



**Interim report
as at 30 September 2006**

**Q1 to Q3: 29 per cent earnings increase.
Full year: profit in excess of € 100 million.
Employees: 550 additional jobs in 2006.**

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Fielmann Aktiengesellschaft

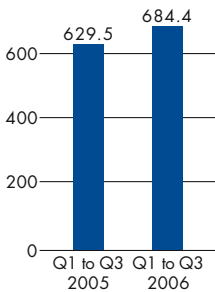
Interim report as at 30 September 2006

Dear shareholders and friends of the company,

Fielmann fulfilled expectations for the first nine months of financial year 2006. In the third quarter, the trend in sales and profit was once again pleasing.

External sales

in € million



Unit sales and sales

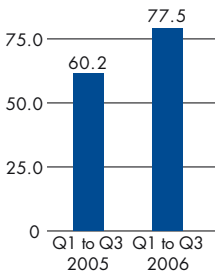
From January to September 2006, Fielmann sold 4.3 million pairs of glasses (previous year: 4.2 million). In this period, external sales (Group total performance including VAT) rose to € 684.4 million – an increase of 8.7 per cent – and consolidated sales to € 592.3 million, also representing an increase of 8.7 per cent.

In the third quarter of 2006, Fielmann sold 1.5 million pairs of glasses (previous year: 1.4 million pairs of glasses). External sales were up by 8.6 per cent to € 231.5 million. Consolidated sales increased by 8.6 per cent to € 202.5 million.

To date, 1.8 million spectacle wearers have opted for the glasses for free insurance by Fielmann and HanseMercur. An annual premium of € 10 entitles the insured party to a pair of the latest fashion glasses (single vision lenses) at no cost every two years, as well as to replacement free of charge in the event of breakage, damage or a change in prescription. If customers opt for a model for which they need to pay, they receive a € 15 voucher on the purchase price. The premium for varifocal lenses is € 50 per year and the voucher received on frames for which a charge applies is worth € 70. In the event of damage, 70 per cent credit on the purchase price is awarded for frames for which there is a charge.

Pre-tax profit

in € million



Earnings and investments

After nine months of financial year 2006, pre-tax profit rose by 28.8 per cent to € 77.5 million and profit after tax by 28.0 per cent to € 51.2 million.

Profit in the third quarter was up 15.9 per cent to € 29.4 million. Profit after tax increased by 15.3 per cent to € 19.4 million. Following the share split, earnings per share were € 1.16 (previous year: € 0.88), earnings of the third quarter were at € 0.43 (previous year: € 0.37).

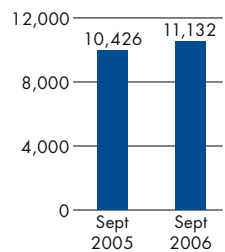
Outside Germany, investments in Austria have paid off, in particular. Here, pre-tax profit rose by 63.6 per cent to € 3.6 million and profit in Switzerland amounted to € 14.0 million after the first nine months of the year (previous year: € 12.4 million). Fielmann is continuing its rapid expansion in Germany and the neighbouring countries. In the past twelve months, the number of stores rose by 28 to 558 (previous year: 530). We have opened 20 new branches since the beginning of the year, four of which in Germany's neighbouring countries.

Investments were financed entirely from cash flow and increased to € 31.8 million after the first nine months of the year (previous year: € 29.2 million). We spent € 20.2 million on stores (previous year: € 19.1 million).

Employees

Fielmann is the largest employer and offers more trainee positions than any other company in the optical industry. As at the cut-off date of 30 September 2006, the Group employed 11,132 staff (previous year: 10,426), of whom 1,718 are trainees (previous year: 1,502). With just 5 per cent of all specialist opticians' stores, Fielmann trains 27 per cent of all trainees in this sector in Germany. Successfully, too. Once again, Fielmann were awarded top prizes in the 2006 German optical industry performance awards and in the trainee examinations 86 per cent of all regional awards and 48 per cent of all Chamber of Commerce awards.

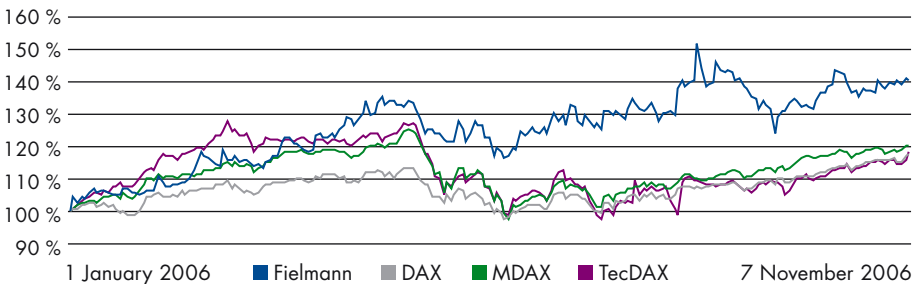
Employees



Shares

In recent months, the German share indices recorded significant increases. In this context, Fielmann shares once again proved an investment whose value remained stable. The share price was € 40.05 on 7 November. The share split, which was implemented at a ratio of two-for-one with effect from 9 August 2006, has made Fielmann shares even more attractive.

A comparison of Fielmann shares with the DAX, MDAX and TecDAX



Outlook

For the full year of 2006, Fielmann expects profit in excess of € 100 million, the opening of 30 new stores and the creation of 550 additional jobs.

Hamburg, November 2006

Fielmann Aktiengesellschaft
The Management Board

Segment by region September 2006

Brackets indicate figure for the same period in the previous year.

in € m	Germany	Switzerland	Austria	Other	Consolidation	Group
Sales revenue	508.7 (470.0)	62.4 (58.7)	29.6 (24.0)	13.4 (12.3)	-21.8 (-20.1)	592.3 (544.9)
Sales revenue from other segments	18.2 (16.1)	1.9 (2.2)		1.7 (1.8)		
Outside sales revenue	490.5 (453.9)	60.5 (56.5)	29.6 (24.0)	11.7 (10.5)		592.3 (544.9)
Result from ordinary activities ¹	60.1 (45.9)	14.0 (12.4)	3.6 (2.2)	0.1 (-0.3)	-0.3 (0.0)	77.5 (60.2)
of which interest income	0.7 (0.1)	1.3 (0.3)	0.2 (0.6)	0.0 (0.1)		2.2 (1.1)
Result from ordinary activities²	59.4 (45.8)	12.7 (12.1)	3.4 (1.6)	0.1 (-0.4)	-0.3 (0.0)	75.3 (59.1)
Investments	28.3 (26.4)	1.7 (2.0)	1.2 (0.7)	0.6 (0.1)		31.8 (29.2)
Cash flow ³	60.3 (46.3)	12.0 (11.3)	4.8 (3.2)	0.9 (0.2)	-5.0 (-2.8)	73.0 (58.2)
Scheduled depreciation	20.1 (18.7)	1.9 (1.8)	1.4 (1.4)	0.7 (0.7)		24.1 (22.6)
Segment assets	441.6 (404.7)	35.8 (30.6)	14.1 (10.7)	13.4 (9.2)		504.9 (455.2)
of which balances with banks, securities	80.2 (91.4)	20.1 (16.0)	0.9 (1.3)	2.8 (1.1)		104.0 (109.8)
	361.4 (313.3)	15.7 (14.6)	13.2 (9.4)	10.6 (8.1)		400.9 (345.4)
Segment debts	134.1 (114.1)	4.7 (5.5)	3.1 (2.2)	4.4 (2.6)		146.3 (124.4)
of which amounts due to banks	21.1 (22.3)	0.3 (0.0)		0.3 (0.0)		21.7 (22.3)
	113.0 (91.8)	4.4 (5.5)	3.1 (2.2)	4.1 (2.6)		124.6 (102.1)

¹ In the segments excluding income from participations ² Excluding interest ³ In segments excluding income from participations, net of tax

Group equity September 2006

Brackets indicate figure for the same period in the previous year

€ '000	As at 1 January	Dividends paid/ profit shares*	Consolidated net income	Other changes	As at 30 September
Subscribed capital	54,600 (54,600)				54,600 (54,600)
Capital reserve	92,652 (92,652)				92,652 (92,652)
Group equity generated	209,235 (187,744)	-39,860 (-33,562)	48,799 (36,343)	-3,455 (-965)	214,719 (189,560)
of which: available-for-sale securities	993 (444)			-993 (188)	0 (632)
of which: currency equalisation item	0 (521)			-624 (-498)	-624 (23)
Minority interests	-29 (4)	-2,432 (-3,037)	2,367 (2,823)	93 (451)	-1 (241)
Group equity	356,458 (335,000)	-42,292 (-36,599)	51,166 (39,166)	-3,362 (-514)	361,970 (337,053)

* Dividends distributed and profit shares allocated to other shareholders.

Segment by division September 2006

Brackets indicate figure for the same period in the previous year

in € m	Wholesale/ Services		Production/ Logistics		Retail		Consolidation		Group	
Sales revenue	192.8	(154.9)	32.8	(31.7)	585.1	(538.9)	-218.4	(-180.6)	592.3	(544.9)
Sales revenue including other segments	188.4	(151.1)	30.0	(29.2)	0.0	(0.3)				
Outside sales revenue	4.4	(3.8)	2.8	(2.5)	585.1	(538.6)			592.3	(544.9)
Result from ordinary activities ¹	35.5	(23.2)	9.2	(8.3)	33.5	(28.5)	-0.7	(0.2)	77.5	(60.2)
of which interest income	7.5	(5.8)	0.9	(0.7)	-6.2	(-5.4)			2.2	(1.1)
Result from ordinary activities²	28.0	(17.4)	8.3	(7.6)	39.7	(33.9)	-0.7	(0.2)	75.3	(59.1)
Investments	10.5	(9.1)	1.1	(1.0)	20.2	(19.1)			31.8	(29.2)
Cash flow ³	30.1	(19.6)	9.7	(9.9)	44.3	(38.6)	-11.1	(-9.9)	73.0	(58.2)
Scheduled depreciation	7.0	(5.1)	1.8	(2.0)	15.3	(15.5)			24.1	(22.6)
Segment assets	281.7	(253.7)	21.2	(22.0)	202.0	(179.5)			504.9	(455.2)
of which balances with banks, securities	99.1	(106.8)	0.2	(0.0)	4.7	(3.0)			104.0	(109.8)
	182.6	(146.9)	21.0	(22.0)	197.3	(176.5)			400.9	(345.4)
Segment debts	87.8	(71.2)	4.4	(3.9)	54.1	(49.3)			146.3	(124.4)
of which amounts due to banks	17.0	(18.5)	0.3	(0.0)	4.4	(3.8)			21.7	(22.3)
	70.8	(52.7)	4.1	(3.9)	49.7	(45.5)			124.6	(102.1)

¹ In the segments excluding income from participations ² Excluding interest ³ In segments excluding income from participations, net of tax

Explanatory notes to the interim report

The interim report as at 30 September 2006 is based on the same reporting and valuation methods as the consolidated financial statements as at 31 December 2005, which were prepared in accordance with the International Financial Reporting Standards (IFRS including IAS).

Ten companies were consolidated for the first time as at 31 March 2006, eight as at 30 June 2006 and 13 as at 30 September 2006. These are branches which are being established and, in some cases, stores that have already opened. They have no significant impact on the Group's financial position.

The "securities" item includes own shares totalling 50,420. The book value as at 30 September 2006 amounted to € 1,529 thousand. The Fielmann shares reported were acquired under § 71 para. 1 (2) AktG (German Stock Corporation Act), in order to offer them to employees of Fielmann Aktiengesellschaft or its affiliated companies as employee shares.

2007 financial calendar

Preliminary figures for 2006	February 2007
Quarterly report	April 2007
Balance sheet press conference	April 2007
Annual General Meeting	12 July 2007
Bloomberg code	FIE
Reuters code	FIEG.DE
ISIN	DE0005772206

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Consolidated cash flow statement

Financial resources of € 60,067 thousand incorporate liquid funds (€ 42,001 thousand) and some securities with fixed maturity (€ 18,066 thousand). These are taken into account in the financial resources where they have a remaining term of up to one month. Due to the first-time application of RIC 1 as at 31 December 2005, there are some changes in allocation compared with the quarterly report as at June 2005.

Cash flow statement for the period from 1 January to 30 September	2006 in € '000	2005 in € '000	Change in € '000
Result before interest	75,510	59,095	16,415
Interest expenses	-101	-1,762	1,661
Interest income	2,116	2,850	-734
Result from ordinary activities	77,525	60,183	17,342
Taxes on income	-26,359	-20,217*	-6,142
Result for the period (including minority interests)	51,166	39,966	11,200
+/- Write-down/write-up on fixed assets	24,062	22,619	1,443
+/- Increase/decrease in long-term provisions	418	-237	655
+/- Other non-cash expenses/income	-2,660	-4,109	1,449
= Cash flow	72,986	58,239	14,747
+/- Increase/decrease in current provisions	6,827	-3,303	10,130
-/+ Profit/loss on disposal of fixed assets	-275	-90	-185
-/+ Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financing activities	-41,933	-25,012	-16,921
+/- Increase/decrease in trade creditors and other liabilities not attributable to investment or financing activities	26,214	31,253	-5,039
= Cash flow from current business activities	63,819	61,087	2,732
Receipts from the disposal of tangible assets	621	2,608	-1,987
- Payments for investments in tangible assets	-27,195	-27,829	634
+ Receipts from disposal of intangible assets	0	272	-272
- Payments for investments in intangible assets	-4,052	-5,653	1,601
+ Receipts from disposal of financial assets	181	64	117
- Payments for investments in financial assets	-497	0	-497
- Payments for the acquisition of consolidated companies and other business units after deduction of liquid funds acquired	0	-12	12
= Cash flow from investment activities	-30,942	-30,550	-392
- Payments to company owners and minority shareholders	-42,315	-33,600	-8,715
- Payments for the redemption of bonds and (financial) credit	-4,801	-7,264	2,463
= Cash flow from financing activity	-47,116	-40,864	-6,252
Cash changes in financial resources	-14,239	-10,327	-3,912
+/- Changes in financial resources due to exchange rate, scope of consolidation and valuation	-134	-6	-128
+ Financial resources at the beginning of the period	74,440	108,750	-34,310
= Financial resources at the end of the period	60,067	98,417	-38,350

* This item has been adjusted in line with the actual tax ratio for 2005.

Consolidated income statement

Quarterly comparison for the period from 1 July to 30 September	2006 € '000	2005 € '000	Change in per cent
1. Consolidated sales	202.458	186.379	8.6
2. Change in inventories	-1,410	-1,503	-6.2
Total consolidated revenues	201,048	184,876	8.7
3. Other operating income	11,640	11,704	-0.5
4. Material costs	-63,780	-59,064	8.0
5. Personnel costs	-76,972	-69,263	11.1
6. Depreciation and amortisation	-7,765	-7,433	4.5
7. Other operating expenses	-35,301	-35,934 ¹	-1.8
8. Net interest income	541	482	12.2
9. Result from ordinary activities	29,411	25,368	15.9
10. Tax on income and earnings	-10,000	-8,534 ²	17.2
11. Net income for the quarter	19,411	16,834	15.3
12. Minority interests	-1,293	-1,341	-3.6
13. Result for the period	18,118	15,493	16.9
Earnings per share in €	0.43³	0.37^{2,3}	

Consolidated income statement

For the period from 1 January to 30 September	2006 € '000	2005 € '000	Change in per cent
1. Consolidated sales	592.287	544.948	8.7
2. Change in inventories	2.589	960	169.7
Total consolidated revenues	594.876	545.908	9.0
3. Other operating income	36.723	40.096	-8.4
4. Material costs	-179.433	-173.431	3.5
5. Personnel costs	-221.697	-205.925	7.7
6. Depreciation and amortisation	-24.062	-22.619	6.4
7. Other operating expenses	-131.116	-124.946 ¹	4.9
8. Net interest income	2.234	1.100	103.1
9. Result from ordinary activities	77.525	60.183	28.8
10. Tax on income and earnings	-26.359	-20.217 ²	30.4
11. Net income as at 30 September	51.166	39.966	28.0
12. Minority interests	-2.367	-2.823	-16.2
13. Result for the period	48.799	37.143	31.4
Earnings per share in €	1.16³	0.88^{2,3}	

¹ Item includes "other taxes" reported separately in the previous year.

² Item adjusted in line with the actual tax ratio for 2005.

³ Two-for-one share split with effect from 9 August 2006 (previous year has been adjusted accordingly).

Consolidated balance sheet as at 30 September 2006

Assets	As at 30 September 2006 in € '000	As at 31 December 2005 in € '000
A. Long-term fixed assets		
I. Intangible assets	6,154	6,106
II. Goodwill	42,862	40,592
III. Tangible assets	193,013	189,304
IV. Financial assets	999	706
V. Deferred tax assets	24,444	25,610
VI. Other financial assets	6,485	5,640
	273,957	267,958
B. Current assets		
I. Inventories	85,258	79,532
II. Trade debtors and other receivables	55,869	33,213
III. Tax claims	7,864	10,922
IV. Prepaid expenses	16,747	3,299
V. Financial assets	30,036	24,741
VI. Cash and cash equivalents	67,527	81,870
	263,301	233,577
	537,258	501,535
Liabilities		
A. Equity		
I. Subscribed capital	54,600	54,600
II. Capital reserve	92,652	92,652
III. Profit reserve	165,920	169,335
IV. Consolidated income carried forward	0	39,900
V. Result for the period	48,799	0
VI. Minority interests	-1	-29
	361,970	356,458
B. Long-term liabilities		
I. Long-term provisions	5,670	5,252
II. Long-term financial liabilities	12,486	22,329
III. Deferred tax liabilities	4,226	6,826
	22,382	34,407
C. Current liabilities		
I. Current provisions	29,852	24,080
II. Current financial liabilities	10,721	4,216
III. Trade creditors and other liabilities	87,618	59,582
IV. Tax liabilities	24,715	22,792
	152,906	110,670
	537,258	501,535