



Annual Report 2005

fielmann

Fielmann at a Glance

		2005	2004	2004	2003	2002	2001
		IFRS	IFRS	HGB	HGB	HGB	HGB
Sales	in € m						
External sales ¹⁾	inc. VAT	843	764	764	1,010	807	761
Change	in %	+10.3		-24.4	+25.2	+6.0	+7.3
Consolidated sales	exc. VAT,	733	668	642	814	657	620
Change	in %	+9.7		-21.1	+23.9	+6.0	+7.3
Quantities sold ¹⁾	glasses/thousands	5,660	5,110	5,110	6,435	5,035	4,980
Change	in %	+10.8		-20.6	+27.8	+1.1	+1.2
Pre-tax profit	in € m	87.0	76.0	72.0	112.2	63.0	55.5
Change	in %	+14.5		-35.8	+78.1	+13.5	-16.5
Net income	in € m	57.8	48.4	44.3	70.1	45.0	39.2
Change	in %	+19.3		-36.8	+55.8	+14.8	+1.8
Cash flow	in € m	89.4	86.6	89.1	114.4	85.8	78.0
Change	in %	+3.3		-22.1	+33.3	+10.0	+3.9
Group equity ratio	in %	63.1	64.9	67.7	54.4	61.5	57.0
Investment	in € m	61.2	45.3	41.1	27.9	37.5	43.9
Change	in %	+35.2		+47.3	-25.6	-14.6	-30.5
Number of Branches ¹⁾		538	520	520	512	506	498
Employees ¹⁾	as at 31. 12.	10,470	9,776	9,776	10,348	9,900	9,640
of which trainees		1,502	1,484	1,484	1,701	1,820	1,810
Key data per share							
Earnings ²⁾	in €	2.62	2.21	2.18	3.32	2.22	1.73
Cash flow ²⁾	in €	4.26	4.12	4.24	5.45	4.09	3.71
Dividend	in €	1.90	1.60	1.60	1.60	1.25	1.07

¹⁾ Sales including VAT/work in progress, HGB: Sales including franchisers, VAT and work in progress

²⁾ IFRS 2004/2005: According to IAS 7; HGB 2001–2004: According to DVFA/SG

Glasses: Fielmann

The name Fielmann is associated with fashionable glasses at a fair price. Ninety per cent of all Germans are familiar with Fielmann. We are the market leader. Sixteen million people wear Fielmann glasses. In the Federal Republic of Germany, the company sells every second pair of glasses. Fielmann is deeply rooted in the optical industry and is active at every level; we are a manufacturer, agent and optician. Optics is a craft. Fielmann is aware of its obligation to German training in this craft.

Fielmann has made its mark on the optical sector. Fielmann showed that free glasses can be attractive, made them socially acceptable, abolished discrimination against free prescription glasses and brought democracy into fashion frames.

Fielmann has consistently introduced new customer-oriented services into the market. Now that statutory benefits have been largely abolished, Fielmann continues to write the history of prescription glasses. Consumer-friendly services, a large selection at guaranteed low prices, first-class technological equipment and a high level of specialist expertise are the foundation of our success.

We are guided by the corporate motto: "You are the customer". Our leading position is down to strong customer focus. We put ourselves in our customers' position and our employees are committed to this approach.

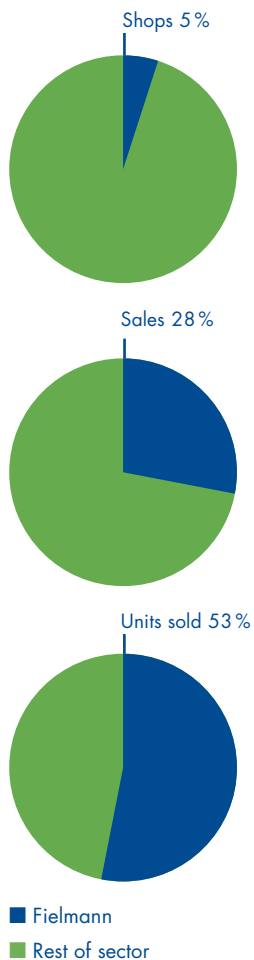
Europe is growing closer together. As we have done in Germany, we shall demonstrate our key expertise in customer service in neighbouring countries.

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Dear shareholders and friends of the company,

Market shares 2005



We continued to await the sustained revival of the German economy in 2005. The 0.9 per cent rise in GDP was carried by exports. The 0.5 per cent expansion in the retail sector could not compensate for the dramatic downturn experienced in recent years.

During the financial year there were more than 130,000 company insolvencies and private bankruptcies in Germany. The company insolvencies are associated with bad debt losses of € 23 billion, with private bankruptcies and miscellaneous insolvencies accounting for around € 13 billion. According to figures from the German Confederation of Skilled Crafts, trades lost another 140,000 jobs in 2005. At the end of February 2006, there were more than 5 million unemployed in Germany, representing an unemployment rate of 12 per cent. Taking into account job-creation schemes, retraining programmes and early retirement arrangements, there were more than 6.5 million people without work at the beginning of this year.

The optical industry in Germany has still not recovered from the effects of the last structural reform in the health sector. Even now, the rest of the optical industry is 25 per cent below the unit sales and 20 per cent below the sales of 2002, the last year unaffected by the structural reform.

Fielmann has emerged stronger from the recession. Our expectations of financial year 2005 have been fulfilled. Fielmann increased its unit sales by 10,8 per cent on the previous year, grew its sales by 10,3 per cent and raised its net income by 19,3 per cent.

We achieved these results in a sluggish economic environment. In 2004, the third Health Service Reform Act entered into force. With a few exceptions, the reforms meant that the additional benefit for glasses was abolished completely. A benefit of German social legislation that had lasted over 100 years was thus removed from the set of benefits refundable by statutory health insurance for the majority of the people who had previously benefited.

More than 80 per cent of the population belong to a statutory health insurance scheme. For decades, insured people with poor eyesight had the right to claim a new pair of prescription glasses every two years and later every three years. Those who opted out of this non-cash benefit in favour of more expensive frames or higher-quality lenses were compensated by the statutory health insurance for an amount that was deducted from the additional payment for the new glasses. For the majority of those entitled to claim, the additional payment for high-quality glasses was taken for granted over decades.

Following the legislative abolition of this social benefit, Fielmann continues to write the history of prescription glasses with a new consumer-oriented service.

The free insurance for glasses from Fielmann and HanseMerkur offers customers more than the benefit previously offered by statutory health insurance.

Immediately after taking out the insurance policy, the customer is entitled to claim a new highly fashionable pair of glasses from the Fielmann zero-cost collection, with a three-year guarantee; they do not pay for the frames or the lenses.

For a pair of glasses with single vision lenses, the policy holder pays a premium of € 10 per year, while there is a premium of € 50 per year for glasses with multifocals.

If policy holders opt for a pair of glasses from the premium range, in the case of single vision glasses they receive a € 15 voucher redeemable against the purchase price, € 5 per single vision lens and € 5 for the frames. With multifocal glasses they are granted a credit of € 70, which is € 32.50 per lens and € 5 for the frames.

Policy holders can choose from 70 zero-cost models in metal or plastic in more than 500 variants, including stainless steel models. In the industry, frames made from this durable material generally cost between € 50 and € 120, depending on print processing; at Fielmann the policy holder receives them free of charge.

Every two years the HanseMerkur policy holders are entitled to claim a new pair of glasses from the Fielmann zero-cost collection. Free replacement is offered at all times in the event of breakage, damage or a change in eyesight of 0.5 dioptres or more.

Since its introduction in October 2004, well over a million customers have opted for this unique benefit.

During the financial year, Fielmann sold 5.7 million (+10.8 per cent) pairs of glasses. Last year Fielmann achieved external sales of € 843 million (+10.3 per cent), consolidated sales of € 733 million (+9.7 per cent) and a pre-tax profit of € 87 million (+14.5 per cent). The net income for the year of € 57.8 million (+19.3 per cent) is equivalent to a net yield of 7.9 per cent.

Our branches in Switzerland and Austria made a disproportionate contribution to the positive result in 2005. With 10 per cent of net sales, Fielmann achieved around 30 per cent of the consolidated net income for the year in the Alpine countries.

Considering the welcome business growth in 2005 and the positive prospects in the current financial year, the Supervisory Board and Management Board are recommending distributing a dividend of €1.90 per share (previous year: € 1.60).

The Fielmann share also proved to be a stable investment in 2005, with the share price reaching € 57.10 by the end of the year. Since the reintroduction of the Fielmann share to the MDAX in July 2003, the price of the Fielmann share has risen by 68 per cent, while the index has climbed by 47 per cent.

Fielmann is the market leader in Germany and Switzerland. We are leaders in terms of price and keeping costs low. With 5 per cent of all specialist optical stores, last year we achieved a 53 per cent share of the unit sales market in Germany and a 28 per cent share of sales. Here is proof of our competitive prices: if the shares of units sold and sales were equivalent, Fielmann would have needed to sell at the industry average price.

The rest of the sector has doubled its average prices for prescription lenses. Whereas the price in 1988 was still € 167, the consumer price (according to ZVA) today stands at € 360. The rest of the sector has compensated for falling numbers with higher prices. As a consequence, replacement intervals have increased. Whereas Germans with poor eyesight used to opt for a new pair of glasses every three years, the customer today only purchases a new pair every 4.5 years on average.

The average price of Fielmann glasses has risen by just 18 per cent since 1988. We pass purchasing advantages on to our customers. We are able to sell at low prices because we purchase more glasses than whole nations: more than all the opticians in Denmark, Switzerland, Austria and the Netherlands put together, more than 5 million. We are involved in all the processes in the supply chain. Fielmann is a manufacturer, agent and optician.

We have not become the market leader by chance. Our leading position is down to strong customer focus. We are guided by the corporate motto: "You are the customer". Our employees learn to put themselves in the customer's position. This means that they offer the kind of advice that they would like to receive themselves.

They serve their customers as they would like to be served themselves: with fairness, courtesy, friendliness and expertise.

Fielmann has consistently introduced new customer-oriented services into the market.

We vouch for our competitive prices with our good name and our money-back guarantee. This is the cornerstone of our marketing. If our customers see a labelled frame by Rodenstock or Zeiss purchased at Fielmann cheaper elsewhere as long as six weeks after purchase, we take the product back and refund the purchase price without questions or conditions. This ensures that the consumer does not pay a single penny too much.

Fielmann offers a three-year guarantee on all prescription glasses. We test our models in our own laboratory. Our frames are corrosion-resistant, non-fading and do not release nickel.

At Fielmann every complaint is acknowledged irrespective of the reason. After all, only satisfied customers will recommend us to others.

Fielmann is the largest employer and biggest trainer in the optical sector. At the end of 2005, Fielmann employed 10,470 staff, created 694 new jobs and trained 1,502 apprentices. With 5 per cent of all specialist optical stores in Germany (Fielmann: 474 branches, sector: 10,000 stores) Fielmann provides 22 per cent of all trainees in the optical trade.

Year on year, Fielmann invests tens of millions in training. We support the training of German craftsmen. It is carried out at Fielmann with German precision and thoroughness both at home and abroad: and successfully so.

In 2005, Fielmann also trained the national winner in the German optical trade competition, 83 per cent of all the regional winners in the assistants' examinations and 53 per cent of all chamber of commerce winners.

We make great demands of our managers. We cannot grow without qualified employees. On average, our branches generate five to ten times the turnover of an average optician, and between twenty and fifty times more at their peak. For branches of this scale we need to develop our management teams ourselves. The non-profit making Fielmann Academy at Plön Castle trains people to work at the new generation of specialist optical stores.

Fielmann assumes responsibility for training opticians for the entire sector. The non-profit making Academy at Plön Castle is also open to external opticians.

The structural change that has occurred in the sector in recent years requires an adjustment of conventional training. During this time the optical sector has seen the emergence of large establishments that employ well over 50 people, shops with the latest equipment for refraction and contact lens adjustment, a workshop and advisory capacity as well as highly complex EDP systems.

Plön will also become a training centre for a bachelor of science course in optics/optometry recognised Europe-wide. This additional biomedical direction is an allowance for the future demands within a Europe that is growing together. At the beginning of the 2006 Summer semester, this course of studies will be incorporated into the range of subjects covered.

Fielmann is continuing to expand. We are doing so with good judgement. Every serious purchase option is analysed. Our highest priorities are Germany and German-speaking foreign countries. In Germany we want to operate an average of one branch per 100,000 inhabitants. Our objective is to achieve a unit sales share of

at least 50 per cent in all the regional markets across Germany. We will open 120 to 140 further stores in Germany, primarily in the South. In the North we will mainly develop additional sales potential through larger establishments in better locations. We will use Supercenters and large stores to differentiate ourselves even more clearly from our competitors. In Cologne, Fielmann will establish another Supercenter in the Schildergasse, one of the most frequented shopping streets in Germany.

We also plan to open further large establishments abroad following the example of our branches in Zurich and Vienna. With one Supercenter and between two and five other branches, we can extensively cover the national markets of several neighbouring countries.

Outlook

For 2006 Fielmann intends to achieve substantial increases in sales and profits. We are opening 25 new branches and creating more than 300 additional jobs. These plans assume that the current political conditions will remain unchanged.

We would like to thank all our employees whose commitment, skill and dedication have contributed to the company's success over the past year. We would also like to thank our customers, business partners, friends and you, our esteemed shareholders, for your loyalty to Fielmann.



Günther Fielmann



Günther Fielmann



Günter Schmid



Dr. Emmanuel Siregar



Georg Alexander Zeiss

Management Board

Günther Fielmann
Günter Schmid
Dr. Emmanuel Siregar
Georg Alexander Zeiss

Dr. Jens Martin Abend

Hans-Joachim Oltersdorf

Chairman (Sales Distribution/Marketing), Lütjensee
(Materials Management/Production), Kummerfeld
(Human Resources), Lütjensee
(Finance/Investments),
(Property/Expansion since 8. 7. 2005), Ahrensburg
(International Expansion/Financial Controlling/IT/Organisation),
Munich, until 30. 11. 2005
(Property/Expansion), Rellingen, until 7. 7. 2005

Supervisory Board

Shareholder representatives

Prof. Dr. Mark K. Binz
Anton-Wolfgang
Graf von Faber-Castell
Prof. Dr. Ing. Jobst Herrmann
Helmut Nanz
Hans Joachim Oltersdorf

Prof. Dr. Hans-Joachim Priester
Hans-Otto Wöbcke,

Lawyer, Stuttgart (Chairman)

Chairman of Faber-Castell Aktiengesellschaft, Stein/Nuremberg
Diploma-Engineer, Aalen
Managing Partner of the Nanz Group, Stuttgart
Managing Partner of MPA Pharma GmbH,
Rellingen, since 7. 7. 2005
Notary, Hamburg
Businessman, Hamburg, until 7. 7. 2005

Employee representatives

Uwe Martens
Petra Bruning-Diekhöner

Holger Glawe
Johannes Haerkötter

Karin Höft
Sabine Thielemann
Christel Böhm-Biazik
Uwe Pagel

Franz Salzig

Union Secretary of ver.di, Hamburg, (Deputy Chairman)
Sales Trainer at Fielmann Aus- und Weiterbildungs GmbH,
Bielefeld, since 7. 7. 2005
Union Secretary of ver.di, Hamburg, since 7.7.2005
Branch Manager at Fielmann AG & Co. Berlin-Zehlendorf,
Berlin, since 7. 7. 2005
Employee of Fielmann Aktiengesellschaft, Hamburg
Fine Optician at Rathenower Optik GmbH, Schmiedehausen
Lecturer, Blüssen, until 7. 7. 2005
Regional Manager at Fielmann Aktiengesellschaft, Kulmbach,
until 7. 7. 2005
Senior Department Manager at Fielmann Aktiengesellschaft,
Hamburg, until 7. 7. 2005

Report of the Supervisory Board

In financial year 2005, 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 2006 and the medium-term planning until 2008 and adopted them in the form of an overall plan. Under the rules of business for the Management Board, the Supervisory Board also dealt with management measures requiring its approval, such as the acquisition of commercial properties in Cologne, Weimar and Görlitz.

Other important topics discussed at the meetings of the Supervisory Board were further expansion through the opening of new branches as well as through the acquisition of domestic and foreign opticians' stores or chains, the development of additional business areas, possibilities for cost savings, the effects of the impending rise in value-added tax as well as the applications of the newly completed Fielmann Academy at Plön Castle. The Supervisory Board also routinely dealt with the so-called declaration of compliance with the German Corporate Governance Code and the changes in the law on stock trading with regard to investor protection. In addition, the Chairmen of the Supervisory Board and the Management Board informed each other directly about important matters, as in previous years.

Financial year 2005 saw the election of the shareholder representatives as well as the employee representatives on the Supervisory Board. At the Annual General Meeting in 2005, the Management Board member of many years, Hans Joachim Oltersdorf, was newly elected to the Supervisory Board as representative of the shareholders in place of Hans-Otto Wöbcke, while the previous

shareholder representatives were re-elected. Mr Oltersdorf has been involved with the company for around 25 years, including 11 years on the Management Board. He has been a driving force behind our expansion in Germany and abroad and played an essential part in the arrangement of the initial public offering. The Supervisory Board would like to thank Mr Oltersdorf for his great dedication and is pleased that it will also be able to draw on his long years of experience in the future. Also newly appointed to the Supervisory Board as representatives of the employees are Petra Bruning-Diekhöner, Holger Glawe and Johannes Haerkötter. The retired members are Christl Böhm-Biazik, Uwe Pagel, Franz Salzig and, on the shareholders' side, Hans-Otto Wöbcke, who has belonged to the Supervisory Board for over 10 years and no longer sought re-election for age reasons. We thank them all for their collaboration, which was always constructive and faithful. Finally, the under-signed and Uwe Martens were unanimously re-elected as Chairman of the Supervisory Board and Deputy Chairman of the Supervisory Board respectively, while the Mediation Committee and Personnel Committee were newly staffed.

There were four meetings of the Supervisory Board in the financial year and two meetings of the Personnel Committee. There was no need for a meeting of the Mediation Committee under § 27 para. 3 of the *Mitbestimmungsgesetz* (Codetermination Law). Dr. Jens M. Abend stepped down from the Management Board in November 2005. His employment with the company was amicably terminated on December 31, 2005.

The annual accounts of Fielmann Aktiengesellschaft, the consolidated accounts for financial year 2005 and the management



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

reports for Fielmann Aktiengesellschaft 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 at the accounts meeting on April 6, 2006 in the presence of the auditors, Rudolph and Genz. On examination of the audited accounts, the Supervisory Board found no cause for objection. It approves the annual accounts, which are therefore adopted, and seconds the Management Board's proposed distribution 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 2006

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



Glasses: Fielmann

Fielmann is as well known in Germany as the main political parties: more than 90 per cent of all German citizens are familiar with our brand. We are the market leader. Sixteen million people wear Fielmann glasses. Fielmann has continually introduced new consumer-oriented services into the market. Fielmann showed that free glasses can be attractive, made them socially acceptable and brought democracy into fashion frames. Following the extensive abolition of the insurance subsidies, Fielmann continues to write the history of prescription glasses with the introduction of the glasses for free insurance.

The structural reform in the health sector on January 1, 2004 meant the extensive abandonment of a benefit of German social legislation that had lasted more than a hundred years: with the abolition of free prescription glasses for insured persons aged 18 and over. The entitlement to the benefit is now restricted to children and young people aged up to 18, as well as spectacle wearers with severe visual impairment.

For millions of German citizens, the statutory health insurance benefits had been a part of life for decades. Every two years, then later every three, the statutory health insurance schemes paid for prescription glasses for the visually impaired. Those who did not claim this benefit were offered a credit towards the purchase price of a more expensive pair of glasses.

Over the last 15 years, the benefit payments for prescription glasses have been progressively reduced by legislation. The first structural reform in 1989 led to a reduction in the reimbursement allowance for spectacle frames from DM 40 to DM 20. In 1997, the reforms meant that frames were no

longer included in the set of benefits refundable by statutory health insurance schemes. Payment was only made for lenses, from DM 14 per single vision lens and DM 65 per multifocal lens. In 2004, the third Health Service Reform Act took hold. This meant the extensive abandonment of a benefit of German social legislation that had lasted more than a hundred years.

The glasses for free insurance from Fielmann and HanseMercur is a very favourable alternative to the former statutory health insurance benefits. It offers insured spectacle wearers more than the benefits most recently received from the statutory health insurance schemes: a highly fashionable pair of free spectacles as a benefit or the credit for the premium option, in addition to free replacement in case of breakage or damage to the spectacles, or even in the event of a change in prescription.

Immediately on taking out the policy, the customer is entitled to a new, highly fashionable pair of spectacles from the Fielmann free collection, with a three-year guarantee; the customer does not pay for the frames or the lenses.

The policy holder pays a premium of € 10 per year, less than one euro per month, for a pair of spectacles with single vision lenses. The premium for a pair of spectacles with multifocal lenses is € 50 per year.

If the policy holder opts for a pair of glasses from the premium range they receive a credit of € 15 towards the purchase price in the case of a pair of spectacles with single vision lenses, € 5 per single vision lens and € 5 for the frames. With multifocal spectacles they receive a credit of € 70, which is € 32.50 per lens and € 5 for the frames.



For centuries, people with poor eyesight held rivet spectacles in front of their eyes. Glasses in their present-day form have been known only since the middle of the 18th century.

Policy holders can choose from 70 zero-cost models in metal or plastic in more than 500 variants, including stainless steel. Frames made from this durable material generally cost between € 50 and € 120, depending on print processing. Every two years, policy holders are entitled to a new pair of spectacles from the Fielmann zero-cost collection. Free replacement is offered at all times in the event of breakage, damage or a change in eyesight of 0.5 dioptres or more.

Since its introduction in October 2004, well over a million customers have opted for this unique benefit.

Germany's citizens have Bismarck and his social legislation to thank for making spectacles freely available. On December 1, 1884, § 6 of the Arbeiterkrankenversicherung (Workers' Health Insurance) came into effect. All those with poor eyesight whether through old age or other causes would thus be entitled to free prescription glasses for the first time.

Offering spectacles to all was primarily a social achievement. In those days seeing better did not mean looking better. The spectacles had simple nickel frames. It was the function that counted rather than attractiveness. For many hundreds of thousands of workers, prescription glasses meant that they could keep their job even as they aged and for people with poor eyesight it meant that they could finally enjoy the same quality of life and professional opportunities as normal-sighted people. Prescription glasses made an essential contribution to education and occupational qualifications.

For thousands of years there was no help for those who could not see properly. The short-sighted saw the distance as a blur and the old people could not see objects nearby in sharp focus.

As the 13th century drew to a close, mankind invented spectacles. The materials used for the convex lenses that improved vision at close quarters were glass and the minerals rock crystal and beryl, the origin of the word "Brille", German for spectacles. In the 16th century, biconcave lenses were developed for vision at a distance, for the "young face".

Although the frames were first made from cow bones, wood or leather, more precious materials such as gold, silver or tortoise shell were used later.

Alongside rivet spectacles, consisting of two monocles with a shaft, connected by a rivet, subsequent developments included bridge spectacles, bonnet spectacles, wire spectacles and since the 17th century Nuremberg-style steel-wire spectacles, probably the most familiar type of glasses until around 1800.

We have only known spectacles in their familiar form, with a stable centre part and the two temples that lie elastically against the head behind the ear, since the middle of the 18th century.

It was in the Biedermeier period, if not before, that spectacles began to be considered as a fashion accessory. Alongside earglasses, developments in the subsequent period were the lunette, scissor spectacles or until around 1930 the lorgnette, with or without housing, or in modified versions such as a folding lorgnette or spring-loaded lorgnette. High esteem was enjoyed by the pincenez, which continually enriched the variety of eyewear styles available from 1830 until 1930 with new mechanisms.

Eyeglasses were at first reserved for the members of the ruling class: clerics, the nobility and the wealthy middle class.

After the establishment of equality between wealthy people with weak and normal eyesight in the 15th century and the equality between rich and poor established by Bismarck and his social legislation at the end of the 19th century, it was only at the time of the economic upturn in the middle of the 20th century that the aesthetic aspects gained significance for all.

Before Fielmann, prescription glasses were timelessly ugly. There were six plastic frames for adults and two for children. Those who did not have enough money to afford a fine pair of spectacles wore the social stigma of their poverty on their faces. Eight million German citizens were reliant on free prescription glasses.

The special agreement with the local health scheme in Esens in 1981 was groundbreaking. Out of eight prescription frames, Fielmann created 90 fashionable and high-quality models made of metal and plastic in 640 variants. We replaced the uniform design of health service frames with a variety of fashionable designs. Fielmann abolished discrimination against free prescription glasses and replaced it with spectacle chic at zero cost. That is our company's historic achievement.

Fielmann has brought democracy into fashion frames. We offer low prices for all instead of high prices for the few.

We are able to sell at favourable prices because we dispense more pairs of glasses than all the opticians in Denmark, Switzerland, Austria and the Netherlands put together; each year Fielmann produces more than five million pairs of glasses from frames

and unfinished lenses using traditional craft methods.

Fielmann is a manufacturer, agent and optician, covering the sector's entire supply chain.

Fielmann manufactures in Germany and in the French Jura and operates joint ventures in Japan and China.

By manufacturing in Rathenow, Brandenburg, Fielmann supports the tradition of the German optical industry. The German frames industry that once thrived has largely lost its significance. Even major companies have been forced to close their production sites, or have relocated them abroad or now buy frames from elsewhere. Manufacturing in the Far East is constantly growing.

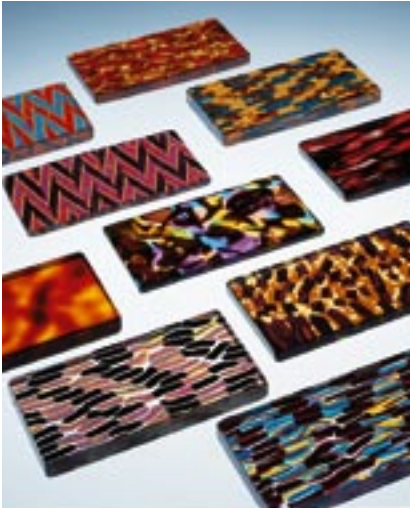
The manufacture of frames is wage-intensive. Possible rationalisation measures cannot compensate for Germany's location disadvantage for the manufacture of conventional spectacle frames. The pressure to rationalise and the increasing relocation to low-wage countries conceal the danger of a levelling of the worldwide supply.

The majority of metal frames are now largely assembled from purchased standard parts that can therefore be replaced. Standard parts include bridges, rims, hinges, temples and casings. Fielmann offers its customers sophisticated, individually made special parts and top-quality coatings, which are even available in the starter price range.

In the simplest case, the frames manufacturer determines only the shape of the lens, purchases all the remaining parts and solders or welds them together. The processing of the raw materials, in other words galvanisation or coating, is frequently performed by external companies.



Free prescription glasses had been available to all since 1884. The citizens of Germany had Bismarck and his social legislation to thank for this great social advance. For many hundreds of thousands of workers, prescription glasses mean that they can keep their job even as they age and for people with poor eyesight it means that they can finally enjoy the same quality of life and professional opportunities as normal-sighted people.



High-quality plastic models are generally milled from acetate block material with its deep, clearly differentiated colours and high degree of stability.



Metal frames are made of a multitude of individual parts, which are shaped and assembled during production.

High-quality plastic models are generally milled from acetate block material. With their deep, clearly differentiated colours and high degree of stability, acetate blocks are more expensive than the equally valuable acetate slabs. Plastic frames can be mass-produced more cheaply from propionate, nylon or similar materials by injection moulding. However, these lack the deep, clearly differentiated interplay of colours found in the acetate material.

A favourable base material in the manufacture of metal frames is soft nickel silver. This material is not corrosion-resistant and must be protected with coatings. Monel is a particularly stable material. Stainless steel and titanium, a very light metal, are non-corrosive and do not need to be coated. Arms made from the more expensive raw material of bronze spring better than those made from nickel silver. For hinges and spring hinges there are also various quality grades and prices.

Fielmann is committed to providing top quality at all price levels. We control quality at all stages of production. Fielmann maintains its own test laboratory. Every batch delivered is tested here once again. The frames in the Fielmann collection have been tested to comply with EN ISO 12870, they are non-fading, corrosion-resistant and, in line with the relevant German safety standards, do not release nickel. This applies without exception for all price levels. For this reason the German optical market leader offers a three-year guarantee on all prescription lenses.

Fielmann purchases spectacle frames from the same manufacturers that supply the major brands. Compared to many suppliers of the traditional opticians, Fielmann generally purchases considerably larger quantities of each model. We pass purchasing advantages on to our customers.

Opticians are not spectacle makers. They are craftsmen who buy frames and unfinished lenses from their suppliers and put them together in their workshops to make the end product. Very few opticians can recognise the manufacturers from which the individual parts of a frame originate and what raw materials went into their manufacture. The same goes for the different coatings and colours.

The optician's cost prices are not determined by the production costs alone; the suppliers focus more on notions of appropriateness. The traditional optician therefore pays a multiple of the factory selling price for frames printed with a more or less desirable designer label.

The customer obtains our own, high-fashion range at virtually the cost price paid by opticians operating in the rest of the sector. The wholesaler's margin is sufficient for Fielmann. Our branches therefore also function as factory outlets. The traditional optician's surcharge is not added. Fielmann prices are around 70 per cent lower than the market price of branded designer goods.

We also purchase brand-name frames in larger quantities than our competitors. We offer these between 15 and 50 per cent more cheaply than the average traditional optician. We ensure this by constantly monitoring the market.

Fielmann maintains collections for all target groups. Collections have a life of their own. Spectacle models come and go. We observe developments and current trends.

Our designers create the appropriate shapes and styles in their initial designs. The prototyping department produces the working model. Detailed technical drawings are developed, followed by the tools and the manufacturing model. At the same time, coatings are determined and colours are created and established. The average time taken in the sector from the first draft to the delivery of the ordered spectacle frames is between five and nine months. With its own workshops at its disposal, Fielmann can implement fashion trends considerably faster.

Fielmann is the market leader. With only five per cent of all specialist optical stores, we dispense every second pair of spectacles in Germany. We will extend our market share, since more than 90 per cent of our customers remain loyal to Fielmann.

The extensive abolition of a benefit of German social legislation that had lasted over one hundred years has led to greater independence from government measures. The degree to which sales in the German optical sector were dependent on the benefits of the statutory health insurance schemes in the past decades is shown by this progression:

In 1988 a total of 15.5 million pairs of spectacles were dispensed in the former West Germany and the GDR. After the first structural reform in 1989, unit sales in the reunited Germany fell by 30 per cent to 10.9 million pairs of spectacles. It levelled off at 12.4 million pairs in the following years until 1996.

After the second Health Service Reform Act in 1997, sales shrank by 15 per cent to 10.5 million pairs of spectacles. In the subsequent years the sector has achieved neither the sales volume of 1996 nor the numbers of 1989.

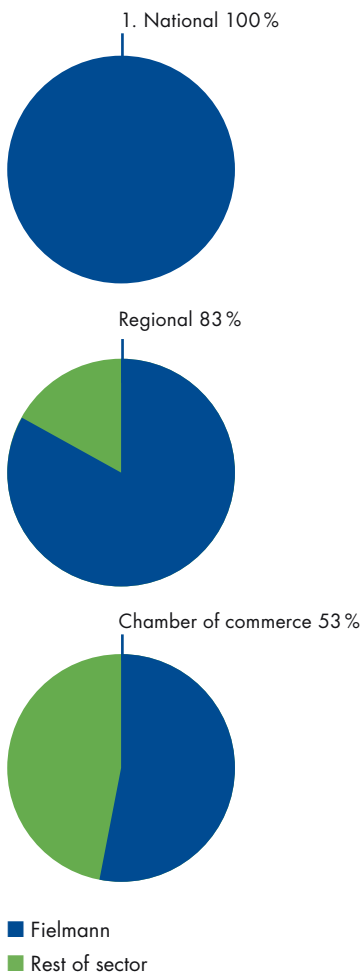
After the definitive cancellation of all insurance subsidies in 2004, sales collapsed to just 8.4 million pairs of spectacles, a fall of 46 per cent from the sales of 1988 and a downturn of 32 per cent from 1996. In 2005, sales rose by 8 per cent to 9.1 million pairs of spectacles, although this is still 41 per cent below the sales of 1988.

Demand for free prescription glasses is alive and kicking and Fielmann continues to write their history. The glasses insurance from Fielmann and HanseMerkur offers all people with poor eyesight who would still like to be entitled to prescription glasses at regular intervals a very favourable alternative to the previous benefit from the statutory insurers. More than a million spectacle wearers have already taken up this offer; every two years they are entitled to a highly fashionable pair of spectacles from the zero-cost collection and are also insured against breakage, damage and any change in eyesight... all for € 10 per year in the case of single vision lenses and € 50 per year for multifocals.



Opticians are craftsmen who buy frames and unfinished lenses from their suppliers and put them together in their workshops to make the finished spectacles.

National, regional and chamber of commerce winner 2005



Since 1988, Fielmann has expanded its share of unit sales from 9 per cent to 53 per cent. The fact that our market share in terms of units sold is double that of our sales share shows how competitively priced Fielmann is. If the market shares in terms of sales and units sold were to match, Fielmann would have to be selling its spectacles at the average price within the sector.

Fielmann has not become the market leader by chance. Our leading position is down to strong customer focus and motivated staff who embody our consumer-oriented philosophy. We are guided by the corporate motto: "You are the customer". We see ourselves in the customer. We endeavour to fulfil their wishes. We serve them as we would like to be treated ourselves. We do not put pressure on our opticians to talk their customers into buying expensive glasses. They find the best solution for each and every customer's personal vision problem. Customer satisfaction is at the top of our list of priorities.

With more than 10,000 staff, Fielmann is the largest employer in the German optical industry and has created 694 new jobs in the past year.

Fielmann is also the largest trainer in the sector. There are 1,502 trainees learning the optical trade with the market leader. With 5 per cent of specialist stores, Fielmann provides 22 per cent of all trainees in the optical trade.

The quality of Fielmann's training speaks for itself. In 2005, Fielmann once again supplied the national winner in the training competition of the German optical trade, 83 per cent of all the regional winners in the assistants' examinations and 53 per cent of the chamber of commerce winners.

The structural change that has occurred in the sector in recent years requires an adjustment to the conventional training. During this time the optical sector has seen the emergence of large establishments that employ well over 50 people, shops with the latest equipment for refraction and contact lens adjustment, a workshop and advisory capacity as well as highly complex EDP systems.

The ultra-modern Fielmann branches are an expression of this structural change. They are larger than the average stores of our competitors. On average they generate five to ten times the turnover of an average optician, and between twenty and fifty times more at their peak. Our Supercenters in large cities account for an annual turnover of € 10 to € 16 million.

For branches of this scale we need to develop our management teams ourselves. The non-profit making Fielmann Academy at Plön Castle trains people to work at the new generation of specialist optical stores: the new blood for our further expansion in Europe. The first graduates of the master training course will receive their certificates this summer.

Fielmann assumes responsibility for training opticians for the entire sector. The non-profit making Academy at Plön Castle is also open to external opticians.

Plön will also become a training centre for a bachelor of science course in optics/optometry recognised Europe-wide. This additional biomedical direction is an allowance for the future demands in a Europe growing ever closer together. With the beginning of the 2006 Summer semester, this course of studies will be incorporated into the range of subjects covered.



Fielmann Academy at Plön Castle

Opticians are increasingly assuming responsibility for sight tests. The optometrist is especially qualified for this. In Anglo-Saxon countries, only optometrists may run specialist optical stores. In the rest of Europe, too, the training of opticians will be expanded to include biomedical aspects. The graduates of the Fielmann Academy at Plön Castle will be able to cope with these future demands.

Fielmann is driving its own expansion. Germany continues to offer the greatest potential for us. This is followed by Switzerland and Austria, then the neighbouring foreign countries. We are expanding with good judgement. We test every serious purchase option across Europe. We will continue to do so in future.

It is our aim to operate one branch per 100,000 inhabitants across Germany. We want to achieve a unit sales share of at least 50 per cent in all regional markets.

To do so, we still need between 120 and 140 additional branches in Germany, primarily in the South. In the North we will mainly develop additional unit sales and

turnover potential by relocating larger establishments to better locations.

Around 30 per cent of our branches currently achieve market shares of below 35 per cent. We see a need for action here. We will establish our next large store in Cologne, in the Schildergasse, one of the most frequented shopping streets in Germany.

We are not only planning to open large establishments in major German-speaking cities. With one Supercenter and between two and five other branches we can extensively cover the national markets of several neighbouring countries.

In the medium term, Fielmann wants to operate 600 branches, sell six million pairs of glasses, achieve a turnover of one billion and a pre-tax profit of € 100 million in Germany.

In Germany, Switzerland and Austria we want to sell 6.8 million pairs of spectacles in the medium term, thus achieving a turnover of € 1.2 billion and earnings before tax of € 120 million.

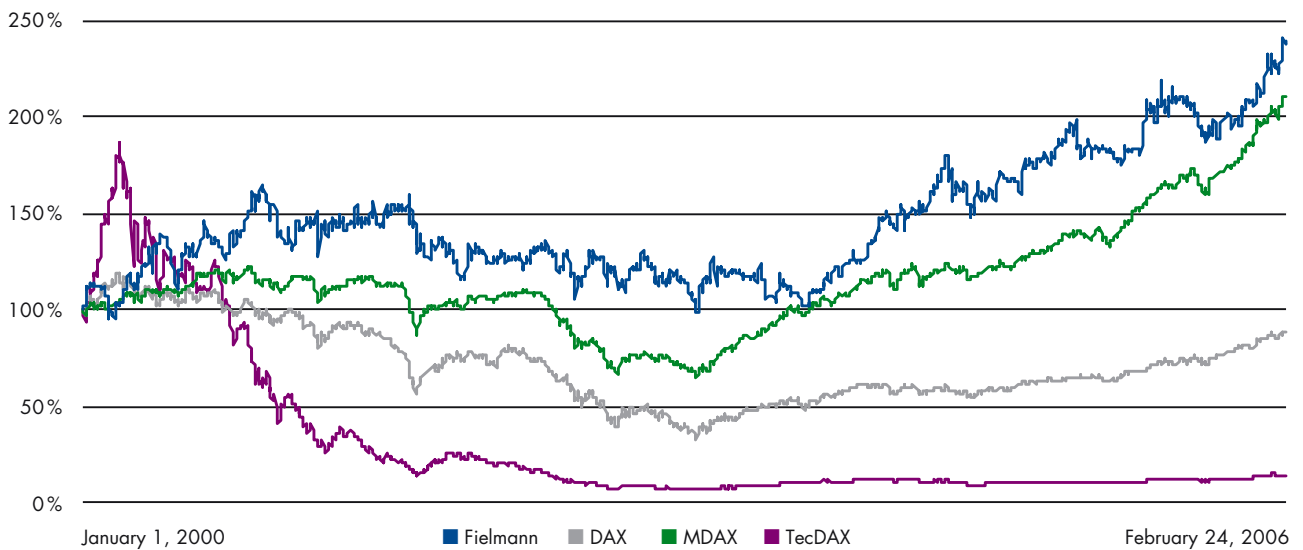
Share: Fielmann

In 2005, the capital market in Germany was influenced by the change in political circumstances. The hope invested in the new German government pushed the German Share Index (DAX) above the 5,000-point mark, an increase of 27 per cent on the previous year. It reached its annual high point on December 29 at 5,456 points.

tered respective increases of 36 per cent and 35 per cent. In both indexes there are many "substance shares". These stocks are distinguished by relatively stable performance and high dividends.

In contrast, the trend in technology stocks was markedly weaker. The TecDAX gained a relatively moderate 15 per cent.

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



The factors responsible for this included the strong dollar, from which numerous export-focused companies in the DAX profited, the increased capital inflow from abroad as well as the loss of sensitivity in the world economy in the face of rising oil prices.

Even more substantial increases in value were seen among the shares in the MDAX, the index for medium-sized companies, and the SDAX for small companies. They regis-

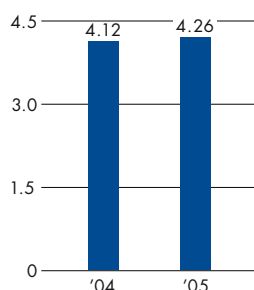
The Fielmann share

The irritations of the final health service reform are behind us. Fielmann has gained additional market share, whereas the rest of the optical sector in Germany is still 25 per cent below the level of 2002, the last year unaffected by the structural reform.



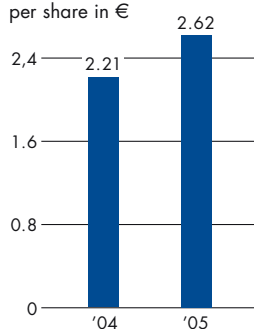
Cash flow

per share in €



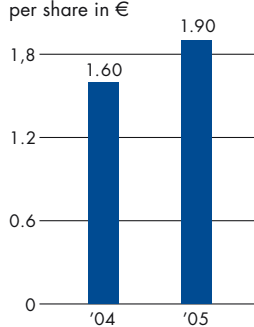
Earnings

per share in €



Dividend

per share in €



Figures for the Fielmann shares		2005	2004
Share volume	in million pcs	21	21
Highest price	€	63.80	52.84
Lowest price	€	51.00	36.20
Value end of year	€	57.10	52.00
Price/earning ratio		21.79	23.53
Price/cash flow ratio		13.40	12.62
Sales of Fielmann shares	€ m	229.83	188.34
Dividend total	€ m	39.90	33.60

Figures per Fielmann share		2005	2004
Net income for the year	€	2.75	2.31
Earnings	€	2.62	2.21
Cash flow	€	4.26	4.12
Equity capital as per balance sheet	€	16.97	15.95
Dividend	€	1.90	1.60

Fielmann has emerged stronger from the recession. The price of the Fielmann share on January 1 of the year under review was still € 52.00, it rose to € 57.10 by December 31. On April 3, 2006 the share was trading at a price of € 71.50.

The development of the Fielmann share price reflects the trust that investors place in us. Since 2000, our share price has risen by more than 140 per cent. In the same period the DAX lost 17 per cent and the TecDAX fell by 86 per cent. The MDAX rose by 105 per cent.

The Fielmann share belongs to the MDAX. This segment combines 50 stocks from traditional industries, representing companies with great substance and sustainable growth.

Dividend

Fielmann Aktiengesellschaft pursues a shareholder-friendly dividend policy. The success of the company, as always, means success for its shareholders. Since the company was floated on the stock exchange, Fielmann shareholders have seen the value increase by 200 per cent.

At the Annual General Meeting on July 6, 2006 in Hamburg, the Management Board and Supervisory Board will propose a dividend of € 1.90. Related to the year-end share price of € 57.10, this results in a dividend yield of 3.3 per cent.

Investor relations

Fielmann Aktiengesellschaft pursues open and transparent communication with shareholders, financial analysts, investors and the financial press. The dialogue between the company and the public serves to consolidate trust in our marketing.

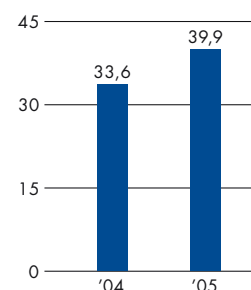
In addition to the full annual report, Fielmann publishes regular quarterly reports with information about the current development of business.

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.

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



2006/2007 Financial Calendar

Quarterly report

April 27, 2006

Annual General Meeting

July 6, 2006

Dividend payment

July 7, 2006

Interim report

August 24, 2006

Analysts' conference

August 25, 2006

Quarterly report

November 23, 2006

Preliminary figures for 2006

February 2007

Quarterly report

April 2007

Annual General Meeting

July 12, 2007

Bloomberg code

FIE

Reuters code

FIEG.DE

Securities identification number

DE000577220

Further information:

Fielmann Aktiengesellschaft · Investor Relations · Weidestraße 118 a · D-22083 Hamburg

Telephone: +49(0)40 27076-442 · Telefax: +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 accounts for Fielmann Aktiengesellschaft are available on request.



Industry figures

Recovery after the structural reform

The optical industry in Germany managed a slight recovery in financial year 2005. After the drops in sales and unit sales during 2004 triggered by the reform of the health service, sales of glasses in financial year 2005 amounted to 9.1 million pairs, 8 per cent more than in the previous year. The industry is therefore still 10 per cent below the sales figures of the year 2002, the last unaffected year prior to the structural reform. During the period under review, Fielmann sold 4.8 million pairs of glasses (previous year: 4.4 million pairs). The company has a 53 per cent share of unit sales.

Sales of spectacles within the optical industry (including Fielmann) rose by 10 per cent in 2005 to € 2.5 billion.

Non-optical sales, for example hearing aids, merchandise, photography, watches and jewellery, are not included in spectacle sales. (Source: Industrieverband Spectaris, GfK, ZVA)

The market:

one in two wears glasses

One in two Germans wears glasses. Among adults (over 16) the proportion is 64 per cent or 40.4 million citizens. Fifty years ago the figure was 43 per cent. In the 45 to 59 age range, the figure is more than 75 per cent and among pensioners, it is practically 100 per cent. Reading glasses become necessary in later life, even for normal-sighted people.

(Source: Allensbach Advertising Media Analysis 2005, Emnid, Federal Office of Statistics)

Glasses as a fashionable accessory

On average, German spectacle wearers purchase new glasses every four-and-a-half years. Fielmann customers tend to buy new glasses every three years. Apart from a

change in prescription, wear and tear and loss are the most important reasons for buying glasses, followed by new trends.

For a long time now, glasses have been far more than just an optical corrective measure. Glasses give off communication signals and messages about a person's character. Through its pricing policy and range, Fielmann has made spectacles into an affordable accessory. Glasses and sunglasses are commonplace in the media and anyone looking at fashion magazines today will find far more images with glasses than a few years ago. (Source: Spectaris)

Number of optical stores continues to grow

The optical market in Germany is falling on the back of several structural reforms in the health service. Nevertheless, the number of specialist optical stores in Germany has risen continuously. In 2005, the number of stores rose to 10,000 (including Fielmann).

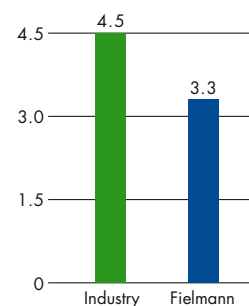
The chains in Germany account for only 12 per cent of all branches. Fielmann operates 474 specialist stores, just under 5 per cent of the industry.

In the neighbouring European countries the number of multi-branch chains is much higher than in Germany. The figures stand at 14 per cent of stores in Switzerland, 20 per cent in Austria and 34 per cent in the Netherlands.

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

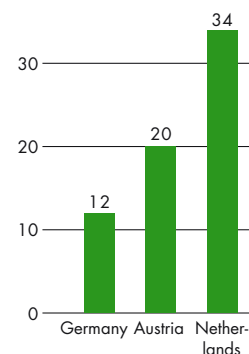
Replacement interval

in years



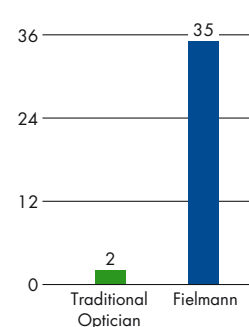
Percentage of chains

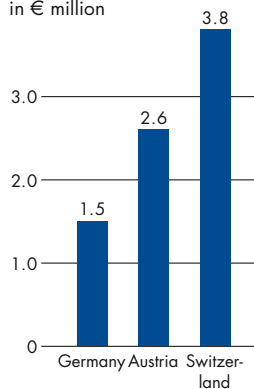
Number of Branches in %



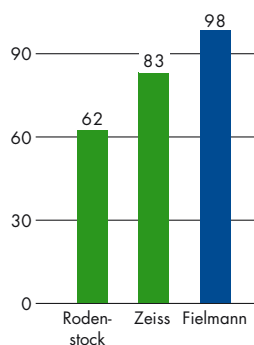
Productivity: Glasses sold per day

per shop/branch



Average salesper Fielmann shop
in € million**Brand awareness**

prompted in %

**Fragmented industry**

The optical industry in Germany is very fragmented. Traditional opticians sell fewer than two pairs of spectacles a day. A Fielmann branch sells 35. The average optician sells fewer than 600 pairs of spectacles per year. By contrast, Fielmann sells 4.8 million pairs in Germany. (Source: ZVA)

Sales in comparison

In Germany, the average annual sales of a specialist optician's are € 0.3 million. By contrast, average sales per Fielmann shop are € 1.5 million in Germany, € 2.6 million in Austria and € 3.8 million in Switzerland. (Source: ZVA-Betriebsvergleich)

Brand names

Among the optical industry in Germany, only three enjoy any degree of brand awareness. When prompted, more than 90 per cent recognised the Fielmann brand, while 83 per cent recalled Zeiss and 62 per cent named Rodenstock. (Source: Emnid)

Optician – a changing profession

Opticians see themselves as healthcare 'craftsmen', helping those who cannot see properly. In Germany, opticians can carry out sight tests and fit contact lenses. They advise customers on the choice of frames and lenses. Opticians are not just retailers, they are also craftsmen who buy and process frames and unfinished lenses to make glasses for the individual. More than half of owner-run opticians are members of purchasing and advertising associations.

In Germany, unlike in most other European countries, each optician's shop with health insurance company accreditation must be under the supervision of a master optician. As craftsmen, German opticians are organised into guilds. Fielmann is also a guild member. (Source: ZVA, GfK, Essilor, Jobson Optical Report)

Varifocals: the growing market

Almost everybody requires reading glasses in later life. Those who have worn glasses when younger require long-distance and reading glasses as they get older. Today there are the more convenient varifocal lenses, where the continuous progression is invisible. In appearance they look just like single vision lenses. But progress has its price. Their complex surface geometry means that they cost on average four times as much as single vision lenses.

As regards varifocal lenses, Fielmann is enjoying a far greater rate of growth than the rest of the sector. This is due to our customer profile. From the age of 45, spectacle wearers generally require reading glasses as well as long-distance glasses. Instead of having two pairs of glasses, one for reading and one for long distances, they are increasingly opting for varifocals, as they involve just a single pair of glasses.

Fielmann customers appreciate the value for money we offer and remain loyal to us throughout their lives. Even without new customers, Fielmann's share accounted for by varifocal lenses will increase by more than 50 per cent in the next five years.

Lens material: mineral or shatter-proof synthetic material

The raw materials for the production of lenses are no longer exclusively glass. Around a third of all lenses are made of mineral raw material, and two thirds are based on organic material. For plastic lenses, the light and largely shatterproof material CR 39 is usually used. The surfaces are often covered with a scratch-resistant coating. New synthetic materials, which allow even thinner and lighter lenses to be produced, are also becoming increasingly popular. An antireflection coating is applied to all materials. This additional comfort is increasingly requested by customers.

(Source: GfK, Spectaris, ZVA)

Sunglasses – a growth market

The sunglasses market offers specialist optical stores considerable growth potential. In Germany, between 13 and 17 million pairs of sunglasses are sold per year, depending on the weather. Four fifths of these are sold by department stores, chemists' boutiques, sports shops, specialist shops or petrol stations.

Around one fifth are sold by opticians. The trend is towards high-quality sunglasses with guaranteed protection from ultra-violet rays, not least because of the debate concerning harmful UV radiation. An increasing proportion of spectacle wearers are now going to the optician for prescription sunglasses. Since as yet only 45 per cent of spectacle wearers own a pair of corrective sunglasses, Fielmann is poised to benefit significantly from this trend towards fashionable, high-quality prescription sunglasses.

(Source: Jobson Optical Report, Spectaris)

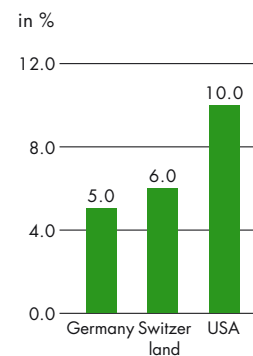
Contact lenses: slow progress

In Germany, contact lenses have a long way to go to catch up with other countries. While only 5 per cent of people in Germany wear contact lenses, the figure in Switzerland is 6 per cent, while it is as high as 10 per cent in the USA. New developments in the field of soft lenses and the easy-to-use, comfortable daily disposables and the newly developed multifocal lenses will increase demand in Germany.

In 2005, sales of contact lenses, accessories and cleaning and care products amounted to around € 500 million in Germany, with opticians taking a share of around € 400 million. Contact lenses are sold at the optician's, by ophthalmologists and by specialist mail order. Fielmann anticipates that sales of contact lenses and accessories will double in the coming years.

(Source: Allensbach, GfK, KGS, Spectaris)

Contact lens wearers





Management Report for the Group and Aktiengesellschaft for financial year 2005

Fielmann has emerged stronger from another structural reform in the health service.

During the financial year, Fielmann increased its unit sales by 10.8 per cent to 5.7 million units (previous year: 5.1 million units), its external sales (total sales inc. value-added tax) by 10.3 per cent to € 843 million (previous year: € 764 million) and its consolidated sales by 9.7 per cent to € 733 million (previous year: € 668 million).

Pre-tax profits improved by 14.5 per cent to € 87.0 million (previous year: € 76.0 million), while net income for the year rose by 19.3 per cent to € 57.8 million (previous year: € 48.4 million).

Earnings per share grew to € 2.62 (previous year: € 2.21), a rise of 18.6 per cent on the previous year. For financial year 2006 we also anticipate a positive trend in sales and profits.

General conditions

Germany

Fielmann achieved its results in a sluggish economic environment. The lasting economic revival in Germany again failed to materialise during 2005. The figures are sobering: a 0.9 per cent rise in gross domestic product largely due to exports, 5 million unemployed at the end of February 2006, an unemployment rate of around 12 per cent, more than 130,000 company insolvencies

and private bankruptcies and the loss of 140,000 jobs in skilled crafts alone.

The optical industry has still not recovered from the effects of the last structural reform in the health service. Even now, the rest of the optical industry is 25 per cent below the unit sales of 2002, the last year unaffected by the structural reform.

Switzerland

In Switzerland, economic growth was carried by external and domestic demand. During the year under review, gross domestic product rose by 1.9 per cent and retail sales increased by 1.3 per cent.

The development of the labour market was markedly better than in Germany. The unemployment rate totals 3.8 per cent.

The optical sector in Switzerland stagnated in 2005. Unit sales of spectacles remained unchanged at 1.0 million pairs.

Sales of spectacles within the industry remained constant at € 510 million.

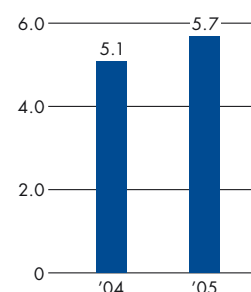
Austria

In Austria, the economy has been growing steadily for several years. Driven mainly by exports, gross domestic product grew by 1.9 per cent in 2005. Retail sales improved by 0.8 per cent during the reporting period, exceeding the previous year's figure for the first time since 2001. The unemployment rate is 5.0 per cent.

Earnings per share		2005	2004
Consolidated net income	€ m	57.8	48.4
Minority interests	€ m	2.7	2.0
Profit for the year	€ m	55.1	46.4
Number of shares	pcs m	21.0	21.0
Earnings per share	€	2.62	2.21

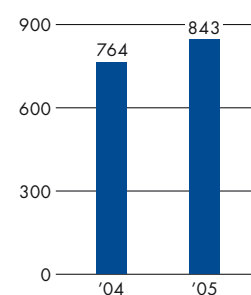
Units sold

in million pieces



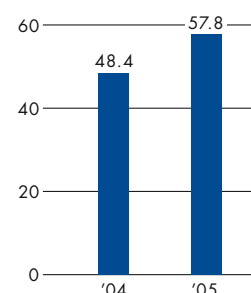
External sales inc. VAT

in € million

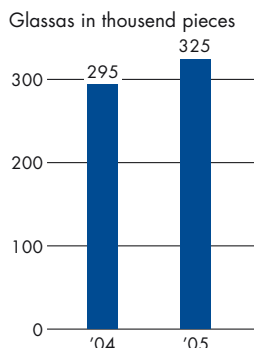


Net income

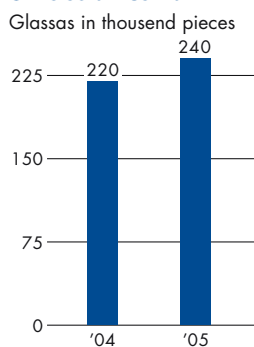
in € million



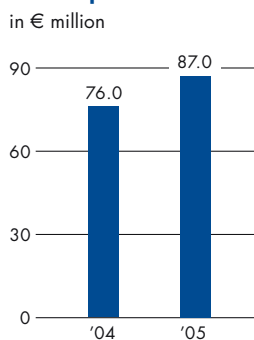
Units sold Switzerland



Units sold Austria



Pre-tax profit



The optical industry in Austria registered a downward trend in the year the health reform took place. Unit sales fell to 1.2 million pairs of glasses, a reduction of 9.5 per cent.

Sales of spectacles within the industry fell to € 303 million (-17.0 per cent).

**Corporate management
Wholesale/Service, Production/
Logistics and Retail**

Fielmann Aktiengesellschaft acts as a wholesaler and service provider to the Group companies and third parties. RO GmbH, Rathenow, is the Fielmann production and logistics centre. Rathenow is the location of the surface and edge grinding workshops as well as the central warehouse.

As a service provider, Fielmann Aktiengesellschaft is also responsible for the areas of 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 9.9 per cent to € 205.8 million.

Industrial production, logistics and the service division are concentrated in Rathenow. All branches are connected to the logistics centre online and orders are delivered overnight. With its own production facilities, Fielmann can safeguard control of the flow of goods along the entire value added chain. We can respond rapidly to customer requests, setting new trends in fashion.

During the financial year, 3.5 million lenses in all finishing stages were manufactured in Rathenow (previous year: 3.4 million lenses). The centre supplied over 5.7 million pairs of spectacles (previous year:

5.1 million pairs). The production and logistics centre achieved sales of € 40.8 million (previous year: € 38.1 million).

With a staff of around 700, we are the town's largest employer.

The "Retail" segment summarises the activities of the branches. During the reporting period, Fielmann registered unit sales growth of 10.8 per cent to 5.7 million pairs of glasses. Sales rose to € 725.9 million, an increase of 10.1 per cent.

**Germany,
Switzerland and Austria**

In the year under review, sales in Germany rose by 10.9 per cent to € 633.5 million (previous year: € 571.4 million). Unit sales improved to reach 4.8 million pairs of glasses (previous year: 4.4 million pairs).

In Switzerland, sales increased by 1.4 per cent on the previous year to € 78.9 million. Unit sales amounted to 325 thousand pairs of glasses, a rise of 10.2 per cent.

Despite the health reform, Austria's 2005 unit sales improved by 9.1 per cent to 240 thousand pairs of glasses. Sales reached the previous year's level at € 32.5 million (previous year: € 32.7 million).

Earnings

Pre-tax profit rose by 14.5 per cent in financial year 2005 to € 87.0 million, while net income increased by 19.3 per cent to € 57.8 million. The pre-tax return on capital related to consolidated sales reached 11.9 per cent. Net yield amounted to 7.9 per cent and return on equity after tax, 18.2 per cent. Earnings before interest, tax and depreciation (EBITDA) increased to € 116.3 million (previous year: € 104.8 million) and earnings per share rose to € 2.62 (previous year: € 2.21).

The result was achieved by 538 branches, of which 474 were in Germany, 25 in Switzerland, 20 in Austria and 19 in other countries.

Wholesale/Service, Production/Logistics and Retail

In the "Wholesale/Service" segment, the result of normal operations excluding income from participations in the Group amounted to € 38.3 million (previous year: € 51.4 million). Production and logistics achieved an operating result of € 9.5 million (previous year: € 9.0 million) and the Retail segment reached € 39.3 million (previous year: € 17.9 million).

Germany, Switzerland and Austria

In Germany, Fielmann achieved an increase of 12.4 per cent in its result to € 67.0 million. The pre-tax return on capital related to sales reached 10.6 per cent. The result in Switzerland rose by 25.7 per cent to € 17.6 million. The pre-tax return improved to 22.3 per cent.

In Austria, the result was € 2.8 million (previous year: € 5.5 million) despite high preliminary costs for new branches in the year of the health reform. The pre-tax return on capital related to sales totalled 8.6 per cent.

Financial position Financial management

The financial position of the Fielmann Group has been outstanding for years. At the end of the reporting year, financial resources amount to € 74.4 million (previous year: € 108.8 million). As at the reporting date, the

financial assets plus currency and equivalents total € 106.6 million (previous year: € 117.5 million). This liquidity offers sufficient scope for our further growth.

The liabilities to banks totalled € 24.7 million (previous year € 22.8 million). No additional short-term lines of credit were used. Net interest income amounted to € 1.8 million (previous year: € 1.4 million). 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 € 84 K. The valuation was performed in accordance with the fair value method.

Cash flow trend and investments

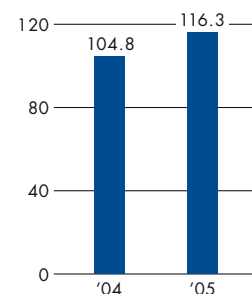
The gross cash flow amounted to € 89.4 million (previous year: € 86.6 million). Cash flow per share totalled € 4.26 (previous year: € 4.12). The cash flow from operations amounted to € 62.7 million (previous year: € 34.5 million). Cash flow from investment operations increased to € 58.1 million (previous year: € 43.4 million).

In the reporting year, the volume of investment amounted to € 61.2 million (previous year: € 45.3 million). This was financed from cash flow. The funds were mainly used to expand and maintain the branch network, as well as to purchase property.

We anticipate investments of € 46.0 million for the year 2006. Investment by the Aktiengesellschaft reached € 23.9 million (previous year: € 8.2 million) adjusted for capital contributions.

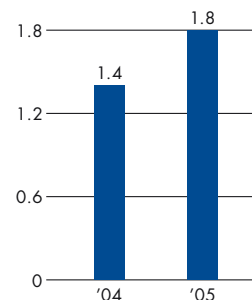
EBITDA

in € million



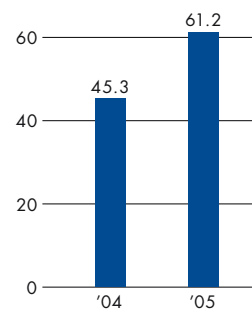
Interest result

in € million



Investments

in € million



Value added, Fielmann Group

Origin	€ '000	Application	€ '000	%
Sales including changes to inventories	731,313	Shareholders and other partners	42,610	12
Other income	50,622	Employees	279,098	77
Total sales	781,935	Public sector	29,260	8
Cost of materials	-218,995	Creditors	1,558	0
Depreciation	-31,149	Company	11,375	3
Other operating expenses	-167,746			
Other taxes	-144			
Total preliminary liabilities	-418,034			
Value added	363,901		363,901	

Assets

Asset and capital structure

Total Group assets rose in the reporting year to € 501.5 million (previous year: € 464.3 million). In the Aktiengesellschaft, total assets increased to € 442.1 million (previous year: € 431.1 million).

Consolidated fixed assets were up by 15.5 per cent to € 236.7 million (previous year: € 205.0 million). Short-term assets amounted to € 233.6 million (previous year: € 231.7 million).

Consolidated tangible assets amounted to € 189.3 million (previous year: € 165.9 million), equivalent to 37.7 per cent of total consolidated assets. Depreciation on tangible assets increased to € 31.1 million (previous year: € 30.3 million). Inventories under Group current assets increased by 3.8 per cent to € 79.5 million and inventory turnover within the Group was 9.4.

Trade receivables increased by € 4.9 million to € 11.7 million during the reporting year. Other receivables rose by € 1.7 million to € 21.5 million.

Consolidated equity capital is reported at € 316.6 million (previous year: € 301.4 million) after deduction of the proposed dividend payout, corresponding to an equity

ratio of 63.1 per cent of the balance sheet total.

Accruals totalled € 29.3 million (previous year: € 25.8 million). Short-term financial liabilities and trade payables rose by 1.5 per cent in the reporting year to € 63.8 million (previous year: € 62.9 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.

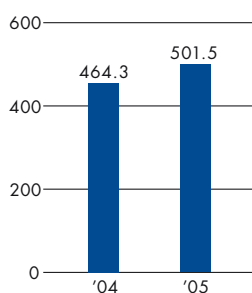
Staff

Fielmann is the largest employer in the German optical industry. In the year under review, an average of 10,155 (previous year: 9,804) staff were employed in the Group. In Germany, 8,675 people worked for Fielmann. In Switzerland, Fielmann employed 662 staff, while it employed 356 in Austria, 108 in the Netherlands and 105 in Poland.

Staff expenditure was € 278.9 million (previous year: € 240.3 million), while the staff cost ratio in relation to consolidated sales amounted to 38.1 per cent (previous year: 36.3 per cent).

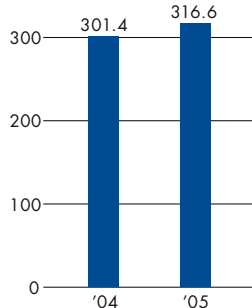
Total assets

in € million



Equity capital

in € million



Training and continued professional development

Year on year, Fielmann invests tens of millions in training and continued professional development. All branches of Fielmann are managed by master opticians who are supported by qualified assistants.

Fielmann is the largest trainer in the optical industry. A total of 1,502 young people were trained in the Group during the period under review.

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 to work at Fielmann. The training ratio was 19 per cent; it amounted to 7 per cent in the retail sector, and 13 per cent in the rest of the optical sector.

Trainees at Fielmann not only learn how to be opticians but also acquire knowledge of the industry upstream. Good performance is rewarded financially and Fielmann pays subsidies for those attending specialist colleges as well as rewarding excellent results with bonuses.

Junior management staff are trained within the company, in the branches of Fielmann as well as the central workshops. They receive technical and individual training and then an internal grant to study for their master certificate.

Fielmann offers diverse career opportunities. For suitable candidates with qualifications and the will to succeed, the opportunity is there to reach the top.

Fielmann assumes responsibility for training opticians for the entire sector. In 2002, the non-profit making Fielmann Akademie Schloss Plön gemeinnützige Bildungsstätte der Augenoptik GmbH (hereinafter: Fielmann Akademie gGmbH)

acquired Plön Castle from the Schleswig-Holstein regional government. At a cost of millions and in collaboration with the Schleswig-Holstein region we are establishing a training centre that will also be open to external opticians.

In October 2004, Fielmann Akademie gGmbH went into action with a master training course. The first students will reach the master’s examination after two years of full-time training.

Since September 2005, Fielmann Akademie gGmbH Schloss Plön has offered a Bachelor of Science course in optics/optometry in collaboration with the Lübeck University of Applied Sciences.

Remuneration

There is a high degree of identification with the company among the employees. Good salaries and the chance to invest in the company provide motivation.

Our performance-related bonus scheme for the branch managers supports our customer-friendly marketing strategy. Half of the management bonus depends on customer satisfaction.

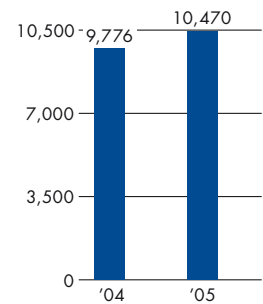
Environment

Each year, Fielmann plants a tree for every employee: to date it has planted more than 700,000 trees and shrubs.

Fielmann is also involved in protecting nature and the environment, preserving historical monuments and promoting organic agriculture.

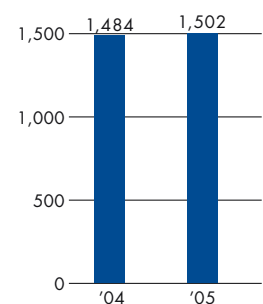
Employees

as at 31. 12. 05



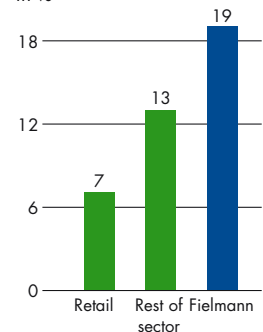
Trainees

as at 31. 12. 05



Training ratio

in %



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.

Risk report

Risk management system and existing risks

An essential part of corporate management is a standardised planning and controlling process, guidelines and reporting systems as well as a risk reporting system that covers all areas of the company across the Group.

The aim of the risk management system is to put decision-makers at all levels in a position to recognise risks at an early stage and to take appropriate action. The Group-wide planning, controlling and reporting processes are also continuously checked for effectiveness and efficiency. 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

Fielmann is deeply rooted in the optical industry and is active at all stages of the value added chain: as a manufacturer, agent and optician. For our own collection, the Fielmann branches are factory outlets. The interlocking of central and decentralised units would impair earnings in the event of

disruptions to operations or long-term production stoppages. 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

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. A low level of consolidated debt minimises the effects of existing interest risks.

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

The international market is characterised by general economic risks and increasingly intense competition. This gives rise to risks related to prices and unit sales. An extensive distribution controlling system and constant monitoring of the competition enable us to identify trends early. Measures to limit risks can be implemented promptly.

IT risks

The operational and strategic management of the Group is integrated into a complex information technology system. The maintenance and optimisation of the IT systems is assured through the constant exchange of information with external consultants as well as various safeguards.

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

The Group's market role, its healthy balance sheet and the business model which 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 situation or earnings.

Outlook

The economic research institutions involved in the joint survey by the German government anticipate that Germany's overall economic trend will be supported by external economic stimuli in 2006.

The planned increase in value-added tax in 2007 should lead to a revival in the domestic economy, particularly in the second half of the year, prompting increased demand primarily for higher-quality and durable consumer goods.

The institutions do not expect any notable reduction in unemployment.

Thanks to a brighter consumer climate in Germany, we also expect a favourable trend in the optical industry.

The demographic shift in the European population offers us further opportunities for growth. The proportion of high-quality

varifocals, particularly needed by people in later life, is set to grow strongly in the coming years. The contact lens and contact lens cleaning and care sectors offer additional potential. Fielmann has brought democracy into fashion frames. It offers low prices for all instead of high prices for the few.

We are able to sell at low prices because we dispense more pairs of glasses than entire nations. Fielmann is a manufacturer, agent and optician, covering every stage of the spectacles supply chain. We control quality at all stages of production. We are committed to top quality at all price levels. Fielmann maintains collections for all target groups. We observe developments and current trends. Our designers create the appropriate shapes and styles in their initial designs. Fielmann has its own production facilities at its disposal, operated as a partnership over many years.

Fielmann is not the market leader by chance. Our leading position is down to strong customer focus and motivated employees who embody our consumer-oriented philosophy.

Fielmann is driving its expansion in Germany, Switzerland and Austria. These countries offer the greatest potential.

We are expanding with good judgement. We test every serious takeover option across Europe. Fielmann plans a marked increase in turnover and profit for 2006. We will drive the expansion efficiently, open 25 new branches and create more than 300 additional jobs.

Declaration of compliance with the German Corporate Governance Code

Declaration on Corporate Governance in 2005

Fielmann Aktiengesellschaft welcomes the German Corporate Governance Code presented by the Government Commission and last updated in June 2005. The Code not only brings clarity to the legal conditions of corporate management and controlling in Germany for domestic and foreign investors but also establishes generally recognised standards for good and responsible corporate governance.

The success of Fielmann Aktiengesellschaft has always been based on close and efficient cooperation between the Management Board and Supervisory Board, consideration of the shareholders' interests, open corporate communication, orderly accounting and auditing as well as the responsible handling of risks.

In our understanding, Corporate Governance is an ongoing process and we will continue to follow future developments closely.

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of Fielmann Aktiengesellschaft declare that Fielmann Aktiengesellschaft has complied and will continue to comply with the recommendations of the Government Commission German Corporate Governance Code with the exception of the following points:

Remuneration of the Management Board members has been and will continue to be set out in the notes to the Group accounts in the Annual Report. It is broken down into fixed and performance-related variable components. This representation meets the statutory specifications. At the Annual General Meeting, the Chairman of the Supervisory Board, if requested, will report on the main features of the remuneration system and any changes to them. There are no plans to publish this on the internet. Regular review of the structure of the remuneration system for the Management Board by the Supervisory Board is waived in favour of the assessment of individual cases.

(Code Figure 4.2.3 in conjunction with Code Figure 4.2.4 in conjunction with Code Figure 4.2.2)

There is no age limit for members of the Management Board and Supervisory Board. We believe that ability and performance should not be determined by rigid age restrictions.

(Code Figure 5.1.2 in conjunction with Code Figure 5.4.1)

The Supervisory Board has no current plans to set up an Audit Committee. Matters relating to accounting, risk management and determining the focus of audits are to remain under the aegis of the whole Supervisory Board. In order adequately to fulfil these major responsibilities, the members of the Supervisory Board also intend to be directly involved in this in the future.

(Code Figure 5.3.2)

At times of elections to the Supervisory Board, a vote on the election process will 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.

(Code Figure 5.4.3)

The current remuneration structure of the Supervisory Board members takes into account their responsibility and scope of activity. It therefore includes no performance-related components. Their total earnings are set out in the notes to the Group accounts and in the Annual Report of Fielmann Aktiengesellschaft in compliance with the statutory regulations.

(Code Figure 5.4.7)

The audited Group accounts and interim reports will be published within the timeframe set out by the stock exchange.

(Code Figure 7.1.2)

No details are given on third-party companies in which Fielmann has more than a minority interest, for reasons of competition.

(Code Figure 7.1.4)

A transparency report has been produced by the auditors Susat und Partner OHG on relations between Fielmann Aktiengesellschaft and its shareholders who qualify as related parties. This has not been reported in the Group accounts.

(Code Figure 7.1.5)

Hamburg, November 2005

On behalf of the Management Board
Signed: Günther Fielmann

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

Annual Report as at December 31, 2005

Fielmann Group, Hamburg

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Fielmann Aktiengesellschaft, Hamburg

Consolidated balance sheet as at December 31, 2005

Assets	Ref. no. in notes	Position as at 31. 12. 05 € '000	Position as at 31. 12. 04 € '000
A. Long-term fixed assets			
I. Intangible assets	(1)	6,106	3,888
II. Goodwill	(2)	40,592	33,966
III. Tangible assets*	(3)	189,304	165,895
IV. Financial assets	(4)	706	1,225
V. Deferred tax assets	(5)	25,610	26,824
VI. Other financial assets	(6)	5,640	740
		267,958	232,538
B. Current assets			
I. Inventories	(7)	79,532	76,656
II. Receivables and other assets	(8)	33,213	26,545
III. Tax assets	(9)	10,922	8,476
IV. Prepaid expenses	(10)	3,299	2,523
V. Financial assets	(11)	24,741	8,580
VI. Cash and cash equivalents	(12)	81,870	108,967
		233,577	231,747
		501,535	464,285
Equity and liabilities			
A. Equity capital			
I. Subscribed capital	(13)	54,600	54,600
II. Capital reserves	(14)	92,652	92,652
III. Profit reserves	(15)	169,335	154,144
IV. Balance sheet profit	(16)	39,900	33,600
V. Minority shares of third parties	(17)	-29	4
		356,458	335,000
B. Long-term liabilities			
I. Long-term accruals	(18)	5,252	5,583
II. Long-term financial liabilities	(19)	22,329	18,804
III. Deferred tax liabilities	(20)	6,826	6,632
		34,407	31,019
C. Current liabilities			
I. Current accruals	(21)	24,080	20,173
II. Current financial liabilities	(22)	4,216	5,362
III. Trade creditors and other liabilities	(22)	59,582	57,523
IV. Tax liabilities	(23)	22,792	15,208
		110,670	98,266
		501,535	464,285

* Included: investment property (IAS 40) amounting to T€ 10,492.
Cf. note (3) and development of consolidated assets

Fielmann Aktiengesellschaft, Hamburg

Profit and loss account for the period January 1 to December 31, 2005

	Ref. no. im Anhang	2005 € '000	2004 € '000	Change from pre- vious year
1. Consolidated sales	(25)	733,074	668,256	9,7 %
2. Changes in finished goods and work in progress	(25)	-1,761	-5,832	-69,8 %
Total consolidated revenues		731,313	662,424	10,4 %
3. Other operating income	(26)	51,718	50,003	3,4 %
4. Costs of materials	(27)	-218,995	-209,951	4,3 %
5. Personnel costs	(28)	-278,912	-240,254	16,1 %
6. Depreciation	(29)	-31,149	-30,296	2,8 %
7. Other operating expenses	(30)	-168,794	-157,423	7,2 %
8. Result from participation	(31)	0	19	-100,0 %
9. Interest result	(32)	1,835	1,445	27,0 %
10. Result from ordinary activities		87,016	75,967	14,5 %
11. Income taxes	(33)	-29,260	-27,554	6,2 %
12. Consolidated net income	(34)	57,756	48,413	19,3 %
13. Income attributable to other shareholders	(35)	-2,711	-2,025	33,9 %
14. Profits to be allocated to parent company shareholders		55,045	46,388	18,7 %
15. Consolidated results brought forward		38	53	-28,3 %
16. Withdrawals from profit reserves	(36)	1,919	6,954	-72,4 %
17. Transfers to profit reserves	(37)	-17,102	-19,795	-13,6 %
18. Consolidated balance sheet profit		39,900	33,600	18,8 %
Earnings per share in €	(34)	2,62	2,21	18,6 %

Movement of Group equity note (39)

	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
Minority interests	4	-2,811	2,711	67	-29
Group equity	335,000	-36,373	57,756	75	356,458

	Position as at 1. 1. 04 € '000	Dividends paid/profit shares* € '000	Consolidated net income € '000	Other changes € '000	Stand am 31. 12. 04 € '000
Subscribed capital	54,600				54,600
Capital reserves	92,652				92,652
Group equity generated	174,745	-33,547	46,387	159	187,744
of which: securities held for sale	345			99	444
of which: currency equalisation item	0			521	521
Minority interests	123	-2,269	2,025	125	4
Group equity	322,120	-35,816	48,412	284	335,000

* Dividends distributed and profit shares allocated to other shareholders

Cash flow statement, Fielmann Group note (40)

Cash flow statement in accordance with IAS 7 1. 1. – 31. 12.	2005 € '000	2004 € '000	Change € '000
Result before interest	85,181	74,522	10,659
Interest expenses	-1,609	-2,005	396
Interest income	3,444	3,450	-6
Results from ordinary activities	87,016	75,967	11,049
Taxes on income	-29,260	-27,554	-1,706
Profit for the year (including shares of minority interests)	57,756	48,413	9,343
+/- Write-downs/write-ups on fixed assets	31,149	30,296	853
+/- Increase/decrease in long-term accruals	-2,002	136	-2,138
+/- Other non-cash income/expenditure	2,492	7,726	-5,234
= Cash flow	89,395	86,571	2,824
+/- Increase/decrease in current accruals	6,377	-62,203	68,580
-/+ Profit/loss on disposal of fixed assets	324	234	90
-/+ Increase/decrease in inventories, trade debtors as well as other assets not attributable to investment and financial operations	-45,809	47,838	-93,647
+/- Increase/decrease in trade creditors as well as other liabilities not attributable to investment and financial operations	12,388	-37,939	50,327
= Cash flow from current business activities	62,675	34,501	28,174
Receipts from disposal of tangible assets	2,047	1,023	1,024
- Payments from investments in tangible assets	-50,444	-39,110	-11,334
+ Receipts from the sale of intangible assets	42	237	-195
- Payments for investments in intangible assets	-7,417	-5,722	-1,695
+ Receipts from disposal of financial assets	1,040	228	812
- Payments for investments in financial assets	-522	-19	-503
- Payments for the acquisition of consolidated companies and other business units after deduction of acquired cash resources	-2,801	-58	-2,743
= Cash flow from investment activities	-58,055	-43,421	-14,634
- Payments to company owners and minority shareholders	-36,373	-34,513	-1,860
- Payments for the redemption of loans and (finance) loans	-2,518	-1,219	-1,299
= Cash flow from financial activities	-38,891	-35,732	-3,159
Cash changes in financial resources	-34,271	-44,652	10,381
+/- Changes in financial resources due to exchange rates, scope of consolidation and valuation	-39	43	-82
+ Financial resources at 1. 1.	108,750	153,359	-44,609
= Financial resources at 31. 12.	74,440	108,750	-34,310

Segment reporting, Fielmann Group note (41), previous year in parenthesis.

In € million	Segments by business area								Consolidated value	
	Wholesale/ services		Production/ logistic		Retail		Consolidation			
Sales revenue	205.8	(187.3)	40.8	(38.1)	725.9	(659.3)	-239.4	(-216.4)	733.1	(668.3)
Sales revenue from other segments	201.4	(182.0)	37.7	(34.3)	0.3	(0.1)				
Outside sales revenue	4.4	(5.3)	3.1	(3.8)	725.6	(659.2)			733.1	(668.3)
Result from ordinary activities (in the segments excluding income from participations)	38.3	(51.4)	9.5	(9.0)	39.3	(17.9)	-0.1	(-2.3)	87.0	(76.0)
– of which interest income	8.2	(7.2)	0.9	(0.7)	-7.3	(-6.4)	0.0	(-0.1)	1.8	(1.4)
Result from ordinary activities, excluding interest	30.1	(44.2)	8.6	(8.3)	46.6	(24.3)	-0.1	(-2.2)	85.2	(74.6)
Investments	28.4	(13.0)	2.5	(1.7)	30.3	(30.6)			61.2	(45.3)
Cash flow (in the segments excluding income from participations, adjusted for tax)	35.7	(42.1)	10.6	(12.2)	52.6	(35.5)	-9.5	(-3.2)	89.4	(86.6)
Scheduled depreciation	7.3	(5.9)	2.7	(3.3)	21.0	(21.1)	0.1	(0.0)	31.1	(30.3)
Segment assets	259.4	(232.9)	20.3	(21.1)	185.3	(175.0)			465.0	(429.0)
– of which balances with banks, securities	108.5	(113.7)	0.1	(0.0)	3.1	(3.8)			111.7	(117.5)
	150.9	(119.2)	20.2	(21.1)	182.2	(171.2)			353.3	(311.5)
Segment debts	62.3	(60.8)	4.3	(6.5)	48.9	(61.9)			115.5	(129.2)
– of which amounts due to banks	21.1	(24.5)	0.2	(0.2)	3.8	(4.3)			25.1	(29.0)
	41.2	(36.3)	4.1	(6.3)	45.1	(57.6)			90.4	(100.2)

In € million	Segments by region						Consolidated value	
	Germany	Switzerland	Austria	Others	Consolidation			
Sales revenue	633.5 (571.4)	78.9 (77.8)	32.5 (32.7)	16.9 (11.5)	-28.7 (-25.1)	733.1	(668.3)	
Sales revenue from other segments	23.2 (19.4)	3.0 (5.7)		2.5 (0.0)				
Outside sales revenue	610.3 (552.0)	75.9 (72.1)	32.5 (32.7)	14.4 (11.5)		733.1	(668.3)	
Result from ordinary activities (in the segments excl. income from participations)	67.0 (59.6)	17.6 (14.0)	2.8 (5.5)	-0.3 (-1.7)	-0.1 (-1.4)	87.0	(76.0)	
– of which interest income	0.6 (0.8)	0.5 (0.0)	0.6 (0.5)	0.1 (0.2)	0.0 (-0.1)	1.8	(1.4)	
Result from ordinary activities, excluding interest	66.4 (58.8)	17.1 (14.0)	2.2 (5.0)	-0.4 (-1.9)	-0.1 (-1.3)	85.2	(74.6)	
Investments	54.7 (42.5)	2.7 (2.2)	3.0 (0.4)	0.8 (0.2)		61.2	(45.3)	
Cash flow (in the segments excluding income from participations, adjusted for tax)	69.7 (65.0)	16.4 (14.5)	4.5 (6.9)	0.5 (-0.9)	-1.7 (1.1)	89.4	(86.6)	
Scheduled depreciation	25.6 (24.4)	2.5 (3.1)	1.9 (1.9)	1.0 (0.9)	0.1 (0.0)	31.1	(30.3)	
Segment assets	409.5 (362.4)	31.9 (43.0)	12.3 (14.4)	11.3 (9.2)		465.0	(429.0)	
– of which balances with banks, securities	90.9 (94.7)	17.6 (19.0)	1.4 (3.1)	1.8 (0.7)		111.7	(117.5)	
	318.6 (267.7)	14.3 (24.0)	10.9 (11.3)	9.5 (8.5)		353.3	(311.5)	
Segment debts	104.9 (115.3)	4.3 (7.8)	3.4 (3.8)	2.9 (2.3)		115.5	(129.2)	
– of which amounts due to banks	24.7 (28.8)	0.1 (0.2)		0.3 (0.0)		25.1	(29.0)	
	80.2 (86.5)	4.2 (7.6)	3.4 (3.8)	2.6 (2.3)		90.4	(100.2)	

Fielmann Aktiengesellschaft, Hamburg

Notes to the consolidated accounts as at December 31, 2005

I. General information

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared for the first time 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 the new versions of IAS 1.53 and RIC 1, the balance sheet was broken down strictly according to maturities for the first time. The figures from the previous year were adjusted correspondingly.

The Management Board of Fielmann Aktiengesellschaft approved the consolidated accounts as at December 31, 2005 on March 23, 2006. No significant events took place after the balance sheet date.

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

In December 2004, the IASB published changes to IAS 19 which are to apply to financial years commencing on or after January 1, 2006. The changes mean that in future 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.

In April 2005 the IASB ratified changes to IAS 39 which are to be applied in financial years commencing on or after January 1, 2006. These changes 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 and are to be applied in financial years commencing on or after January 1, 2006. It is not anticipated that these rules will have any impact on the Fielmann Group's assets, finances or income.

IFRS 7 „Financial Instruments: Disclosures“ was ratified by 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 have to comply once application of the Standard becomes mandatory.

In December 2004, the IASB also ratified IFRS 6 „Exploration for and Evaluation of Mineral Assets“ which is to be applied to financial years commencing on or after January 1, 2006. This Standard should also not affect the Group due to the nature of the Group's business.

In 2005, 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 4 Determining whether an arrangement contains a lease (to be applied in financial years commencing on or after January 1, 2006)

IFRIC 5 Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds (to be applied in financial years commencing on or after January 1, 2006)

IFRIC 6 Liabilities arising from participating in a specific market - waste electrical and electronic equipment (to be applied in financial years commencing on or after December 31, 2005)

So far the EU has not recognised:

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

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.

The notes contain details of the individual items on the balance sheet and profit and loss account, showing the differences between accounts prepared under HGB and IFRS as at December 31, 2004 in the column „of which adjustment for IFRS“. The information items „of which change in scope of consolidation“ shows the effects of the changes in the scope of consolidation to comply with IFRS, particularly the inclusion of franchise companies in the Group.

II. Scope of consolidation

The company Fielmann Aktiengesellschaft at Weidestrasse 118 a, Hamburg, is the Group's parent company. Fielmann Aktiengesellschaft is involved in the operation of and investment in opticians' shops 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 exerted. Deviating from HGB, this results in an additional 32 franchise companies with 36 sites in Germany being included as at December 31, 2005. Regarding the resulting changes please refer to the explanations of individual items in the balance sheet and profit and loss account. Fielmann Aktiengesellschaft only holds a small indirect share in these franchise companies, although it exerts 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.

Following the removal of IAS 27.13 (revised 2003) the Fielmann Academy Plön Castle also became a non-profit-making training institution of Augenoptik GmbH (hereinafter: Akademie gGmbH) which is included in the scope of consolidation despite the permanent restrictions caused by the law on non-profit-making entities.

Fourteen companies were consolidated for the first time as at December 31, 2005 of which nine 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. Two optician shops with a partner company were acquired on 1. 1. 2005 and 1. 3. 2005 respectively.

In addition, Fielmann Aktiengesellschaft acquired 51 % of a real estate company and its general partner, in whose building one of the branches is situated. This purchase involved the disclosure of hidden reserves on land and buildings amounting T€ 2,059.

For the consolidated companies, please see the statement of holdings as at December 31, 2005, 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 § 264b HGB.

During the reporting period, shares were taken on in four existing Fielmann branches as at January 1, 2005 through the withdrawal of franchisees in existing contracts. Minority interests were taken over in a further four Fielmann branches.

As part of the acquisition of companies and holdings (acquisition costs T€ 9,487) differences were stated as goodwill of T€ 6,695. Equity amounting to T€ 2,433 was included in the capital consolidation. The unimpaired status of the goodwill was demonstrated through impairment tests in accordance with the principles explained below. The effect on the balance sheet total of this transaction taking place in the normal maintenance and development of the branches amounts to T€ 4,707. The minority interest includes an increase of T€ 90 in the profit and loss account for the period 1. 1. to 31. 12. 2005. Sales by the newly acquired companies during the reporting period amounted to T€ 3,217.

III. Principles of consolidation 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, 2005 and passed without qualification. The accounts as at December 31, 2005 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. 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 rate is assumed. The capitalisation rate amounts to 5 per cent as in the previous year.

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 majority of foreign Fielmann companies operate their businesses independently; for them 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 is set to € 0 in the opening balance as at January 1, 2003.

Intra-Group profits on fixed and current 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 and tangible assets are valued and extrapolated at acquisition or production cost less straight-line scheduled depreciation. In the case of production premises, a useful life of up to 20 years is applied. Plön Castle 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 (residual) 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 and are subjected to extraordinary depreciation if the realisable amount falls below the book value. A blanket gross rental method using a rental income factor of 1.5 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. The unrealised profits and losses resulting from the market valuation are posted to equity without affecting profit after deducting deferred taxes. In cases when the market value of a security or investment cannot be determined reliably, the valuation is made at cost, and reduced by any value adjustments necessary. Securities in the „held to maturity“ category are generally valued at cost. Shares in companies over which Fielmann is able to exert significant influence, but over which it exercises no control, are normally accounted for by the equity method and stated at equity on a pro rata basis.

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.

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 on 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:	4.25 %
25-year anniversaries:	4.21 %
10-year anniversaries:	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 rates 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, 2005**

	Acquisition and production costs					Position as at 31. 12. 2005 € '000
	Position as at 1. 1. 2005 € '000	Foreign exchange conversion € '000	Change in scope of con- solidation € '000	Additions * € '000	Disposals * € '000	
I. Intangible assets						
1. Rights of usufruct from company accounts	4,784	-16		29		4,797
2. Licences, commercial trade marks and associated rights	8,234	5	8	3,533	302	12,141
				663 B		
	13,018	-11	8	3,562	302	16,938
				663 B		
II. Goodwill	121,131			6,695	1,125	126,701
III. Tangible assets						
1. Property and similar rights and buildings, including buildings on third-party land	66,300	-43	5,365	9,886	1,364	85,494
				5,350 B		
2. Investment property (IAS 40)	24,388			51		24,439
3. Tenants' fittings	107,814	50	257	9,801	402	117,594
				74 B		
4. Factory and office equipment	197,992	35	439	22,407	8,909	212,300
				336 B		
5. Assets under construction	13,404	59		8,299	651	14,688
					6,423 B	
6. Payments on account for tangible assets	914				914	0
	410,812	101	6,061	50,444	12,240	454,515
				5,760 B	6,423 B	
IV. Financial assets						
1. Shares in associated companies	323	-1			892	-570
2. Holdings	332			522	148	706
	655	-1	0	522	1,040	136
Total fixed assets	545,616	89	6,069	61,223	14,707	598,290
				6,423 B	6,423 B	

* B = book transfer

Accumulated depreciation						Residual book values	
Position as at 1. 1. 2005 € '000	Foreign exchange conversion € '000	Changes in scope of consolidation € '000	Additions € '000	Disposals € '000	Position as at 31. 12. 2005 € '000	Position as at 31. 12. 2005 € '000	Position as at 1. 1. 2005 € '000
3,398	-16		313		3,695	1,102	1,386
5,732	2	8	1,696	301	7,137	5,004	2,502
9,130	-14	8	2,009	301	10,832	6,106	3,888
87,165			29	1,085	86,109	40,592	33,966
13,395	-12	642	1,482	1,364	14,143	71,351	52,905
12,884			1,063		13,947	10,492	11,504
69,685	-18	152	8,616	324	78,111	39,483	38,129
148,947	-14	302	17,950	8,181	159,004	53,296	49,045
6					6	14,682	13,398
0					0	0	914
244,917	-44	1,096	29,111	9,869	265,211	189,304	165,895
-570					-570	0	893
0					0	706	332
-570					-570	706	1,225
340,642	-58	1,104	31,149	11,255	361,582	236,708	204,974

The changes in intangible assets, tangible assets, financial assets and goodwill 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.

(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€ 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. Depreciation of T€ 30 (previous year none) was applied during the reporting period due to the closure of a company.

Goodwill is allocated to individual 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€ 11,448 was allocated to the production segment as well as T€ 3,550 to the Netherlands as a market launch area. A total of T€ 21,026 was allocated to the German branches (treated as single CGUs).

(3) Tangible assets

The breakdown of tangible assets among the primary segments is as follows as at December 31, 2005:

	31. 12. 2005	31. 12. 2004	of which adjustment for IFRS
	€ '000	€ '000	€ '000
Wholesale/Services	96,111	74,757	19,115
Production/Logistic	14,351	16,885	-6,952
Retail	78,842	74,253	-2,717
	189,304	165,895	9,446
of which change in scope of consolidation			15,848

Restrictions on powers of disposal are shown regarding buildings of Fielmann Akademie gGmbH which amount to T€ 18,713 (previous year T€ 15,738) due to its non-profit-making character and the protection of historic monuments.

Additions to the tangible assets are partly the result of the Group's expansion (T€ 4,155, previous year T€ 3,754).

Treatment of investment property in accordance with IAS 40:

Land and buildings includes property not used for the Group's core business amounting to T€ 10,492 (previous year T€ 11,504). Buildings are included in this classification which are not actively used by any of the companies within the Group. 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€ 14,405 (previous year T€ 14,147). The corresponding rental income during the reporting period amounts to T€ 960. No extraordinary depreciation was required for properties during either the reporting period or the previous year, and no revaluations were undertaken.

In the previous year, an indirect participation (32 %) of T€ 894 was shown, which is included in the consolidated accounts in accordance with the equity method pursuant to IAS 28. This holding was sold during the financial year (book loss T€ 663).

(4) Financial assets

Deferred tax assets amounting to T€ 25,610 (previous year T€ 26,824) are capitalised. Please refer to note (38) of the notes to the accounts for more details.

(5) Deferred tax assets

Other financial assets are long-term claims on employees in the form of loans which stand at T€ 547 (previous year T€ 699) and securities held to maturity in the amount of T€ 5,093 (previous year T€ 41); interest on the latter amounting to T€ 52 was deferred. The share of variable-rate securities is T€ 5,052.

(6) Other financial assets

	31. 12. 2005	31. 12. 2004	of which adjustment for IFRS € '000
	€ '000	€ '000	€ '000
Raw materials and supplies	1,249	1,071	
Work in progress	4,718	5,711	251
Finished products and merchandise	73,565	69,874	3,879
	79,532	76,656	4,130
of which change in scope of consolidation			4,803

(7) Inventories

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 valuation adjustments on inventories stands at T€ 9,769 (previous year T€ 8,186).

(8) Receivables and other assets

	31.12.2005	31.12.2004	of which adjustment for IFRS € '000
	€ '000	€ '000	
Trade debtors	11,727	6,786	-1,807
Other receivables	21,486	19,759	-15,565
	33,213	26,545	-17,372
of which change in scope of consolidation			5,504

The increase in trade debtors is mainly due to a write-up (T€ 4,400, which is included in „other operating income“), allocated for deliveries within Germany during the first quarter of 2004. These deliveries 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 specimen actions and court rulings in similar cases have contributed to this decision.

There are no contractual liens, security interests or rights of setting off applying to the receivables.

(9) Tax assets

Tax assets to the value of T€ 10,922 (previous year T€ 8,476) result largely from prepayments of trade tax during 2005.

Because of a moratorium on corporation tax, there exists an unused and therefore unrecognised balance sheet corporation tax balance as at December 31, 2005 which amounts to T€ 3,873. After the moratorium expires on December 31, 2005 this may be distributed from 2006 onwards by way of profit distributions and offset against future corporation tax liabilities until the year 2018.

(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**Instruments held until maturity:**

As of the reporting date, securities with a fixed maturity are reported at cost as T€ 24,597 less value impairments (T€ 51). 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€ 209). 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.

The positive market value of an off-balance sheet interest rate/currency swap is T€ 84 as at December 31, 2005. 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. A foreign currency loan was also taken up to finance part of a property. 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 12,524 shares (previous year 16,826) with a book value of T€ 589 as at December 31, 2005 (previous year T€ 710) was deducted from the securities and equity capital in the Group in accordance with IAS 32.33. 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€ 133 with no expenses.

In the course of regular liquidity hedging, Fielmann Aktiengesellschaft covered its USD requirements by the use of forward exchange transactions. The size of these contracts is determined by the volume of orders. As of December 31, 2005 there were three forward exchange contracts with an aggregate volume of \$ 4.5 million hedging orders until the end of March 2006. The market value of these off-balance sheet transactions amounted to T€ 60 by the reporting date.

This item contains liquid funds amounting to T€ 51,279 (previous year T€ 43,303). Instruments held until maturity with a remaining term of one month amounting to T€ 15,094 are also stated as cash with interest of T€ 125 being deferred.

(12) Cash and cash equivalents

Securities held for trading:

Units of money market funds were accounted for at a current value of T€ 8,067. The market price gains of T€ 49 were taken to income and there were no price losses.

Securities available for sale:

There remains a portfolio of T€ 7,430 containing mainly shares and bonds. These are stated at the current value. Earnings of T€ 549 during the reporting period were offset directly against reserves. The portfolio recorded sales of T€ 421 during the reporting period.

**(13) Subscribed capital/
authorised capital**

As at December 31, 2005, the subscribed capital of Fielmann Aktiengesellschaft was T€ 54,600. As in the previous year, the subscribed capital is divided into 21 million ordinary shares of no par value. Please refer to note (11) regarding the company's own shares. These are bearer shares. Ownership of the voting capital is distributed as follows:

Ownership of the voting capital was last announced in the Börsen-Zeitung on May 3, 2002 using the following wording:

„In accordance with § 41 para. 2 (1) Securities Trading Act (WpHG), Fielmann AG, Hamburg, has been notified by its shareholders of the following voting shares as at April 1, 2002:

Günther Fielmann, Lütjensee	43,17 %, of which 8.05 % has been added in accordance with § 22 para. 1 no. 4 WpHG
Marc Fielmann, Lütjensee	7,73 %
Fielmann Familienstiftung, Hamburg	15,07 %
Fielmann INTER-OPTIK GmbH & Co. KG, Hamburg	11,41 %
The Management Board	“

No single shareholdings comprising more than 5 per cent of the total have been notified to the Management Board.

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 June 30, 2006), for up to a maximum of € 20 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 from 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. 2005 € '000	Foreign exchange changes € '000	Reclassi- fications € '000	Transfers € '000	With- drawals € '000	Position as at 31. 12. 05 € '000
Reserves eligible for distribution	105,215				-1,798	103,417
Other reserves from company accounts	14,375			5,040	-121	19,294
Reserves from Group transactions	33,589		-20	12,062		45,631
Foreign exchange equalisation items	521	-521				0
Reserves from direct offsetting	444		549			993
	154,144	-521	529	17,102	-1,919	169,335

The consolidated balance sheet profit amounts to T€ 39,900 and comprises net income for the year (T€ 57,756) plus consolidated net income carried forward (T€ 38) less minority shares (T€ 2,711) and less changes in profit reserves (T€ 15,183).

(16) Consolidated balance sheet profit

Minority shares include shares of other shareholders in corporations of the Group (see also notes (22) and (39)). 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.

(17) Minority shares

Long-term accruals developed as follows:

(18) Long-term accruals

	HGB 1. 1. 05 € '000	Changes IFRS 1. 1. 05 € '000	IFRS 1. 1. 05 € '000	Foreign exchange changes € '000	Changes in scope of consolida- tion € '000	Consump- tion € '000	Write-backs € '000	Allocation € '000	31. 12. 05 € '000
Pension accruals	669	642	1,311		1,842	-986	-336	144	1,975
Accruals for anniversary bonuses	1,206		1,206			-61		120	1,265
Reconversion obligations	1,466	1,600	3,066				-1,054		2,012
	3,341	2,242	5,583	0	1,842	-1,047	-1,390	264	5,252

Pension accruals mainly relate to the non-forfeitable pension commitments of Fielmann Aktiengesellschaft (T€ 782). Their book value is based on a current expertise dated December 31, 2005. Actuarial gains and losses are posted immediately on the profit and loss account. 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€ 150. 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 tenants' fittings within fixed assets and subjected to scheduled depreciation over the remaining term of the tenancy agreement. Compared with the previous year and the interim reports, a further development of the criteria used for assessment has led to a change concerning the settlement amounts, which resulted in earnings of T€ 1,054 insofar as there was no offsetting against the acquisition costs.

(19) Long-term financial liabilities

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

	31. 12. 2005	31. 12. 2004	of which adjustment for IFRS
	€ '000	€ '000	€ '000
Long-term liabilities to banks	20,435	17,429	7,452
Other long-term liabilities	1,894	1,375	
	22,329	18,804	7,452

of which change in scope of consolidation 7,452

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€ 16,538 (previous year T€ 16,055). There are no liabilities to affiliated non-consolidated companies. The other financial liabilities mainly include liabilities to employees arising from fixed-interest employee shareholdings.

(20) Deferred tax liabilities

Deferred tax liabilities carried as liabilities stand at T€ 6,826 (previous year T€ 6,632). More information is provided in note (38) of the notes to the accounts.

(21) Current accruals

Current accruals have developed as follows:

	HGB	Changes IFRS	IFRS	Foreign exchange changes	Changes in scope of consolidation	Consumption	Write-backs	Allocation	31. 12. 05
	1. 1. 05 € '000	1. 1. 05 € '000	1. 1. 05 € '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Personnel accruals	11,129	299	11,428	5		-10,535	-889	13,822	13,831
Accruals for merchandise	7,397	-274	7,123			-6,420		4,377	5,080
Other accruals	5,358	-3,736	1,622			-777	-4	4,328	5,169
	23,884	-3,711	20,173	5	0	-17,732	-893	22,527	24,080

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 with mainly only minor deviations.

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. After a peak in 2003 caused by very high sales owing to the health service reform, the risk since then has steadily fallen. The lower guarantee rates relating to sales underlying the accruals also result from the steadily improving quality control and the use of modern production processes. The assumptions regarding the valuation of risks are constantly verified by means of reporting on guarantee cases.

The other accruals relate to possible liabilities arising from legal disputes and the costs of legal and commercial advice.

Current financial and other liabilities are broken down as follows:

	31. 12. 2005	31. 12. 2004	of which adjustment for IFRS
	€ '000	€ '000	€ '000
Liabilities			
– to banks	4,216	5,362	407
– trade creditors	39,943	32,016	2,168
Other liabilities	19,639	25,507	7,135
	63,798	62,885	9,710
of which change in scope of consolidation			13,924

(22) Current financial and other liabilities

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.

Included in the other liabilities are liabilities to other shareholders of the Group amounting to T€ 1,135 (previous year T€ 1,102); in the individual company accounts these have the nature of equity (see also note (39)).

The tax debts are broken down as follows:

	31. 12. 2005	31. 12. 2004
	€ '000	€ '000
Actual liabilities	7,155	2,042
Accruals	15,637	13,166
	22,792	15,208

(23) Tax debts

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

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€ 3,535 existed in the Fielmann Group (of which T€ 541 had a remaining term of up to one year and T€ 2,994 had up to 5 years) based on these lease transactions.

The rental and lease payments during the reporting period amounted to T€ 50,305.

(24) Contingent liabilities, other financial liabilities

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

The Fielmann Group is planning investments totalling T€ 46,000 in 2006, of which T€ 12,000 is earmarked for new branches and T€ 21,000 for replacement investment in existing branches.

(25) Income from sales, including changes in inventories

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

The income from sales of the Fielmann Group (gross including sales tax) is attributable as follows:

	2005		2004	
	Gross € '000	Net € '000	Gross € '000	Net € '000
Fielmann branches in Germany	701,830	605,485	632,389	545,163
Fielmann AG, Germany	3,159	2,723	4,406	3,798
Fielmann AG, Switzerland	78,572	73,022	73,488	68,297
Louvre AG, Switzerland	1,601	1,488	1,491	1,385
Pro-optik AG, Switzerland	1,542	1,433	1,577	1,465
Fielmann GmbH, Austria	39,018	32,515	39,235	32,695
Branches, Netherlands	8,461	7,110	8,098	6,805
Branches, Poland	5,170	4,496	3,962	3,445
Other	5,677	4,802	6,118	5,203
Consolidated sales	845,030	733,074	770,764	668,256
Changes in inventories	-2,042	-1,761	-6,817	-5,832
Total Group sales	842,988	731,313	763,947	662,424

(26) Other operating income

Other operating income mainly comprises contributions received for advertising costs, 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€ 891.

(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.

	2005 € '000	2004 € '000	of which adjustment for IFRS € '000
Wages and salaries	233,761	198,947	3,603
Social security costs	43,761	40,179	735
Pension contributions	1,390	1,128	27
	278,912	240,254	4,365
of which change in scope of consolidation			4,328

(28) Personnel costs

The remuneration of Management Board members for their work during the financial year is divided into fixed components and variable components, which are based entirely on the result. Fixed remuneration for the period under review amounted to T€ 2,368 (previous year T€ 2,238), bonuses to T€ 2,668 (previous year T€ 2,166). Payments relating to the termination of an employment contract totalled T€ 775. Transfers to pension provisions stood at T€ 21 (previous year T€ 31).

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 31, 2005 each employee was offered seven shares at a price of € 55.14, with an option period until November 30, 2005. This offer was taken up by 2,147 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 € 56.95.

In accordance with IFRS 2 the sum of T€ 856 was stated as expenditure for capital-building payments in the form of shares within the Group. The book profit from the disposal of the Company's own shares to the aggregate value of T€ 122 was offset against equity.

	2005 € '000	2004 € '000	of which adjustment for IFRS € '000
Intangible assets	2,009	1,930	-1,630
Goodwill	29	0	-1,344
Tangible assets	29,111	28,366	-42
	31,149	30,296	-3,016
of which change in scope of consolidation			308

(29) Depreciation

Other operating expenses include administrative and organisational costs, advertising, costs of premises and personnel costs. The expense arising from foreign exchange differences totals T€ 718.

(30) Other operating expenses

(31) Result from participation

There was no income from participation during the reporting period.

(32) Interest result

The interest result is broken down as follows:

	2005 € '000	2004 € '000	of which adjustment for IFRS € '000
Interest from loans	2,040	1,861	58
Other interest and similar income	1,404	1,589	-21
Interest and similar expenditure	-1,609	-2,005	-87
	1,835	1,445	-50
of which change in scope of consolidation			-108

The interest result includes a value adjustment to security holdings to the value of T€ 51.

(33) Taxes on income and earnings

This includes trade income tax and corporation tax as well as equivalent national taxes of the consolidated companies to the value of T€ 26,103 (previous year T€ 22,641), of which there were tax expenses amounting to T€ 702 for taxes not applying to that reporting period. The income tax-related expenditure of individual companies in the Group decreased by T€ 1,984 through the use of tax loss carryforwards. This item includes deferred tax in the Group amounting to T€ 1,094 (previous year T€ 3,901 income). More details can be found in note (38) of the notes to the accounts. The tax expenses will be offset in the case of distributions from 2006 onwards through a corporation tax credit of T€ 3,873. The corporation tax credit and corporation tax liability in 2006 would be reduced by T€ 277 if the profit distribution proposed by the Management Board, which amounts to T€ 39,900, takes place.

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

Earnings per share developed as follows:

	2005 € '000	2004 € '000
Net income	57,756	48,413
Income attributable to other shareholders	-2,711	-2,025
Period result	55,045	46,388
Earnings per share in €	2.62	2.21

(35) Income attributable to other shareholders

Other shareholders account for T€ 3,164 of the profits and T€ 453 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.

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

(36) Withdrawals from profit reserves

This item refers to a transfer to „other profit reserves“ of the Group amounting to T€ 17,102.

(37) Transfers to profit reserves

The deferred tax assets on losses brought forward increased during the reporting period through corresponding net annual results by T€ 113 (previous year reduction of T€ 1,372). No deferred tax assets were stated for loss carryforwards of T€ 505 (previous year T€ 506), because no offsetting is expected. No loss carryforwards can lapse during the next 12 months.

(38) Deferred taxes

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€ 2,900, while deferred tax liabilities will probably amount to T€ 800.

Taxes were offset directly against equity of T€ 33 during the reporting period through the recognition of fair values in the case of securities. During the reporting period the tax rates in the Netherlands decreased from 30 % to 26.9 % because of legislative changes. The deferred tax expenditure is as follows:

Deferred taxes	31. 12. 2005		31. 12. 2004	
	€ '000 Asset	€ '000 Liability	€ '000 Aktiv	€ '000 Passiv
a) on deductible differences				
– from company accounts	1,683	635	1,896	1,292
– from HGB II	9,871	6,191	11,380	5,340
– from consolidation	4,126		3,732	
b) on loss carryforwards	9,930		9,816	
	25,610	6,826	26,824	6,632

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

	31. 12. 2005		31. 12. 2004	
	€ '000 Asset	€ '000 Liability	€ '000 Asset	€ '000 Liability
ASSET				
Intangible assets		105	23	
Goodwill	8,568	1,481	10,373	810
Tangible assets	1,732	1,090	1,686	1,376
Financial assets	1	46	1	87
Inventories	4,126	755	3,732	742
Receivables and other assets	75	90	121	283
Cash and cash equivalents		53		
EQUITY AND LIABILITIES				
Equity capital	9,930		9,816	
Special reserves		2,214		2,511
Long-term accruals	322		420	
Current accruals	856	992	652	823
	25,610	6,826	26,824	6,632

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	€ '000
Profit before tax on earnings	87,016
Applicable tax rate	39,4 %
Expected tax expenditure	34,284
Tax rate deviations	
Impact of tax rate differences abroad	-3,600
Impact of tax rate changes	-101
Impact on tax of deviations in tax calculation method	
Depreciation goodwill	12
Corporation tax exempt third party share of profit	-715
Non-deductible expenditure	792
Other tax-free earnings	-85
Trade tax allowances and other trade tax adjustments	-2,578
Exclusion of deferred tax assets	-79
Non-periodic effects	986
Other	344
Total Group tax expenditure	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%) and the solidarity surcharge (5.5%).

Own shares to the value of T€ 589 (previous year T€ 710) are deducted from equity. Group equity generated makes other profit reserves available (31.12.2005: T€ 106,190) and gives a balance sheet profit (31.12.2005: T€ 39,900) 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€ 33,600 are based on a dividend of € 1.60 per share.

Contained in the other changes in Group equity are positive changes in the value of assets available for sale amounting to T€ 549.

Deviating from the quarterly report of March 31, 2005, the minority interests in the equity capital in accordance with IAS 32, if relating to positive minority interests in partnerships, are stated as liabilities. This also has retroactive effect on the balance sheet reporting dates December 31, 2004 and January 1, 2004. 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.

The financial resources stated at € 74,440 comprise the liquid funds (T€ 51,279) 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€ 15,094). The financial resources also include shares of money market funds that can be liquidated at any time (T€ 8,067). Reconciliation of the item „cash and cash equivalents“ (T€ 81,870) comes from securities available for sale (T€ 7,430).

There were no significant non-cash investments or financial transactions during the reporting period. There are no restrictions on the disposal of liquid funds, although there were in the previous year with reference to Fielmann Akademie gGmbH in the amount of T€ 3,050 due to the non-profit-making character of the company. The purchase prices of acquired, first-time consolidated companies amounting to T€ 3,941 are included in the investments.

Regarding the effects of changes in the scope of consolidation, particularly acquired companies, please refer to the chapter entitled „Scope of consolidation“.

In accordance with the functional units into which the internal reporting structure is divided, segment reporting distinguished between the segments: wholesale/services, production 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.

(39) Movement of Group equity

(40) Fielmann Group cash flow statement

(41) Segment reporting

The segment called "Production" in the previous quarters has been renamed as "Production/Logistics" to better reflect the range of services covered. There has been no change in allocation.

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. Due to the close internal links, segment assets are reported excluding tax and for segment liabilities, their proportion of consolidated Group assets is indicated. 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.

There is also a segmentation by geographical region 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“.

The line „of which balances with banks, securities“ is derived from various items of the balance sheet: as well as the items „cash and cash equivalents“ (T€ 81,780) and „financial assets“ (T€ 24,741), the securities (T€ 5,093) included in the item „other financial assets“ have to be added (see also note (3)).

Revaluations in the case of securities to the value of T€ 501 are included in the segment wholesale/services. Value impairments amounting to T€ 51 are also applied to this segment.

The participations in associated companies shown in the statement of movements in group equity relate to the segment wholesale/services.

(42) Transitional accounts

HGB – IFRS

Reconciliation of Group equity in accordance with IFRS 1.39:

€ '000	31. 12. 2004	1. 1. 2004
Equity capital HGB	336,137	326,214
Goodwill depreciation	5,495	
Investment subsidies and grants	-5,570	-6,047
Other assets		-156
Valuation of inventories	187	698
Changes to scope of consolidation	838	1,907
Own shares	-710	-313
Accruals for personnel	-152	454
Other accruals	-23	603
Reclassification of minority interests	-1,102	-1,226
Sundry	-100	-14
Equity capital IFRS	335,000	322,120

Transitional accounts concerning individual items on the balance sheet and profit and loss account are found in the column „of which adjusted for IFRS“ in the corresponding tables in the numbered paragraphs above (see also note at end of the chapter in the notes to the accounts).

The net income of 2004 in accordance with HGB can be reconciled under IFRS as follows:

31. 12. 2004	€ '000
Net income for the year HGB	44,328
Changes in scope of consolidation	307
Goodwill depreciation	5,920
Investment allowances on tangible assets	1,087
Valuation of inventories	-1,235
Accruals	-1,817
Sundry	-30
Tax impact on the items named	-147
Net income for the year IFRS	48,413

The differences in the cash flow statement under IFRS and HGB are as follows:

Cash flow statement in accordance with IAS 7 1. 1. – 31. 12.	2004 IFRS € '000	2004 HGB € '000	Change € '000
Profit for the year (including shares of minority interests) before extraordinary items	48,413	44,328	4,085
+/- Write-downs/write-ups on fixed assets	30,296	37,016	-6,720
+/- Increase/decrease in long-term accruals	136	44	92
+/- Other non-cash income/expenditure	7,726	7,754	-28
= Cash flow	86,571	89,142	-2,571
+/- Increase/decrease in current accruals	-62,203	-64,022	1,819
-/+ Profit/loss on disposal of fixed assets	234	262	-28
-/+ Increase/decrease in inventories, trade debtors as well as other liabilities not attributable to investment and financial operations	47,838	38,547	9,291
+/- Increase/decrease in trade creditors as well as other liabilities not attributable to investment and financial operations	-37,939	-35,909	-2,030
= Cash flow from current business activities	34,501	28,020	6,481
Receipts from disposal of tangible assets	1,023	989	34
- Payments for investments in tangible assets	-39,110	-36,560	-2,550
+ Receipts from the sale of intangible assets	237	237	0
- Payments from investments in intangible assets	-5,722	-4,455	-1,267
+ Receipts from disposal of financial assets	228	228	0
- Payments for investments in financial assets	-19	-19	0
- Payments for the acquisition of consolidated companies and other business units	-58	-58	0
= Cash flow from investment activities	-43,421	-39,638	-3,783
- Payments to company owners and minority shareholders	-34,513	-34,513	0
- Payments from the redemption of loans and (finance) loans	-1,219	-683	-536
= Cash flow from financial activities	-35,732	-35,196	-536
Cash changes in financial resources (total from lines 21 to 24)	-44,652	-46,814	2,162
+/- Changes in financial resources due to exchange rates, scope of consolidation and valuation	43	44	-1
+ Financial resources at 1. 1.	153,359	151,525	1,834
= Financial resources at 31. 12.	108,750	104,755	3,995

The differences in cash flow from current business activities result primarily through changes in the scope of consolidation. The differences in the cash flow arising from investment activities mainly result from the changes in the scope of consolidation and to a lesser extent from the deduction of investment subsidies and grants.

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 according to note 13 he holds or directly controls 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.

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
- CM Stadtentwicklung GmbH & Co. KG
- Various property management companies

During financial year 2005 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 19 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

€ '000	2005		2004	
	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services		145		684
Transactions	3,132	314		331
Rent	66	2,568	70	2,414
	3,198	3,027	70	3,429

The transactions by Mr Günther Fielmann to Fielmann Aktiengesellschaft and Group companies exclusively represent the sale of one property and 41% of the shares in the property management company CM Stadtentwicklung GmbH and CM Stadtentwicklung GmbH & Co. KG. A branch is being opened at a site in the centre of Görlitz and another is already in operation at a second site (Weimar). Both sites were acquired by Fielmann Aktiengesellschaft at a market value in accordance with a valuation by an independent expert.

	2005		2004	
in € '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services	464	102	878	69
Transactions		92		8
Rent	31	52	31	47
	495	246	909	124

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

	2005		2004	
Balances as at 31. 12. € '000	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Receivables		21		9
Liabilities		39		31

Refer to Ch. II regarding the purchase of the 41 % interest in the property company CM Stadtentwicklung GmbH & Co. KG and the general partner as at 31. 12. 2005.

VII. Other details

Employees

The average number of employees during the year was:

	2005	2004
Total staff	10,155	9,804
– of which trainees	1,434	1,552
Staff (weighted)	8,139	7,757

Auditors' fees

The fees charged for the auditors are as follows:

	Expenses 2005 € '000
Auditing of accounts	333
Other qualification/valuation services	16
Taxation advice	134
Other services provided	2
Total	485

German Corporate Governance Code

The Management and Supervisory Boards of Fielmann AG have issued a declaration of compliance with the recommendations of the German Corporate Governance Code as at December 31, 2005 which is permanently available on Fielmann AG'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
Dr. Emmanuel Siregar	(Human Resources), Lütjensee
Georg Alexander Zeiss	(Finance/Holdings), (Properties/Expansion since July 8, 2005), Ahrensburg
Dr. Jens Martin Abend	(International Expansion/Financial Controlling/IT/Organisation), Munich, until November 30, 2005
Hans Joachim Oltersdorf	(Properties/Expansion), Rellingen, until July 7, 2005

Supervisory Board Shareholder representatives

Prof. Dr. Mark K. Binz	Lawyer, Stuttgart (Chairman)
Anton-Wolfgang Graf von Faber-Castell	Managing Director of Faber-Castell AG, Stein/Nuremberg
Prof. Dr. Ing. Jobst Herrmann	Graduated Engineer, Aalen
Helmut Nanz	Managing Director of the Nanz Group, Stuttgart
Hans Joachim Oltersdorf	Managing Director of MPA Pharma GmbH, Rellingen, from July 7, 2005
Prof. Dr. Hans-Joachim Priester	Notary, Hamburg
Hans-Otto Wöbcke	Businessman, Hamburg, until July 7, 2005

Employee representatives

Uwe Martens	Union Secretary of ver.di, Hamburg (Deputy Chairman)
Petra Bruning-Diekhöner	Technical Trainer at Aus- und Weiterbildungs-GmbH, Bielefeld, from July 7, 2005
Holger Glawe	Union Secretary of ver.di, Hamburg, from July 7, 2005
Johannes Haerkötter	Branch Manager at Fielmann AG & Co. Berlin-Zehlendorf, Berlin, from July 7, 2005
Karin Höft	Employee at Fielmann Aktiengesellschaft, Hamburg
Sabine Thielemann	Precision Optician of Rathenower Optik GmbH, Schmiedehausen
Christel Böhm-Biazik	Lecturer, Blüssen, until July 7, 2005
Uwe Pagel	Regional Manager at Fielmann Aktiengesellschaft, Kulmbach, until July 7, 2005
Franz Salzig	Senior Department Manager at Fielmann Aktiengesellschaft, Hamburg, until July 7, 2005

The remuneration of the Supervisory Board in 2005 totalled T€ 186 (previous year T€ 186).

Prof. Dr. Mark K. Binz:

- Chairman of the Supervisory Board of F. Kirchoff 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

- Member of the Supervisory Board of Nürnberger Versicherungsgruppe, Nuremberg
- Chairman of the Supervisory Board of Bayern Design GmbH, Munich
- 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
- Member of the Advisory Board of LEG Landesentwicklungsgesellschaft Baden-Württemberg mbH, Stuttgart
- Chairman of the Advisory Board of Südvers-Gruppe, Freiburg
- Member of the Advisory Board of dmc digital media Center GmbH, Stuttgart
- Member of the Advisory Board of Schoeller Packaging Systems GmbH, Pullach

Hans Joachim Oltersdorf

- Member of the Supervisory Board of InteraDent Zahntechnik AG, Lübeck

Hans-Otto Wöbcke

- Deputy Chairman of the Advisory Board of AON Jauch & Hübener Holding GmbH

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

The Management Board proposed to the General Meeting that the balance sheet profit of Fielmann Aktiengesellschaft, amounting to T€ 39,900, should be appropriated as follows:

Proposed appropriation of profit

Payment of a dividend of	€ '000
€ 1.90 per ordinary share (21,000,000 shares)	39.900

Hamburg, March 23, 2006

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 2005 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 2005:

We have audited the consolidated accounts, comprising the balance sheet, profit and loss account, movement in equity, cash flow statement and notes, and the Directors' Report for the Company and the Group for the financial year from 1 January to 31 December 2005. 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 Directors' 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 Directors' Report, based on the audit conducted by us.

We have audited the annual accounts for the Company and the Group 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 Directors' Report for the Company and the Group, will be recognised. Audit activities are planned in accordance with our knowledge of the company'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 Directors' Report,

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 Directors' 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 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 Directors' Report for the Company and the Group is in line with the consolidated accounts and portrays a true and fair view of the position of the Group and accurately portrays the opportunities and risks inherent in future development.

Hamburg, 23 March 2006

Susat & Partner OHG
Wirtschaftsprüfungsgesellschaft



Rudolph Genz Wirtschaftsprüfer Wirtschaftsprüfer

Fielmann Group – an overview

Company	Location	
Fielmann Aktiengesellschaft	Hamburg	A) Parent company
Company	Location	
Fielmann optische Fachberatung Apolda GmbH	Apolda	B) Management, investment and service companies
Fielmann Augenoptik AG	Hamburg	
Fielmann Aus- und Weiterbildungs-GmbH	Hamburg	
Fielmann Beteiligungsgesellschaft mbH	Hamburg	
Fielmann Dekorations- und Verkaufsförderungsgesellschaft mbH	Hamburg	
Fielmann Finanzservice GmbH	Hamburg	
Fielmann optische Fachberatung GmbH	Hamburg	
MBV Modebrillenvertrieb GmbH	Hamburg	
Optic Ladenbau Planungs- und Beratungsges. mbH	Hamburg	
Baur Optik Geschäftsführungs-AG	Donauwörth	
Beteiligungsgesellschaft Fielmann Modebrillen Rathenow GmbH	Rathenow	
opt-invest GmbH & Co.	Schwerin	
opt-invest Verwaltungs- und Beteiligungs-GmbH	Schwerin	
MBV Friemuth GmbH	Hamburg	
Imago GmbH	Hamburg	
Fielmann Aktiengesellschaft	Basle	
Pro-optik AG	Basle	
Fielmann Schweiz AG	St. Gallen	
Fielmann GmbH Wien	Vienna	
Fielmann Spolka z.o.o	Poznan	
Fielmann Ltd.	London	
Fielmann GmbH	Kiev	
Grupo Empresarial Fielmann Espana S.A.	Madrid	
ELCÉ Werbefoto- und -film-Production GmbH	Hamburg	
Fielmann Holding B.V.	Oldenzaal	
Fielmann B.V	Oldenzaal	
hofland optiek B.V.	Oldenzaal	
Groeneveld Brillen en Contactlenzen B.V.	Rotterdam	
Groeneveld Brillen en Contactlenzen Zevenkamp B.V.	Zevenkamp	
Optik Klüttermann Verwaltungs GmbH	Mönchengladbach	
Fielmann Akademie Schloss Plön gemeinnützige Bildungsstätte der Augenoptik GmbH	Plön	
CM Stadtentwicklung GmbH & Co. KG	Weimar	
Company	Location	
OTR Oberflächentechnik GmbH	Hamburg	C) Manufacturing and trading companies
Fielmann Modebrillen Rathenow GmbH & Co.	Rathenow	
Rathenower Optik GmbH	Rathenow	
Rathenower Optische Werke GmbH	Rathenow	
Louvre AG	St. Gallen	
IB Fielmann GmbH	Minsk	
RA-Optik	Kiev	
Rene Mandrillon S.A.R.L.	St. Pierre	
Company	Location	
Lucal S. A. S., until November 30, 2005	Oyonnax	D) Associated companies
<p>For branches which form part of the Group please refer to the statement of holdings as at December 31, 2005 lodged with the district court of Hamburg under reference HRB 56098.</p>		E) Branches

Fielmann Branches Germany

by state; position as at April 2006

Baden-Wurtemberg

Aalen	Radgasse 13
Albstadt-Ebingen	Marktstraße 10
Backnang	Umlandstraße 3
Baden-Baden	Lange Straße 10
Bad Mergentheim	Marktplatz 7
Bietigheim-	
Bissingen	Hauptstraße 41
Böblingen	Wolfgang-Brumme-Allee 3
Bretten	Weißhofer Straße 69
Constance	Rosgartenstraße 7
Esslingen	Pliensastraße 12
Ettlingen	Leopoldstraße 13
Freiburg	Rathausgasse 10
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
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
Villingen	Bickenstraße 15
Waiblingen	Kurze Straße 40
Weinheim	Bahnhofstraße 16

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
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	Hofgasse 7
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	Weißburger 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
Regensburg	Domplatz 4
Rosenheim	Max-Josefs-Platz 5
Schweinfurt	Postplatz 4
Schwabach	Königsplatz 25
Straubing	Ludwigsplatz 8
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
Berlin	Fritz-Lang-Straße 5 Block 18
Berlin	Karl-Marx-Straße 151
Berlin	Kottbusser Damm 32



Berlin, Alexanderplatz/Passage

Berlin Marzahn 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 Wilmsdorfer 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
 Neuruppin
 Oranienburg
 Potsdam
 Rathenow
 Schwedt
 Senftenberg
 Strausberg
 Wittenberge

Breite Straße 32
 Karl-Marx-Straße 87
 Bernauer Straße 43
 Brandenburger Straße 47 a
 Berliner Straße 80
 Vierradener Straße 38
 Kreuzstraße 23
 Große Straße 59
 Bahnstraße 28



Frankfurt, Rossmarkt 15

Bremen

Bremen	Gerhard-Rohlf's-Straße 73
Bremen	Hans-Bredow-Straße 19
Bremen	Obernstraße 32
Bremen	Pappelstraße 131
Bremerhaven	Bürgermeister-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	Heegberg 31
Hamburg	Langenhorner Chaussee 692
Hamburg	Lüneburger Straße 23
Hamburg	Möllner Landstraße 3 R
Hamburg	Mönckebergstraße 29
Hamburg	Neue Große Bergstraße 12

Hamburg

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	Weißerose 10

Hessen

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

Kassel	Nürnberger Straße 23
Marburg	Obere Königstraße 37 A
Neu-Isenburg	Markt 13
Offenbach	Hermesstraße 4
Rüsselsheim	Frankfurter Straße 34/36
Wetzlar	Bahnhofstraße 22
Wiesbaden	Bahnhofstraße 8
	Langgasse 3

Mecklenburg-Western Pomerania

Greifswald	Lange Straße 94
Güstrow	Pferdemarkt 16
Neubrandenburg	Pfaffenstraße 4-6
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
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
Hamelin	Bäckerstraße 20
Hanover	Blumenuerstraße 1-7
Hanover	Engelbosteler Damm 66
Hanover	Lister Meile 72
Hanover	Marienstraße 2
Helmstedt	Papenberg 25

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 57
Wolfsburg	Porschestraße 39
Wunstorf	Lange Straße 40

North Rhine Westphalia

Aachen	Adalbertstraße 94
Aachen	Peterstraße 20-24
Ahaus	Markt 26
Ahlen	Oststraße 51
Arnsberg-Neheim	Hauptstraße 33
Bad Salzuflen	Lange Straße 45
Bad Oeynhausen	Mindener Straße 22
Beckum	Nordstraße 20
Bergheim	Hauptstraße 35
Bergisch Gladbach	Hauptstraße 142
Bielefeld	Bahnhofstraße 28
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	Barbarosaplatz 4
Cologne	Eigelstein 75
Cologne	Frankfurter Straße 34 A
Cologne	Kalker Hauptstraße 55
Cologne	Mailänder Passage 1
Cologne	Neusser Straße 215
Cologne	Rhein-Center
Cologne	Aachener Straße 1253
Cologne	Venloer Straße 369
Datteln	Castroper Straße 24
Detmold	Lange Straße 12
Dinslaken	Neustraße 44
Dormagen	Kölner Straße 107

Dorsten	Lippestraße 35	Meschede	Emhildisstraße 1	Neustadt an der	
Dortmund	Westenhellweg 67	Minden	Bäckerstraße 24	Weinstraße	Hauptstraße 31
Duisburg	Königstraße 50	Moers	Homberger Straße 27	Neuwied	Mittelstraße 18
Duisburg	Laaker Straße 4	Mönchengladbach	Bismarckstraße 39-41	Pirmasens	Hauptstraße 39
Duisburg	Jägerstraße 72	Mönchengladbach	Hindenburgstraße 122	Speyer	Maximilianstraße 31
Dülmen	Marktstraße 3	Mönchengladbach	Marktstraße 27	Trier	Fleischstraße 26
Düren	Wirteltorplatz 6	Mülheim	Friedrichstraße 20	Wittlich	Burgstraße 13/15
Düsseldorf	Friedrichstraße 31	Mülheim	Hans-Böckler-Platz 8	Worms	Wilhelm-Leuschner-Straße 8
Düsseldorf	Hauptstraße 7	Münster	Bodelschwinghstraße 15	Zweibrücken	Hauptstraße 59
Düsseldorf	Königsallee 18	Münster	Klosterstraße 53		
Düsseldorf	Konrad-Adenauer-Platz 11	Münster	Rothenburg 43/44	Saarland	
Düsseldorf	Luegallee 107	Neuss	Krefelder Straße 57		
Düsseldorf	Nordstraße 45	Oberhausen	Marktstraße 94	Homburg	Eisenbahnstraße 31
Düsseldorf	Rethelstraße 147	Oer-Erkenschwick	Ludwigstraße 15	Neunkirchen	Saarpark-Center/ Stummstraße 2
Eschweiler	Grabenstraße 70	Olsberg	Am Markt 1	Saarbrücken	Bahnhofstraße 54
Essen	Hansastraße 34	Paderborn	Westernstraße 38	Saarlouis	Französische Straße 8
Essen	Limbecker Straße 74	Ratingen	Oberstraße 34	Völklingen	Rathausstraße 17
Essen	Rüttenscheider Straße 82	Recklinghausen	Breite Straße 20		
Euskirchen	Neustraße 41	Remscheid	Allee-Center Remscheid	Saxony	
Frechen	Hauptstraße 102	Rheinbach	Vor dem Dreeser Tor 15		
Geldern	Issumer Straße 23-25	Rheine	Emsstraße 27		
Gelsenkirchen	Bahnhofstraße 15	Siegen	Am Bahnhof 40	Annaberg-Buchholz	Buchholzer Straße 15A
Gelsenkirchen	Hochstraße 5		City-Galerie Siegen	Bautzen	Steinstraße 19
Gladbeck	Hochstraße 36	Siegen	Kölner Straße 52	Chemnitz	Markt 5
Greven	Königstraße 2	Soest	Brüderstraße 38	Döbeln	Breite Straße 17
Grevenbroich	Kölner Straße 4/6	Solingen	Hauptstraße 50	Dresden	Bautzner Straße 27
Gronau	Neustraße 17	Solingen	Ohliger Tor 3	Dresden	Webergasse 1
Gummersbach	Kaiserstraße 22	Troisdorf	Pfarrer-Kentemich-Platz 7	Freiberg	Erbische Straße 11
Gütersloh	Berliner Straße 16	Unna	Schäferstraße 3-5	Freital	Dresdner Straße 93
Hagen	Elberfelder Straße 46	Velbert	Friedrichstraße 149	Görlitz	Berliner Straße 18
Hamm	Weststraße 48	Viersen	Hauptstraße 28	Hoyerswerda	D.-Bonhoeffer Straße 6
Hattingen	Heggerstraße 51	Waltrop	Bahnhofstraße 7	Leipzig	Brühl 7
Heinsberg	Hochstraße 129	Wesel	Hohe Straße 34	Leipzig	Ludwigsburger Straße 9
Herford	Baeckerstraße 13/15	Witten	Bahnhofstraße 48	Leipzig	Markt 17
Herne	Bahnhofsstraße 58	Witten	Beethovenstraße 23	Leipzig	Paunsdorfer Allee 1
Herne	Hauptstraße 235	Wuppertal	Alte Freiheit 9	Meißen	Kleinmarkt 2
Herten	Ewaldstraße 12	Wuppertal	Werth 8	Pirna	Schmiedestraße 32
Hilden	Mittelstraße 49-51	Wuppertal	Willy-Brandt-Platz 1	Plauen	Postplatz 3
Höxter	Marktstraße 27	Würselen	Kaiserstraße 76	Riesa	Hauptstraße 48
Ibbenbüren	Große Straße 14			Weißwasser	Muskauer Straße 74
Iserlohn	Wermingser Straße 19	Rhineland-Palatinate		Zittau	Innere Weberstraße 9
Kamen	Weststraße 74			Zwickau	Hauptstraße 35/37
Kleve	Große Straße 90	Andernach	Markt 17	Saxony-Anhalt	
Krefeld	Hochstraße 44	Bad Kreuznach	Mannheimer Straße 153-155		
Langenfeld	Marktplatz 1	Bingen	Speisemarkt 9	Aschersleben	Taubenstraße 3
Lemgo	Mittelstraße 76	Frankenthal	Speyerer Straße 24	Bernburg	Lindenstraße 20E
Lengerich	Schulstraße 64 A	Haßloch	Rathausplatz 4	Bitterfeld	Markt 9
Leverkusen	Wiesdorfer Platz 15	Idar-Oberstein	Hauptstraße 393	Burg	Schartauer Straße 3
Lippstadt	Lange Straße 48	Kaiserslautern	Fackelstraße 19-21	Dessau	Poststraße 6
Lüdenscheid	Ecke Wilhelmstraße	Koblenz	Hohenfelder Straße 22	Dessau	Kavalierstraße 49
	Altenaer Straße	Landau	Kronstraße 37	Halberstadt	Breiter Weg 26
Lünen	Münsterstraße 35	Ludwigshafen	Bismarckstraße 68	Halle	Leipziger Straße 21
Menden	Hochstraße 20	Mainz	Stadthausstraße 2	Halle	Neustädter Passage 16



Weimar, Schillerstraße 17

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
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	Peterstraße 3
Flensburg	Holm 49/51
Glinde	Markt 10
Heide	Friedrichstraße 2
Husum	Markt 2
Itzehoe	Feldschmiede 34
Kiel	Holstenstraße 19
Kiel	Schönberger Straße 84
Lübeck	Breite Straße 45
Mölln	Hauptstraße 85
Neumünster	Großflecken 12
Norderstedt	Europaallee 4
Oldenburg/Holstein	Kuhtorstraße 14
Pinneberg	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
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
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Berne

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

Fribourg

Fribourg	Rue de Romont 14
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Geneva

Geneva	Rue de la Croix d'Or 9
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Graubünden

Chur	Quaderstrasse 11
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Lucerne

Lucerne	Kapellgasse 28/30
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Schaffhausen

Schaffhausen	Fronwagplatz 10
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Solothurn

Solothurn	Gurzelgasse 7
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St.Gallen

St. Gallen	Multergasse 8
Wil	Obere Bahnhofstrasse 50

Thurgau

Frauenfeld	Zürcherstrasse 173
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Vaud

Lausanne	Rue du Pont 22
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Zug

Zug	Bahnhofstrasse 32
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Zurich

Zurich	Bahnhofstrasse 83
Winterthur	Marktgasse 74

Austria by state**Carinthia**

Klagenfurt	St.-Veiter-Ring 20
Villach	Hauptplatz 21

Lower Austria

Amstetten	Waidhoferstrasse 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
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Styria

Seiersberg/Graz	Shopping City Seiersberg 5
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Tyrol

Innsbruck	Maria-Theresien-Strasse 6
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Vorarlberg

Bregenz	Schulgasse 2a
Dornbirn	Messe 2

Vienna

Vösendorf	Shopping-Center-Süd
Vienna	Favoritenstr. 93/Keplergasse 14
Vienna	Grinzing Strasse 112
Vienna	Landstraber Hauptstrasse 75-77
Vienna	Mariahilfer Strasse 67
Vienna	Thaliastrasse 32
Vienna	Wagramer Str. 81/Donauzentrum

Netherlands

Emmen	Picassopassage 74
Enschede	Kalanderstraat 17
Nijmegen	Broerstraat 31

Poland

Chorzów	ul. Wolności 30
Łódź	Marszałka Józefa Piłsudskiego 23
Łódź	ul. Piotrkowska 23
Poznań	ul. św. Marcin 69
Szczecin	Al. Wojska Polskiego 15
Wrocław	Pl. Dominikański 3



Basle, Marktplatz



Vienna, Mariahilfer Straße 67



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 700.000 trees and shrubs.

