Interim Report as at 30 June 2006

First half-year 2006: Profit up 38 per cent
Glasses for free insurance:
1.6 million policies
Earnings from abroad: 30 per cent

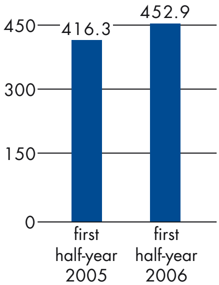
Fielmann Aktiengesellschaft
Interim report as at 30 June 2006

Dear shareholders and friends of the company,

Expectations for the first six months of financial year 2006 have been fulfilled at Fielmann. We achieved a significant increase in sales and overproportional growth in profit.

External sales

in € million



Unit sales and sales

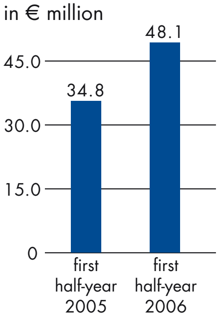
In the first half-year of 2006, Fielmann sold more than 2.8 million pairs of glasses. In this period, the company generated external sales (total Group performance including VAT) of € 452.9 million (+8.8 per cent) and consolidated sales of € 389.8 million (+8.7 per cent).

In the second quarter, Fielmann sold more than 1.4 million pairs of glasses. External sales were up by 3.9 per cent to € 227.3 million. Consolidated sales rose by 4.2 per cent to € 197.5 million.

1.6 million glasses-wearers have already opted for the glasses for free insurance from Fielmann and HanseMerkur. For an annual premium of € 10, customers can have one pair of high fashion glasses with single vision lenses for free every two years plus free replacement in the event of breakage, damage or change in prescription. For glasses subject to a top-up fee, there is a 70 per cent credit voucher on the purchase price of the insured glasses.

Pre-tax profit

in € million



Earnings and investments

In the first half of financial year 2006 pre-tax profit was up 38.2 per cent to € 48.1 million whilst advertising expenses remained unchanged on the previous year.

Profit in the second quarter of 2006 stood at € 23.0 million (previous year: € 24.7 million). In the first quarter of the current financial year, profit amounted to € 25.1 million (previous year: € 10.1 million). This difference stems from the fact that Fielmann invested more than € 20 million in the market launch of the glasses for free insurance in the first quarter of 2005. Advertising expenses reduced considerably in the second quarter. In 2006, advertising expenses for the two quarters remained average and were unchanged on the same period in the previous year. Despite additional start-up costs for the 13 new branches, net profit rose in the first half of the year by 37.3 per cent.

Branches in Austria and Switzerland contributed 30 per cent to net income, accounting for 10 per cent of unit sales. Fielmann is promoting rapid expansion of its business in Germany and its bordering countries.

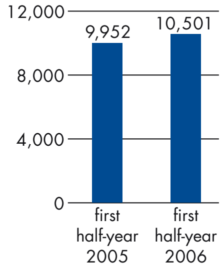
Investments were financed entirely from cash flow and increased to € 22.9 million in the first six months of the year. We spent € 15.0

million (previous year: € 14.1 million) on branches and the number of stores increased by 13 to 551 (previous year: 527).

Employees

Fielmann is the largest employer and offers more trainee positions than any other company in the optical industry. As at 30 June 2006, the Group employed 10,501 staff (previous year: 9,952), of whom 1,364 are trainees. 530 young people will start their training with Fielmann in the second half of 2006.

Employees

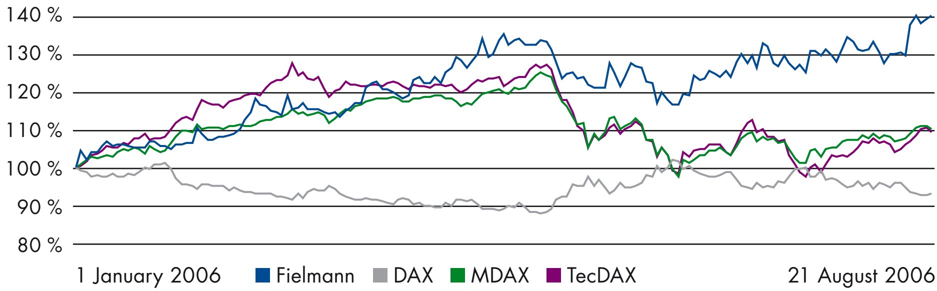


Shares

In second quarter of 2006, the German indices largely lost the gains achieved in the first quarter of the year. Fielmann shares, however, proved a strong investment once again. The share price was € 40.09 on 21 August.

Fielmann operates a shareholder-friendly policy. In order to enhance the attractiveness of the shares further, the Annual General Meeting resolved a two-for-one share split on 6 July 2006. This was implemented with effect from 9 August 2006.

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



Outlook

For 2006, Fielmann expects a marked upturn in sales and profit. This year, we will open at least 25 new branches. By the year-end, Fielmann will create 300 additional jobs and will then employ a total of 10,770 staff.

Hamburg, August 2006

Fielmann Aktiengesellschaft
The Management Board

Segment by region June 2006

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

in € m	Germany	Switzerland	Austria	Other	Consoli-dation	Group
Sales revenue	334.9 (309.6)	41.1 (40.7)	19.5 (15.9)	9.0 (6.2)	–14.7 (–13.8)	389.8 (358.6)
Sales revenue from other segments	12.3 (11.2)	1.1 (2.5)		1.3 (0.1)		
Outside sales revenue	**322.6 (298.4)**	**40.0 (38.2)**	**19.5 (15.9)**	**7.7 (6.1)**		**389.8 (358.6)**
Result from ordinary activities [1]	36.1 (24.5)	9.6 (8.8)	2.3 (1.5)	0.2 (–0.3)	–0.1 (0.3)	48.1 (34.8)
of which interest income	0.4 (0.0)	1.1 (0.2)	0.1 (0.3)	0.1 (0.1)		1.7 (0.6)
Result from ordinary activities [2]	**35.7 (24.5)**	**8.5 (8.6)**	**2.2 (1.2)**	**0.1 (–0.4)**	**–0.1 (0.3)**	**46.4 (34.2)**
Investments	20.8 (19.6)	1.3 (1.0)	0.6 (0.4)	0.2 (0.1)		22.9 (21.1)
Cash flow [3]	40.0 (31.4)	8.0 (7.7)	3.0 (2.5)	0.6 (–0.1)	–3.9 (–1.9)	47.7 (39.6)
Scheduled depreciation	13.6 (12.6)	1.3 (1.2)	0.9 (1.0)	0.5 (0.4)		16.3 (15.2)
Segment assets	451.9 (415.3)	32.0 (27.6)	14.1 (10.8)	12.7 (8.7)		510.7 (462.4)
of which balances with banks, securities	96.7 (110.0)	17.3 (12.8)	1.4 (1.1)	2.4 (1.2)		117.8 (125.1)
	355.2 (305.3)	**14.7 (14.8)**	**12.7 (9.7)**	**10.3 (7.5)**		**392.9 (337.3)**
Segment debts	117.0 (107.3)	3.8 (3.9)	2.9 (2.1)	3.7 (3.0)		127.4 (116.3)
of which amounts due to banks	18.1 (22.3)	0.2 (0.0)		0.3 (0.0)		18.6 (22.3)
	98.9 (85.0)	**3.6 (3.9)**	**2.9 (2.1)**	**3.4 (3.0)**		**108.8 (94.0)**

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

Group equity June 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 June
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)		30,681 (21,129)	–2,335 (–869)	237,581 (208,004)
of which: available-for-sale securities	993 (444)			–993 (188)	0 (632)
of which: currency equalisation item	0 (521)			–383 (–411)	–383 (110)
Minority interests	–29 (4)	–1,244 (–1,678)	1,074 (1,482)	93 (285)	–106 (93)
Group equity	356,458 (335,000)	–1,244 (–1,678)	31,755 (22,611)	–2,242 (–584)	384,727 (355,349)

* Dividends distributed and profit shares allocated to other shareholders.

Segment by division June 2006

Brackets indicate figure for the same period in the previous year

in € m	Wholesale/ Services		Production/ Logistics		Retail		Consolidation		Group	
Sales revenue	135.4	(107.9)	21.5	(22.0)	385.1	(354.6)	–152.2	(–125.9)	389.8	(358.6)
Sales revenue including other segments	132.4	(105.5)	19.5	(20.2)	0.3	(0.2)				
Outside sales revenue	**3.0**	**(2.4)**	**2.0**	**(1.8)**	**384.8**	**(354.4)**			**389.8**	**(358.6)**
Result from ordinary activities[1]	22.7	(14.5)	5.6	(5.9)	20.5	(13.9)	–0.7	(0.5)	48.1	(34.8)
of which interest income	5.2	(3.7)	0.6	(0.4)	–4.1	(–3.5)			1.7	(0.6)
Result from ordinary activities[2]	**17.5**	**(10.8)**	**5.0**	**(5.5)**	**24.6**	**(17.4)**	**–0.7**	**(0.5)**	**46.4**	**(34.2)**
Investments	7.0	(6.3)	0.9	(0.7)	15.0	(14.1)			22.9	(21.1)
Cash flow[3]	19.0	(15.4)	6.3	(7.2)	27.8	(21.3)	–5.4	(–4.3)	47.7	(39.6)
Scheduled depreciation	4.9	(3.5)	1.3	(1.3)	10.1	(10.4)			16.3	(15.2)
Segment assets	284.7	(253.5)	21.9	(22.5)	204.1	(186.4)			510.7	(462.4)
of which balances with banks, securities	113.1	(121.3)	0.2	(0.0)	4.5	(3.8)			117.8	(125.1)
	171.6	**(132.2)**	**21.7**	**(22.5)**	**199.6**	**(182.6)**			**392.9**	**(337.3)**
Segment debts	79.2	(64.0)	4.8	(4.8)	43.4	(47.5)			127.4	(116.3)
of which amounts due to banks	14.1	(18.5)	0.3	(0.0)	4.2	(3.8)			18.6	(22.3)
	65.1	**(45.5)**	**4.5**	**(4.8)**	**39.2**	**(43.7)**			**108.8**	**(94.0)**

[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 June 2006 is based on the same reporting and valuation methods as the consolidated financial statements as at 31 December 2005, which was 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 and eight as at 30 June 2006. These are newly established branches. They have no significant impact on the Group's financial position.

The "securities" item on the balance sheet includes own shares totalling 21,381. The book value as at 30 June 2006 amounted to € 1,199 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.

2006 financial calendar

Analyst's meetingkonferenz	25 August 2006
Quarterly report	30 November 2006
Preliminary figures for 2006	February 2007
Quarterly report	April 2007
Bloomberg code	FIE
Reuters code	FIEG.DE
ISIN	DE0005772206

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Consolidated cash flow statement

Financial resources of € 55,785 thousand incorporate liquid funds (€ 37,787 thousand) and some securities with fixed maturity (€ 17,998 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 June	2006 in € '000	2005 in € '000	Change in € '000
	Result before interest	46,421	34,231	12,190
	Interest expenses	–786	–1,760	974
	Interest income	2,479	2,378	101
	Result from ordinary activities	**48,114**	**34,849**	**13,265**
	Taxes on income	–16,359	–12,238	–4,121
	Result for the period (including minority interests)	**31,755**	**22,611**	**9,144**
+/–	Write-down/write-up on fixed assets	16,297	15,186	1,111
+/–	Increase/decrease in long-term provisions	230	0	230
+/–	Other non-cash expenses/income	–565	1,778	–2,343
=	**Cash flow**	**47,717**	**39,575**	**8,142**
+/–	Increase/decrease in current provisions	–105	–5,256	5,151
–/+	Profit/loss on disposal of fixed assets	–190	–87	–103
–/+	Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financing activities	–57,396	–22,643	–34,753
+/–	Increase/decrease in trade creditors and other liabilities not attributable to investment or financing activities	22,583	19,020	3,563
=	**Cash flow from current business activities**	**12,609**	**30,609**	**–18,000**
	Receipts from the disposal of tangible assets	832	706	126
–	Payments for investments in tangible assets	–19,547	–16,688	–2,859
+	Receipts from disposal of intangible assets	18	95	–77
–	Payments for investments in intangible assets	–3,056	–5,441	2,385
+	Receipts from disposal of financial assets	181	63	118
–	Payments for investments in financial assets	–230	0	–230
–	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**	**–21,802**	**–21,277**	**–525**
–	Payments to company owners and minority shareholders	–1,478	0	–1,478
–	Payments for the redemption of bonds and (financial) credit	–7,947	–3,179	–4,768
=	**Cash flow from financing activity**	**–9,425**	**–3,179**	**–6,246**
	Cash changes in financial resources	–18,618	6,153	–24,771
+/–	Changes in financial resources due to exchange rate, scope of consolidation and valuation	–37	–5	–32
+	Financial resources at the beginning of the period	74,440	108,750	–34,310
=	**Financial resources at the end of the period**	**55,785**	**114,898**	**–59,113**

Consolidated income statement

Quarterly comparison for the period from 1 April to 30 June	2006 € '000	2005 € '000	Change in per cent
1. Consolidated sales	197,507	189,511	4,2
2. Change in inventories	23	216	
Total consolidated revenues	**197,530**	**189,727**	**4,1**
3. Other operating income	13,309	13,040	2,1
4. Material costs	–59,303	–61,744	–4,0
5. Personnel costs	–72,097	–69,587	3,6
6. Depreciation and amortisation	–8,335	–7,743	7,6
7. Other operating expenses	–48,393	–39,493[1]	22,5
8. Net interest income	302	523	–42,3
9. Result from ordinary activities	**23,013**	**24,723**	**–6,9**
10. Tax on income and earnings	–7,831	–8,170[2]	–4,1
11. Net income for the quarter	**15,182**	**16,553**	**–8,3**
12. Minority interests	–496	–1,374	
13. Result for the period	**14,686**	**15,179**	**–3,2**
Earnings per share in €	**0.70**	**0.72[2]**	

Consolidated income statement

For the period from 1 January to 30 June	2006 € '000	2005 € '000	Change in per cent
1. Consolidated sales	389,829	358,569	8,7
2. Change in inventories	3,999	2,463	62,4
Total consolidated revenues	**393,828**	**361,032**	**9,1**
3. Other operating income	25,083	28,392	–11,7
4. Material costs	–115,653	–114,367	1,1
5. Personnel costs	–144,725	–136,662	5,9
6. Depreciation and amortisation	–16,297	–15,186	7,3
7. Other operating expenses	–95,815	–89,012[1]	7,6
8. Net interest income	1,693	618	173,9
9. Result from ordinary activities	**48,114**	**34,815**	**38,2**
10. Tax on income and earnings	–16,359	–11,683[2]	40,0
11. Net income as at 30 June	**31,755**	**23,132**	**37,3**
12. Minority interests	–1,074	–1,482	–27,5
13. Result for the period	**30,681**	**21,650**	**41,7**
Earnings per share in €	**1.46**	**1.03[2]**	

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

[2] Item adjusted in line with the current tax ratio for 2005.

Consolidated balance sheet as at 30 June 2006

Assets	As at 30 June 2006 in € '000	As at 31 December 2005 in € '000
A. Long-term fixed assets		
I. Intangible assets	5,997	6,106
II. Goodwill	42,602	40,592
III. Tangible assets	192,675	189,304
IV. Financial assets	728	706
V. Deferred tax assets	25,135	25,610
VI. Other financial assets	6,442	5,640
	273,579	**267,958**
B. Current assets		
I. Inventories	88,312	79,532
II. Trade debtors and other receivables	53,971	33,213
III. Tax claims	9,570	10,922
IV. Prepaid expenses	8,595	3,299
V. Financial assets	37,513	24,741
VI. Cash and cash equivalents	73,846	81,870
	271,807	**233,577**
	545,386	**501,535**

Liabilities	As at 30 June 2006 in € '000	As at 31 December 2005 in € '000
A. Equity		
I. Subscribed capital	54,600	54,600
II. Capital reserve	92,652	92,652
III. Profit reserve	206,900	169,335
IV. Consolidated income carried forward	0	39,900
V. Result for the period	30,681	0
VI. Minority interests	–106	-29
	384,727	**356,458**
B. Long-term liabilities		
I. Long-term provisions	5,482	5,252
II. Long-term financial liabilities	12,809	22,329
III. Deferred tax liabilities	7,166	6,826
	25,457	**34,407**
C. Current liabilities		
I. Current provisions	21,851	24,080
II. Current financial liabilities	7,226	4,216
III. Trade creditors and other liabilities	80,027	59,582
IV. Tax liabilities	26,098	22,792
	135,202	**110,670**
	545,386	**501,535**