Annual Report 2006

Fielmann

Fielmann at a Glance

		2006 IFRS	2005 IFRS	2004 IFRS	2004 HGB	2003 HGB	2002 HGB
Sales	in € m						
External sales [1]	inc. VAT	913.4	843.0	763.9	763.9	1,010.2	806.9
Change	in %	+8.4	+10.4		–24.4	+25.2	+6.0
Consolidated sales	exc. VAT	792.9	733.1	668.3	642.0	814.5	657.1
Change	in %	+8.2	+9.7		–21.2	+24.0	+6.0
Quantities sold	glasses/ thousands	5,810	5,660	5,110	5,110	6,435	5,035
Change	in %	+2.7	+10.8		–20.6	+27.8	+1.1
Pre-tax profit	in € m	106.9	87.0	76.0	72.0	112.2	63.0
Change	in %	+22.9	+14.5		–35.8	+78.1	+13.5
Net income	in € m	71.8	57.8	48.4	44.3	70.1	45.0
Change	in %	+24.2	+19.3		–36.8	+55.8	+14.8
Cash flow	in € m	114.1	89.4	86.6	89.1	114.4	85.8
Change	in %	+27.6	+3.3		–22.1	+33.3	+10.0
Group equity ratio	in %	62.6	63.1	64.9	67.7	54.4	61.5
Investment	in € m	47.6	61.2	45.3	41.1	27.9	37.5
Change	in %	–22.2	+35.2		+47.3	–25.6	–14.6
Number of Branches		571	538	520	520	512	506
Employees	as at 31. 12.	11,160	10,470	9,776	9,776	10,348	9,900
of which trainees		1,715	1,502	1,484	1,484	1,701	1,820
Key data per share [2]							
Earnings [3]	in €	1.64	1.31	1.11	1.09	1.66	1.11
Cash flow [3]	in €	2.72	2.13	2.06	2.12	2.73	2.05
Dividend	in €	1.20	0.95	0.80	0.80	0.80	0.63

[1] Sales including VAT/work in progress, HGB: Sales including franchisers, VAT and work in progress
[2] Changed, because of share split
[3] IFRS 2004-2006: According to IAS 7; HGB 2002–2004: According to DVFA/SG

Glasses: Fielmann

Fielmann is synonymous with fashion glasses at a fair price. 90 per cent of the population knows Fielmann. We are the market leaders. 16 million people wear Fielmann glasses. In Germany, one in two glasses sold is from Fielmann. The company has firm roots 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. Fielmann has made health service glasses attractive, made them socially acceptable, removed the stigma of wearing them and democratised spectacle fashion.

Time and again, Fielmann has conquered the market with customer-oriented services, which did not exist before. Since the statutory subsidies were largely abolished, Fielmann has continued to write the history of health service glasses. Consumer-friendly services, an extensive selection of models at guaranteed reasonable prices, the best technical equipment and a high level of professional competence are the fundamental hallmarks of our success.

"You are the customer" is the guiding principle of our corporate philosophy. Absolute dedication to customer-orientation has brought us to the top. We see ourselves reflected in our customers. All members of our staff are united by their commitment to this principle.

Europe is growing closer together. Customer-orientation and our core competence are attributes which we shall also be carrying over to the adjacent markets.

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Dear shareholders and friends of the company,

Günther Fielmann

A review of financial year 2006 reveals a pleasing picture. In the reporting year, Fielmann improved its pre-tax result by 23 per cent to € 106.9 million, with the profit for the year up 24 per cent to € 71.8 million to generate a net return of around 9.1 per cent. The number of unit sales of glasses increased to 5.8 million. External sales revenue including VAT rose to € 913.4 million, with consolidated sales amounting to € 792.9 million.

Our branches in Switzerland and Austria also contributed to the good result. With 11 per cent of unit sales and 15 per cent of sales revenue, Fielmann generated 25 per cent of the result after tax in the neighbouring German-speaking countries and we are continuing to pursue our policy of expansion in bordering nations.

Fielmann has become the market leader under its slogan: "You are the customer". We consider customer-orientation to be not merely a means of increasing sales, but a fundamental sales principle. Fielmann employees identify with their customers and serve them in the manner in which they themselves would like to be served: with fairness, courtesy, friendliness and competence. Fielmann employees are not under any pressure to talk consumers into buying expensive glasses. At Fielmann staff have the satisfaction of being able to tailor the best possible solution to suit the needs of each individual customer, irrespective of price.

One of the key reasons for our success is the high level of qualification of our employees. Fielmann admits itself to the elite.

The company offers more training places than anyone else in the optical industry and as such, upholds the traditions of training in German craftsmanship, carried out with customary German precision and thoroughness, including 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 the 2006 practical performance competitions of the German optical industry, Fielmann staff accounted for 86 per cent of all state winners and 48 per cent of all Chamber of Commerce winners.

As the industry's major trainer, Fielmann assumes responsibility for the entire optical sector and in line with this, the non-profit Fielmann Academy at Schloss Plön is also open to external opticians.

In recent years, the industry has undergone a fundamental structural change. Large-scale units employing far in excess of 50 staff have sprung up and now offer state of the art equipment in refractive technology, contact lens fitting, their own workshops and advisory services. Traditional training models no longer provide an adequate response to these demands. The non-profit Fielmann Academy at Schloss Plön offers the right level of training to qualify the next generation of managers for the industry in Europe. The Fielmann Academy at Schloss Plön also runs a Bachelor degree course in Optology/Optometry.

With 5 per cent of all opticians' shops (Fielmann: 500 branches; the sector total: 10,100 shops), the Fielmann market share of sales revenue is 21 per cent and its market share of unit sales is 48 per cent in Germany.*

*see chapter: industry data

The fact that the market share in terms of unit sales is more than twice that of sales revenue is evidence of our reasonable prices. If the market share of sales revenue were equal to the market share of units sold, Fielmann would be selling its glasses at the average price for the industry.

At difficult times, consumers buy from companies where they are sure to obtain high quality at a guaranteed reasonable price: out of all the opticians, this means Fielmann.

The glasses for free insurance offered by Fielmann and HanseMerkur is also making a sustained contribution to the success achieved. More than two million customers have chosen this consumer-friendly option since its introduction in October 2004.

Under the glasses for free insurance scheme, an annual premium of just € 10 entitles the insured party to a pair of the latest fashion glasses from the scheme's range of metal or plastic frames with Zeiss lenses at no cost and than again every two years, as well as to replacement free of charge in the event of breakage, damage or a change in prescription. The premium for varifocal lenses is € 50 per year.

If customers opt for a model for which they need to pay, they receive a € 15 voucher towards the purchase price of single vision lenses and € 70 on varifocal lenses. In the event of damage, a 70 per cent credit is awarded against the purchase price of the insured frames.

Insured parties can select from 70 different models in the glasses for free range of metal or plastic frames in more than 500 variations, including stainless steel models. Conventional competitors usually charge between € 60 and € 120 for frames made of this extremely durable material.

In the light of the pleasing financial results for 2006 and the positive business development, the Supervisory and Management Boards are recommending payment of a dividend of € 1.20 to the Annual Shareholders' Meeting, representing an increase of 26 per cent on the previous year.

Fielmann shares again proved a stable investment in stock exchange year 2006, convincing both buyers of spectacles and investors in the company of their value to equal degree. Investors in Germany and abroad know and trust us. At year-end 2006, the share price was around € 48.82, which represents growth of 71 per cent in the year under review.

Fielmann expansion has continued, with our customary good judgment. 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 with populations ranging from 60,000 to 100,000. Our target is to operate a branch throughout Germany for every 100,000 inhabitants, and to achieve a market share of at least 50 per cent of unit sales in all regional markets. Consequently, we shall be opening a further 200 branches in the medium term, 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, as well as in the area around Berlin.

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 profit amounting to € 110 million.

In Switzerland, we are planning 40 branches, unit sales of 400,000, sales revenue totalling € 120 million to generate profit of € 24 million. In Austria, we are anticipating 40 branches, unit sales of 450,000, € 85 million in sales revenue and profit of € 9 million. We shall be launching operations in Luxembourg in 2007 with a supercenter and one other branch.

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. Contact lenses and sunglasses are other segments which also offer additional potential.

For 2007, Fielmann is planning to expand its unit sales, sales revenue and profit. The first months of the new financial year have already confirmed our positive expectations. We are planning to open 35 new branches during the year as a whole and intend to create more than 400 new jobs.

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 and shareholders for their loyalty to the company.

Günther Fielmann


Günther Fielmann


Günter Schmid


Georg Alexander Zeiss


Dr. Stefan Thies

Management Board	Günther Fielmann	Chairman, Sales Distribution/Marketing
	Günter Schmid	Materials Management/Production
	Georg Alexander Zeiss	Finance/Property
	Dr. Stefan Thies	IT/Controlling, since 20. 4. 2007
	Dr. Emmanuel Siregar	Human Resources, 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	Chairman of A. W. Faber-Castell Aktiengesellschaft, Stein/Nuremberg
	Prof. Dr. Ing. Jobst Herrmann	Diploma-Engineer, Aalen
	Helmut Nanz	Managing Partner of the Nanz Group, Stuttgart
	Hans Joachim Oltersdorf	Managing Partner of MPA Pharma GmbH, Rellingen
	Prof. Dr. Hans-Joachim Priester	Notary, Hamburg
Employee representatives	Uwe Martens	Union Secretary of ver.di, Hamburg, Deputy Chairman of the Supervisory Board
	Petra Bruning-Diekhöner	Sales Trainer at Fielmann Aus- und Weiterbildungs GmbH, Bielefeld
	Holger Glawe	Union Secretary of ver.di, Hamburg
	Johannes Haerkötter	Manager at Fielmann AG & Co. Berlin-Zehlendorf, Berlin
	Karin Höft	Employee of Fielmann Aktiengesellschaft, Hamburg
	Sabine Thielemann	Fine Optician at Fielmann AG & Co., Naumburg

Report of the Supervisory Board

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

In financial year 2006, 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 2007 and the medium-term planning until 2009 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 competitive environment, skill enhancement for employees, trainee education at Plön Castle, expansion abroad, purchasing in the Far East, the Group's image, the results of surveys by market research companies as well as the systematic enforcement of claims against health insurance companies through the courts. The Supervisory Board also routinely dealt with the declaration of compliance in accordance with the German Corporate Governance Code and the effects resulting from the conversion of the Transparency Directive Implementation Act into national law. 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 in the reporting year.

The annual accounts of Fielmann AG, the consolidated accounts for financial year 2006 and the Management Report for Fielmann AG and the Group were audited by Susat & Partner, Hamburg, and passed without qualification. These documents, including the Management Board's proposed allocation of profits, which were duly submitted to each member of the Supervisory Board, were discussed in detail in the accounts meeting of the Supervisory Board on 19 April 2007 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, and seconds the Management Board's proposed allocation of profits.

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 2007

Professor Dr Mark K. Binz
Chairman of the Supervisory Board

Glasses: Fielmann

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

Fielmann has not become the market leader by chance. Stringent customer-orientation has brought us to the top.

Fielmann's entry onto the market around three decades ago marked the beginning of a revolution. Before Fielmann, to a large extent, German opticians operated in a protected market environment dominated by cartel-like structures. The traditional health care workers were largely governed by industry standards, rather than market conditions. They sold similar glasses at virtually uniform prices for the region. There was practically no competition of any note at all. The only competitive element related to location and cultivating personal customer contacts was the general rule. Those that were more adept at dealing with customers consequently grew somewhat bigger than the rest.

Before Fielmann, the optician determined the choice in advance. Opticians kept their glasses in drawers and boxes and decided which spectacles those with poor sight would be given. The six health service frames for adults and two for children were timelessly ugly, mainly because they were paid for by the health insurances. 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.

Stigmatising people by their glasses was a source of anger to Fielmann from the outset. Fielmann knew the industry, the manufacturers, the prices and the profit margins. Fielmann recognised that by selling large numbers, it could pursue the idea of offering customers more attractive fashion products at a reasonable price.

The special agreement signed with the AOK Esens health insurance was pioneering. The eight ugly health service frames were replaced by Fielmann with 90 fashionable, high quality metal and plastic frames in a range of 640 models available at no extra cost. And so the single frame available under health insurance contracts was superseded by a varied fashionable collection.

Fielmann has not only removed the stigma of the health service spectacles, but given glasses social acceptance and that is the historic achievement of Fielmann.

With the consumer in mind, Fielmann has introduced consumer-friendly services to the industry, which had not existed before. Free fashion glasses, for example, or putting a selection of thousands of frames on show, or the three year guarantee on all corrective glasses, the money-back guarantee or the glasses for free insurance introduced in 2004.

Fielmann has brought price competition into the optical industry. We pledge our good name and the money-back guarantee, the unalienable right of every customer, as a testament to our reasonable prices. This is the cornerstone of our marketing principle. If Fielmann customers see a product they have bought at a cheaper price elsewhere during a period as long as 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 one euro too much.

Fielmann offers a three year guarantee on all glasses, including children's.

Customers are buying proven quality from Fielmann. All the frames in the Fielmann collection have undergone successful functional product testing in our laboratories according to EN ISO 12870, are corrosion-proof, non-fading, do not release nickel and they are completely compliant with the product functionality decree.

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 ongoing basic care at a high level.

The glasses for free insurance offered by Fielmann and HanseMerkur for those with deficient vision provides a considerably favourable alternative to the previous service supplied with the statutory health insurances. Already, more than two 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 500 variations of 70 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.

Anyone 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.

Fielmann has democratised spectacle fashion through reasonable price. Today, anyone can afford fashionable glasses. Fielmann is able to sell at favourable prices, because we sell more glasses than some nations together, because we ourselves are producers and we buy in huge quantities direct from suppliers of well-known brands. And we pass on to our customers the purchasing advantage we gain from cutting out wholesalers. This also applies to improvements in productivity. Fielmann charges low prices for the many and not very high prices for the few.

Fielmann accepts all complaints, irrespective of the reason. If customers are not satisfied, they can return the glasses made for them for as long as six weeks after the purchase without giving the reason. Fielmann will take back the glasses and refund the price paid. We regard complaints as an opportunity to improve our advisory services and performance. Only satisfied customers will recommend Fielmann.

Only Fielmann is Fielmann. Our branches are bigger than the average shop of our conventional competitors, they are in the best locations and display the complete optical universe, as well as having the best quality equipment on the sales floor, in the eyesight testing areas and in the workshops.

Our philosophy is a convincing one. Some 16 million people are already wearing

Fielmann glasses. In Germany, one in two glasses sold are from Fielmann, and 90 per cent of the population know us. The key to our success are competent and dedicated staff, who make the consumer-oriented philosophy of our company a daily reality. Customers always recognize honesty and sincerity.

Fielmann stands for success in the longer term. This is why we are not aiming for a quick profit. None of our staff are under pressure to talk their customers into buying expensive glasses. Their task is to find the best possible solution for every customer.

Fielmann is the major employer and trainer in the optical industry, training more than 1,700 apprentices. With a 5 per cent share of professional opticians in Germany, Fielmann accounts for 28 per cent of all trainees in the industry. One in four trainees in the sector is trained by Fielmann.

Every year, Fielmann makes a double million figure investment in training and further training. We are upholding the German tradition of craftsmanship, which is carried out by Fielmann with German precision and thoroughness, even in our branches abroad.

Fielmann is the only trainer in the industry to not only introduce trainees into the optician's craft, but to incorporate the skills needed for our own frame production, galvanization, colour coatings and surface grinding into the company training courses. Fielmann trainees are at home at every level of the optical industry, throughout both craft and industry. Our customers are the beneficiaries of this specialist knowledge.

Our staff undergo continuous training, tests and certifications. We appoint management from our own ranks wherever possible.

The excellence of our training is confirmed every year by the national awards we win for its high quality. Fielmann staff are award winners at national, state and Chamber of Commerce levels.

We make the highest demands of our management in terms of customer-orientation, staff and operational management, personnel and organizational development. Fielmann admits itself to the elite.

We can only expand our market leadership if all our staff are the best they can be in their area. We set young people clear targets and offer them convincing values. Developing our human resources represents an investment in the future. We cannot grow without qualified employees.

In the middle area of the market, Fielmann branches achieve five times the sales revenue of the average optician and at the top end, ten to fifty times the sales revenue.

Our European flagship in the Bahnhofstraße, Zurich, records annual sales totalling € 16 million. Suitable management for branches of this size cannot be found in the optical, or any other industry, so we have to train our own managers.

This is the task of the non-profit Fielmann Academy at Schloss Plön. It trains the next generation of professional opticians.

Fielmann assumes the responsibility for training throughout the whole of the optical sector. The Plön training facility is also open to outside opticians.

Increasingly, opticians are taking over the job of determining the lens prescriptions. Optometrists are specially trained professionals for this. In the English-speaking world, professional opticians cannot operate without optometrists. In the rest of Europe as well, the profession of optician is undergoing sweep-

Fielmann Academy at Plön Castle

ing changes and moving in the direction of complementary bio-medicine.

Since the 2005/2006 winter semester, Plön offers a course in optology/optometry from which candidates graduate with a diploma in optology/optometry and a Bachelor of Science degree which is recognised throughout Europe.

Each year, the Fielmann Academy will train more than 6,000 opticians on 45,000 course days with 24 lectures.

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 producer, 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 Japan and China 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 the major brand names. To 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 virtually the cost price paid by traditional opticians. We are content with a 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.

In Germany, with the exception of Fielmann, Rodenstock and Zeiss, in unassisted recall surveys, spectacle brands have emerged with a recognition factor lower than 10 per cent. And yet opticians often accept paying several hundred per cent more for reasonably produced frames, whose brand names their customers have never even heard of. The additional price is paid by the consumer.

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 of frames and the composition of lens coatings is 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 cheaper metal frames, we opt for a more expensive material like Monel for bridges and middle sections or the springier elastic bronze for shanks. High quality frames made of stainless steel are even supplied to customers by Fielmann 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.

Fielmann is continuing to pursue its policy of expansion. As ever, Germany still offers us the greatest potential. We have come from practically nowhere to achieve market shares of between 40 and 50 per cent in medium sized towns with populations of around 60,000 to 100,000. Our customers are not one-time buyers and more than 90 per cent of them remain loyal to us. Our aim is to operate a branch per 100,000 inhabitants throughout Germany and to attain a market share of at least 50 per cent of sales in all the regional markets. We shall be opening a further 200 branches, the majority of which will be in the South, with its reliably good future prospects and the others in regions with a high level of immigration, as well as in the area around Berlin.

We shall be opening another supercenter in Cologne's Schildergasse, one of the busiest shopping streets in Germany. We shall be launching our operations in Luxembourg with a supercenter and one other branch.

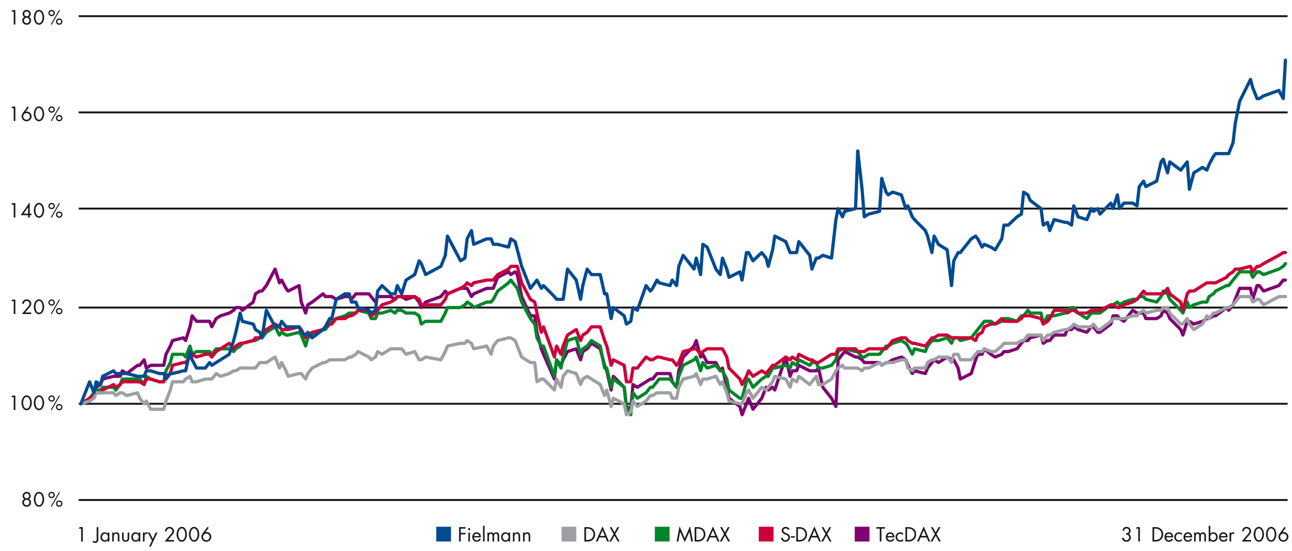
In the medium term, Fielmann aims to operate 700 branches in Germany, selling 6.5 million pairs of glasses to generate sales revenue amounting to € 1.1 billion and achieving pre-tax profit of € 110 million.

In the German-speaking world, Germany, Switzerland and Austria, our medium-term target is sales of 7.4 million units, sales revenue of € 1.3 billion and a pre-tax profit of € 143 million.

Share: Fielmann

Investors enjoyed fluctuating fortunes in 2006. The German Share Index (DAX) slumped significantly in spring, falling to around 5,300 points, but recovered in the second half and closed the year on 6,596, which is an increase of 22 per cent. Sales on all exchanges rose by almost a third compared with the previous year. Year on year, the TecDAX rose by 25 per cent to 748, while the MDAX was up 29 per cent to 9,404. However, the SDAX recorded the highest growth with a value increase of 31 per cent to 5,567 in twelve months.

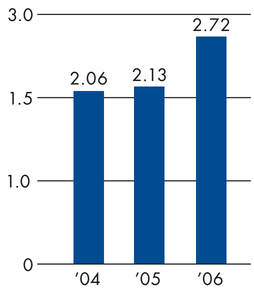
Comparison of Fielmann share price performance, DAX, MDAX, SDAX and TecDAX



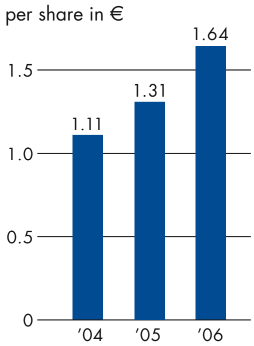
The Fielmann share

In 2006, Fielmann shares again proved to be a stable investment. 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 the record high of € 48.82, representing a capital gain of 71 per cent. As a result, Fielmann shares significantly outperformed the most important indices. At the year-end, market capitalisation stood at around € 2 billion. The share split, which was implemented in a ratio of 1:2 with effect from 9 August 2006, has further increased the attractions of the share.

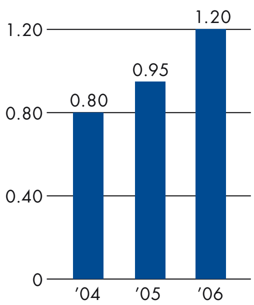
Cash flow
per share in €



Earnings
per share in €



Dividend
per share in €



Figures for Fielmann shares[1]		2006	2005
Share volume	in million pcs	42	21
Highest price[2]	€	48.82	31.90
Lowest price[2]	€	29.23	25.50
Value end of year[2]	€	48.82	28.55
Price/earning ratio[2]		29.77	21.79
Price/cash flow ratio[2]		17.95	13.40
Sales of Fielmann shares	€ m	409.50	229.83
Dividend total	€ m	50.40	39.90

Figures per Fielmann share[1]		2006	2005
Net income for the year[2]	€	1.71	1.38
Earnings[2]	€	1.64	1.31
Cash flow[2]	€	2.72	2.13
Equity capital as per balance sheet[2]	€	9.14	8.49
Dividend per share[2]	€	1.20	0.95

[1] 1:2 share split with effect from 9 August 2006; [2] Previous year's figure adjusted in a ratio of 1:2

Change of index

The Fielmann share has been assigned to the SDAX since 18 December. The SDAX offers medium and small companies from traditional sectors an attractive platform from which to present themselves to investors. Fielmann ranks as one of the heavyweights in this segment. The performance of our share demonstrates that assignment to this index has been welcomed.

Dividend

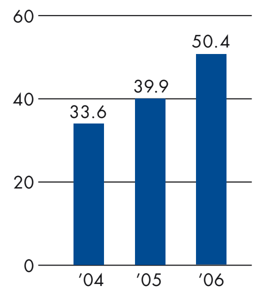
Fielmann Aktiengesellschaft has always pursued a shareholder-friendly dividend policy and will continue to do so in future. The company's strong balance sheet and its substantial cash flow allow us to increase the dividend for the year 2006 sharply. At the Annual General Meeting on 12 July 2007, the Management Board and Supervisory Board will propose a dividend of € 1.20 per share, which is an increase of 26.3 per cent, representinga total of € 50.4 million available for distribution.

Investor Relations

We place a very high value on our relationship with our investors in order to consolidate trust in the company and its successful strategy. The Management Board and the Investor Relations department maintain a regular open dialogue with shareholders, analysts, investors and the financial press. We view this as a basic precondition for demonstrating our potential for growth and generating long-term investor loyalty. We carry out company presentations at individual meetings and conferences at home and abroad. The Annual General Meeting provides an opportunity for us to engage in debate with our shareholders. In addition to the Annual Report, Fielmann publishes regular quarterly reports with details of current business development.

This intensive contact is also reflected in the large number of well-known banks and investment houses that regularly analyse the company.

Total for distribution
in € million



2007/2008 Financial Calendar

Quarterly report	26 April 2007
Annual General Meeting	12 July 2007
Dividend payment	13 July 2007
Interim report	30 August 2007
Analysts' conference	31 August 2007
Quarterly report	8 November 2007
Preliminary figures for 2007	February 2008
Quarterly report	April 2008
Annual General Meeting	10. July 2008
Bloomberg code	FIE
Reuters code	FIEG.DE
Securities identification number	DE0005772206

Further information:
Fielmann Aktiengesellschaft · Investor Relations · Weidestraße 118 a · D-22083 Hamburg
Telephone: +49 (0) 40-27076-442 · Fax: +49 (0) 40-27076-150
Internet: http://www.fielmann.com · E-Mail: investorrelations@fielmann.com
This annual report is also available in German.
The annual reports for Fielmann Aktiengesellschaft are available on request.

Key industry data

Market

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. To ascertain the total market volume, the ZVA takes into consideration the sales data communicated by lens manufacturers to Spectaris, and estimates sales relating to importers and manufacturers not communicating their data to the association. For its part, GfK provides the ZVA with data it has gathered on buying habits, unit sales and sales revenue.

Based on a new basis for calculation, the ZVA has computed the 2006 sales by the optical industry in Germany as 10.2 million units. For 2005, the Association used the traditional method to calculate total sales amounting to 9.1 million units.

According to the ZVA, the increase of 1 million units is attributable to an adjustment in the figures due to the more broadly-based Spectaris industrial association component, modified estimates of the sales data for companies not communicating their figures and a modified estimate of the sales figures relating to direct imports.

On the basis of the newly identified higher market level for 2006, the Fielmann market share of unit sales is 48 per cent being 4.9 million units sold in Germany. In 2005, the Fielmann market share according to the previous calculation of the Association was still running at 53 per cent, being 4.8 million pairs of glasses sold.

The calculations of the ZVA (National Association of German Opticians) produced total sales in the optical sector, including non-sector sales, of € 3.7 billion for financial year 2006. Non-sector sales comprise hearing aids, photographic equipment and services, watches, jewellery, spectacle cases and other retail goods.

(Source: Spectaris Industry Association, GfK, ZVA)

Sunglasses

Sunglasses offer professional opticians considerable growth potential. Every year, between 13 and 17 million pairs of sunglasses are sold in Germany. The weather is a significant factor. Four fifths of the sunglasses sold are sold over the counters of department stores, perfumeries, boutiques, sports' shops, retail markets and petrol stations.

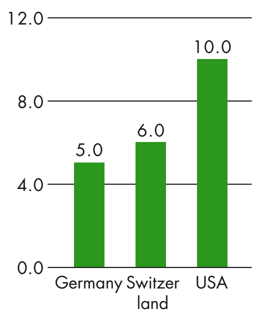
One in five pairs of sunglasses is sold by opticians. The trend is towards expensive glasses with guaranteed UV protection. This development is enhanced by the debate on the harmful effects of UV radiation. Increasing numbers of spectacle wearers are turning to their opticians for prescription sunglasses. 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.

(Source: Jobson Optical Report, Spectaris)

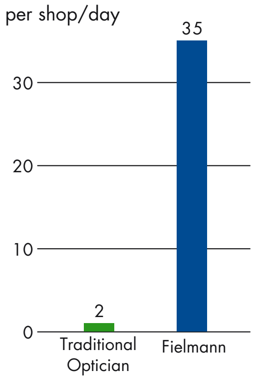
Contact lenses

Contact lenses are slowly establishing themselves in Germany. While in Germany, only 5 per cent of the population use contact lenses, the figure is 6 per cent in Switzerland and 10 per cent in the USA. 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.

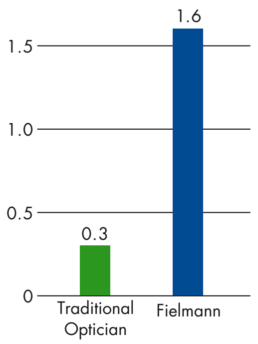
Contact lens wearers
in %



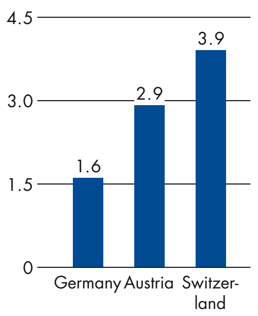
Productivity: Glasses sold
per shop/day



Average sales Germany
in € million per year/shop



Average sales
per Fielmann shop in € million



Sales revenue from contact lenses, accessories and lens care products amounted to around € 500 million in Germany in 2006. 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.

(Source: Allensbach, GfG, KGS, Spectaris)

A fragmented industry

In Germany, the optical industry is strongly fragmented. Whereas the traditional German optician sells fewer than 2 pairs of glasses a day, a Fielmann branch sells 35. Every year, the average optician sells fewer than 600 pairs of glasses, Fielmann sells an average of around 10,000 per branch per year. In 2006, Fielmann sold a total number of 4.9 million units in Germany.

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, € 2.9 million in Austria, and € 3.9 million in Switzerland.

(Source: ZVA sales outlet comparison, IfA)

Increase in the number of shops

The number of professional opticians' shops in Germany rose by 100 to 10,100 in Germany in 2006.

In Germany, chains account for 14 per cent of all outlets. Fielmann operates 500 opticians' shops, which is just under 5 per cent of the total number for the sector.

In bordering European countries, the level of branch cover is markedly higher than in Germany. In Austria, it is 20 per cent, and in the Netherlands, 34 per cent.

(Source: ZVA ,GfK ,Essilor, Jobson Optical Report)

Brands

Only three brands in the optical industry are known by name in Germany: in assisted recall surveys, more than 90 per cent of the population know Fielmann, 74 per cent can recall Rodenstock, and 66 per cent know the Zeiss name. (Source: Emnid)

A profession undergoing change

By their own understanding, opticians see themselves as members of the health care profession, helping those with poor sight. In Germany, opticians are permitted to determine prescriptions and fit contact lenses. They advise customers on their choice of frames and lenses. As health care workers, opticians are more than mere retailers. They manufacture individual glasses in their workshops from bought in frames and lens discs. More than half the owner-managed shops are members of a purchasing or promotional cooperative.

Unlike most European countries, in Germany every optician approved by the health insurances must be managed by a master optician. As craftspeople, German opticians are organised in guilds. Fielmann is also a member of a guild.

(Source: ZVA, GfK, Essilor, Jobson Optical Report)

One in two people wear glasses

In Germany, one in two members of the population wears glasses. This means 64 per cent or 40.4 million adult inhabitants (aged 16+). Fifty years ago, the figure was 43 per cent. More than 75 per cent of all

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.

(Source: Allensbach Advertisers' Analysis 2005, Emnid, German Dept. of Statistics)

Lenses

In around a fourth of lenses, the basic material is mineral-based. Up to three-fourths of 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.

(Source: 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. Varifocals are not recognisably different from single vision lenses to the beholder. However, increased convenience has its price. On average, the complex surface geometry of varifocals makes them four times as expensive as single 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 the average glasses wearers, value the reasonable prices offered by the company and tend to remain loyal to Fielmann with advancing age. Consequently, even without gaining new customers, the varifocal share of Fielmann sales is likely to rise by more than 50 per cent in the next five years.

Glasses: fashion accessories

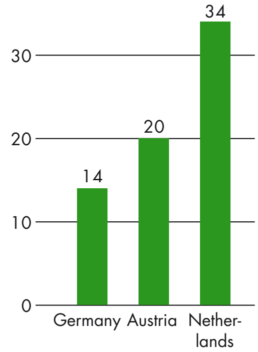
The average German spectacle-wearer buys a pair of glasses every four years, and Fielmann customers do so every 3.3 years. Alongside altered prescriptions, wear and tear or loss, the most significant factors here are changing fashion trends.

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. Glasses and sunglasses are established in the media. Anyone glancing through today's fashion magazines will find far more glasses pictured in their pages than years ago. The majority of the glasses shown are from Fielmann, who offer the media, photographers and stylists a free lending service.

(Source: Spectaris, Emnid)

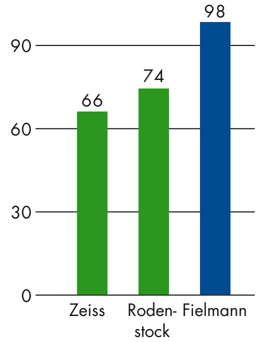
Percentage of chains

Numbers of branches in %



Brand awareness

prompted in %



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 and are followed without exception. We therefore welcome the recommendations and suggestions of the German Corporate Governance Code presented by the Government Commission and last updated in June 2006.

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 intends to remain directly involved in future. In addition to the annual balance sheet meeting of the Management Board and 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. The ballot will be executed 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. Their 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 Börsen-Zeitung on May 3, 2002 and 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 Börsen-Zeitung 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 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 components are based on the result from the Fielmann Group's ordinary activities. 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. At the Annual General Meeting, if requested, the Chairman of the Supervisory Board will report on the main features of the remuneration system and any changes to them. The amounts attributable to financial year 2006 are shown on an individualised basis in the notes to the Group accounts under note (28).

(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 2007

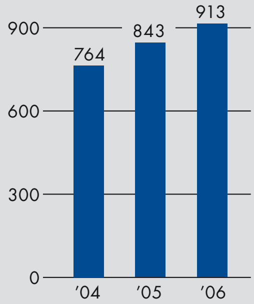
On behalf of the Management Board
Signed:
Günther Fielmann
On behalf of the Supervisory Board
Signed:
Professor Dr Mark K. Binz

Combined Management Report and Annual Report for the financial year 2006 Fielmann Group, Hamburg

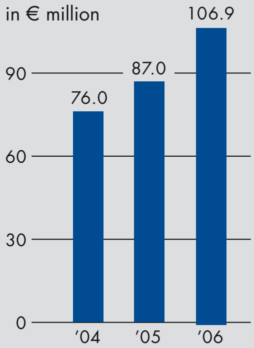
Contents

Combined Management Report for the Group and Aktiengesellschaft for the financial year 2006

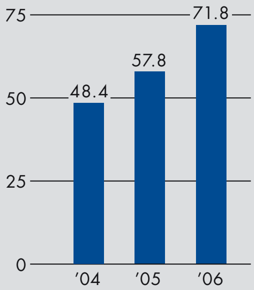
External sales for the group
in € million



Pre-tax profit
in € million



Net income
in € million



Fielmann

Financial year 2006 was a success for Fielmann. Pre-tax profits rose by 22.9 per cent to € 106.9 million (previous year: € 87.0 million) while net income for the year increased by 24.2 per cent to € 71.8 million (previous year: € 57.8 million). Unit sales of spectacles increased to 5.8 million in the period under review (previous year: 5.7 million). External sales (total sales incl. VAT / changes to inventories) grew by 8.4 per cent to € 913.4 million (previous year: € 843.0 million) and consolidated sales by 8.2 per cent to € 792.9 million (previous year: € 733.1 million). Earnings per share stand at € 1.64 (previous year's figure following the share split: € 1.31), a rise of 25.2 per cent on the previous year. At the end of the year under review, Fielmann had 571 branches (previous year: 538 branches).

Earnings per share		2006	2005
Consolidated net income	€ m	71.8	57.8
Minority interests	€ m	2.7	2.7
Profit for the year	€ m	**69.1**	**55.1**
Number of shares*	pcs m	42.0	42.0
Earnings per share*	€	**1.64**	**1.31**

* Share split from 9 August 2006 (previous year has been adjusted accordingly)

General conditions

Europe

Gross domestic product in the euro zone increased by 2.6 per cent in real terms in 2006. Following rapid expansion in the first half, the growth rate slowed in the second half of the year.

Domestic demand provided significant impetus with private consumption rising 1.8 per cent. Economic research institutions are expecting the economy to grow at the same rate in 2007 as in the previous year.

Germany

The German economy grew in 2006. Gross domestic product rose by 2.7 per cent, which is the average growth rate among countries in the euro zone. In addition to demand from abroad, growth was attributable to investment demand and an increase in private consumption. Growth was promoted by the fact that people brought forward their purchases of durable consumer goods before the increase in VAT on 1 January 2007. The national deficit amounted to 1.7 percentage points, meaning that the Maastricht criteria were met.

On average, the unemployment rate stood at 10.8 percent during the year (4.5 million).

Switzerland

In 2006, the Swiss economy grew by 2.7 per cent, driven by exports and investment in machinery and equipment and an increase of 1.9 per cent in retail sales. On average, the annual unemployment rate stood at 4.0 per cent.

Austria

Economic growth remains stable in Austria. Driven by exports and demand for capital goods, gross domestic product grew by 3.1 per cent in 2006. During the reporting period, retail sales improved by 1.8 per cent. The unemployment rate in Austria stands at 6.8 per cent.

The optical industry

With 10,100 outlets, the optical sector in Germany sold 10.2 million pairs of glasses (+1.5 per cent) in 2006, achieving total sales of € 3.7 billion including non-sector sales (+8.5 per cent). The ZVA calculates the market volume every year in consultation with lens manufacturers, the Spectaris professional association and consumer research company, GfK.

Following changes to the calculation method, the ZVA has established that unit sales by the optical industry in Germany amounted to 10.2 million pairs in 2006. In 2005, the ZVA reported total unit sales of only 9.1 million based on the old calculations.

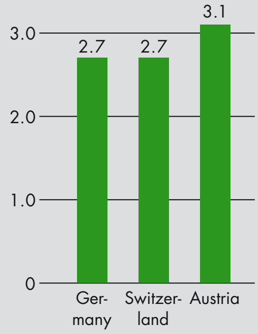
According to the ZVA, the increase of 1 million pairs in the market is based on a broader-based statistical mass for Spectaris, more comprehensive GfK data and adjustments to the estimate of direct imports by the ZVA.

Taking account of the newly established, larger market, Fielmann had a 48 per cent share of the unit sales market in 2006 with 4.9 million pairs of spectacles sold in Germany. If figures had been adjusted to the larger market in the previous year, Fielmann would have had a 48 per cent share of the unit sales market with 4.8 million pairs of spectacles sold instead of 53 per cent according to the previous calculation base. This presentation of 2005, which is comparable with 2006, is based on a reported (by the ZVA) increase in unit sales of 1.5 per cent. In the previous year, the industry's unit sales would have amounted to 10 million pairs of spectacles.

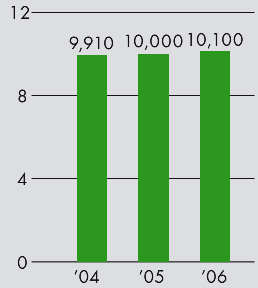
Unit sales in Switzerland stagnated at one million pairs, while sales revenue rose by around 3 per cent to € 0.5 billion. Switzerland has around 1,000 specialist opticians shops.

In Austria, following the structural reform in 2005, the optical industry's unit sales amounted to 1.3 million pairs of spectacles, which is an increase of 8 per cent. Sales of spectacles by the industry for the year 2006 amounted to € 0.4 billion (previous year: € 0.3 billion). There are 1,100 specialist opticians in Austria.

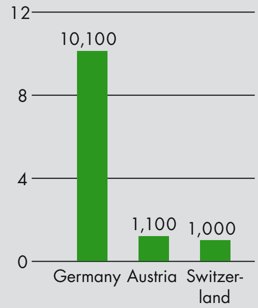
Growth rate GDP
in %



Specialist opticians shops in Germany

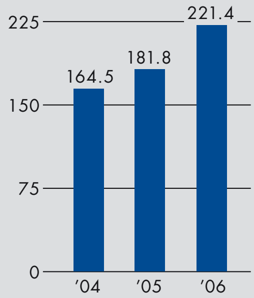


Specialist opticians shops 2006

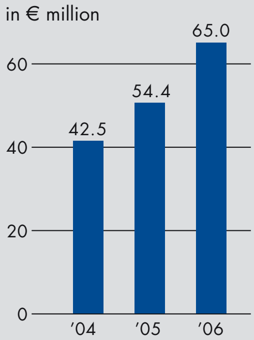


Demographic changes and an increasing awareness of health issues are leading to growth in demand for spectacles and contact lenses. As people age, virtually everybody needs spectacles, those with poor sight, who needed spectacles when they were young, need spectacles for reading and for long distances with advancing age. Instead of having two pairs, customers are increasingly opting for varifocals. In addition to varifocals, contact lenses, in particular, offer additional growth potential.

Sales Fielmann AG
in € million



Pre-tax profit Fielmann AG
in € million



Fielmann Group

Fielmann Aktiengesellschaft is the Group's parent company. It acts as wholesaler and service provider to the Group companies and third parties. Spectacle production and finishing are handled by Rathenower Optik GmbH.

Fielmann Aktiengesellschaft

The object of the company is the operation of and investment in opticians' shops and the production of and trade in all types of spectacles and other optical products.

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

The company's registered office is Weidestraße 118 a, Hamburg.

In financial year 2006, an average of 503 staff were employed at Fielmann Aktiengesellschaft, of whom 13 were trainees.

During the reporting period, sales rose by 21.8 per cent to € 221.4 million. Earnings before tax rose by 19.4 per cent to € 65.0 million, while the net profit for the year rose by 29.0 per cent to € 48.9 million.

Corporate management

The company is managed in accordance with segment reporting.

In addition to a division-based treatment, focused on the major unit sales markets Germany, Switzerland and Austria, corporate management is also divided into Wholesale/Service, Production/Logistics and Retail. The core figures for corporate management are 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.

Earnings

Consolidated results

In financial year 2006, earnings before tax rose by 22.9 per cent to € 106.9 million, while the profit for the year increased by 24.2 per cent to € 71.8 million.

The pre-tax return on consolidated sales amounted to 13.5 per cent and the net yield was 9.1 per cent.

The return on equity after tax stood at 21.5 per cent. Earnings before interest, tax and depreciation (EBITDA) improved to € 141.2 million (previous year € 116.3 million) and earnings per share rose to € 1.64 (previous year's figure following the share split € 1.31).

The result was achieved by 571 branches, of which 500 were in Germany, 27 in Switzerland, 24 in Austria and 20 in other countries.

Germany, Switzerland and Austria

In the period under review, Fielmann generated sales of € 681.3 million (+ 7.5 per cent /previous year € 633.5 million) in Germany. In 2006, unit sales stood at 4.9 million pairs of spectacles (previous year: 4.8 million pairs). With 5 per cent of all branches in the sector, Fielmann achieved a market share of 21 per cent of total sales including non-sector sales* and 48 per cent of overall unit sales in the market (for the calculation of market share, please refer to the information in the section entitled "Optical sector").

In Germany, Fielmann achieved an increase of 28.4 per cent in its pre-tax result to € 86.0 million. The pre-tax return on capital related to sales reached 12.6 per cent.

More than 2 million spectacle wearers have opted for the glasses for free insurance offered by Fielmann and HanseMerkur. In return for an annual premium of € 10, customers receive a highly fashionable pair of glasses with single vision lenses from the Fielmann zero-cost collection every two years, which are replaced free of charge if they break, are damaged or if the customer's prescription changes. In the event of damage to spectacles from the premium range, customers receive a credit amounting to 70 per cent of the purchase price of the insured spectacles.

In Switzerland, sales increased by 6.1 per cent on the previous year to € 83.7 million (previous year € 78.9 million). Unit sales reached 335,000 pairs, which is an increase of 3.1 per cent. Fielmann is the market leader in Switzerland, where it achieves a market share in terms of sales of 16 per cent and a market share in terms of unit sales of 32 per cent with 3 per cent of all branches. In Switzerland, the result was € 17.5 million and the pre-tax return was 20.9 per cent.

Unit sales in Austria improved by 16.7 per cent to 280,000 pairs of spectacles. Sales rose sharply to € 40.1 million (previous year: € 32.5 million).

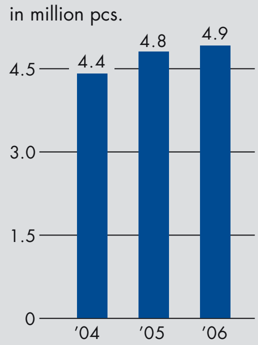
With 2 per cent of all branches, Fielmann achieved a market share in terms of sales of 14 per cent and 22 per cent in terms of unit sales. In Austria, the result was € 4.1 million (previous year: € 2.8 million) despite higher run-up costs for new branches in the past financial year.

The pre-tax return on capital related to sales rose to 10.2 per cent.

* See chapter "Key Industry Data"

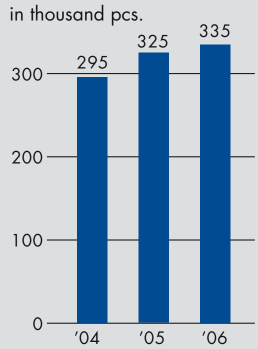
Units sold Germany

in million pcs.



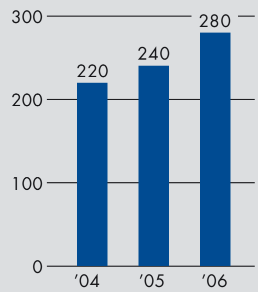
Units sold Switzerland

in thousand pcs.

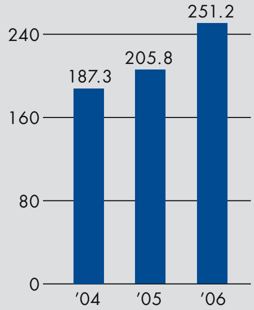


Units sold Austria

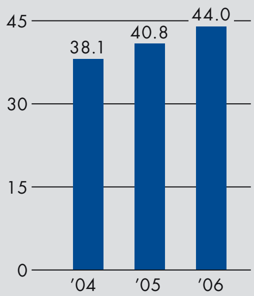
in thousand pcs.



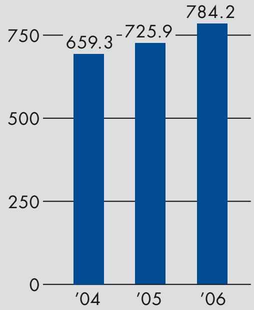
Sales revenue Wholesale/Services
in € million



Sales revenue Production/Logistics
in € million



Sales revenue Retail
in € million



Wholesale/Service, Production/Logistics and Retail

Fielmann Aktiengesellschaft acts as a wholesaler and service provider to Group companies and third parties.

In essence, the service sector covers all centralised functions such as marketing, IT, accounts, finance and human resources, training and continued professional development, legal services and construction.

In the "Wholesale and services" sector, sales rose by 22.1 per cent to € 251.2 million. The result from ordinary activities (excluding income from participations) in the Group reached € 48.0 million (previous year: € 38.3 million).

In the segment "production and logistics" we achieved sales of 44.0 € million (previous year: € 40.8 million), with a result of € 11.8 million (previous year: € 9.5 million).

The Fielmann production and logistics centre is located in the Brandenburg town of Rathenow, the home of German spectacles. The surface and edge grinding workshops as well as the central warehouse and logistics function are all co-located on this one site. During the reporting period, Fielmann manufactured more than 3 million lenses in all finishing stages in Rathenow and supplied more than 5.8 million pairs of spectacles.

With a staff of 700, Fielmann is the town's largest employer.

The "Retail" segment summarises the activities of the branches. During the reporting period, Fielmann recorded unit sales growth to 5.8 million pairs of glasses (previous year: 5.7 million pairs). Sales rose to € 784.2 million, an increase of 8.0 per cent, while the result reached € 48.0 million (previous year: € 39.3 million).

Financial position

Financial management

The financial position of the Fielmann Group has been very sound for years. At the end of the reporting year, financial resources amount to € 104.0 million (previous year: € 74.4 million). As at the reporting date, the financial assets plus cash and cash equivalents total € 124.3 million (previous year: € 112.3 million).

Finances are managed on the basis that the Management Board is given the flexibility needed to take entrepreneurial decisions.

In addition, the Group's substantial liquidity offers sufficient scope for further growth.

In principle, financial investment decisions are primarily the conservation of the value. In the interests of minimising risk, investment is restricted to paper with good ratings.

Liabilities to banks totalled € 18.2 million (previous year: € 24.7 million). No additional short-term lines of credit were used.

At € 2.3 million (previous year: € 1.8 million), net interest income is positive.

To finance property investments, we used a cross-currency swap with a value of € 6.0 million. The value of this swap on the reporting date was € 156,000. The valuation was performed in accordance with the fair value method.

Cash flow trend and investments

The gross cash flow amounted to € 114.1 million (previous year: € 89.4 million). Cash flow per share totalled € 2.72 (figure for the previous year following the share split: € 2.13).

The cash flow from operations amounted to € 123.6 million (previous year: € 62.7 million). Cash flow from investment operations totalled € 45.5 million (previous year: € 58.1 million).

In the reporting year, the volume of investment amounted to € 47.6 million (previous year: € 61.2 million). This was financed from cash flow. The funds were mainly used to expand and maintain the branch network, as well as to purchase a property used by a Fielmann branch.

Investment by Fielmann Aktiengesellschaft amounted to € 19.6 million (previous year: € 23.9 million) adjusted for capital contributions.

Assets

Assets and capital structure

Total Group assets rose in the reporting year to € 533.3 million (previous year: € 501.5 million). In the Fielmann Aktiengesellschaft, total assets increased to € 467.7 million (previous year: € 442.1 million).

Consolidated fixed assets were up by 3.6 per cent to € 245.3 million (previous year: € 236.7 million).

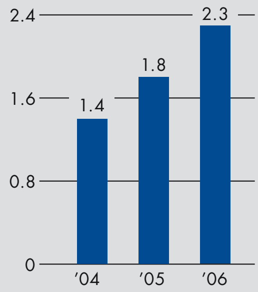
Short-term assets amounted to € 257.2 million (previous year: € 233.6 million). Consolidated tangible assets amounted to € 185.4 million (previous year: € 178.8 million), equivalent to 34.8 per cent of total consolidated assets.

Depreciation on tangible assets increased to € 36.6 million (previous year: € 31.1 million). Inventories under Group current assets rose by 8.2 per cent to € 86.1 million and inventory turnover within the Group was 9.6.

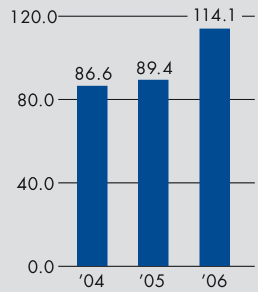
Trade receivables increased by € 5.9 million to € 17.6 million during the reporting period. Other receivables rose € 1.8 million to € 23.2 million.

Consolidated equity capital is reported at € 333.6 million (previous year: € 316.6 million) after deduction of the proposed dividend payout, corresponding to an equity ratio of 62.6 per cent of the balance sheet total.

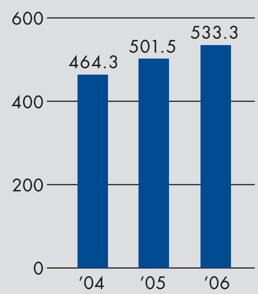
Interest result
in € million



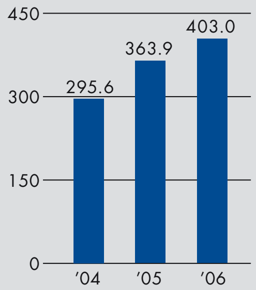
Gross cash flow
in € million



Total group assets
in € million



Value added
in € million



Accruals totalled € 36.9 million (previous year: € 29.3 million). Short-term financial liabilities and trade payables rose by 4.5 per cent in the reporting year to € 66.7 million (previous year: € 63.8 million).

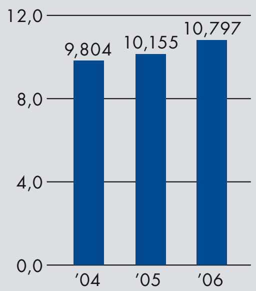
Value added

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	793,835
Other income	52,844
Total sales	**846,679**
Cost of materials	–234,222
Depreciation	–36,611
Other operating expenses	–172,572
Other taxes	–293
Total preliminary liabilities	**–443,698**
Value added	**402,981**

Application	€ '000	%
Shareholders and other partners	53,107	13
Employees	298,478	74
Public sector	35,087	9
Creditors	2,082	0
Company	14,227	4
	402,981	

Average number of employees of the Group



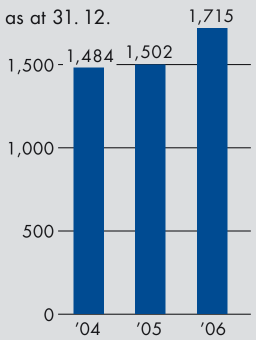
Non financial performance indicators

Staff

Fielmann is the largest employer in the German optical industry.
In the year under review, an average of 10,797 (previous year: 10,155) staff were employed in the Group.

In Germany, 9,069 people worked for Fielmann. In Switzerland, Fielmann employed 731 staff, while it employed 457 in Austria, 154 in Poland and 94 in the Netherlands. Staff expenditure was € 298.3 million, while the staff cost ratio in relation to consolidated sales amounted to 37.6 per cent (previous year: 38.1 per cent).

Apprentices
as at 31. 12.



Training and continued professional development

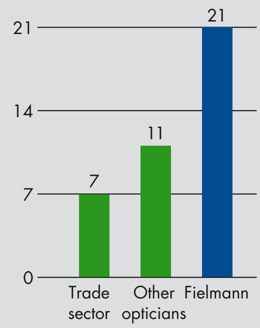
Fielmann is the largest trainer in the optical industry. A total of 1,715 young people were trained in the Group during the period under review. Fielmann invests more than € 10 million in training and continued professional development year on year.

All Fielmann branches are run by qualified opticians and they are supported by friendly, competent 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. The training ratio in Fielmann branches was 21 per cent; it amounted to 7 per cent in the retail sector and 11 per cent in the rest of the optical sector.

Our training is good, as evidenced by the various national awards we have received. Trainees are paid more than the general pay scale. In addition, bonuses are paid for above average performance, both at college and at work. Fielmann also pays subsidies for those attending specialist colleges and internal grants to those who wish to study for their master certificate.

Training ratio
in %



Remuneration

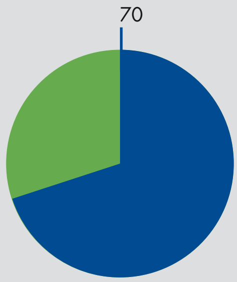
"You are the customer" is the slogan that exemplifies our corporate philosophy. This philosophy is also reflected in the salaries we pay our staff. Part of our branch managers' bonus depends on customer satisfaction.

Fielmann also offers staff the opportunity to invest in the company. Many 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 is divided into fixed and variable components that are solely dependent on results. Please refer to note (28) in the notes to the consolidated accounts with regard to the Management Board's remuneration.

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 half times this amount. Please refer to page 68 in the notes to the consolidated accounts with regard to their total remuneration.

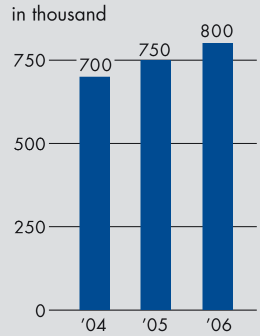
Staff interest
in %



Environment

Fielmann acknowledges its responsibility for protecting the basis of mankind's very existence, namely the natural environment. It is involved in protecting nature and the environment, preserving historical monuments and promoting organic agriculture. Each year, Fielmann plants a tree for every employee: to date it has planted more than 800,000 trees and shrubs.

Planted trees
in thousand



Research and development

Fielmann observes markets and analyses trends. We have developed a computer controlled centring system with the Zeiss company, which is already used in many of our branches.

The non-profit Fielmann Akademie GmbH offers a Bachelor of Science course in optics/optometry in collaboration with the Lübeck University of Applied Sciences.

The Fielmann Academy at Schloss Plön has endowed a Chair in optics/optometry.

The Chair will run the Fielmann Institute for Optics / Optometry. This institute will give the Fielmann Academy the opportunity to conduct research projects and also to help staff work for bachelors and masters degrees.

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

1. Shareholder structure

The subscribed capital of Fielmann Aktiengesellschaft amounts to T€ 54,600 as at 31 December 2006 and is divided into 42 million ordinary shares of no par value.

As at 31 December 2006, 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 directly.

The Fielmann Family Foundation represents 15.07 per cent of the shares. The investment of the Fielmann Interoptik GmbH & Co. KG represents 11.41 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. The Management Board has not been notified of any single shareholdings of over 3 per cent.

*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 indirect holdings.

2. 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 Section 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 Section 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."

The statutory provisions on amending the Articles of Association are laid down in Section 119 of the AktG in conjunction with Section 179 of the AktG. The Articles of Association of the Aktiengesellschaft provide the following regulation on amending the Articles of Association under Section 14 para 4:

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

3. 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, 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 capital in return for cash contributions pursuant to Section 186 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 Section 186 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 for return for contributions in kind to grant shares for the purpose of acquiring companies, parts of companies or investments in companies.

Supplementary report

From the end of the financial year until the compilation of the annual accounts, there were no incidents or events substantially affecting the view of the position of the company as communicated in the present financial statement.

Opportunities and risk management

Risk management system and existing risks

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, are submitted regularly 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 essence, the Fielmann Group faces the following risks:

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

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 liquidity and currency risks within the context of short and long-term financial planning.

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 also 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.

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.

New developments in contact lenses, such as the modern, comfortable daily lenses or even lenses tailored to customers' individual requirements, will provide further impetus for growth.

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

Summary of the risk situation

The Group's market role, 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 its net worth, financial position or earnings.

Outlook

The economic upturn in Germany will continue in 2007. The preconditions are there. According to the German Council of Economic Advisors, domestic demand and private consumption will trend upwards. Pleasing growth is also forecast for Austria and Switzerland.

The glasses for free insurance from Fielmann and HanseMerkur will make a sustained contribution to the Group's success. More than two million customers have opted for this consumer-friendly benefit to date. We assume that these numbers will continue to grow.

Fielmann exercises good judgement in pressing ahead with its organic growth in Germany and neighbouring countries. We test every serious takeover option across Europe. In the medium term, we aim to operate 700 branches in Germany and sell more than 6.5 million pairs of spectacles every year.

In Switzerland, we are planning to sell 400,000 pairs of spectacles a year through 40 branches.

We are pushing ahead with expansion in Austria. Our target is to sell 450,000 pairs of spectacles through 40 branches.

We shall continue to pursue our expansion in Poland. We aim to have a presence in all the major cities with a total of 40 locations.

In 2007, we shall invest more than € 50 million in expanding and maintaining the branch network as well as in production and infrastructure. Anticipated cash flow will be sufficient to finance this. The majority of the investment, some € 35 million, will be spent on branches, either on opening new branches or maintaining the existing network. We shall be investing € 6 million on expanding production capacity and a further € 8 million on Group infrastructure. We shall be undertaking similar levels of investment in 2008.

Fielmann plans to increase unit sales, sales revenue and profit in 2007. In the year as a whole, we shall open 35 new branches, of which two will be in Luxembourg. We shall create more than 400 additional jobs. We anticipate a return on equity of between 20 and 22 per cent against a rising equity for years. If business goes as planned, Fielmann will continue to allow shareholders to share in the Group's success to the extent that they have done to date. We expect the Group's performance to remain positive in financial year 2008.

Fielmann Aktiengesellschaft, Hamburg
Consolidated balance sheet as at December 31, 2006

Assets	Ref. no. in notes	Position as at 31. 12. 06 € '000	Position as at 31. 12. 05 € '000
A. Long-term fixed assets			
I. Intangible assets	(1)	7,466	6,106
II. Goodwill	(2)	40,870	40,592
III. Tangible assets	(3)	185,369	178,812
IV. Investment property	(3)	10,001	10,492
V. Financial assets	(4)	1,575	706
VI. Deferred tax assets	(5)	21,904	25,610
VII. Tax assets	(5)	2,799	0
VIII. Other financial assets	(6)	6,081	5,640
		276,065	**267,958**
B. Current assets			
I. Inventories	(7)	86,085	79,532
II. Receivables and other assets	(8)	40,833	33,213
III. Tax assets	(9)	6,963	10,922
IV. Prepaid expenses	(10)	5,125	3,299
V. Financial assets	(11)	14,169	24,741
VI. Cash and cash equivalents	(12)	104,045	81,870
		257,220	**233,577**
		533,285	**501,535**

Equity and liabilities	Ref. no. in notes	Position as at 31. 12. 06 € '000	Position as at 31. 12. 05 € '000
A. Equity capital			
I. Subscribed capital	(13)	54,600	54,600
II. Capital reserves	(14)	92,652	92,652
III. Profit reserves	(15)	186,323	169,335
IV. Balance sheet profit	(16)	50,400	39,900
V. Minority shares of third parties	(17)	16	–29
		383,991	**356,458**
B. Long-term liabilities			
I. Long-term accruals	(18)	6,344	5,252
II. Long-term financial liabilities	(19)	13,832	22,329
III. Deferred tax liabilities	(20)	7,670	6,826
		27,846	**34,407**
C. Current liabilities			
I. Current accruals	(21)	30,565	24,080
II. Current financial liabilities	(22)	7,195	4,216
III. Trade creditors and other liabilities	(22)	59,525	59,582
IV. Tax liabilities	(23)	24,163	22,792
		121,448	**110,670**
		533,285	**501,535**

Fielmann Aktiengesellschaft, Hamburg
Consolidated profit and loss account for the period January 1 to December 31, 2006

	Ref. no. in notes	2006 € '000	2005 € '000	Change from previous year
1. Consolidated sales	(25)	792,912	733,074	8.2 %
2. Changes in finished goods and work in progress		923	–1,761	–152.4 %
Total consolidated revenues		**793,835**	**731,313**	**8.5 %**
3. Other operating income	(26)	54,278	51,718	4.9 %
4. Costs of materials	(27)	–234,222	–218,995	7.0 %
5. Personnel costs	(28)	–298,292	–278,912	6.9 %
6. Depreciation	(29)	–36,611	–31,149	17.5 %
7. Other operating expenses	(30)	–174,379	–168,794	3.3 %
8. Interest result	(31)	2,284	1,835	24.5 %
9. Result from ordinary activities		**106,893**	**87,016**	**22.8 %**
10. Income taxes	(32)	–35,124	–29,260	20.0 %
11. Consolidated net income	(33)	**71,769**	**57,756**	**24.3 %**
12. Income attributable to other shareholders	(34)	–2,707	–2,711	–0.1 %
13. Profits to be allocated to parent company shareholders		**69,062**	**55,045**	**25.5 %**
14. Consolidated results brought forward		40	38	5.3 %
15. Withdrawals from profit reserves	(35)	1,219	1,919	–36.5 %
16. Transfers to profit reserves	(36)	–19,921	–17,102	16.5 %
17. Consolidated balance sheet profit		**50,400**	**39,900**	**26.3 %**
Earnings per share in €*	(33)	**1.64**	**1.31**	

* Share split from 9 August 2006 (previous year has been adjusted accordingly).

Movement of Group equity note (38)

	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 according to IFRS2	589			–201	388
of which: other transactions reserves	149			294	443
Minority interests	–29	–3,004	2,707	342	16
Group equity	**356,458**	**–42,864**	**71,769**	**–1,372**	**383,991**

	Position as at 1. 1. 05 € '000	Dividends paid/profit shares* € '000	Consolidated net income € '000	Other changes € '000	Position as at 31. 12. 05 € '000
Subscribed capital	54,600				54,600
Capital reserves	92,652				92,652
Group equity generated	187,744	–33,562	55,045	8	209,235
of which: securities held for sale	444			549	993
of which: currency equalisation item	521			–521	0
of which: own shares according to IFRS2	710			–121	589
of which: other transactions reserves	0			149	149
Minority interests	4	–2,811	2,711	67	–29
Group equity	**335,000**	**–36,373**	**57,756**	**75**	**356,458**

* Dividends distributed and profit shares allocated to other shareholders

Cash flow statement, Fielmann Group note (39)

	Cash flow statement in accordance with IAS 7 1. 1. – 31. 12.	2006 € '000	2005 € '000	Change € '000
	Result before interest	104,609	85,181	19,428
	Interest expenses	–2,392	–1,609	–783
	Interest income	4,676	3,444	1,232
	Results from ordinary activities	**106,893**	**87,016**	**19,877**
	Taxes on income	–35,124	–29,260	–5,864
	Profit for the year (including shares of minority interests)	**71,769**	**57,756**	**14,013**
+/–	Write-downs/write-ups on fixed assets	36,611	31,149	5,462
+/–	Increase/decrease in long-term accruals	706	–2,002	2,708
+/–	Other non-cash income/expenditure	4,991	2,492	2,499
=	**Cash flow**	**114,077**	**89,395**	**24,682**
+/–	Increase/decrease in current accruals	6,536	6,377	159
–/+	Profit/loss on disposal of fixed assets	–262	324	–586
–/+	Increase/decrease in inventories, trade debtors as well as other assets not attributable to investment and financial operations	1,672	–45,809	47,481
+/–	Increase/decrease in trade creditors as well as other liabilities not attributable to investment and financial operations	1,600	12,388	–10,788
=	**Cash flow from current business activities**	**123,623**	**62,675**	**60,948**
	Receipts from disposal of tangible assets	1,979	2,047	–68
–	Payments from investments in tangible assets	–40,402	–50,444	10,042
+	Receipts from the sale of intangible assets	1	42	–41
–	Payments for investments in intangible assets	–6,167	–7,417	1,250
+	Receipts from disposal of financial assets	182	1,040	–858
–	Payments for investments in financial assets	–1,054	–522	–532
–	Payments for the acquisition of consolidated companies and other business units after deduction of acquired cash resources	0	–2,801	2,801
=	**Cash flow from investment activities**	**–45,461**	**–58,055**	**12,594**
–	Payments to company owners and minority shareholders	–42,864	–36,373	–6,491
–	Payments for the redemption of loans and (finance) loans	–5,519	–2,518	–3,001
=	**Cash flow from financial activities**	**–48,383**	**–38,891**	**–9,492**
	Cash changes in financial resources	29,779	–34,271	64,050
+/–	Changes in financial resources due to exchange rates, scope of consolidation and valuation	–174	–39	–135
+	Financial resources at 1. 1.	74,440	108,750	–34,310
=	**Financial resources at 31. 12.**	**104,045**	**74,440**	**29,605**

Segment reporting, Fielmann Group

note (40), previous year in parenthesis.

	Segments by region											
In € million	**Germany**		**Switzerland**		**Austria**		**Others**		**Consoli-dation**		**Consolidated value**	
Sales revenue	681.3	(633.5)	83.7	(78.9)	40.1	(32.5)	18.2	(16.9)	–30.4	(–28.7)	792.9	(733.1)
Sales revenue from other segments	25.7	(23.2)	2.5	(3.0)			2.2	(2.5)				
Outside sales revenue	**655.6**	**(610.3)**	**81.2**	**(75.9)**	**40.1**	**(32.5)**	**16.0**	**(14.4)**			**792.9**	**(733.1)**
Result from ordinary activities (in the segments excl. income from participations)	86.0	(67.0)	17.5	(17.6)	4.1	(2.8)	–0.6	(–0.3)	–0.1	(–0.1)	106.9	(87.0)
– of which interest income	0.6	(0.6)	1.3	(0.5)	0.3	(0.6)	0.1	(0.1)	0.0	(0.0)	2.3	(1.8)
Result from ordinary activities, excluding interest	**85.4**	**(66.4)**	**16.2**	**(17.1)**	**3.8**	**(2.2)**	**–0.7**	**(–0.4)**	**–0.1**	**(–0.1)**	**104.6**	**(85.2)**
Investments	40.5	(54.7)	2.6	(2.7)	3.0	(3.0)	1.5	(0.8)			47.6	(61.2)
Cash flow (in the segments excluding income from participa-tions, adjusted for tax)	95.4	(69.7)	15.8	(16.4)	5.8	(4.5)	0.6	(0.5)	–3.5	(–1.7)	114.1	(89.4)
Scheduled depreciation	31.1	(25.6)	2.5	(2.5)	1.9	(1.9)	1.1	(1.0)	0.0	(0.1)	36.6	(31.1)
Segment assets	432.5	(409.5)	37.0	(31.9)	16.0	(12.3)	16.1	(11.3)			501.6	(465.0)
– of which balances with banks, securities	95.6	(90.9)	20.5	(17.6)	3.3	(1.4)	4.9	(1.8)			124.3	(111.7)
	336.9	**(318.6)**	**16.5**	**(14.3)**	**12.7**	**(10.9)**	**11.2**	**(9.5)**			**377.3**	**(353.3)**
Segment debts	105.3	(104.9)	5.5	(4.3)	3.9	(3.4)	2.8	(2.9)			117.5	(115.5)
– of which amounts due to banks	19.3	(24.7)	0.0	(0.1)			0.2	(0.3)			19.5	(25.1)
	86.0	**(80.2)**	**5.5**	**(4.2)**	**3.9**	**(3.4)**	**2.6**	**(2.6)**			**98.0**	**(90.4)**

In € million	Wholesale/ Services		Production/ Logistics		Retail		Consolidation		Consolidated value	
	Segments by business area									
Sales revenue	251.2	(205.8)	44.0	(40.8)	784.2	(725.9)	–286.5	(–239.4)	792.9	(733.1)
Sales revenue from other segments	246.2	(201.4)	40.3	(37.7)	0.0	(0.3)				
Outside sales revenue	**5.0**	**(4.4)**	**3.7**	**(3.1)**	**784.2**	**(725.6)**			**792.9**	**(733.1)**
Result from ordinary activities (in the segments excl. income from participations)	48.0	(38.3)	11.8	(9.5)	48.0	(39.3)	–0.9	(–0.1)	106.9	(87.0)
– of which interest income	9.0	(8.2)	1.4	(0.9)	–8.1	(–7.3)	0.0	(0.0)	2.3	(1.8)
Result from ordinary activities, excluding interest	**39.0**	**(30.1)**	**10.4**	**(8.6)**	**56.1**	**(46.6)**	**–0.9**	**(–0.1)**	**104.6**	**(85.2)**
Investments	15.5	(28.4)	1.4	(2.5)	30.7	(30.3)			47.6	(61.2)
Cash flow (in the segments excluding income from participations, adjusted for tax)	49.6	(35.7)	12.4	(10.6)	63.4	(52.6)	–11.3	(–9.5)	114.1	(89.4)
Scheduled depreciation	13.5	(7.3)	2.2	(2.7)	20.9	(21.0)	0.0	(0.1)	36.6	(31.1)
Segment assets	277.6	(259.4)	19.8	(20.3)	204.2	(185.3)			501.6	(465.0)
– of which balances with banks, securities	117.7	(108.5)	0.2	(0.1)	6.4	(3.1)			124.3	(111.7)
	159.9	**(150.9)**	**19.6**	**(20.2)**	**197.8**	**(182.2)**			**377.3**	**(353.3)**
Segment debts	64.3	(62.3)	4.0	(4.3)	49.2	(48.9)			117.5	(115.5)
– of which amounts due to banks	15.0	(21.1)	0.2	(0.2)	4.3	(3.8)			19.5	(25.1)
	49.3	**(41.2)**	**3.8**	**(4.1)**	**44.9**	**(45.1)**			**98.0**	**(90.4)**

Fielmann Aktiengesellschaft, Hamburg
Notes to the consolidated accounts as at December 31, 2006

I. General information

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 Management Board of Fielmann Aktiengesellschaft approved the consolidated accounts as at December 31, 2006 on March 29, 2007 and will submit them to the Supervisory Board on March 30, 2007 for adoption on April 19, 2007. No significant events took place after the balance sheet date.

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

IAS 19: The changes to this Standard mean that it is permissible to record actuarial gains and losses without affecting profits. Additionally, extra information has to be provided in the notes concerning pension obligations. These changes to IAS 19 will not affect the Fielmann Group, because in principle all actuarial gains and losses are included direct in net income.

IAS 39: The changes to IAS 39 relate to the disclosure of internal hedging arrangements for groups but such arrangements are not used within the Fielmann Group. Further changes in IAS 39 (and analogously IFRS 4) concern financial guarantees. These rules will not have any impact on the Fielmann Group's assets, finances or income either.

IFRS 6: This Standard does not affect the Group due to the nature of the Group's business.

The application of the Interpretations IFRIC 4, IFRIC 5 and IFRIC 6 has very little, if any, effect on the assets, finances or income of the Fielmann Group.

The Fielmann Group is not taking advantage of the opportunity to apply particular Standards early.

A change to IAS 1 "Presentation of Financial Statements" took place in 2006 and is to be applied in financial years commencing on or after January 1, 2007. The Group will provide the additional details relating to capital management as soon as application of the Standard is mandatory.

IFRS 7 "Financial Instruments: Disclosures" was ratified by the IASB in 2004. It will apply to financial years commencing on or after January 1, 2007. IFRS 7 refers in particular to explanatory statements concerning financial instruments with which the Group will comply once application of the Standard becomes mandatory.

IFRS 8 "Operating Segments" was ratified on November 30, 2006; however, it has not yet been recognised in the EU's endorsement procedure. It will apply to financial years commencing on or after January 1, 2009. IFRS 8 replaces IAS 14 and converts segment reporting to the "management approach". Application of IFRS 8 is planned before it becomes mandatory.

In 2006, the IASB published the following new interpretations, which had been ratified in the endorsement procedure by the time the balance sheet was drawn up:

IFRIC 7 Applying the Restatement Approach under IAS 29 "Financial Reporting in Hyperinflationary Economies" (to be applied to financial years commencing on or after March 1, 2006)

IFRIC 8 Value of consideration for payments made in accordance with IFRS 2 (to be applied to financial years commencing on or after May 1, 2006)

IFRIC 9 Reassessment of Embedded Derivatives under IAS 39 (to be applied to financial years commencing on or after June 1, 2007)

So far the EU has not yet recognised:

IFRIC 10 Prohibition on Reversing Impairment Losses under IAS 36 and IAS 39, also for impairment losses in interim financial accounts (to be applied to financial years commencing on or after November 1, 2006)

IFRIC 11 Intra-group and Treasury Share Transactions under IFRS 2 (to be applied to financial years commencing on or after March 1, 2007)

IFRIC 12 Definition of services for public sector entities (to be applied to financial years commencing on or after January 1, 2008)

All these Interpretations will probably have very little, if any, effect on the assets, finances or income of the Fielmann Group.

In preparing the Group accounts, only the significant items on the balance sheet and profit and loss account are shown. Itemised breakdowns and explanations are provided in the notes to the accounts. All monetary amounts are given in thousands of euros, the euro being the Group's currency.

II. Scope of consolidation

The company Fielmann Aktiengesellschaft at Weidestraße 118a, Hamburg, is the Group's parent company. Fielmann Aktiengesellschaft is involved in the operation of and investment in opticians' shops and trade (wholesale) in spectacles and other optical products. 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 a majority of the voting rights or on which a controlling influence is extended. Fielmann Aktiengesellschaft only holds a small indirect share in 32 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.

30 companies were consolidated for the first time as at December 31, 2006, of which 28 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, a company was established as part of the Group's expansion in Luxembourg, which will start operating in the second quarter of 2007. A further company in which Fielmann holds a participation was also established.

For the consolidated companies, please see the statement of holdings as at December 31, 2006, which has been lodged with the Amtsgericht (district court) of Hamburg under number HRB 56098. This includes a list of the companies which make use of the exemption under § 264 para. 3 and § 264b HGB.

During the reporting period, shares were taken on in one existing Fielmann branch as at January 1, 2006 through the withdrawal of franchisees in existing contracts. Minority interests were taken over in a further three Fielmann branches.

As part of the acquisition of companies and holdings (acquisition costs T€ 2,232) differences were stated as goodwill of T€ 2,155. Equity amounting to T€ 99 was included in the capital consolidation. The unimpaired status of the goodwill was demonstrated through impairment tests in accordance with the principles explained below. This 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, 2006 and passed without qualification. The accounts as at December 31, 2006 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. 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 5 per cent as in the previous year. 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 one another, except in individual cases where they are so minor as to be negligible. 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 companies 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. IAS 21 is used prospectively by reference to IFRS 1.22, so that the foreign exchange equalisation item was set at € 0 in the opening balance as at January 1, 2003.

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 to be 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 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 as internally developed software 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 part of the acquisition and production cost of the castle in Plön attributable to the purchase price is depreciated over 100 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 over 7-10 years). Factory and office equipment is depreciated over 2 to 10 years (machinery and equipment 5 years, computer equipment 3 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.

Properties which are not used in the Group's core business (investment properties in accordance with IAS 40) are 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 using a rental income of 15 is used to reach this valuation. The current value of this property is shown in the notes to the accounts.

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. 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 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 valuation adjustments necessary. Securities in the "held to maturity" category are generally valued at cost.

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 includes production-related overheads. No outside capital in accordance with IAS 23 is stated.

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.

Deferred taxes 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".

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 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 the 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:	4.50% (previous year 4.25%)
25-year anniversaries:	3.60% (previous year 4.21%)
10-year anniversaries:	3.19% (previous year 3.20%)

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

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 at the rate prevailing on the reporting date.

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 is primarily gained through customer orders. Revenue is realised at the time of delivery to the customer.

V. Notes to the consolidated accounts of Fielmann Aktiengesellschaft

Changes in consolidated fixed assets as at December 31, 2006

	Acquisition and production costs				
	Position as at 1. 1. 2006 € '000	**Foreign exchange conversion € '000**	**Additions * € '000**	**Disposals * € '000**	**Position as at 31. 12. 2006 € '000**
I. Intangible assets					
1. Rights of usufruct from company accounts	4,797	–71	807		5,533
2. Licences, commercial trade marks and associated rights	12,141	–8	2,945	57	15,021
	16,938	**–79**	**3,752**	**57**	**20,554**
II. Goodwill	**126,701**	**–376**	**2,415**	**197**	**128,543**
III. Tangible assets					
1. Property and similar rights and buildings, including buildings on third-party land	86,850	–176	4,535	114	101,274
			11,403 B	1,224 B	
2. Tenants' fittings	114,445	–372	10,033	2,821	121,874
			589 B		
3. Factory and office equipment	209,050	–618	25,532	8,310	226,596
			942 B		
4. Assets under construction	14,682	–54	301	592	1,403
				12,934 B	
	425,027	**–1,220**	**40,401**	**11,837**	**451,147**
			12,934 B	14,158 B	
IV. Investment property	**24,439**				**25,663**
			1,224 B		
V. Financial assets					
Holdings	**706**	**–2**	**1,053**	**182**	**1,575**
Total fixed assets	**593,811**	**–1,677**	**47,621**	**12,273**	**627,482**
			14,158 B	14,158 B	

* B = book transfer

Accumulated depreciation					Residual book values	
Position as at 1. 1. 2006 € '000	Foreign exchange conversion € '000	Additions* € '000	Disposals* € '000	Position as at 31. 12. 2006 € '000	Position as at 31. 12. 2006 € '000	Position as at 1. 1. 2006 € '000
3,695	–68	298		3,925	1,608	1,102
7,137	–5	2,088	57	9,163	5,858	5,004
10,832	**–73**	**2,386**	**57**	**13,088**	**7,466**	**6,106**
86,109	**–239**	**2,000**	**197**	**87,673**	**40,870**	**40,592**
15,499	–52	3,429	104	18,384	82,890	71,351
			388 B			
74,962	–306	8,829	2,258	81,227	40,647	39,483
155,754	–470	18,640	7,757	166,167	60,429	53,296
					1,403	14,682
246,215	**–828**	**30,898**	**10,119**	**265,778**	**185,369**	**178,812**
			388 B			
13,947		**1,327**		**15,662**	**10,001**	**10,492**
		388 B				
0	**0**	**0**	**0**	**0**	**1,575**	**706**
357,103	**–1,140**	**36,611**	**10,373**	**382,201**	**245,281**	**236,708**
		388 B	388 B			

The changes in intangible assets, tangible assets and financial assets are shown in detail in the above statement of assets. Plant and machinery is included in the item “factory and office equipment”. No assets held for sale were present in the year under review or the preceding year.

The historical acquisition costs and accumulated depreciation relating to tangible assets and financial assets were adjusted – without any impact on income – by T€ 5,049 and T€ 570 respectively in the statement of assets as at January 1, 2006 compared with December 31, 2005. The residual book values and consequently the amounts reported in the balance sheet were not affected by this.

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 (29) depreciation.

	Additions		Disposals	
	2006 € '000	2005 € '000	2006 € '000	2005 € '000
Intangible assets				
Rights of usufruct	807	29		
Licences and associated rights	2,945	4,196		1
	3,752	**4,225**	**0**	**1**
Goodwill	**2,415**	**6,695**	**0**	**40**
Tangible assets				
Property and buildings	15,938	15,236	846	0
Tenants' fittings	10,622	9,875	563	78
Factory and office equipment	26,474	22,743	553	728
Assets under construction	301	8,299	13,526	7,074
Payments on account for tangible assets				914
	53,335	**56,153**	**15,488**	**8,794**
Investment property	**1,224**	**51**		
Financial assets	**1,053**	**522**	**182**	**1,040**

(1) Intangible assets

The intangible assets essentially include computer software which is written down on a straight-line basis over three to five years. This item also includes leasehold interests with a useful life of 15 years. From additions to intangible assets a total of T€ 37 (previous year T€ 325) relates to internally produced software capitalised in accordance with IAS 38 and mainly relating 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€ 9,448 was allocated to the production / logistics segment as well as T€ 3,550 to the Netherlands as a market launch area. A total of T€ 23,811 was allocated to the German branches (treated as single CGUs).

Following changes to the Group's purchasing policy, a production company was classified as a separate CGU in 2006. The impairment test relating to this asset led to a write-down of T€ 2,000. No other write-downs were effected in the year under review (previous year: T€ 30).

(3) Tangible assets/ investment property

The breakdown of tangible assets among the segments is as follows as at December 31, 2006:

	31. 12. 2006 € '000	31. 12. 2005 € '000
Wholesale/Services	96,980	96,111
Production/Logistics	13,771	14,351
Retail	84,619	78,842
	195,370	**189,304**

Restrictions on powers of disposal are shown regarding buildings of Fielmann Akademie gGmbH which amount to T€ 21,817 (previous year T€ 18,713) due to its non-profit-making character and the protection of historic monuments. Properties were subject to extraordinary depreciation of T€ 1,240.

Additions to tangible assets are partly the result of the Group's expansion (T€ 12,174, previous year: T€ 4,155).

Buildings which are not actively used by any of the companies within the Group are included in this classification. 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€ 14,950 (previous year T€ 14,405). The corresponding rental income during the reporting period amounts to T€ 997. Extraordinary depreciation of T€ 555 (previous year T€ 0) was required for these properties during the reporting year.

(4) Financial assets

With the financial assets, which essentially comprise loans, a repayment of T€ 208 is expected within the next 12 months.

(5) Deferred tax assets/ tax assets

Deferred tax assets amounting to T€ 21,904 (previous year: T€ 25,610) are capitalised. Please refer to note (37) of the notes to the accounts for more details.

As at December 31, 2006, 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. The claim was discounted at 4.1% and capitalised at T€ 2,799 on December 31, 2006.

(6) Other financial assets

Other financial assets are long-term claims on employees in the form of loans which stand at T€ 581 (previous year T€ 547), claims under reinsurance policies of T€ 676 and securities held to maturity in the amount of T€ 4,691 (previous year T€ 5,093). These securities pay a variable rate of return. They were written down by T€ 310 to their current market value.

(7) Inventories

	31. 12. 2006 € '000	31. 12. 2005 € '000
Raw materials and supplies	1,214	1,249
Work in progress	6,497	4,718
Finished products and merchandise	78,374	73,565
	86,085	**79,532**

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€ 10,740 (previous year T€ 9,769).

(8) Receivables and other assets

	31.12.2006 € '000	31.12.2005 € '000
Trade debtors	17,594	11,727
Other receivables	23,239	21,486
	40,833	**33,213**

There are no contractual liens, security interests or rights of setting off applying to the receivables. There are no deviating fair values. The assets listed are not interest bearing and consequently are 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%, or T€ 4,400 (previous year: T€ 4,400).

In the interests of clarity, the presentation of assets has been amended compared with the previous year and receivables from credit card companies of T€ 4,926 are now reported under trade debtors instead of other receivables.

(9) Tax assets

Tax assets to the value of T€ 6,963 (previous year T€ 10,922) result largely from prepayments of trade tax.

(10) Prepaid expenses

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

(11) Financial assets

Investment decisions by the Group's financial management team are made according to the principles of securing long-term purchasing power and minimising risk. You will find more detailed information in the section of the Management Report dealing with the Group's finances.

Instruments held to maturity

As of the reporting date, securities with a fixed maturity are reported in the amount of T€ 8,186. There are no deviating fair values. Securities with a term of less than one month are stated in cash or cash equivalents (note (12)) and included in financial resources. Proportionate interest has been deferred (T€ 56). To minimise risk, the investment is restricted to instruments which have good ratings. Because of the largely very short term of the instruments, no interest rate risk is discernible.

Securities held for trading purposes

The Group continues to maintain a portfolio in the amount of T€ 5,602, which largely comprises shares and bonds. They are reported at fair value. Earnings during the reporting period of T€ 129 were taken to income.

The positive market value of an off-balance sheet interest rate/currency swap is T€ 156 as at December 31, 2006. This figure was determined using the fair value approach based on the current replacement value of the contract plus a safety margin. The swap originates from a restructuring of long-term financial liabilities into a shorter fixed-interest period in Swiss francs. Use of financial derivatives and finance in foreign currencies was systematically monitored and is regulated by an investment guideline issued by the Group.

The portfolio of Fielmann Aktiengesellschaft's own shares amounting to 14,429 shares (previous year 25,048 following the share split) with a book value of T€ 389 as at December 31, 2006 (previous year T€ 589) was deducted from the securities and equity within the Group. The Fielmann shares stated were acquired within the meaning of § 71 para. 1 no. 2 AktG in order to offer them to staff of Fielmann Aktiengesellschaft or its affiliated companies as employee shares. The restructuring of Fielmann's own shares during the reporting period resulted in earnings of T€ 180 and expenses of T€ 1.

In the course of regular liquidity hedging, Fielmann Aktiengesellschaft covered its USD requirements by the use of forward foreign exchange transactions. The size of these contracts is determined by the volume of orders. As of December 31, 2006 there were two forward exchange contracts with a volume each of US$ 1.5 million hedging orders until the end of January and to February 2007 respectively. The market value of these two transactions amounted to T€ -72 as at the reporting date. A matching amount has been put aside to cover this.

Securities available for sale

A portfolio reported under this item last year was transferred to active management at the beginning of 2006 and, in the course of so doing, was restructured almost entirely. As a result, this item only contains securities that have not yet been sold this year amounting to T€ 224. Securities totalling T€ 3,359 were sold from the portfolio during the period under review. Earnings during the reporting period of T€ 12 were transferred to equity without any impact on the profit and loss account.

(12) Cash and cash equivalents

This item contains liquid funds amounting to T€ 58,728 (previous year T€ 51,279). Instruments held until maturity with a remaining term of one month amounting to T€ 29,958 are also stated as cash with interest of T€ 323 being deferred.

Securities held for trading

Units of money market funds were accounted for at a current value of T€ 15,359. The market price gains of T€ 208 were taken to income and there were no price losses.

(13) Subscribed capital/ authorised capital

As at December 31, 2006, the subscribed capital of Fielmann Aktiengesellschaft was T€ 54.600. This has been divided into 42 million ordinary shares of no part 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 § 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 € 25 million. The Management Board did not exercise this authority in this financial year.

(14) Capital reserves

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

(15) Profit reserves

The profit reserves contain non-distributed profits for the reporting period and previous years as well as the foreign exchange equalisation item and profits from securities held for sale in accordance with IAS 39.55.

	Position as at 1.1.2006 € '000	Foreign exchange changes € '000	Book transfer € '000	Allocations € '000	With-drawals € '000	Position as at 31.12.06 € '000
Reserves eligible for distribution	103,417		710		–1,219	102,908
Other reserves from company accounts	19,294		–589	1,206		19,911
Reserves from Group transactions	45,631		206	18,715		64,552
Foreign exchange equalisation items	0	–1,142				–1,142
Reserves from direct offsetting	993		–899			94
	169,335	**–1,142**	**–572**	**19,921**	**–1,219**	**186,323**

(16) Consolidated balance sheet profit

The consolidated balance sheet profit amounts to T€ 50,400 and comprises net income for the year (T€ 71,769) plus the consolidated net income carried forward (T€ 40) less minority shares (T€ 2,707) and less changes in profit reserves (T€ 18,702).

(17) Minority shares

Minority shares include shares of other shareholders in corporations of the Group (see also notes (22) and (38)). 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.

(18) Long-term accruals

Long-term accruals developed as follows:

	Position as at 1. 1. 06 € '000	Foreign exchange changes € '000	Book transfer € '000	Consump-tion € '000	Write-backs € '000	Allocation € '000	Position as at 31. 12. 06 € '000
Pension accruals	1,975		253	–25	–203	230	2,230
Accruals for anniversary bonuses	1,265				–30	535	1,770
Reconversion obligations	2,012				–123	93	1,982
Other long-term accruals	0		362				362
	5,252	**0**	**615**	**–25**	**–356**	**858**	**6,344**

Pension accruals mainly relate to the non-forfeitable pension commitments of Fielmann Aktiengesellschaft (T€ 871). Their book value is based on a current expertise dated December 31, 2006. Actuarial gains and losses are posted immediately on the profit and loss account. The accruals are matched by reinsurance credits of T€ 676 (previous year: T€ 506). 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€ 140. 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 income from the change in the accrual of T€ 123 is largely the result of changes in interest rates.

(19) Long-term financial liabilities

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

	31. 12. 2006 € '000	31. 12. 2005 € '000
Long-term liabilities to banks	10,986	20,435
– of which with a residual term > 5 years T€ 6,865		
Other long-term liabilities	2,846	1,894
– of which with a residual term > 5 years T€ 325		
	13,832	**22,329**

The repayments over the next twelve months included in long-term liabilities are shown under note (22). There are no differences in the fair values of long-term liabilities. The liabilities to banks are secured by mortgages or similar charges to a value of T€ 9,201 (previous year: T€ 16,538). There are no liabilities to affiliated non-consolidated companies. The vast majority of liabilities to banks carry a fixed rate of interest and are for a fixed term. No significant interest-rate risk is discernible because borrowing is low.

The other financial liabilities mainly include liabilities to employees arising from fixed-interest employee holdings.

(20) Deferred tax liabilities

Deferred tax liabilities carried as liabilities stand at T€ 7,670 (previous year: T€ 6,826). More information is provided in note (37) of the notes to the accounts.

(21) Current accruals

Current accruals have developed as follows:

	Position as at 1. 1. 06 € '000	Foreign exchange changes € '000	Book transfer € '000	Consumption € '000	Write-backs € '000	Allocation € '000	Position as at 31. 12. 06 € '000
Personnel accruals	13,831	15		–13,020	–884	14,792	14,734
Accruals for merchandise	5,080			–2,300		8,144	10,924
Other accruals	5,169		–615	–2,777	–200	3,330	4,907
	24,080	**15**	**–615**	**–18,097**	**–1,084**	**26,266**	**30,565**

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 financial year.

The accruals relating to merchandise refer mainly to risks under guarantees and warranties. These include personnel costs for severance payments. The risks are largely realised within 12 months. The assumptions regarding the valuation of risks are constantly verified by means of reporting on guarantee cases.

The increase in this accrual is essentially the result of monthly calculation and deferment as well as changes to the distribution over the 36 month guarantee period. Had these been applied to the previous year, this would have resulted in an accrual for merchandise of T€ 10,108.

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

Current financial and other liabilities are broken down as follows:

	31. 12. 2006 € '000	31. 12. 2005 € '000
Liabilities		
– to banks	7,195	4,216
– trade creditors	42,055	39,943
Other liabilities	17,470	19,639
	66,720	**63,798**

There are also no deviating fair values for current liabilities. 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 amounting to T€ 1,991 (previous year T€ 1,135); in the individual company accounts these have the nature of equity (see also note (38)).

The rise in current liabilities to banks is the result of transferring an item that was previously reported under long-term financial liabilities because of the reduction in its residual term.

(23) Tax debts

Tax debts are broken down as follows:

	31. 12. 2006 € '000	31. 12. 2005 € '000
Liabilities	8,863	7,155
Accruals	15,300	15,637
	24,163	**22,792**

The tax accruals relate mainly to corporation taxes on Fielmann Aktiengesellschaft, trade taxes on branches and corporation tax in Switzerland.

(24) Contingent liabilities, other financial liabilities

In accordance with IAS 17, finance and operating leases have to be considered separately. 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€ 3,436 existed in the Fielmann Group (of which T€ 1,605 had a remaining term of up to one year and T€ 1,831 had up to 5 years) based on these lease transactions.

The rental and lease payments during the reporting period amounted to 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€ 55,000 for the financial year 2006, of which T€ 16,000 is earmarked for new branches and T€ 18,500 for replacement investment in existing branches.

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

(25) Income from sales, including changes in inventories

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

	2006		2005	
	Gross € '000	Net € '000	Gross € '000	Net € '000
Branches, Germany	751,790	649,949	701,830	605,485
Fielmann AG, Germany	3,645	3,142	3,159	2,723
Branches, Switzerland	85,712	79,658	80,114	74,455
Louvre AG, Switzerland	1,618	1,504	1,601	1,488
Branches, Austria	48,179	40,149	39,018	32,515
Branches, Netherlands	8,543	7,179	8,461	7,110
Branches, Poland	6,079	5,609	5,170	4,496
Other	6,759	5,722	5,677	4,802
Consolidated sales	**912,325**	**792,912**	**845,030**	**733,074**
Changes in inventories	1,077	923	–2,042	–1,761
Total Group sales	**913,402**	**793,835**	**842,988**	**731,313**

(26) 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€ 915.

(27) 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.

(28) Personnel costs

	2006 € '000	2005 € '000
Wages and salaries	250,118	233,761
Social security costs and pensions	48,174	45,151
	298,292	**278,912**

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. Fixed remuneration for the period under review amounted to T€ 1,836 (previous year T€ 2,368) (of which Mr Fielmann T€ 849, Mr Schmid T€ 336, Dr. Siregar T€ 328, Mr Zeiss T€ 323), while variable remuneration amounted to T€ 2,533 (previous year T€ 3,443) (of which Mr Fielmann T€ 1,490, Mr Schmid T€ 447, Dr. Siregar T€ 298, Mr Zeiss T€ 298). Transfers to pension provisions (Mr Schmid) stood at T€ 22 (previous year T€ 21).

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 25, 2006 each employee was offered 12 shares at a price of € 32.17 with an option period until November 10, 2006. This offer was taken up by 2,353 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 € 40.30.

In accordance with IFRS 2 the sum of T€ 1,138 was stated as expenditure for capital-building payments in the form of shares within the Group. The price advantages contained therein amounting to T€ 229 and the book profit from the disposal of the Company's own shares to the value of T€ 65 was offset directly against equity (cf. note (38) movement in Group equity).

(29) Depreciation

	2006 € '000	2005 € '000
Intangible assets	2,387	2,009
Goodwill	2,000	29
Tangible assets	32,224	29,111
	36,611	**31,149**

The figure for depreciation includes extraordinary write-downs on property of T€ 1,795 (previous year T€ 0) in the period under review.

(30) Other operating expenses

Other operating expenses include administrative and organisational costs, advertising, costs of premises and personnel costs. The expense arising from foreign exchange differences totals T€ 1,329.

(31) Interest result

The interest result is broken down as follows:

	2006 € '000	2005 € '000
Interest from loans	2,919	2,040
Other interest and similar income	1,757	1,404
Interest and similar expenditure	–2,392	–1,609
	2,284	**1,835**

The interest result includes a value adjustment to security holdings to the value of T€ 310 (previous year T€ 51).

(32) 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€ 30,507 (previous year: T€ 26,103), of which there was tax income of T€ 2,096 for taxes not applying to that reporting period. The income tax-related expenditure of individual companies in the Group decreased by T€ 3,175 (previous year T€ 1,984) through the use of tax loss carryforwards. This item includes deferred tax in the Group amounting to T€ 4,617 (previous year: T€ 1,094 income). More details can be found in note (37) of the notes to the accounts.

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

Earnings per share developed as follows:

	2006 € '000	2005 € '000
Net income	71,769	57,756
Income attributable to other shareholders	–2,707	–2,711
Period result	**69,062**	**55,045**
Earnings per share in €	**1.64**	**1.31**

The table takes account of 42 million ordinary shares following the share split. The figure for the previous year was adjusted accordingly.

(34) Income attributable to other shareholders

Other shareholders account for T€ 3,278 of the profits and 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 of Group equity.

(35) Withdrawals from profit reserves

An amount of T€ 1,219 (previous year T€ 1,919) was withdrawn during the current year from the profit reserves of Fielmann Aktiengesellschaft.

(36) Transfers to profit reserves

This item refers to a transfer to "other profit reserves" of the Group (T€ 19,921).

(37) Deferred taxes

The deferred tax assets on losses brought forward decreased during the reporting period through corresponding net annual results and value adjustments by T€ 2,322 (previous year increase of T€ 113). Of the deferred tax assets on losses brought forward, amounts of T€ 1,443 (previous year T€ 1,972) 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 impairment tests. No deferred tax assets were stated for loss carryforwards of T€ 5,610 (previous year T€ 505) because no offsetting is expected. In addition, loss carryforwards in the value of T€ 1,008 will lapse within the next 12 months because of corporate restructuring or 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€ 2,000, while deferred tax liabilities will probably amount to T€ 500.

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. 2006		31. 12. 2005	
	€ '000 Asset	€ '000 Liability	€ '000 Asset	€ '000 Liability
a) on deductible differences				
– from company accounts	3,538	552	1,683	635
– from HGB II	8,472	7,118	9,871	6,191
– from consolidation	2,286		4,126	
b) on loss carryforwards	7,608		9,930	
	21,904	**7,670**	**25,610**	**6,826**

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

	31. 12. 2006		31. 12. 2005	
	€ '000 Asset	€ '000 Liability	€ '000 Asset	€ '000 Liability
ASSETS				
Intangible assets		84		105
Goodwill	6,756	2,143	8,568	1,481
Tangible assets	3,288	977	1,732	1,090
Financial assets	1	46	1	46
Inventories	2,279	987	4,126	755
Receivables and other assets	241	148	75	90
Cash and cash equivalents		175		53
EQUITY AND LIABILITIES				
Equity capital	7,608		9,930	
Special reserves		1,940		2,214
Long-term accruals	303	39	322	
Current accruals	1,428	1,131	856	992
	21,904	**7,670**	**25,610**	**6,826**

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	2006 € '000	2005 € '000
Profit before tax on earnings	106,893	87,016
Applicable tax rate	39.4 %	39.4 %
Expected tax expenditure	42,116	34,284
Tax rate deviations		
Impact of tax rate differences abroad	–2,749	–3,600
Impact of tax rate changes	–59	–101
Impact on tax of deviations in the tax calculation method		
Depreciation goodwill	788	12
Corporation tax exempt third party share of profit	–701	–715
Non-deductible expenditure	497	792
Other tax-free earnings	–125	–85
Trade tax allowances and other trade tax adjustments	–2,529	–2,578
Exclusion of deferred tax assets	91	–79
Non-periodic effects	–2,375	986
Other	170	344
Total Group tax expenditure	35,124	29,260

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

(38) Movement of Group equity

Own shares to the value of T€ 389 (previous year: T€ 589) are deducted from equity. Group equity generated makes other profit reserves available (31.12.2006: T€ 102,908) and gives a balance sheet profit (31.12.2006: T€ 50,400) of Fielmann Aktiengesellschaft 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€ 39,900 are based on a dividend of € 1.90 per share before the share split and € 0.95 after the share split.

The other changes in Group equity amounting to T€ 899 are attributable to the sale of securities available for sale.

In accordance with IAS 32 the minority interests in the equity capital (see note (17) as well), 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.

(39) Fielmann Group cash flow statement

The financial resources stated at T€ 104,045 comprise the liquid funds (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€ 29,958). The financial resources also include shares of money market funds that can be liquidated at any time (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 in the amount of T€ 23 (previous year T€ 0) with reference to Fielmann Akademie GmbH due to the non-profit-making character of the company and in the amount of T€ 138 with reference to monetary investment pledged as collateral in Fielmann AG.

(40) 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 Germany, Switzerland and Austria, the regions 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 the 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 of the balance sheet: as well as the items "cash and cash equivalents" (T€ 104,045) and "financial assets" (T€ 14,169), the item "other financial assets" (T€ 6,081) has to be added (cf. note (6)).

Value impairments in the case of securities to the value of T€ 309 are included in the segment wholesale/services.

Value impairments affecting tangible assets to the value of T€ 1,795 are attributable to the segment wholesale/services. The value adjustment to goodwill of T€ 2,000 is attributable to the segment production/logistics.

Segment results from normal operations are the pre-tax result, adjusted for the results from participations, which are of minor concern 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 (28)) and payment of dividends on the shares he holds, no further direct 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 2006 and the previous year, Fielmann Aktiengesellschaft and its Group companies have drawn and provided both goods and services as well as rented and leased out premises. Premises used by Group companies essentially involve 30 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).

Business transactions of Mr Günther Fielmann and related parties with Fielmann Aktiengesellschaft and Group companies

	2006		2005	
in € '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services		666		145
Transactions		510	3,132	314
Rent	72	2,586	66	2,568
	72	**3,762**	**3,198**	**3,027**

Business transactions of Fielmann Aktiengesellschaft and Group companies with Mr Günther Fielmann and related parties

	2006		2005	
in € '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services	513	94	464	102
Transactions		5		92
Rent	31	52	31	52
	544	**151**	**495**	**246**

Balances as at 31.12. in € '000	2006 Günther Fielmann	2006 Related parties	2005 Günther Fielmann	2005 Related parties
Receivables		41		21
Liabilities		100		39

VII. Other details

Employees

The average number of employees during the year was:

	2006	2005
Total staff	10,797	10,155
– of which trainees	1,537	1,434
Staff (weighted)	8,657	8,139

Auditors' fees

The fees charged for the auditors are as follows:

	Expenses 2006 € '000	Expenses 2005 € '000
Auditing of accounts	217	333
Other qualification/ valuation services	4	16
Taxation advice	200	134
Other services provided	6	2
Total	**427**	**485**

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, 2006 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 Board, Sales/Marketing, Lütjensee
Günter Schmid	Materials Management/Production, Kummerfeld
Georg Alexander Zeiss,	Finance/Properties, Ahrensburg
Dr. Emmanuel Siregar	Human Resources, Lütjensee (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, 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
Johannes Haerkötter	Branch Manager at Fielmann AG & Co. Berlin-Zehlendorf, Berlin
Karin Höft	Employee at Fielmann Aktiengesellschaft, Hamburg
Sabine Thielemann	Precision Optician at Fielmann AG & Co., Naumburg

The remuneration of the Supervisory Board in 2006 totalled T€ 185 (previous year T€ 186).

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

Anton-Wolfgang Graf von Faber-Castell
Chairman of the Supervisory Board of Bayern Design GmbH, Munich
Member of the Supervisory Board of Nürnberger Versicherungsgruppe, 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 LEG Landesentwicklungsgesellschaft Baden-Württemberg mbH, Stuttgart
Member of the Advisory Board of dmc digital media Center GmbG, 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
Member of the Supervisory Board of InteraDent Zahntechnik AG, Lübeck, until 30.9.2006

Proposed appropriation of profit

The Management Board proposed to the General Meeting that the balance sheet profit of FIELMANN Aktiengesellschaft, amounting to T€ 50,400, should be appropriated as follows:

Payment of a dividend of	€ '000
€ 1.20 per ordinary share (42,000,000 shares)	50,400

Hamburg, March 29, 2007
Fielmann Aktiengesellschaft
The Management Board

Günther Fielmann Günter Schmid Dr. Emmanuel Siregar Georg Alexander Zeiss

Auditors' Report

Following the results of our audit, we have issued the present auditors' report for the consolidated accounts as at 31 December 2006 prepared in accordance with IFRS as applicable in the EU pursuant to Section 315a of the German Commercial Code (HGB) and the combined Group and Management Report of Fielmann AG, Hamburg for financial year 2006:

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 1 January to 31 December 2006. 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 with 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, 29 March 2007

Susat & Partner OHG
Wirtschaftsprüfungsgesellschaft

Rudolph	Deike
Auditor	Auditor

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	276,259.77	76,308.92
Fielmann Aus- und Weiterbildungs-GmbH [2,3]	Hamburg	100	27,973.06	0.00
Fielmann Akademie Schloss Plön, gemeinnützige Bildungsstätte der Augenoptik GmbH [2]	Plön	100	3,159,322.22	–859,343.69
Rathenower Optische Werke GmbH [2]	Rathenow	100	69,952,458.66	6,476,225.02
Fielmann AG	Basle, Switzerland	100	15,844,218.08	10,413,007.95
Pro-optik AG	Basle, Switzerland	100	3,237,810.03	149,627.92
Fielmann GmbH	Vienna, Austria	100	17,221,187.88	3,939,491.72
C) Further holdings				

For details of other companies belonging to the Group please see the statement of holdings as at December 31, 2006, which has been lodged with the Amtsgericht (district court) Hamburg 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 allowed under § 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

Fielmann Branches Germany

by state; as at April 2007

Baden-Wurtemberg

Aalen	Radgasse 13
Albstadt-Ebingen	Marktstraße 10
Backnang	Uhlandstraße 3
Baden-Baden	Lange Straße 10
Bad Mergentheim	Marktplatz 7
Bad Saulgau	Hauptstraße 72
Balingen	Friedrichstraße 55
Bietigheim-Bissingen	Hauptstraße 41
Böblingen	Wolfgang-Brumme-Allee 3
Bretten	Weißhofer Straße 69
Constance	Rosgartenstraße 7
Ehingen	Hauptstraße 57
Esslingen	Pliensaustraße 12
Ettlingen	Leopoldstraße 13
Freiburg	Kaiser-Josef-Straße 193
Freudenstadt	Loßburger Straße 13
Friedrichshafen	Karlstraße 47
Göppingen	Marktstraße 9
Heidelberg	Hauptstraße 71
Heidenheim	Hauptstraße 19/21
Heilbronn	Fleiner Straße 28
Karlsruhe	Kaiserstraße 50
Karlsruhe	Kaiserstraße 163
Kirchheim unter Teck	Marktstraße 41
Lahr	Marktplatz 5
Lörrach	Tumringer Straße 188
Ludwigsburg	Kirchstraße 2
Mannheim	Planken Nr. O 7/13
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
Singen	August-Ruf-Straße 16
Stuttgart	Königstraße 68
Stuttgart	Marktstraße 45
Tübingen	Kirchgasse 11
Tuttlingen	Bahnhofstraße 17
Ulm	Neue Straße 71/ Münsterplatz
Überlingen	Münsterstraße 25
Villingen	Bickenstraße 15
Waiblingen	Kurze Straße 40
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
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
Neumarkt in der Oberpfalz	Obere Marktstraße 32
Nuremberg	Breite Gasse 68
Nuremberg	Breitscheidstraße 5
Nuremberg	Glogauer Straße 30-38
Nuremberg	Hauptmarkt 10
Passau	Grabengasse 2
Ratisbon	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	Bölschestraße 114
Berlin	Breite Straße 15
Berlin	Breite Straße 22
Berlin	Brückenstraße 4
Berlin	Frankfurter Allee 71-77

München, Sonnenstraße

Berlin	Fritz-Lang-Straße 5 Block 18
Berlin	Karl-Marx-Straße 151
Berlin	Kottbusser Damm 32
Berlin	Marzahner Promenade
Berlin	Müllerstraße 37
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	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 80
Schwedt	Vierradener Straße 38
Senftenberg	Kreuzstraße 23
Strausberg	Große Straße 59
Wittenberge	Bahnstraße 28

Rostock, Kröpeliner Straße

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
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
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	Theaterplatz 6
Bottrop	Hochstraße 37+39
Brühl	Markt 3–5
Bünde	Eschstraße 17
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
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	Konrad-Adenauer-Platz 11
Düsseldorf	Luegallee 107
Düsseldorf	Nordstraße 45
Düsseldorf	Rethelstraße 147
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
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 44
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
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

Chemnitz, Markt

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
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
Brunsbüttel	Koogstraße 67-71
Eckernförde	St. Nicolai Straße 23-25
Elmshorn	Königstraße 6
Eutin	Perterstraße 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	Dingstätte 7
Plön	Lange Straße 7
Rendsburg	Torstraße 1 / Schlossplatz
Schleswig	Stadtweg 28
Wedel	Rosengarten 3
Westerland	Friedrichstraße 6

Thuringia

Altenburg	Sporenstraße 10
Eisenach	Karlstraße 11
Erfurt	Anger 27
Gera	Humboldtstraße 2a/Ecke Sorge
Gotha	Marktstraße 14
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

Switzerland by canton

Aargau

Aarau	Igelweid 1
Baden	Weite Gasse 27
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

Zurich	Bahnhofstrasse 83
Winterthur	Marktgasse 74

Austria by state

Carinthia

Klagenfurt	City-Arkaden, St.-Veiter-Ring20
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
Burs	Zimbapark
Dornbirn	Messe 2

Vienna

Vienna	Favoritenstr. 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 Str. 81/Donauzentrum
Vösendorf	Shopping-Center-Süd

Netherlands

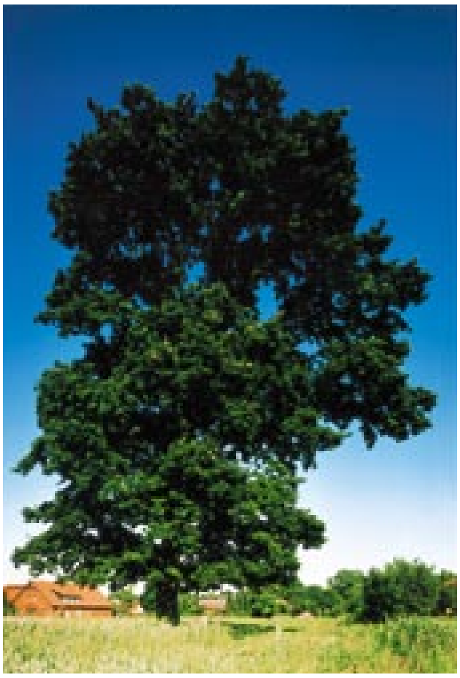
Emmen	Picassopassage 74
Enschede	Kalanderstraat 17
Nijmegen	Broerstraat 31

Poland

Chorzów	ul. Wolnośdci 30
Krakau	Galaria Krakowska ul. Pawia 5
Lodz	Marszalka Józefa Pilsudzkiego 23
Lodz	ul. Piotrkowska 23
Poznań	ul. św. Marcin 69
Szczecin	Al. Wojska Polskiego 15
Wroclaw	Pl. Dominikański 3

St. Gallen, Multergasse

Vienna, Mariahilfer Straße



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 800,000 trees and shrubs.

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