandenburg	Marktplatz 2
Neustrelitz	Strelitzer Straße 10
Parchim	Blutstraße 17
Rostock	Kröpeliner Straße 58
Rostock	Warnowallee 31 b
Schwerin	Marienplatz 5-6
Schwerin	Mecklenburgstraße 22
Stralsund	Ossenreyer Straße 31
Wismar	Hinter dem Rathaus 19

Lower Saxony

Achim	Bremer Straße 1
Aurich	Am Marktplatz 28
Barsinghausen	Marktstraße 8
Brake	Am Ahrenshof 2
Brunswick	Casparistraße 5/6
Brunswick	Platz am Ritterbrunnen 1
Buchholz	Breite Straße 15
Buxtehude	Lange Straße 22
Celle	Zöllnerstraße 34
Cloppenburg	Mühlenstraße 13
Cuxhaven	Nordersteinstraße 8
Delmenhorst	Lange Straße 35
Diepholz	Lange Straße 43
Emden	Neutorstraße 20
Esens	Herdestraße 2
Gifhorn	Steinweg 67
Goslar	Fischemäker Straße 15
Göttingen	Weender Straße 51
Hameln	Bäckerstraße 20
Hanover	Blumenauerstraße 1-7
Hanover	Engelbosteler Damm 66
Hanover	Lister Meile 72
Hanover	Marienstraße 2
Helmstedt	Neumärker Straße 1a - 3
Hildesheim	Bahnhofsallee 2
Jever	Kaakstraße 1
Laatzen	Leine-Center
Leer	Mühlenstraße 75
Lingen	Am Markt 9-10
Lohne	Deichstraße 4
Lüneburg	Große Bäckerstraße 2-4
Meppen	Am Markt 27
Nienburg	Georgstraße 8
Norden	Neuer Weg 113
Nordenham	Friedrich-Ebert-Straße 7
Nordhorn	Hauptstraße 40
Northeim	Breite Straße 55
Oldenburg/ Oldenburg	Heiligengeiststraße 11
Osnabrück	Große Straße 3
Osterholz-Scharmbeck	Kirchenstraße 19/19A
Papenburg	Hauptkanal Links 32
Peine	Breite Straße 25
Rotenburg/ Wümme	Große Straße 4
Salzgitter	In den Blumentriften 1
Seevetal	Glüsinger Straße 20
Stade	Holzstraße 10
Uelzen	Veerßer Straße 16
Varel	Hindenburgstraße 4
Vechta	Große Straße 62
Verden	Große Straße 54
Walsrode	Moorstraße 66
Westerstede	Lange Straße 2
Wilhelmshaven	Marktstraße 56
Winsen	Rathausstraße 5
Wittmund	Norderstraße 19
Wolfenbüttel	Lange Herzogstraße 2
Wolfsburg	Porschestraße 39
Wunstorf	Lange Straße 40

North Rhine-Westphalia

Aix-la-Chapelle	Adalbertstraße 94
Aix-la-Chapelle	Peterstraße 20-24
Ahaus	Markt 26
Ahlen	Oststraße 51
Arnsberg-Neheim	Hauptstraße 33
Bad Oeynhausen	Mindener Straße 22
Bad Salzuflen	Lange Straße 45
Beckum	Nordstraße 20
Bergheim	Hauptstraße 35
Bergisch Gladbach	Hauptstraße 142
Bielefeld	Oberntorwall 25
Bielefeld	Potsdamer Straße 9
Bielefeld-Brackwede	Hauptstraße 78
Bocholt	Osterstraße 35
Bochum	Kortumstraße 93
Bochum	Oststraße 36
Bonn	Kölnstraße 433
Bonn	Markt 34
Bonn	Theaterplatz 6
Bottrop	Hochstraße 37+39
Brühl	Markt 3–5
Bünde	Eschstraße 17
Calw	Lederstraße 36
Castrop-Rauxel	Münsterstraße 4
Coesfeld	Letter Straße 3
Cologne	Barbarossaplatz 4
Cologne	Frankfurter Straße 34 A
Cologne	Kalker Hauptstraße 55
Cologne	Mailänder Passage 1
Cologne	Neusser Straße 3
Cologne	Neusser Straße 215
Cologne	Rhein-Center
	Aachener Straße 1253
Cologne	Venloer Straße 369
Datteln	Castroper Straße 24
Detmold	Lange Straße 12
Dinslaken	Neustraße 44
Dormagen	Kölner Straße 107
Dorsten	Lippestraße 35
Dortmund	Westenhellweg 67
Duisburg	Königstraße 50
Duisburg	Laaker Straße 4
Duisburg	Jägerstraße 72
Dülmen	Marktstraße 3
Düren	Wirteltorplatz 6
Düsseldorf	Friedrichstraße 31
Düsseldorf	Hauptstraße 7
Düsseldorf	Schadowstraße 20-22
Düsseldorf	Luegallee 107
Düsseldorf	Nordstraße 45
Düsseldorf	Rethelstraße 147

Lüneburg, Große Bäckerstraße

Emsdetten	Kirchstraße 6
Eschweiler	Grabenstraße 70
Essen	Hansastraße 34
Essen	Limbecker Straße 74
Essen	Rüttenscheider Straße 82
Euskirchen	Neustraße 41
Frechen	Hauptstraße 102
Geldern	Issumer Straße 23-25
Gelsenkirchen	Bahnhofstraße15
Gelsenkirchen	Hochstraße 5
Gladbeck	Hochstraße 36
Goch	Voßstraße 20
Greven	Königstraße 2
Grevenbroich	Kölner Straße 4/6
Gronau	Neustraße 17
Gummersbach	Kaiserstraße 22
Gütersloh	Berliner Straße 16

Hagen	Elberfelder Straße 46
Haltern am See	Rekumer Straße 9
Hamm	Weststraße 48
Hattingen	Heggerstraße 51
Heinsberg	Hochstraße 129
Herford	Baeckerstraße 13/15
Herne	Bahnhofsstraße 58
Herne	Hauptstraße 235
Herten	Ewaldstraße 12
Hilden	Mittelstraße 49-51
Höxter	Marktstraße 27
Ibbenbüren	Große Straße 14
Iserlohn	Wermingser Straße 19
Kamen	Weststraße 74
Kleve	Große Straße 90
Krefeld	Hochstraße 65
Langenfeld	Marktplatz 1
Lemgo	Mittelstraße 76
Lengerich	Schulstraße 64 A
Leverkusen	Wiesdorfer Platz 15
Lippstadt	Lange Straße 48
Lübbecke	Lange Straße 26
Lüdenscheid	Ecke Wilhelmstraße Altenaer Straße
Lünen	Münsterstraße 35
Menden	Hochstraße 20
Meschede	Kaiser-Otto-Platz 5
Minden	Bäckerstraße 24
Moers	Homberger Straße 27
Mönchengladbach	Bismarckstraße 39-41
Mönchengladbach	Hindenburgstraße 122
Mönchengladbach	Marktstraße 27
Mülheim	Hans-Böckler-Platz 8
Münster	Bodelschwinghstraße 15
Münster	Klosterstraße 53
Münster	Rothenburg 43/44
Neuss	Krefelder Straße 57
Oberhausen	Marktstraße 94
Oberhausen-Sterkrade	Bahnhofsstraße 40
Oer-Erkenschwick	Ludwigstraße 15
Olsberg	Am Markt 1
Paderborn	Westernstraße 38
Ratingen	Oberstraße 34
Recklinghausen	Breite Straße 20
Remscheid	Allee-Center Remscheid
Rheinbach	Vor dem Dreeser Tor 15
Rheine	Emsstraße 27
Siegen	Am Bahnhof 40 City-Galerie Siegen
Siegen	Kölner Straße 52
Soest	Brüderstraße 38
Solingen	Hauptstraße 50
Solingen	Ohliger Tor 3
Troisdorf	Pfarrer-Kenntemich-Platz 7
Unna	Schäferstraße 3-5
Velbert	Friedrichstraße 149
Viersen	Hauptstraße 28
Waltrop	Bahnhofstraße 7
Wesel	Hohe Straße 34
Witten	Bahnhofstraße 48
Witten	Beethovenstraße 23
Wuppertal	Alte Freiheit 9
Wuppertal	Werth 8
Wuppertal	Willy-Brandt-Platz 1
Würselen	Kaiserstraße 76

Rhineland-Palatinate

Andernach	Markt 17
Bad Kreuznach	Mannheimer Straße 153-155
Bad Neuenahr-Ahrweiler	Poststraße 12
Bingen	Speisemarkt 9
Bitburg	Hauptstraße 33
Frankenthal	Speyerer Straße 1-3
Haßloch	Rathausplatz 4
Idar-Oberstein	Hauptstraße 393
Kaiserslautern	Fackelstraße 19-21
Koblenz	Hohenfelder Straße 22
Landau	Kronstraße 37
Ludwigshafen	Bismarckstraße 68
Mainz	Stadthausstraße 2
Mayen	Neustraße 2
Neustadt an der Weinstraße	Hauptstraße 31
Neuwied	Mittelstraße 18
Pirmasens	Hauptstraße 39
Speyer	Maximilianstraße 31
Trier	Fleischstraße 26
Wittlich	Burgstraße 13/15
Worms	Wilhelm-Leuschner-Straße 8
Zweibrücken	Hauptstraße 59

Saarland

Homburg	Eisenbahnstraße 31
Neunkirchen	Saarpark-Center/ Stummstraße 2
Saarbrücken	Bahnhofstraße 54
Saarlouis	Französische Straße 8
Völklingen	Rathausstraße 17

Saxony

Annaberg-Buchholz	Buchholzer Straße 15A
Aue	Wettiner Straße 2
Auerbach	Nicolaistraße 15
Bautzen	Steinstraße 19
Chemnitz	Markt 5
Chemnitz	Wladimir-Sagorski-Straße 22
Döbeln	Breite Straße 17
Dresden	Bautzner Straße 27
Dresden	Webergasse 1
Freiberg	Erbische Straße 11
Freital	Dresdner Straße 93
Görlitz	Berliner Straße 18
Görlitz	Berliner Straße 61
Hoyerswerda	D.-Bonhoeffer Straße 6
Leipzig	Ludwigsburger Straße 9
Leipzig	Markt 17
Leipzig	Paunsdorfer Allee 1
Meißen	Kleinmarkt 2
Pirna	Schmiedestraße 32
Plauen	Postplatz 3
Reichenbach	Zwickauer Straße 14
Riesa	Hauptstraße 48
Weißwasser	Muskauer Straße 74
Zittau	Innere Weberstraße 9
Zwickau	Hauptstraße 35/37

Bad Segeberg, Kurhausstraße

Saxony-Anhalt

Aschersleben	Taubenstraße 3
Bernburg	Lindenstraße 20E
Bitterfeld	Markt 9
Burg	Schartauer Straße 3
Dessau	Poststraße 6
Dessau	Kavalierstraße 49
Halberstadt	Breiter Weg 26
Halle	Leipziger Straße 21
Halle	Neustädter Passage 16
Köthen	Schalaunische Straße 38
Lutherstadt Eisleben	Markt 54
Lutherstadt Wittenberg	Collegienstraße 6
Magdeburg	Breiter Weg 178/179
Magdeburg	Halberstädter Straße 100
Merseburg	Gotthardstraße 27
Naumburg	Markt 15
Quedlinburg	Steinbrücke 18
Salzwedel	Burgstraße 57
Sangerhausen	Goepenstraße 18
Schönebeck	Salzer Straße 8
Stendal	Breite Straße 6
Weißenfels	Jüdenstraße 17
Wernigerode	Breite Straße 14
Zeitz	Roßmarkt 9

Schleswig-Holstein

Ahrensburg	Rondeel 8
Bad Oldesloe	Mühlenstraße 8
Bad Segeberg	Kurhausstraße 5
Brunsbüttel	Koogstraße 67-71
Eckernförde	St. Nicolai Straße 23-25
Elmshorn	Königstraße 6
Eutin	Peterstraße 3
Flensburg	Holm 49/51
Glinde	Markt 10
Heide	Friedrichstraße 2
Husum	Markt 2
Itzehoe	Feldschmiede 34
Kiel	Holstenstraße 19
Kiel	Schönberger Straße 84
Lübeck	Breite Straße 45
Mölln	Hauptstraße 85
Neumünster	Großflecken 12
Norderstedt	Europaallee 4
Oldenburg/Holstein	Kuhtorstraße 14
Pinneberg	Fahltskamp 9
Plön	Lange Straße 7
Rendsburg	Torstraße 1 / Schlossplatz
Schleswig	Stadtweg 28
Wedel	Rosengarten 3
Westerland	Friedrichstraße 6

Thuringia

Altenburg	Sporenstraße 10
Arnstadt	Erfurter Straße 11
Eisenach	Karlstraße 11
Erfurt	Anger 27
Gera	Humboldtstraße 2a/Ecke Sorge
Gotha	Marktstraße 9
Greiz	Markt 11
Ilmenau	Straße des Friedens 8
Jena	Johannisstraße 16
Meiningen	Georgstraße 24
Mühlhausen	Steinweg 84
Nordhausen	Bahnhofstraße 12-13
Rudolstadt	Marktstraße 33
Sonneberg	Bahnhofstraße 54
Suhl	Steinweg 23
Weimar	Schillerstraße 17

St. Gallen, Multergasse

Switzerland by canton

Aargau

Aarau	Igelweid 1
Baden	Weite Gasse 27
Spreitenbach	Shopping Center
Zofingen	Vordere Hauptgasse 16

Basle City

Basle	Marktplatz 16

Berne

Berne	Waisenhausplatz 1
Biel	Nidaugasse 14
Burgdorf	Bahnhofstrasse 15
Langenthal	Marktgasse 17
Thun	Bälliz 48

Fribourg

Fribourg	Rue de Romont 14

Geneva

Geneva	Rue de la Croix d'Or 9

Graubünden

Chur	Quaderstrasse 11

Lucerne

Lucerne	Kapellgasse 28/30

Schaffhausen

Schaffhausen	Fronwagplatz 10

Solothurn

Olten	Hauptgasse 25
Solothurn	Gurzelngasse 7

St. Gallen

Buchs	Bahnhofstrasse 39
Rapperswil	Untere Bahnhofstrasse 11
St. Gallen	Multergasse 8
Wil	Obere Bahnhofstraße 50

Thurgau

Frauenfeld	Zürcherstrasse 173

Vaud

Lausanne	Rue du Pont 22

Zug

Zug	Bahnhofstrasse 32

Zurich

Winterthur	Marktgasse 74
Zurich	Bahnhofstrasse 83
Zurich	Schaffhauserstrasse 355

Austria by state

Carinthia

Klagenfurt	City-Arkaden, St.-Veiter-Ring 20
Villach	Hauptplatz 21

Lower Austria

Amstetten	Waidhofnerstraße 1 + 2
Baden	Pfarrgasse 1
Krems	Wiener Straße 96-102
St.-Pölten	Kremser Gasse 14
Wiener Neustadt	Herzog-Leopold-Straße 9

Upper Austria

Pasching bei Linz	Pluskaufstraße 7
Wels	Bäckergasse 18

Salzburg

Salzburg	Europastraße 1/Europark

Styria

Kapfenberg	Wiener Strasse 35 a
Seiersberg/Graz	Shopping City Seiersberg 5

Tyrol

Innsbruck	Maria-Theresien-Straße 6

Vorarlberg

Bregenz	Schulgasse 2a
Bürs	Zimbapark
Dornbirn	Messe 2

Vienna

Vösendorf	Shopping-Center-Süd
Vienna	Favoritenstraße 93/ Keplergasse 14
Vienna	Grinzinger Straße 112
Vienna	Landstraßer Hauptstraße 75-77
Vienna	Mariahilfer Straße 67
Vienna	Shopping-Center-Nord
Vienna	Thaliastraße 32
Vienna	Wagramer Straße 81/ Donauzentrum

Luxemburg

Esch sur Alzette	13, rue de l'Alzette 74
Luxemburg	9–11, Grand-Rue

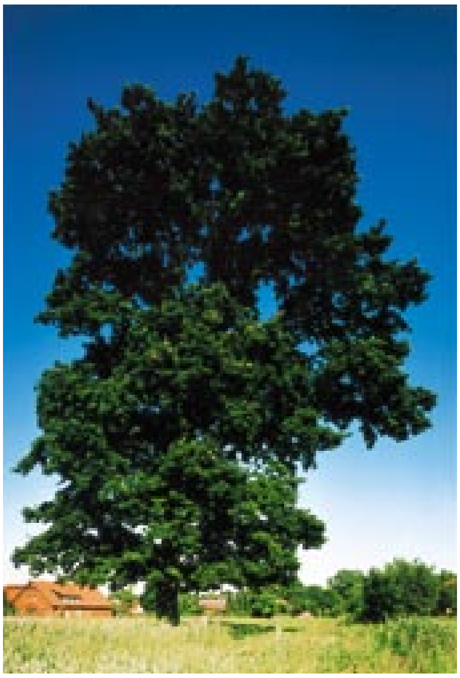
Netherlands

Emmen	Picassopassage
Enschede	Kalanderstraat 17
Nijmegen	Broerstraat 31

Poland

Chorzów	ul. Wolnośdci 30
Gdansk	Grunwaldzka 141
Krakau	Galaria Krakowska ul. Pawia 5
Łodz	Marszalka Józefa Pilsudzkiego 23
Łodz	ul. Piotrkowska 23
Poznań	ul. św. Marcin 69
Poznań	Galeria Pestka
Rumia	Grunwaldzka 108
Szczecin	Al. Wojska Polskiego 15
Wroclaw	Pl. Dominikański 3

Luxemburg, Grand-Rue



Fielmann plants a tree for every employee each year and is committed to protecting nature and the environment. To date, Fielmann has planted more than 900,000 trees and shrubs.

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