fielmann

ANNUAL REPORT 2018

Glasses: Fielmann.

Fielmann stands for fashionable eyewear at fair prices. 90% of all German citizens have heard of Fielmann. 24 million people across Europe wear a pair of glasses from Fielmann. We are the market leader in the German-speaking countries and sell half of all glasses in Germany. Fielmann is deeply rooted in the optical industry and is active at every level of the value chain. We are a designer, manufacturer, wholesaler and optician.

Fielmann has shaped the optical industry. Günther Fielmann ended the discrimination against people wearing statutory health insurance glasses, made them attractive and socially acceptable, and thereby democratised eyewear fashion.

Fielmann regularly pioneers customer-friendly services in optical retail. These customer-friendly services, a large selection of products at guaranteed best prices, the best technical equipment and highly skilled employees are the basis for our success.

Our guiding principle is “You are the customer”. A clear customer focus has taken us to the top. We recognise ourselves in our customers. Our employees are committed to this philosophy. Using its key competence – an uncompromising customer orientation – Fielmann will also thrive in new markets.

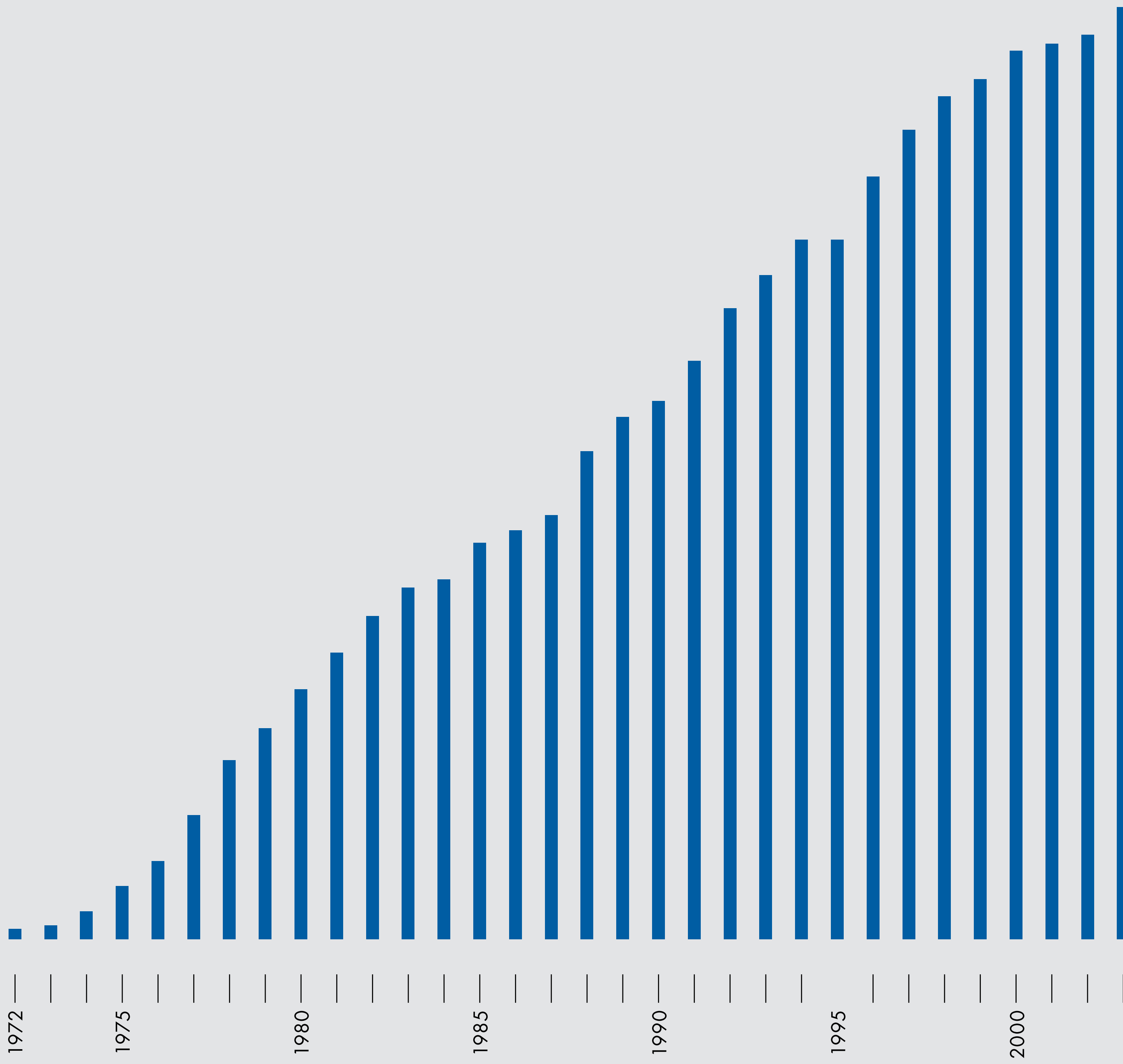
Fielmann: Key figures

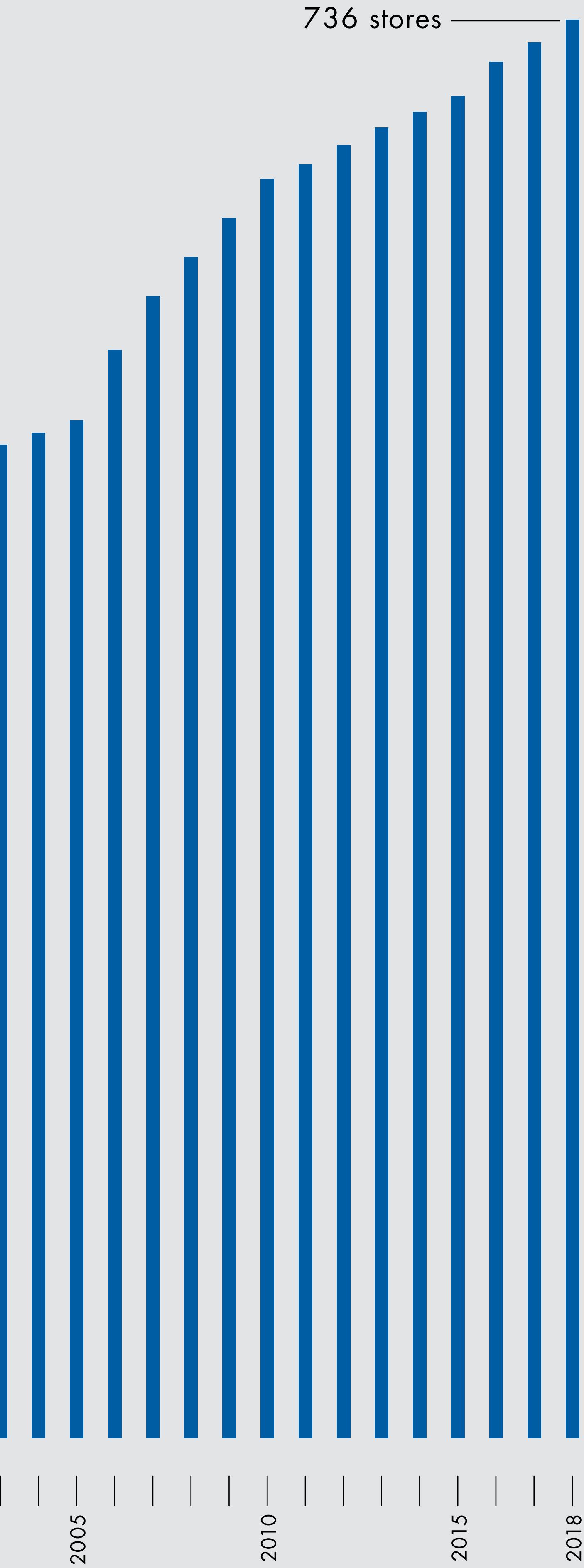
		2018	2017	2016	2015	2014
Sales	in € m					
External sales [1]	incl. VAT	1,650.7	1,606.2	1,549.8	1,509.3	1,427.9
Change	%	+2.8	+3.6	+2.7	+5.7	+5.8
Consolidated sales	excl. VAT	1,428.0	1,386.0	1,337.2	1,299.9	1,226.5
Change	%	+3.0	+3.6	+2.9	+6.0	+6.0
Unit sales (glasses)	in 000's	8,154	8,113	7,990	7,812	7,590
Change	%	+0.5	+1.5	+2.3	+2.9	+3.7
EBITDA	in € m	295.9	291.3	281.6	278.5	263.8
Change	%	+1.6	+3.4	+1.1	+5.6	+13.1
Pre-tax profit (EBT)	in € m	250.9	248.6	241.5	240.1	226.0
Change	%	+0.9	+3.0	+0.6	+6.2	+13.5
Net income	in € m	173.6	172.9	171.2	170.5	162.8
Change	%	+0.4	+1.0	+0.4	+4.7	+14.6
Cash flow from current business activity [2]	in € m	205.6	287.1	219.2	160.6	156.7
Change	%	–28.4	+31.0	+36.5	+2.5	+566.8
Financial assets	in € m	312.3	350.1	368.1	356.8	328.1
Change	%	–10.8	–4.9	+3.2	+8.7	+3.2
Equity ratio	%	75.1	75.1	75.1	74.9	75.2
Investment	in € m	82.1	68.8	49.6	53.3	39.1
Change	%	+19.3	+38.7	–6.9	+36.3	–17.7
Number of stores		736	723	704	695	687
Employees	as at 31.12.	19,379	18,522	17,873	17,287	16,732
of which apprentices		3,853	3,417	3,190	3,065	2,922
Key data per share						
Earnings per share (EPS)	€	2.01	2.00	1.98	1.97	1.87
Cash flow [2]	€	2.45	3.42	2.61	1.91	1.87
Dividend per share	€	1.90	1.85	1.80	1.75	1.60

[1] Sales including VAT and inventory changes
[2] The increase in 2014 is due to a regrouping of the investments.

Fielmann: 1972–2018

Number of stores as at 31 December 2018





2018 – Co-CEO structure
Günther & Marc Fielmann

2016 – Contact Lens Service

2015 – Fielmann Italy

2012 – Fielmann Ventures

2007 – Fielmann Luxembourg

2006 – Fielmann Academy at Plön Castle

2004 – Zero-Cost Insurance

2002 – Production and Logistics Centre Rathenow

1999 – Fielmann Poland

1999 – Fielmann Austria

1995 – Fielmann Switzerland

1994 – IPO (German MDAX index)

1991 – Production Facilities in Rathenow

1982 – Best Price Guarantee

1981 – Fashionable Eyewear at No Cost (Nulltarif)

1981 – Satisfaction Guarantee

1977 – Three Year Warranty

1972 – Foundation

Financial calendar:

This report is published in both English and German. To facilitate reading, only the masculine form is used in this document; all references to the male gender shall be deemed and construed to include any gender.

The Annual Accounts for Fielmann Aktiengesellschaft are also available on request.

First report	29 April 2019
Annual General Meeting	11 July 2019
Dividend payout	16 July 2019
Half-year report	29 August 2019
Analyst conference	30 August 2019
Third report	7 November 2019
Preliminary figures 2019	February 2020

Bloomberg code	FIE
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Contents:

Dear Shareholders, Dear Friends of the Company,

With customer-friendly services, glasses at the best prices and wide-ranging guarantees, Fielmann has increased the number of units sold, sales revenue and profits in 2018.

Fielmann sold 8.15 million pairs of glasses. External sales including VAT grew to €1.65 billion and consolidated sales rose to €1.43 billion. We increased our pre-tax result to €250.9 million and the net income for the year went up to €173.6 million. The pre-tax profit margin on sales amounted to 17.6%.

Marc Fielmann **Günther Fielmann**

Our success is also the success of our shareholders. Considering the company's continued positive development and available liquidity in the hundreds of millions, the Management Board and the Supervisory Board will recommend a dividend payout of €1.90 per share to the Annual General Meeting. This represents a dividend yield of 3.5% based on the year-end closing price. The total dividend payout amounts to €159.6 million. Our equity ratio before the dividend payout for 2018 stands at 75%.

Over 85% of our employees are shareholders of Fielmann AG. This shows that they are happy to place their trust in the company. They not only earn good salaries, but also receive dividends. This is a motivational factor and our customers benefit as a result.

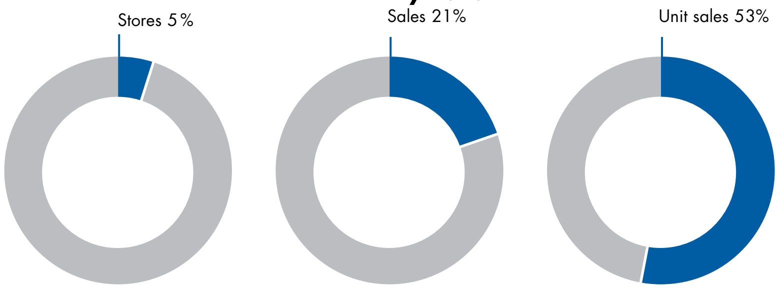
"You are the customer" – Fielmann became the market leader with this guiding principle. Our 19,379 employees empathise with our customers. They offer them the kind of advice that they would like to receive themselves: always fair, friendly and competent. Fielmann employees have the fulfilling task of finding the best possible solution for every customer, irrespective of their budget.

One of the main reasons for our success is that our employees are highly qualified. Every year, we invest tens of millions in training and development courses, thereby ensuring a level of expertise that we can guarantee to our customers in the stores.

In Germany, Fielmann is the optical industry's leading training provider and employs 3,853 apprentices. Our apprentices are the best in the business – as testified by the national awards they win. In the German optical industry competition, Fielmann has accounted for an average of 80% of the regional winners and 97% of the national winners over the last ten years.

Fielmann is more productive than the competition: on average, a traditional optical store in Germany sells fewer than two pairs of glasses per day. A typical Fielmann store, on the other hand, sells more than 35 every day.

Fielmann: Market shares in Germany 2018



Our 736 Fielmann stores generate between five and ten times the sales revenues of the average optician, and our bigger stores record up to fifty times the sales of an average optician. Our flagship stores in big cities achieve annual turnovers between €4 m and €20 m. This is why we place great demands on our managers: since stores of this size are unique in the industry, we have to train store managers ourselves. At the Fielmann Academy at Plön Castle, we prepare the next generation of opticians for Europe. In total, Fielmann trains more than 7,000 opticians in Plön every year. The Academy is also open to external opticians for master degrees and academic colloquia.

Fielmann is digitising the optical industry for the benefit of consumers, without compromising on quality. Given the technology available today, buying glasses on the internet is still a matter of chance. In our industry, pure online retail is a business model with a very limited future. Practically all e-tailers are now looking for offline partners or are opening their own stores. The future lies in the omnichannel business model. Customers do not distinguish between online and offline. Thus, our objective is "omnichannel innovation", which is created by combining personal service with digital technologies.

Since 2016, we have been serving our contact lens customers with such an omnichannel business model that is clearly superior to the competition: In 2018, we grew much faster than the market, and have therefore increased our market share. Now we are pursuing the strategic goal of providing customers with a unique experience in an omnichannel world of quality prescription eyewear. This requires innovative technologies such as real-time 3D try-on technologies, millimetre-precise lens fitting and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology companies and innovative start-ups. Our investment in FittingBox in November 2018 was a key step in our digitisation strategy. With 13 patents, FittingBox is a global leader in the field of 3D try-on and fitting technology.

More than 90% of our customers plan to return to Fielmann for their next purchase. Every year, we invest millions to ensure that this remains the case. For Fielmann, customer satisfaction is the most important performance indicator. A considerable proportion of the bonuses paid to store managers and the Management Board is dependent on the satisfaction of our customers.

Meanwhile, Fielmann is continuing to expand. We focus on the German-speaking region as well as the adjacent European countries. Over the long term, we aim to sell one in four glasses in continental Europe and achieve external sales of €2.3 billion with an annual sales growth of 4-6%.

Our growth drivers remain intact in the German-speaking countries and in Luxembourg. Besides our organic growth, considerable potential is offered by opening new stores, developing existing shops and moving to more attractive locations. Increasing floor space often leads to double-digit improvements in sales. In addition, we see excellent opportunities in the fields of sunglasses, contact lenses and hearing aids. We also perceive the digitisation of our industry as a significant growth driver. In our core markets (Germany, Austria, Switzerland and Luxembourg), our long-term goal is to operate approx. 700 stores selling 10 million pairs of glasses per year with sales revenues of €2.1 billion.

We are expanding rapidly in our growth markets of Italy and Poland, and plan to operate 80 stores in Italy and 50 stores in Poland in the long term. Furthermore, we will enter new markets by means of organic growth or through acquisitions. In Italy, Poland and additional new markets, we anticipate annual unit sales of 2.1 million pairs of glasses and sales revenues of €280 million.

In 2019 and 2020, we will invest a total of more than €200 million in developing our store network, as well as in expansion and digitisation. In 2019, we expect to increase the number of units sold and the sales revenue. Despite our investment initiative, we plan for profits at the same level as the previous year. The first months of the current financial year support our optimistic expectations.

We thank all our employees. With their dedication, conscientiousness and competence, they once again contributed to the success of the company throughout 2018.

Thanks are also due to our customers, associates, friends and to you, the shareholders, for always remaining loyal to the company.

Günther Fielmann

Marc Fielmann

Management Board

Günther Fielmann

Chief Executive Officer [1]

Corporate Philosophy

Marc Fielmann

Chief Executive Officer [2]

Marketing, IT, Human Resources, Product Development

Michael Ferley

Supply Chain, Production

Dr. Bastian Körber [3]

Sales, Controlling, Expansion

Dr. Stefan Thies [4]

Georg Alexander Zeiss [5]

Finance, Properties, Legal, Compliance

[1] up to 12 April 2018 Legal, Product Development
[2] from 12 April 2018 Chief Executive Officer, Product Development, from 5 February 2019 Corporate Strategy, IT and Human Resources
[3] from 5 February 2019 Controlling
[4] up to 5 February 2019 Human Resources, IT and Controlling
[5] from 12 April 2018 Legal

Supervisory Board

Shareholder representatives

Prof. Dr. Mark K. Binz (Chairman)	Lawyer, Binz & Partner	Stuttgart
Hans-Georg Frey	Chief Executive Officer, Jungheinrich AG	Hamburg
Carolina Müller-Möhl	President of the Administrative Board, Müller-Möhl Group	Zürich (CH)
Hans Joachim Oltersdorf	Managing Partner of MPA Pharma GmbH	Rellingen
Marie-Christine Ostermann	Managing Director, Rullko Großeinkauf GmbH & Co. KG	Hamm
Pier Paolo Righi	CEO & President, Karl Lagerfeld International B.V.	Amsterdam (NL)
Hans-Otto Schrader	Chairman of the Supervisory Board Otto AG für Beteiligungen	Hamburg
Julia Wöhlke	Managing Director, Iwan Budnikowsky GmbH & Co. KG	Hamburg

Employee representatives

Mathias Thürnau (Deputy Chairman)	Chairman of the Works Council, Sales Specialist, Fielmann AG	Hamburg
Heiko Diekhöner	Regional Manager, Fielmann AG	Hamburg
Jana Furcht	Master Optician, Fielmann AG & Co. OHG	Munich
Ralf Greve	Spokesperson for Professional Development, Fielmann AG	Hamburg
Fred Haselbach	Master Optician, Fielmann AG & Co. OHG	Lübeck
Petra Oettle	Optician, Fielmann AG & Co. oHG	Ulm
Eva Schleifenbaum	Trade union secretary, ver.di	Kiel
Frank Schreckenberg	Trade union secretary, ver.di	Berlin

Supervisory Board Report

In the 2018 financial year, the Supervisory Board once again discharged conscientiously the duties incumbent upon it under the law and in accordance with the Articles of Association. The Supervisory Board continually obtained information in the reporting year on all important business developments and supervised the work of the Management Board, advising where necessary. In addition, the Chairman of the Supervisory Board engaged in direct information exchanges with the Management Board with regard to important matters arising outside of meetings.
On the basis of written and oral reports from the Management Board, the Supervisory Board comprehensively dealt with the business and financial position, corporate strategy, human resources policy, planning, risk assessment and compliance organisation at Fielmann AG in its discussions.
In the past financial year, there were four meetings of the Supervisory Board. One Supervisory Board member was unable to attend two of the meetings, and two Supervisory Board members were unable to attend one meeting.
The first meeting was held on 1 March 2018. The subjects of the meetings included the competitive landscape, the continued expansion both nationally and internationally, and the positive effects of renovations and relocations of existing stores. Detailed discussions were also held on the results of the tax audit for 2014/15 and their consequences for the following years, particularly with regard to the transfer price system that the audit initiated. A further subject for discussion was the appointments of management positions.
The balance sheet meeting followed on 12 April 2018. Mr Zeiss explained the business performance for the financial year 2017 and outlined the key figures. Subsequently, the auditors Mr Reiher and Ms Deutsch from Deloitte & Touche GmbH reported at length on the key audit findings for the financial year 2017 and answered questions from Supervisory Board members. Marc Fielmann then provided a detailed explanation of the report on the non-financial declaration pursuant to Section 289b Para. 3 and Section 315b Para. 3 of the German Commercial Code (HGB) (Corporate Social Responsibility Report), which was produced for the first time. After all the questions from the Supervisory Board's members had been answered, the Supervisory Board approved the Annual and Consolidated Accounts 2017 as well as the corresponding Management Report and the Corporate Social Responsibility Report for 2017.
Furthermore, the Supervisory Board unanimously approved on 12 April 2018 the recommendation from the HR committee to extend the appointment of Marc Fielmann as a Member of the Management Board by a further three years up to 30 June 2021. At the same time, Marc Fielmann was unanimously named Chief Executive Officer along with Günther Fielmann on the condition that the remuneration of the two CEOs is adjusted to ensure that the overall remuneration of the Management Board is not increased as a result of the dual chairmanship. The amendment to the Management Board's rules of procedure due to the Co-CEO structure was also unanimously approved.
The third Supervisory Board meeting was held after the Annual General Meeting on 12 July 2018. Following a brief review of the Annual General Meeting and of the reports on business development for the first half of 2018, Dr. Körber reported on behalf of Mr Fielmann (who was absent due to an emergency surgery) in detail on the digitisation at Fielmann and answered questions from the Supervisory Board members. The growth market Italy was a further topic of discussion.

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

The main topics at the final Supervisory Board meeting of 22 November 2018 were Fielmann's "Vision 2025" and its Corporate Strategy. Marc Fielmann also reported in detail on the Digitisation Strategy and Dr. Körber presented the objectives and timetable of the Sales & Expansion Strategy.

In addition, Mr Ferley reported on the latest developments in the supply chain. Discussions were held on the plan to invest in an extension of the value chain of lens production. Mr Zeiss presented the latest developments in the field of compliance and, after a detailed discussion, the Supervisory Board unanimously approved the updated declaration of compliance based on the 2018 German Corporate Governance Code.

At the meeting of 22 November 2018, the Management Board explained the planning for 2019 as well as the medium-term planning up to 2021. After its members' questions had been answered, the Supervisory Board unanimously approved the planning for 2019. Furthermore, the Supervisory Board unanimously approved the recommendation from the HR committee to extend the appointment of Mr Zeiss to the Management Board by a further three years up to 30 June 2022. Unanimous approval was also given to the conclusion of a termination and settlement agreement with Dr. Thies, who chose not to seek an extension to his Management Board contract, which is due to expire on 30 June 2019, in order to devote his time to new challenges. We would like to take this opportunity to thank Dr. Thies for his outstanding work.

Two meetings of the HR committee were held in the financial year 2018. The main topics discussed were the extension of Marc Fielmann's appointment to the Management Board as well as his appointment to the position of Co-CEO, and the extension of Mr Zeiss' appointment to the Management Board.

The Mediation Committee, as defined under Section 27 Para. 3 of the Codetermination Act (Mitbestimmungsgesetz), and the Nomination Committee had no reason to convene in the past financial year.

There are no further committees. The Supervisory Board of Fielmann AG has opted not to form an Audit Committee. In addition to the in-depth discussions as part of the annual balance sheet meeting, all Supervisory Board members had the opportunity before the meeting to obtain a detailed briefing on the content and results of the audit, to ask questions and to make suggestions in a discussion forum attended by the Chief Financial Officer (CFO) and the chief auditor.

The Supervisory Board again submitted to an internal assessment of its efficiency in the financial year 2018.

The possible conflicts of interest between the obligations of the members of the committee are subject to ongoing review as well as an additional annual assessment by means of a detailed questionnaire. Supervisory Board members are also asked to notify of potential conflicts of interest. There were no conflicts of interest in the 2018 financial year.

The annual accounts of Fielmann Aktiengesellschaft and the consolidated accounts for the 2018 financial year, prepared in accordance with Section 315a of the German Commercial Code (HGB) on the basis of the International Financial Reporting Standards (IFRS), as well as the Management Report for Fielmann Aktiengesellschaft and the Group were audited by Deloitte & Touche GmbH, Hamburg, and passed without qualification. These documents, including the Management Board's proposal for the appropriation of profits, which were duly submitted to each member of the

Back row, left to right: **Fred Haselbach, Frank Schreckenberg, Ralf Greve, Mathias Thürnau, Hans-Georg Frey, Petra Oettle, Hans-Otto Schrader** Front row, left to right: **Prof. Dr. Mark K. Binz, Pier Paolo Righi, Julia Wöhlke, Marie-Christine Ostermann, Eva Schleifenbaum, Hans Joachim Oltersdorf, Carolina Müller-Möhl, Jana Furcht, Heiko Diekhöner**

Supervisory Board, were verified by the Supervisory Board and discussed in detail in the accounts meeting on 11 April 2019 in the presence of the auditors Reiher and Wendlandt, who reported on the method and key results of the annual audit and answered the related questions of the Supervisory Board members. Following the final results of its examination, the committee found no cause for objection. The Supervisory Board approved the Consolidated Financial Statements and the Annual Accounts, which are therefore adopted. It also seconded the Management Board's proposed appropriation of profits. In addition, the Supervisory Board approved the presented Corporate Social Responsibility Report 2018.

The auditors also examined the report of the Management Board on transactions with related parties in the financial year 2018 (Dependency Report) and passed it with the unqualified confirmation that the details in the report are correct and that the consideration of the company for the transactions outlined in the report was not inappropriately high, as defined by law. The Supervisory Board has examined the Annual Report of the Management Board and, in its meeting on 11 April 2019, heard a presentation of the key findings of the audit by the auditor. The Supervisory Board raises no objection to the report of the Management Board and the relevant audit conducted by the auditors.

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

Hamburg, 11 April 2019

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

Glasses: Fielmann

About Fielmann

Fielmann stands for fashionable eyewear at fair prices. 90% of all German citizens know Fielmann. A clear customer focus has taken us to the top. Since the first store was opened in 1972, Fielmann has sold more than 160 million pairs of glasses. Over 24 million people across Europe wear Fielmann glasses. In Germany, we sell every second pair. Fielmann is deeply rooted in the optical industry and is active at every level of the value chain. We are a designer, manufacturer, wholesaler and optician.

160

million glasses sold since Fielmann was founded in 1972

"You are the customer" is our guiding principle, and customer satisfaction is our strategic priority. Our employees are not under pressure to talk customers into buying expensive glasses. They have the satisfying task of finding the best possible solution for everyone, irrespective of their budget. People recognise honesty: more than 90% of our customers say they intend to come back to Fielmann for their next pair of glasses.

The history of glasses

For centuries, short-sighted people had a blurred view of things in the distance, while elderly people couldn't focus on nearby objects. It wasn't until the 14th century that reading stones and lenses were discovered. The first ever bill for a pair of glasses was written in Venice in the year 1316. In those days, there were only magnifying lenses for the "old faces". The 15th century then witnessed the introduction of biconcave lenses for "young faces", i.e. for distance vision.

The invention of glasses created equality for the first time in human history: people suffering from defective eyesight could suddenly see as well as people with normal eyesight. This equality, however, only applied to the privileged few: initially, glasses were reserved for the clergy and nobility, and later the affluent bourgeoisie.

In Germany, it was thanks to Bismarck's social legislation that a wider population could afford glasses. On 1 December 1884, section 6 of the Employees Health Insurance Bill came into force. For the first time in history, everyone with defective eyesight was entitled to free prescription glasses.

Yet at that time, enabling everyone to wear glasses was, first and foremost, an economic achievement. In those days, seeing better was still a long way from looking better. The frames were nothing more than nickel structures. Their function was more important than style. For many workers, wearing health insurance glasses meant keeping their jobs even as they got older. People with defective eyesight boosted their quality of life and job opportunities, as health insurance glasses made a key contribution to their education and professional qualifications.

After creating greater equality between privileged people suffering from defective eyesight and people with normal eyesight in the 15th century and the equality of rich and poor achieved by Bismarck's social legislature towards the end of the 19th century, it was not until the economic revival of the mid-20th century that the aesthetics of glasses earned significance in the history of eyewear.

Before Fielmann, statutory health insurance glasses were extremely unattractive. There were six plastic frames for adults and two for children. People unable to afford an expensive pair of glasses often ended up having to display the proof of their low income on their noses. Eight million German citizens could only afford to wear these health insurance glasses. By creating Fashionable Eyewear at No Cost (Nulltarif) in 1981, Fielmann ended the discrimination against people wearing statutory health insurance glasses, democratised the world of fashion for glasses, and made them socially acceptable. From one day to the next, Fielmann replaced the eight unattractive health insurance frames with 90 fashionable and high-quality metal and plastic frames in 640 varieties for free. This is Günther Fielmann's historical achievement.

Making claims is easy, but living up to them is tough. Fielmann remains true to its principles. For the benefit of customers, Fielmann implements customer-friendly services time and again that were not previously available on the market.

Fielmann's customer-oriented services

Three Year Warranty — **1977**

Fielmann offers a Three Year Warranty on all glasses, including children's glasses. All frames in the Fielmann collection have been successfully tested to EN ISO 12870 standards in our laboratories. They are rust-proof, non-fade and do not release nickel – as required by the German Commodities Ordinance.

Fashionable Eyewear at No Cost (Nulltarif) — **1981**

Fielmann made health insurance glasses attractive. From one day to the next, Fielmann replaced the eight unattractive health insurance frames with 90 fashionable and high-quality metal and plastic frames in 640 varieties for free. Today, thanks to Fielmann, anybody can afford stylish glasses.

Satisfaction Guarantee — **1981**

Fielmann customers run no risks. Every complaint is taken seriously. If people are not satisfied with their choice of new glasses, Fielmann will exchange the pair or reimburse the full purchase price. For us, complaints are an opportunity to improve our assistance and service. Only satisfied customers will recommend us to others.

Best Price Guarantee — **1982**

Fielmann guarantees customers the best possible prices. If our customers see a product being sold for less elsewhere within 6 weeks of buying it from us, they can return it and Fielmann will fully reimburse them. We monitor the competition permanently and track several hundred thousand prices of other providers every year.

Zero-Cost Insurance — **2004**

While the statutory health insurance funds have almost completely stopped paying for glasses since 2004, Fielmann continues to offer a complete pair of glasses at no extra cost. Together with the HanseMerkur insurance company, Fielmann offers the Zero-Cost Insurance (Nulltarifversicherung). Millions of Fielmann customers have chosen this option.

Contact Lens Service — **2016**

Personal service, convenient delivery: Fielmann customers can take their contact lenses home after the fitting, have them delivered to their home for free or conveniently order them online – using our app or via kontaktlinsen.fielmann.de.

Productivity enables best prices

Fielmann sold 8.15 million glasses last year – more than 26,000 per day. The large quantities of glasses we sell allow us to purchase at competitive prices. Fielmann is more productive than the competition: traditional opticians sell fewer than 2 pairs of glasses per day on average. A Fielmann store, on the other hand, sells 35 glasses per day. Our flagship stores in big cities achieve annual turnovers of between €4 m and €20 m. The average sales of a traditional optician are just €0.3 million.

We are deeply rooted in the optical industry and cover every stage of the value chain. Fielmann is a designer, manufacturer, wholesaler and optician. We supply our stores directly, thus cutting out any intermediaries.

Customers can get fashionable glasses from the Fielmann Collection at what can be considered the wholesale price of traditional opticians. Fielmann settles for the distributor's margin. The prices of Fielmann Collection frames are around 70% lower than the prices for branded products, meaning those enhanced with a logo. Fielmann also guarantees the best prices for branded eyewear and designer frames. We back this claim up with our Best Price Guarantee.

Our Production and Logistics Centre is located in Rathenow, the birthplace of German glasses production. Fielmann has bundled its expertise in production and logistics there. Under a single roof, we produce mineral and plastic lenses, fit them into the customers' individual frames and then deliver them overnight to our stores. We send more than 15 million items to our stores per year.

15

million products supplied by the production and logistics centre in 2018 alone

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Fashionable eyewear: Fielmann.

Fielmann introduced the open display of several thousand pairs of glasses in its stores. In every store, we display more than 2,000 glasses and guide our customers through the world of fashionable eyewear – major brands, international designer glasses and the fashionable Fielmann Collection.

Glasses have become a fashion accessory. They not only improve life quality but are also a reflection of the wearer's personality, hence positively influencing the impression he or she makes. It is in part because of Fielmann that glasses are on the fashion world's agenda. Through choice, marketing and price policy, Fielmann has made glasses an affordable accessory, while our stylist service for photographers and fashion editors has helped raise the profile of glasses in the media.

Our employees

With 19,379 employees, including 3,853 apprentices, Fielmann is the largest employer in Germany's optical industry. We created 857 new jobs last year alone. As a family-run company, we offer compelling values, our flexible working times ensure a family-friendly atmosphere. 30% of our employees work in part-time positions. The proportion of women in management positions stands at 30%.

Fielmann offers excellent career opportunities. Every year, we invest tens of millions in training and development courses. The further training of our employees is an investment in the future. We can only extend our lead in the market if each and every one of our employees is the best in his or her field.

Training workshop at the Fielmann Academy at Plön Castle

Training at Fielmann

In Germany, Fielmann is the industry's leading training provider. Every year, over 10,000 young people apply for a vocational training course at Fielmann. After successfully passing an aptitude test, more than 1,500 young talents start their career with us. With only 5% of all optical stores, Fielmann trains more than 40% of Germany's future opticians. After successfully completing their training, we employ around 80% of the graduates – more than 4,000 of them in the last five years.

National awards testify to the high standard of our training. In the German optical industry competition, Fielmann has accounted for an average of 80% of the regional winners and 97% of the national winners over the last ten years. Whether in one of our more than 700 stores in Europe, the Fielmann Academy at Plön Castle, our design studios, our production facilities or our headquarters – an apprenticeship at Fielmann opens many doors. Further information on apprenticeship programs can be found at www.optiker-werden.de and www.akustiker-werden.de.

Fielmann Academy at Plön Castle

At Plön Castle, Fielmann trains the future of the optical industry – more than 7,000 opticians each year. In addition to the full-time Master Optician course, the Fielmann Academy at Plön Castle also offers the part-time Master Optician course, which gives those who are tied to a certain location or restricted due to family commitments the opportunity to obtain further qualifications and the chance to advance in their careers. The Fielmann Academy at Plön Castle is also available to external opticians.

In addition, more than 150 apprentices per year begin their career at Fielmann in the hearing acoustics business. We actively support our apprentices in their career planning and offer our hearing acousticians the opportunity to acquire Master Acoustician degrees. Through dedicated trainee programmes, we qualify our future leaders.

Commitment to society and sustainability

Fielmann assumes responsibility for customers, employees and for the society we live in. For Fielmann, investing in society is a matter of course because it is also an investment in the future.

Fielmann plants a tree for every employee every year. So far, we have planted more than 1.5 million trees and bushes. Fielmann manages long-term monitoring programs for environment and nature protection and supports medical research. We are committed to organic farming and the preservation of historical monuments, and also support kindergardens and schools. On top of all that, Fielmann sponsors a wide range of youth sports.

Our commitment to sustainability is described in detail in the Corporate Social Responsibility Report at www.fielmann.eu/investor-relations/corporate-social-responsibility-report.php

Digitisation: Fielmann.

2012–2019

Digitisation

Fielmann is digitising the eyewear industry for the benefit of consumers – without compromising on quality. Customers do not distinguish between online and offline. Our objective is to achieve "omnichannel innovation". This is created by combining personal service with digital technologies. All of Fielmann's digital services are optional. Customers are free to choose which digital services they wish to use.
Fielmann has used exactly this approach to completely digitise its contact lens business model. Since 2016, we have been serving our contact lens customers with an omnichannel business model which clearly beats the competition: Fielmann is the only provider to consistently combine personal assistance and digital services, offering 24-hour customer service and products at the best prices. With this model, we are growing much faster than the competition and are increasing our market share. Now we are pursuing the strategic goal of providing customers with a unique experience in an omnichannel world of quality prescription eyewear. This requires innovative technologies, such as real-time 3D try-on technologies, millimetre-precise lens fitting and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology companies and innovative start-ups. The aim is to develop the leading digital platform in the optical industry, which will also then be made available to other companies.
Within the Fielmann Group, we have aligned our organisational structures to our Digital Strategy. Today, over 200 employees and external experts are working in Fielmann's agile project organisation. As soon as the 3D lens fitting technology and the online eye test are market-ready, we will be able to provide prescription eyewear online in Fielmann quality. But even then, many customers will still visit our stores for personal assistance. The future belongs to the smart connection of personal service and digital technologies – the omnichannel business model.

2012 – Fielmann Ventures

As an independent subsidiary, Fielmann Ventures develops and supports products, technologies and sustainable business models for the future of the optical industry.

2013 – POS Software

Since 2013, Fielmann has been digitising the order entry and customer service processes in stores, constantly developing the application, and thereby saving time for customers and employees.

2013 – Responsive Website

Mobile first – in 2013 Fielmann followed its customers onto the smartphone, provided all digital services on a responsive website. Today, we register more than 10 million visits per year.

2016 – Omnichannel Sale of Contact Lenses

Since 2016, Fielmann has been using an omnichannel business model to serve its contact lens customers in Germany. We are the only provider to consistently combine personal service with digital technologies.

2017 – Training Platforms

Fielmann is increasing its efforts to recruit qualified new employees. The platforms www.optiker-werden.de and www.akustiker-werden.de offer information about the apprenticeships and make the application process easier than ever before.

2018 – Digital Signage

Since 2018, Fielmann has been introducing digital signage into its stores, and thereby links its brick-and-mortar stores with its digital marketing formats like Insight.

2018 – 3D Try-on

Fielmann has invested in the augmented reality market leader FittingBox S.A., implemented the technology in its test market Austria, and integrates the solution in its omnichannel business model.

2019 – New Digital Services

In 2019, Fielmann continues to connect its digital services and stores, thereby creating new services for its customers such as the Fielmann account, the digital customer card and online appointments.

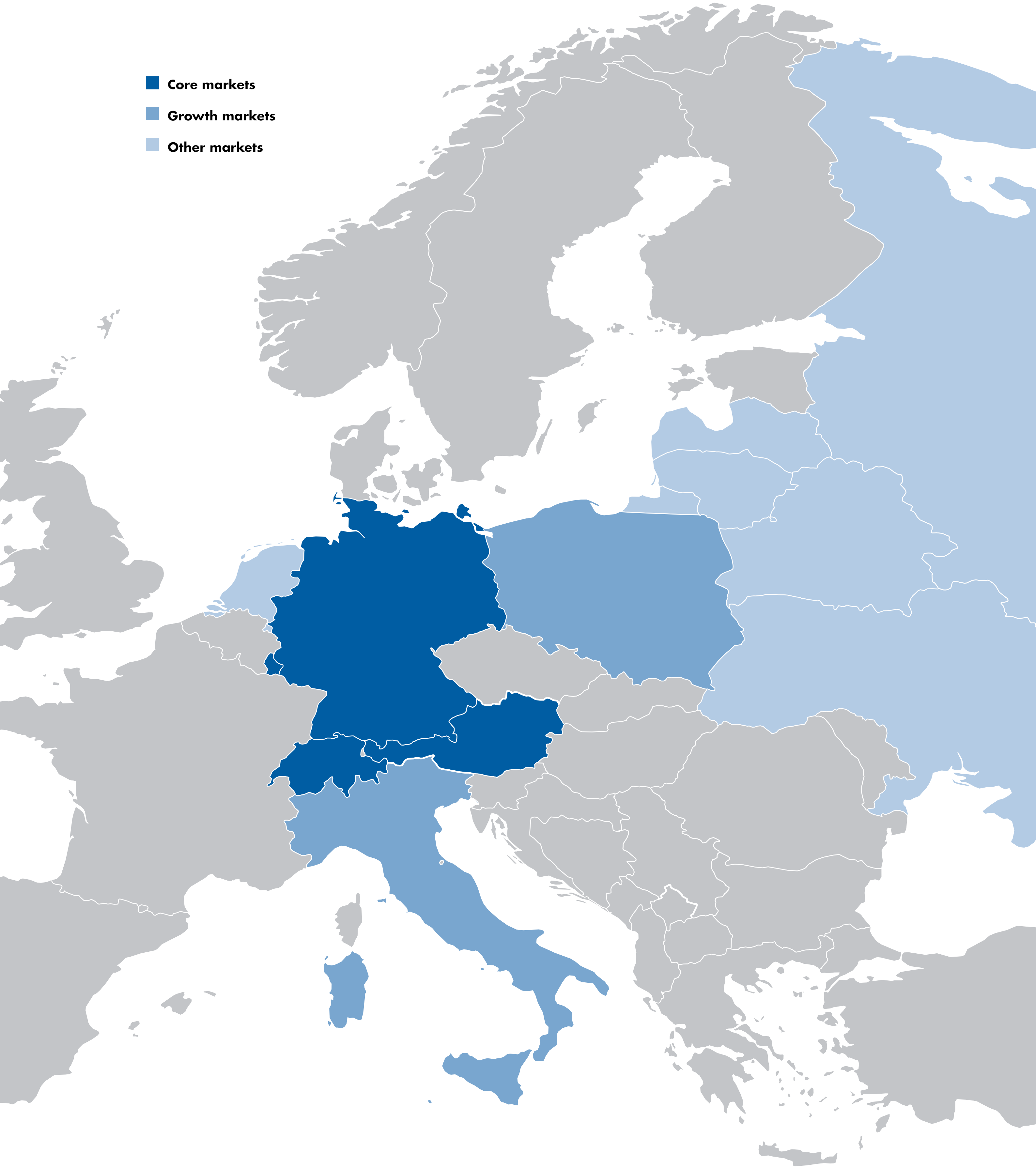
International expansion

Fielmann is expanding at a sustainable pace, strengthens its position as market leader in the German-speaking markets and plans to sell one in four glasses in continental Europe over the long term. At the end of 2018, we operated 736 stores, of which 600 were in Germany, 43 in Switzerland, 38 in Austria, 20 in Poland, 18 in Italy, and 17 in the rest of Europe. The Fielmann Group also includes 46 smaller locations in Eastern Europe.

Our growth drivers remain intact in our core markets (Germany, Austria, Switzerland and Luxembourg). Besides organic growth, considerable potential is offered by opening new stores, developing existing ones and moving to more attractive locations. Increasing floor space often leads to double-digit improvements in sales.

In addition, we see excellent opportunities in the fields of sunglasses, contact lenses and hearing aids. We also perceive the digitisation of our industry as a significant growth driver. We plan to operate more than 600 stores in Germany, 50 stores in Switzerland and 45 stores in Austria. In our core markets, our long-term goal is to operate approx. 700 stores, selling 10 million pairs of glasses per year with sales revenues of €2.1 billion.

We are rapidly driving our expansion in our growth markets Italy and Poland. In Northern Italy, we plan to operate 80 stores, sell 700,000 glasses per year and achieve a sales revenue of €140 million over the long term. In Poland, we aim to operate 50 stores in the long term, selling 400,000 glasses per year with a sales revenue of €40 million. Furthermore, Fielmann will enter new markets in the coming years by means of organic growth or through acquisitions. Our long-term goal in the new markets – including Italy and Poland – is to sell 2.1 million pairs of glasses per year with a sales revenue of €280 million.


Core markets
Growth markets
Other markets

Shares: Fielmann

The market

The 2018 stock market year was marked by losses in a wide range of asset classes. Besides the stock market, the prices of bonds, commodities and alternative investments fell significantly in some cases. International trade conflicts, particularly between the USA and China, as well as the discussions on the UK's impending departure from the European Union, dominated developments on the equity markets. The business climate indicators have become increasingly gloomy. In America, Asia and Europe, demand has weakened after many years of economic boom. Upstream industries have reported declines in their sales revenues and profits.

While the US Federal Reserve raised the base interest rate four times in 2018, the European Central Bank (ECB) kept the base interest rate in the euro zone at zero. This sees the US Federal Reserve taking a further step towards ending its extremely relaxed monetary policy. By contrast, the ECB only ended the purchase of additional bonds at the end of December. The reinvestment of maturing bonds will continue to have a huge influence on the interest level in Europe.

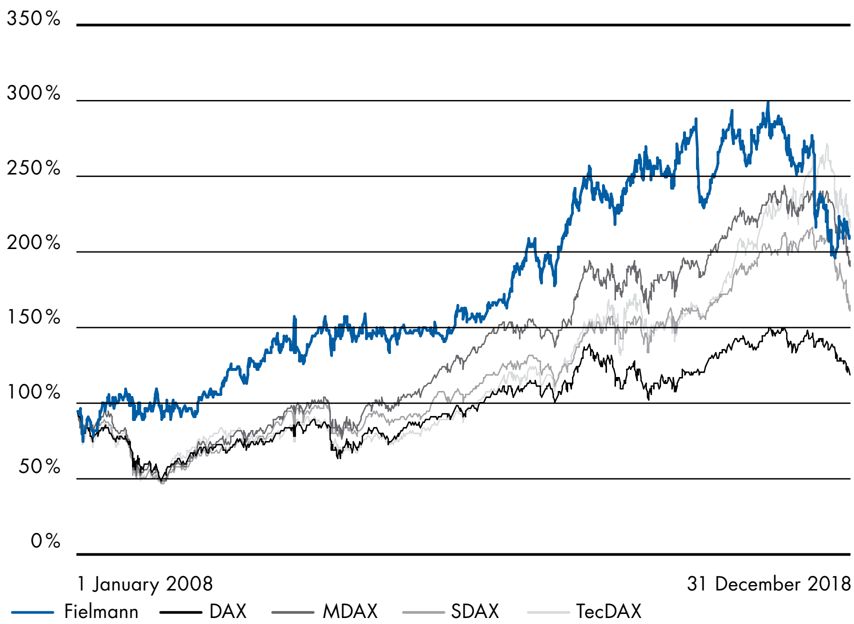
As a consequence, the Euro-Bund Future remained at a very high level in a corridor between 157 and 166 points. The euro initially managed to continue its development from the previous year and recovered by spring to stand at 1.25 compared to the US dollar, but fell considerably throughout the rest of year to close the year at around US$1.14. The single European currency also initially made ground on the Swiss franc to reach a high of approx. 1.20 CHF, but later fell back to around 1.13 CHF.

At the beginning of the year, the German Share Index (DAX) posted a record high of 13,559 points. As the year continued, however, it lost 22% and closed the year at 10,559 points.

Fielmann shares

On 31 December 2018, Fielmann shares closed the year at €54.00 per share (previous year: €73.52). At the reporting date and taking into account all 84 million issued ordinary shares / no-par shares, the market capitalisation of Fielmann AG amounted to €4.5 billion.

Comparison of Fielmann share price performance



Key figures Fielmann shares		2018	2017
Number of shares as at 31.12.	millions	84.00	84.00
Highest price	€	74.50	77.47
Lowest price	€	49.64	62.84
Year-end price	€	54.00	73.52
Price/earnings (P/E) ratio		26.87	36.76
Price/cash flow ratio		21.09	21.50
Sales of Fielmann shares	in € m	1,156.97	1,547.73
Total dividend payout	in € m	159.60	155.40

Key figures per Fielmann share		2018	2017
Net income for the year	€	2.07	2.06
Earnings	€	2.01	2.00
Cash flow	€	2.45	3.42
Equity capital as per balance sheet	€	8.44	8.27
Dividend	€	1.90	1.85

Dividend

Our continued growth and solid corporate financing have allowed us to increase our dividend year on year. The basis for this is the sustainable development of our company and solid corporate financing. The success of our company is always the success of our shareholders. For this reason, the Supervisory and Management Boards will recommend a dividend of €1.90 per share to the Annual General Meeting in Hamburg, Germany, on 11 July 2019. This represents a dividend yield of 3.5% on the year-end closing price of €54.00. Upon approval by the Annual General Meeting, this will be the fourteenth consecutive dividend payment increase.

% 3.5
dividend yield [1]

Investor relations

Fielmann maintains an open and transparent communication. Our dialogue with shareholders, analysts, investors and the financial press is extremely important to us as it serves to strengthen confidence in our company and its philosophy.
Fielmann presents itself at various individual meetings and conferences both in Germany and abroad. In 2018, Fielmann was comprehensively assessed by numerous renowned analysts and investment banks. Up-to-date information can be found on our website.

[1] based on the year-end closing price.

Further information:

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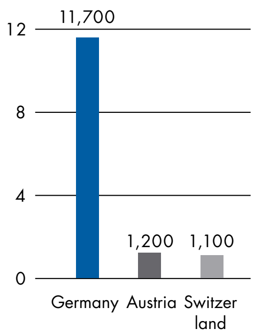
Website: www.fielmann.com
E-mail: investorrelations@fielmann.com

Market overview

Total

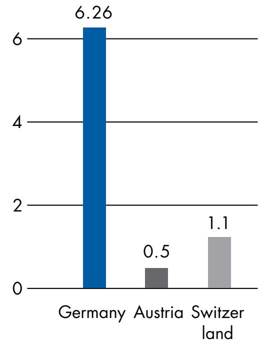
Optical stores [1]

2018



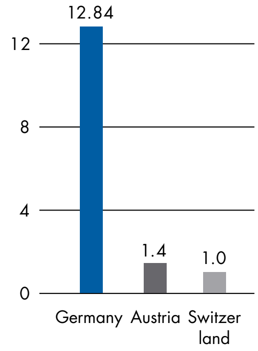
Sales [1]

in € bn



Unit sales [1]

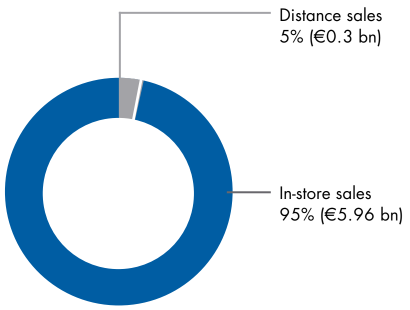
in millions of glasses



Glasses

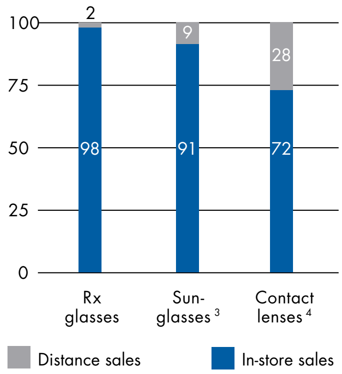
Sales share by channel [2]

in %



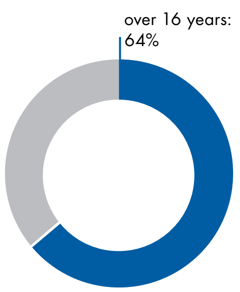
Sales share by product group [2]

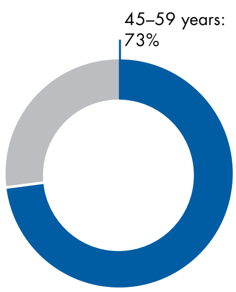
in %

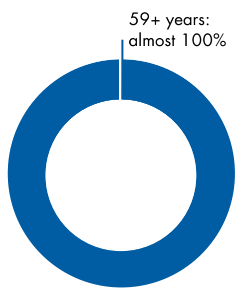


Share of glasses wearers based on age groups [5]

in %



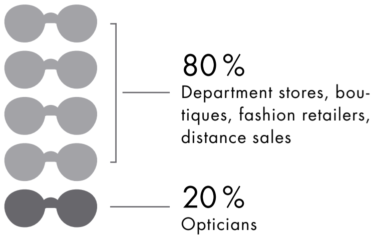




[1] Germany: ZVA, 2019; Austria and Switzerland: Fielmann estimate, 2019
[2] Germany, ZVA, 2019
[3] in-store retail: sunglasses and other product groups; e-commerce: sunglasses
[4] incl. care products
[5] Allensbach, Spectaris, Emnid

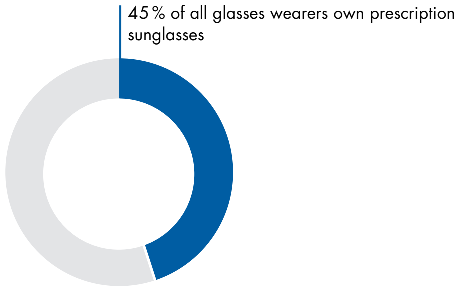
Sunglasses

Unit sales share by channel [1]



Customer share of prescription sunglasses [1]

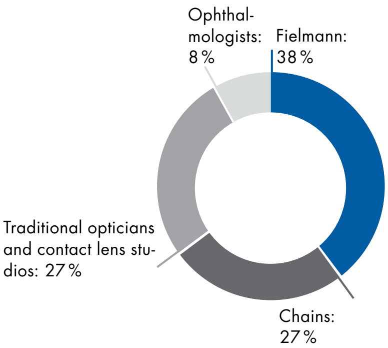
in %



Contact Lenses

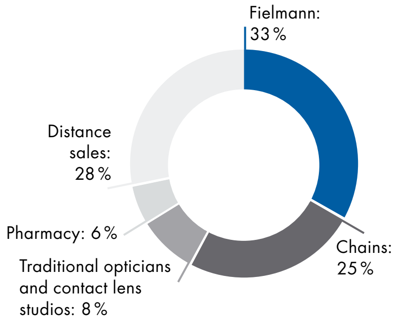
Market shares: Fitting [2]

in Germany, in %



Market shares: Purchase [2]

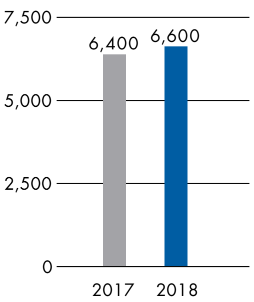
in Germany, in %



Hearing aids

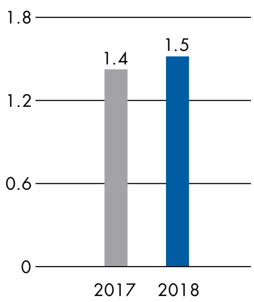
Stores [3]

2018



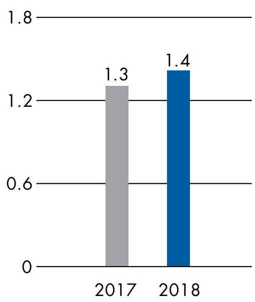
Sales [3]

in € bn



Unit sales [3]

in millions



[1] Fielmann estimate, 2019

[2] Study carried out by the market research institute Kantar TNS on behalf of Fielmann (n=1,011), 2018

[3] BIHA, 2019

Industry

The German Eyewear Market

In Germany, one in two people wear glasses. Among adults aged 16 or over, the figure is 64%, or 40 million. In the second half of life, even people with normal sight need reading glasses. More than 73% of the 45 to 59 age group wear glasses, as do virtually all senior citizens.

On average, ametropic Germans buy a new pair of glasses every four years. Besides a change in prescription, the most important reasons for buying a new pair of glasses are wear and tear, breakage, loss, and changing fashion trends.

For some time now, eyewear has been regarded as more than just a means for correcting vision. Glasses communicate an image and display character. Through its pricing policy and selection, Fielmann has transformed glasses into affordable fashion accessories and established them in the media. In today's fashion magazines, you will find far more glasses pictured in the pages than was the case years ago. Many of those featured are from Fielmann as we provide a free lending service to photographers and content partnerships to the media. (Allensbach, Spectaris, Emnid)

Units sold and sales revenue

For 2018, the German Central Association of Opticians (Zentralverband der Augenoptiker, ZVA) estimated that the total number of glasses sold amounted to 12.84 million pairs. Total sales revenue rose by 2.2% to €6.26 billion.

The ZVA also estimated the turnover of the distance sales business to be €0.30 billion: 5% of the total sales for the optical industry. Furthermore, the turnover of prescription glasses via e-commerce amounted to €0.08 billion. This corresponds to around 2% of sales in prescription eyewear. In the optical industry, the majority of e-commerce sales are generated with contact lenses and non-prescription sunglasses. According to industry information, practically all e-commerce companies have recognised that selling glasses via the internet alone is not feasible. They are, therefore, now increasingly investing in sales and in-store services.

There are no official figures for Austria or Switzerland. Fielmann estimates that units sold in Switzerland totalled around 1 million pairs of glasses, while the sales revenues stood at approximately €1.1 billion. There are 1,100 optical stores in Switzerland. In Austria, approx. 1,200 optical stores sold around 1.4 million pairs, generating sales revenues of €0.5 billion. (ZVA, Spectaris, SOV, WKO, Kurier, Reuters)

Optical stores

In 2018, there were 11,700 optical stores operating in Germany. 48,600 employees were working in optical retail. Chains account for 18% of all optical retail stores in Germany. The proportion of chains is higher in neighbouring European countries, standing at 24% in Switzerland and 30% in Austria. (ZVA)

Lenses

Today, more than 95% of all lenses are produced from organic plastics, with mineral lenses becoming less important. In the case of plastic lenses, the lightweight and largely shatterproof CR 39 materials predominate. High-index plastic materials are increasingly used to produce thinner and lighter lenses. To prevent scratching, the lens surfaces are often protected with a hard coating. Demand for coatings that prevent glare on all lenses is increasing.

In the second half of life (45+), virtually everyone needs a pair of reading glasses. Those who have worn glasses since they were young usually need glasses for both near and distance vision as they become older. Progressive lenses are the most convenient and modern choice. To the onlooker, progressive lenses are not recognisably different from the single-vision lenses worn when younger. However, increased convenience comes at a price. The more complex surface geometry of progressive lenses and the time it takes for adjustment make them an average of four times more expensive than single-vision lenses.

Fielmann is outperforming the industry with regard to growth in progressive glasses. This is explained by the structure of our customer base: Fielmann customers are generally younger than those of our traditional competitors. They remain loyal to us over a period of many years. Consequently, even without acquiring any new customers, the progressive share of Fielmann sales is set to rise by more than 50% over the coming years. (GfK, Spectaris, ZVA, Allensbach, KGS)

Sunglasses

Sunglasses offer considerable growth potential for opticians. Every year, some 20 million pairs of sunglasses are sold in Germany. More than 80% of sunglasses are sold over the counters of department stores, pharmacies, boutiques, fashion retailers, sports shops and petrol stations. Distance sales have also increased in significance.

Only one in five pairs of sunglasses is sold by an optician. Yet a trend towards more expensive glasses with a fashion label and guaranteed UV protection can be observed. This development is being fostered by the debate on the harmful effects of UV radiation. So far, just 45% of all glasses wearers currently use prescription sunglasses. Fielmann sees significant growth opportunities in the rising share of high-quality, fashionable prescription sunglasses. (Allensbach, KGS, Spectaris)

Contact lenses

In 2018, the sales revenues from contact lenses, accessories and lens care products amounted to around €0.6 billion in Germany, with the optical stores accounting for a €0.4 billion share of this.

The contact lens market in Germany is in a state of flux. When contact lenses established themselves as a complementary visual aid in the 80s and 90s, many opticians offered free fittings. The costs for staff, measuring equipment and rent were included in the product price.

In the 2000s, the share of non-industry internet sales increased steadily. Factoring the services costs into the product price was henceforth only possible to a limited extent. A study by the market research institute Kantar TNS, commissioned by Fielmann, found that 90% of all contact lenses in Germany were fitted by opticians in 2018. More than 25% of the fittings were undertaken by traditional opticians. Subsequent purchases, however, have been increasingly made via e-commerce for several years. In 2018, 28% of contact lens wearers in Germany bought their lenses at non-industry distance sellers. Whereas Fielmann and other chain stores fared reasonably well in retaining their customers, the traditional opticians and contact lens studios statistically lost around 3 out of 4 customers to online vendors. Due to the high, double-digit churn rate, contact lens fitting is becoming increasingly unprofitable for traditional opticians and the number of new fittings is stagnating. Over the long term, only providers who combine personal customer service and optical expertise with digital technologies will succeed. With its omnichannel business model, Fielmann grew three times faster than the market in the past year. To date, only 5% of the German population use contact lenses. In Sweden, however, the figure stands at 17% and in Switzerland it is 18%. The market will however only grow if fittings become profitable again for opticians. Until that time, the market will persist at the same low level.

(Allensbach, KGS, Spectaris, ZVA, GfK, Kantar TNS)

Hearing aids

The hearing aid market is a growth market. In 2018, more than 1.4 million hearing aids were fitted by ENT doctors and 6,600 hearing aid shops in Germany. Sales revenues for the sector stand at €1.5 billion.

As with the optical industry, the audiology industry is very fragmented. Consequently, prices are very high. It is similar in structure to that of the optical industry 30 years ago. In our industrialised society, people are living longer and have ever greater demands. They not only want to see well, but also to hear well. Our long-standing customers in the core catchment areas alone require more than 100,000 hearing aids per year. At the end of the reporting year, Fielmann operated 193 hearing aid studios, with plans to increase this to 350 in the long term. (BIHA)

Sources

BIHA Bundesinnung der Hörgeräteakustiker (Federal Guild of Hearing Aid Acousticians)
GfK Gesellschaft für Konsumgüterforschung (Society for Consumer Research)
KGS Kuratorium Gutes Sehen (Good Vision Board of Trustees)
SOV Schweizer Optikverband (Swiss Optical Association)
WKO – Wirtschaftskammer Österreich (Austrian Federal Economic Chamber)
ZVA Zentralverband der Augenoptiker (Central Association of Opticians)

Fielmann Group Annual Report

for financial year 2018

Management Report for the Fielmann Group for the Financial Year 2018

Fielmann Fielmann stands for fashionable eyewear at fair prices. 90% of all German citizens know Fielmann. We are the market leader. 24 million people wear glasses from Fielmann. In Germany, the company sells over half of all glasses on the market. Fielmann is deeply rooted in the optical industry and is active at every level of the value chain. We are a designer, manufacturer, wholesaler and optician.
With customer-friendly services, glasses at the best prices and wide-ranging guarantees, Fielmann has increased the number of units sold, sales revenue and profits in the past financial year.
Unit sales rose to 8.15 million (previous year: 8.11 million). External sales including VAT grew to €1,650.7 million (previous year: €1,606.2 million) and consolidated sales rose to €1,428.0 million (previous year: €1,386.0 million). Pre-tax profits grew to €250.9 million (previous year: €248.6 million) and net profit for the year went up to €173.6 million (previous year: €172.9 million).
The earnings per share were €2.01 (previous year: €2.00). At the end of the reporting year Fielmann operated 736 stores (previous year: 723 stores), 193 of which also contained hearing aid studios (previous year: 180 hearing aid studios).

		2018	2017
Net profit for the year	in € m	173.6	172.9
Income attributable to minority interests	in € m	4.7	5.2
Profits to be allocated to parent company shareholders	in € m	**168.9**	**167.7**
Number of shares	in m	84.0	84.0
Earnings per share	€	**2.01**	**2.00**

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS including International Accounting Standards) valid for the reporting period, taking into account the pronouncements of the IFRS Interpretations Committee (IFRS IC) and the former Standing Interpretations Committee (SIC) where they apply in the EU and were mandatory or were voluntarily applied in the financial year. Furthermore, the provisions under commercial law pursuant to Section 315e Para 1 of the German Commercial Code (HGB) were also observed.

General Conditions

The key figures listed below and the comments on the macroeconomic developments are based on publications and available information up to 20 February 2019.

Europe International trade conflicts, national aspirations and a weakening of global trade combined to curb economic development in Europe. Although the economic situation improved noticeably in almost all major national economies in 2017, the picture was much different in 2018.
Economic growth clearly declined in some of Europe's biggest national economies. The lengthy time required to form a government in Germany, the difficult fiscal situation in Italy and social unrest in France all took their toll. Growth dynamics in Spain appear to be gradually slowing down. Recovery in Greece has continued but so far it remains moderate. The increase in production remained strong in some Central and Eastern European countries, as well as in Ireland. The gross domestic product (EU 19) for the year as a whole increased by 1.8% (previous year: 2.5%).
Within the eurozone, the erstwhile crisis countries of Spain, Portugal and Greece managed to record growth rates of well over 2%. The situation on the labour market continued to improve in 2018 with unemployment hitting its lowest level in almost ten years: The unemployment rate in the eurozone (EU 19) fell to 8.2%, compared with 9.1% in the previous year. Differences within the European Union are still quite large and range from 2.2% in the Czech Republic to 15.3% in Spain.
Consumer prices in the eurozone only increased by 1.6% for the year as a whole. Energy costs saw the strongest price rises at 5.4%. Core inflation, however, stood at just 1.1%. While interest rates rose in the USA and in some emerging countries, they remained at record low levels in the eurozone. However, the European Central Bank (ECB) halted the expansion of its purchase programme for bonds at the end of the year. Overall, 2018 was a disappointing year for equity markets.

Germany The German economy was able to continue its upward trend for the ninth consecutive year. After two boom years, however it grew much more slowly than in previous years. The gross domestic product (GDP) grew by 1.4% in 2018, after increases of 2.2% in the preceding years.

The high demand for labour in many parts of the economy saw employment levels reach a record high, with some regions even achieving full employment. In fact, employment stood at its highest level since reunification. Unemployment and underemployment continue to fall. On average for the year, the number of unemployed people fell for the fifth time in a row, employment subject to social security contributions increased significantly, and employers' demand for new staff rose again compared to the previous year.

In comparison to 2017, employment increased by another 562,000 individuals (previous year: increase of 638,000). According to the Federal Statistical Office, the working population in Germany in 2018 numbered on average around 44.8 million (previous year: 44.3 million), which is more than ever before. The number of job vacancies increased over the course of the year to 796,000 (previous year: 731,000 vacancies). The average number of unemployed for the year decreased by 193,000 to 2.3 million (previous year: 2.5 million), representing a rate of unemployment of 5.2% (previous year: 5.7%).

Against the background of positive developments on the labour market, real wage increases and low interest rates, growth impulses came mainly from the domestic market. Both private consumer expenditure (+1.0%) and government consumer expenditure (+1.1%) increased. However, these increases were lower than in previous years.

German exports also increased on average for the year in 2018. The price-adjusted exports of goods and services were 2.4% higher than in the previous year (previous year: 4.7%). Imports rose over the same period by 3.4% (previous year: 5.1%).

Higher costs for energy, rents and food lead to German inflation rising yet again in 2018. After prices rose by 1.8% in the previous year, the prices for 2018 increased by a further 1.9%.

Switzerland The development of the Swiss franc compared to the euro was highly inconsistent last year. Initially, the euro rose to a level of CHF 1.20, before a lasting decline saw the rate drop to CHF 1.12. For the year as a whole, the value of the Swiss franc rose by approx. 3.8%.

The Swiss economy performed extremely well in 2018. According to early estimates, the GDP was 2.6% higher than in the previous year (previous year: +1.6%).

The Swiss retail sector only slightly increased its revenues in 2018, despite positive economic conditions. According to Credit Suisse, sales in the retail sector only rose by 0.4% (previous year: –0.6%). The reason for the small growth was the decline in purchasing power, as wage increases were below inflation levels. The growing sales recorded by foreign distance sellers also had a negative effect on domestic retail.

The situation in Switzerland's engineering, electrical and metal industries remains positive. In the first nine months, sales in this sector increased by +13.6% compared to the same period of last year, while the incoming orders rose by +13.1%. Exports also experienced a positive development in all sales regions, rising by +6.1%.

After several difficult years, Switzerland's tourism industry has again recorded an upward trend. Based on the number of overnight stays at hotels, demand from foreign visitors has risen again since 2017. Price restraints in this sector compensated for some of the loss of price competitiveness compared with other countries as a result of the appreciation of the CHF.
The good economic development over the past year also had a positive impact on the labour market. The unemployment rate averaged 2.6% for the year (previous year: 3.2%). Prices increased for the first time in 2017 after the appreciation of the CHF in 2015 significantly reduced the price of imports, and lower energy and oil prices led to deflation. This development also continued in 2018 at 0.9% (previous year: 0.5%).

Austria In 2018, the Austrian economy recorded the highest increase in GDP since 2011, at 2.7%, according to provisional estimates (previous year: 2.6%). This was particularly due to a rise in exports, highly dynamic investment activities and strong consumer spending. Austria once again succeeded in recording above-average growth compared to other European countries. However, the economic peak was reached early in 2018. The rate of growth slowed during the year due to the influence of international trade conflicts. According to the December forecasts of the Austrian Institute of Economic Research (WIFO), the positive global economic climate is largely a result of a 3.9% increase in equipment investment (previous year: 4.2%) and a 5.2% growth in exports (previous year: 4.9%). High domestic demand combined with a significant growth in exports contributed to a 2.9% increase in imports (previous year: 4.2%). In 2018, private consumer spending in Austria was expected to rise by 1.7% (previous year: 1.4%).
The positive economic development also had a positive impact on the labour market. The unemployment rate fell by 0.8% last year to 7.7%, but is still much higher than the levels recorded before the financial and economic crisis of 2008.

Italy The eurozone's third largest national economy, after Germany and France, has been developing more slowly from an economic perspective than other countries in the same currency area for many years. The banking crisis is still acute in Italy. In 2018, Italian banks had to be propped up by billions of euros in state assistance. As a consequence the banks were placed under compulsory administration by the ECB. Italy's overall public debt amounted to 133.1% (previous year: 133.0%) of the GDP, which is still far higher than the levels agreed upon by countries in the eurozone. With the exception of the large public debt, the Italian economy is however quite robust. The levels of private debt of Italian households are among the lowest in the eurozone.
Not least due to the growing number of exports, the gross domestic product increased by 1.5% (previous year: 1.5%). Yet Italy still faces the major challenge of high youth unemployment of 31.6% (previous year: 32.2%).

Overall, the unemployment rate stood at approx. 10.9% in 2018 (previous year: 11.3%). Prices only increased by 1.2% in 2018 (previous year: 1.0%) and therefore clearly missed the target set by the ECB.

Poland Poland's position in the European Union is being viewed increasingly differentiatedly by Brussels and Warsaw. Economically, Poland continues to enjoy an upswing. For the reporting year, the GDP was anticipated to grow by 5.1%, after 4.8% in the previous year.
A key growth factor is private consumer spending: With a growth of 4.7% in 2017, a similarly strong increase in private consumer spending is predicted for 2018. Private demand is being stimulated by growing employment levels and increasing salaries. A growing shortage of workers has strengthened the workers' position in pay negotiations, which has led to larger pay increases than in previous years. The unemployment rate fell to 4.1% (previous year: 4.9%).
Growing investments are another important factor for Poland's economic growth. Besides private investments, public investments including EU funds have increasingly had positive effects.
Despite strong economic growth and rising wages, the inflation level is expected to remain below the National Bank's target of 1.8% for 2018.

Eastern Europe The ongoing crisis in Ukraine continues to have a huge impact on the country's economic development.
After the country's economy collapsed in 2014 as a consequence of the Crimean crisis, the gross domestic product increased last year by 3.3% (previous year: 2.1%). This was particularly due to the increase in gross fixed capital formation, the expansion of agricultural production, industrial production and private consumer spending. Unemployment levels were almost unchanged at 9.2% (previous year: 9.4%).
According to state statistics, the Belarusian gross domestic product increased by almost 2.8% (previous year: 2.4%). However, the inflation rate stood once more at approx. 6% (previous year: 6%). Capital investments, retail trade and the building industry as well as industrial production made a positive contribution to this.

The optical market More and more people in Germany are now wearing glasses. Of the current 40.8 million owners of glasses, 23.5 million permanently use glasses. A considerable increase in the number of people wearing glasses can be seen in the 20 to 29 age group. This figure has risen from 26% in 2008 to 32% today. In 1952, the figure stood at just 13%.

A significant increase can also be seen in the number of progressive glasses being used. People who have worn glasses since they were young usually need glasses for both near and distance vision as they become older. The proportion of progressive lenses has steadily risen over the last few years to approx. 37%.
The German Central Association of Opticians (Zentralverband der Augenoptiker) calculated that in-store sales for the optical industry in Germany for 2018 amounted to 11.93 million pairs of glasses (previous year: 11.91 million), an increase of 0.2%. Including e-commerce, it estimates that overall sales amount to €6.26 billion (previous year: €6.12 billion). The association reports that the number of optical stores was unchanged at around 11,700 stores at the end of the reporting period (previous year: 11,700).
The traditional German optician sells fewer than two pairs of glasses per day, whereas a Fielmann store sells 35. The average optician sells fewer than 600 pairs of glasses per year, while Fielmann sells in excess of 11,000 per store, on average. In 2018, the average sales revenues of a traditional German optician stood unchanged, at around €0.3 million. By comparison, a Fielmann store records average sales of €2.1 million (previous year: €2.0 million) in Germany, €2.5 million (previous year: €2.6 million) in Austria, and €4.7 million (previous year: €5.1 million) in Switzerland.
No valid figures are available for the industry's performance in Austria and Switzerland. According to our estimates, units sold in Switzerland remained at one million glasses. At CHF 1.3 billion, total sales were similar to the previous year's figure. The number of optical stores in Switzerland remained unchanged at 1,100.
In Austria, the number of units sold increased by 1.5% to 1.35 million glasses. Total sales increased by 0.5% and remain at a level of approx. €0.5 billion. The number of optical stores remained unchanged at 1,200.

The hearing aid market The problem of impaired hearing is increasing throughout the world. The market for hearing aids in Germany is growing. Nevertheless, many people who are hard of hearing still do not use any kind of hearing aid. Studies estimate that around 15 million individuals in Germany suffer from hearing impairments. This number is increasing, with impaired hearing being one of the top ten health issues in Germany. Today, approximately 3.5 million people wear hearing aids. This phenomenon does not just affect people over the age of 60. Increasing numbers of children, teenagers and young adults suffer from hearing impairments. In 2018, there were 6,600 hearing centres across Germany (previous year: 6,400), which fitted 1.36 million aids in total (previous year: 1.26 million). The German Federal Guild for Hearing Healthcare Professionals (Bundesinnung der Hörakustiker) estimates that sales revenues in the industry amounted to €1.5 billion (previous year: €1.4 billion).

Fielmann Group Fielmann has shaped the optical industry. Fielmann stands for fashionable eyewear at fair prices. We cover the entire value chain in our industry.
In Rathenow (Brandenburg, Germany), we combine our competencies in manufacturing and logistics. We manufacture mainly plastic lenses to order, and then edge and mount them into the frames in order to produce glasses. All this happens under one roof in our manufacturing plant. In a two-shift operation, we produce on average more than 19,000 lenses per day and process over 57,000 orders. In 2018, we used state-of-the-art technology to supply 4.8 million lenses in a range of coatings and finishes, and shipped 8.2 million frames (previous year: 4.8 million lenses / 8.1 million frames).

Fielmann Aktiengesellschaft Fielmann Aktiengesellschaft has its headquarters at Weidestraße 118a, Hamburg, Germany. Fielmann AG ("AG" being the abbreviation for "Aktiengesellschaft") is the Group's listed parent company. The business activity of Fielmann AG is the operation of, and investment in, optical and hearing aid businesses as well as the manufacture and sale of visual aids and other optical products, particularly glasses, frames and lenses, sunglasses, contact lenses and accessories, merchandise of all kinds as well as hearing aids and related accessories.
Fielmann Aktiengesellschaft is managed by the two Chairmen of the Board, Günther Fielmann and Marc Fielmann. The company is represented by two members of the Management Board, or by one Management Board member and an authorised signatory.

Corporate management Customer satisfaction, unit sales, sales revenues and pre-tax earnings are the most significant financial and non-financial performance indicators for corporate management.
Only satisfied customers will remain loyal to the company and ensure sustained long-term growth. The importance of customer satisfaction is unique to Fielmann. Customer satisfaction is our single most important metric which we measure and evaluate on an ongoing basis through comprehensive surveys at the store level. These surveys are carried out in collaboration with an independent market research institute.
Our segment reporting is carried out in line with the Group's internal management, based on the sales markets of Germany, Switzerland, Austria, and Other.

Economic report

Earnings While the the optical industry in Germany (including e-commerce) reported sales of 12.84 million glasses (previous year: 12.74 million), Fielmann increased its sales across Europe by 0.5% to 8.15 million pairs of glasses (previous year: 8.11 million). Customer satisfaction remains at a very high level, at 91.4% (previous year: 92.2%). External sales including VAT grew to €1,650.7 million (previous year: €1,606.2 million), and consolidated sales rose to €1,428.0 million (previous year: €1,386.0 million).

The number of hearing aids sold amounted to 76,700 (previous year: 68,500), while hearing aid sales revenues totalled €66.3 million (previous year: €60.0 million).

There was a significant increase of 50.5% in other operating income to €21.4 million (previous year: €14.2 million). This item mainly includes income from subletting leased property, and the reversal of value adjustments and accruals. Due to currency differences, particularly between the euro and the US dollar and between the euro and the Swiss franc, the Fielmann Group generated an income of approx. €2.0 million, compared to €0.7 million in the previous year. Income from the reversal of accruals increased by €0.6 million to €2.2 million. In addition, a positive effect in the 2018 financial year was the revenue from the sale of the former administration building of Rathenower Optische Werke to the City of Rathenow, which had been previously leased to the City as the town hall.

The cost of materials increased in proportion with sales by 2.9% to €285.3 million (previous year: €277.2 million), and in relation to consolidated total sales the cost ratio remained unchanged from the previous year at 20.0%.

The increase in unit sales meant that additional benefits could be realised in the purchase of lenses and frames. The cost of materials in the hearing aid business reflects the sales development in this sector. While unit sales and sales revenue increased in our contact lens business, the market prices led to an increase in the material cost ratio.

Personnel expenses rose at a rate of 41.5%, by €22.6 million in absolute terms, and amounted to €591.3 million (previous year: €568.7 million). This is mostly a reflection of the 4.0% increase in the average number of staff to 18,881 (previous year: 18,153 employees). Of these, 734 employees are working in hearing aid studios (previous year: 615 employees), representing an increase of 19.3%.

An amended legal position of the German social insurance agencies with regard to the solidarity-based funding of employer contributions in the event of continued remuneration during illness led to costs totalling €14.7 million. The claims arising from retroactive contribution obligations amounted to a total of €20.4 million.

Write-downs increased by 6.7% (€2.8 million), reaching €45.1 million. This increase is a result of much greater investment activities since the financial year 2015, particularly in store expansions, renovations and relocations.

In the last financial year, there were relocations and renovations at 26 locations (previous year: 34). In addition, major construction work was begun at 13 locations, with the work expected to be completed in 2019. In total, the assets under construction increased to €12.1 million (previous year: €2.7 million).

For the purchase of office buildings as well as additional office space, a total of €7.6 million was invested in the reporting year (previous year: €6.2 million).

As part of the ZenIT project, all the stores in Germany and Austria were equipped with tablets by the end of 2016. This has enabled more efficient processing of customer orders. This system was also introduced in Switzerland in 2018, as was our omnichannel business model for contact lenses (the contact lens service).

There was a slightly disproportionate increase in other operating expenses of 4.1%, to €274.0 million (previous year: €263.3 million). An increase of approx. €4.8 million was recorded in general administrative expenses. These expenses, together with the general office expenses and delivery costs, are mostly due to IT consulting costs as part of Fielmann's digitisation strategy. Costs for further training and staff recruitment also increased disproportionately, whereas foreign exchange costs fell by €4.8 million compared to the previous year.

When viewed on a net basis, the financial result rose slightly to €0.1 million, as against –€0.4 million in the previous year. The financial result is calculated from non-cash effects (in connection with compounded and discounted interest based on the IFRS/IAS valuation of balance sheet items) and from operating net interest income (resulting from the investment and borrowing of financial assets).

The result is due to financial and capital investments, and amounted to a total of €0.6 million in 2018, after €0.8 million in the previous year, thereby mirroring the situation on the market.

In the reporting period, the pre-tax profit of the Fielmann Group amounted to €250.9 million, which represents a 0.9% year-on-year increase (previous year: €248.6 million). Net income for the year totalled €173.6 million (previous year: €172.9 million). The tax rate for the Fielmann Group stands at 30.8%, after 30.5% in the same period of the previous year. The increase is due to last year's change in the handling of offsetting between Group companies abroad and to the value adjustment of deferred taxes on losses carried forward, which resulted from an increased number of store openings in growth areas.

Fielmann has invested in the qualification of its employees as well as in its brand. We are also pushing ahead with our expansion and building up our network of stores internationally. The pre-tax return relative to consolidated total sales is 17.6% (previous year: 17.9%), amounting to a net return of 12.2% (previous year: 12.5%). The return on equity after tax amounts to 31.8% (previous year: 32.0%).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) reached €295.9 million (previous year: €291.3 million), and earnings per share stood at €2.01 (previous year: €2.00).

The result was generated by 736 stores (previous year: 723), 193 of which have integrated hearing aid studios (previous year: 180 stores). In addition, Fielmann operates 46 smaller stores in Belarus and Ukraine (previous year: 46 locations). The 25 stores in the Baltic States and Russia that are operated by franchise partners are not consolidated (previous year: 25 stores).

Segments In the reporting period, the 600 Fielmann stores in Germany (previous year: 597) sold a total of 6.76 million glasses (previous year: 6.74 million glasses) and generated sales revenues of €1,208.6 million (previous year: €1,163.9 million). Fielmann maintained its market share in Germany: with 5% of all optical stores (previous year: 5%), Fielmann achieved a 21% sales market share (previous year: 21%) and a 53% market share in terms of units sold (previous year: 53%). In Germany, we recorded a pre-tax result of €217.1 million (previous year: €207.3 million). The pre-tax profit margin amounted to 19.2% (previous year: 19.0%).

In Switzerland, the 43 Fielmann stores (previous year: 42 stores) sales generated unit sales of 472,000 glasses (previous year: 470,000 glasses). Sales revenues in the segment amounted to €168.1 million (previous year: €171.6 million).

The Swiss franc stood at CHF 1.16 compared to the euro on the yearly average (previous year: CHF 1.11). On a currency-adjusted basis, sales growth was 1.8% (previous year: 2.6%). Pre-tax earnings amounted to €24.7 million (previous year: €29.5 million). Besides the currency development, the changes in the transfer price system between the national subsidiaries took effect for the whole year for the first time (further details in Note 41). The return on sales was 14.7%, after 17.2% in 2017.

With 4% of all optical stores in Switzerland (previous year: 4%), Fielmann recorded a 46% unit sales market share (previous year: 46%) and a sales revenue market share amounting to 16% (previous year: 16%).

In the reporting year, units sold in the 38 Austrian stores (previous year: 37) totalled 437,000 glasses (previous year: 430,000). Sales revenues in the segment rose by

1.5% to €82.9 million (previous year: €81.7 million). Pre-tax earnings amounted to €14.3 million, after €15.2 million in the previous year. The changes in the transfer price system between the national subsidiaries took effect for the whole year for the first time in 2018 (further details in Note 41). The pre-tax profit margin amounted to 17.3% (previous year: 18.7%).

With 3% of all optical stores in Austria (previous year: 3%), Fielmann recorded a 33% unit sales market share (previous year: 33%) and a sales revenue market share amounting to 21% (previous year: 21%).

In the EU member states of France, Italy, Luxembourg, the Netherlands and Poland, the Group operates 55 stores (previous year: 47). These stores are grouped together with our 46 smaller locations (previous year: 46 locations) in Belarus and Ukraine and are represented in the "Other" segment.

Units sold in Poland totalled 132,000 glasses (previous year: 134,000). On average for the year, the Polish zloty remained unchanged at PLN 4.26 against the euro (previous year: PLN 4.26). Sales revenues in Poland rose by 4.3% to €12.7 million (previous year: €12.1 million). Earnings developed disproportionately, with an increased pre-tax return of 10.6% (previous year: 7.4%).

Sales revenues in the "Other" segment amounted to €45.1 million (previous year: €39.4 million). Pre-tax earnings total –€5.1 million (previous year: –€3.9 million), which is mainly due to the start-up costs for newly opened stores in Italy.

Financial position

Financial management The financial position of the Fielmann Group remains solid. The dividend distribution of Fielmann Aktiengesellschaft for the financial year 2017 in July 2018 rose by 2.8% to €155.4 million (previous year: €151.2 million).

At the reporting date, the financial assets (other non-current financial assets, current financial assets, as well as cash and cash equivalents) amounted to €312.3 million (previous year: €350.1 million), a fall of €37.8 million. The reasons for this, apart from an increased dividend, were the significant increase in investments of €13.3 million to €82.1 million (previous year: €68.8 million) and the expansion of inventories by 5.9% to €136.3 million (previous year: €128.7 million). The €7.5 million decrease in trade liabilities and simultaneous €7.4 million increase in trade receivables also had a negative impact on the financial assets at the reporting date.

At the end of the reporting year, cash and cash equivalents (liquid funds and investments with up to three months remaining maturity at the acquisition date) amounted

to €138.6 million (previous year: €172.1 million). For further information, particularly with regard to the changed maturity of investments, please refer to Note 25 in the Notes to the Consolidated Accounts.
The Fielmann Group's investment policy is defensive and focused on safeguarding the assets of the company. Investment guidelines provide caps for individual issues as well as asset classes. The investment decisions are made centrally. Long-term liabilities to banks amounted to €0.7 million (previous year: €0.8 million). In addition, existing short-term credit lines were used solely for sureties.

Cash flow trend and investments Year on year, cash flow from operating activities fell by 28.4% compared with last year, to €205.6 million (€287.1 million in 2017). The key aspect here is the Fielmann Group's investment policy of free liquidity. In addition, the clear decrease is the result of an increase in assets that are not attributable to investment or financial operations, such as the increase in inventories and trade receivables.
Cash flow per share consequently fell to €2.45 (previous year: €3.42).
The cash flow from investment activity amounted to –€77.5 million (previous year: –€69.3 million). The investment volume in the reporting year was €82.1 million (previous year: €68.8 million) and was financed solely through Fielmann's own funds. The investments focused on the expansion and modernisation of the store network. After their successful introduction in Germany and Austria as part of the ZenIT project, the roll-out of tablets in stores in Switzerland was completed in the financial year. The omnichannel business model for contact lenses (contact lens service), which has been available in Germany since 2016, was rolled out to Switzerland in 2018 as well. The further international roll-out of systems was prepared.
Fielmann is digitising the optical industry for the benefit of customers – without compromising on quality. For this we need market-ready technologies in three areas: a reliable method for trying glasses on in 3D, millimetre-precise 3D-fitting technology and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology leaders and innovative start-ups. In this context, Fielmann Ventures GmbH purchased approx. 20% of shares in the augmented reality specialist FittingBox S.A as part of a capital increase.
FittingBox is the world market leader in the field of 3D virtual try-on for glasses and sunglasses. With this investment, Fielmann has strengthened its existing strategic partnership. The objective is the online sale of glasses in Fielmann quality.
Within the Fielmann Group, we have aligned our organisational structures to our digital strategy. Today, over 200 employees and external experts are working in an agile project organisation.

Since the end of 2018, Fielmann has enabled its contact lens and hearing aid customers to make appointments online. Eyewear customers can also now make appointments in selected stores. After completing the pilot phase, we will enable online appointments for eye tests and professional advice on glasses at many stores across Germany in 2019.

The cash flow from financing activities, which is essentially due to the dividend distribution, amounted to –€161.6 million (previous year: –€159.7 million).

Net worth

Assets and capital structure In the reporting year, total Group assets rose by 2.1% to €944.8 million (previous year: €925.7 million). The increase of €9.2 million in intangible assets is largely in relation to the further development of software for our contact lens business and the acquisition of additional standard software licenses. The Group reported tangible fixed assets of €262.3 million (previous year: €239.7 million). The share of the total Group assets increased to 27.8% (previous year: 25.9%).

Investments in new stores, new hearing aid studios and the conversion of existing stores as well as the upgrade of our logistical capabilities in Rathenow exceeded depreciation by 82.0%. As a result, tangible fixed assets increased by €22.5 million for the year as a whole (previous year: €15.3 million). After the proposed dividend distribution, the equity cover for tangible fixed assets amounts to 209.6% (previous year: 225.1%).

The increase of €3.8 million in other non-current financial assets is related to the investment of free liquid assets in capital investments with a remaining term of more than one year at the time of acquisition. The development of current financial assets as well as cash and cash equivalents can also be seen in this context.

Current assets amounted to €506.0 million (previous year: €525.8 million). Inventories increased by 5.9% to €136.3 million (previous year: €128.7 million).

At the reporting date, trade receivables were up disproportionately by €7.5 million to €38.6 million (previous year: €31.1 million), but not significantly in relation to sales due to the business model.

Consolidated equity attributable to the owner of the parent company grew by 2.0%, or €14.2 million, and amounts to €549.4 million (previous year: €539.4 million) after the deduction of the proposed dividend distribution of €159.6 million. The sound financial position of the Fielmann Group is also reflected in the high equity ratio, including the proposed dividend, of 75.1% (previous year: 75.1%).

Accruals amounted to €74.3 million (previous year: €66.6 million). These are mainly related to performance-based staff remuneration. While non-current accruals rose by only €1.7 million, current accruals increased by 13.9%, or €6.0 million. The reason for this is the major construction work at many of our stores.
At the reporting date, trade liabilities had decreased by 11.7% to €56.3 million (previous year: €63.8 million). There were no major changes to the terms of payment.

General statement by the Management Board on the current financial situation

At the time of preparing this report, the Management Board's assessment of the business development remains positive. From today's perspective, the Management Board assumes that Fielmann will continue to gain market shares with commensurate earnings. As of the printing date of this Annual Report, expectations were in line with current business development.

Employees Fielmann is the industry's biggest employer in Germany and Switzerland. In the reporting year, an average of 18,881 staff were employed in the Group (previous year: 18,153 employees).
Personnel expenses totalled €591.3 million (previous year: €568.7 million). The personnel cost rate (in relation to consolidated total sales) amounted to 41.5% (previous year: 41.0%).
Fielmann's success is to a large degree the result of the dedication of our great employees. Fielmann is a modern company. Women account for more than 70% of our workforce in Germany. The proportion of women in the top three management levels below the Management Board stands at over 30% (previous year: over 30%). The share of highly qualified women with professional experience continues to rise. By adopting flexible working arrangements, Fielmann has established a family-friendly environment for its employees. Over 5,700 of the Group's employees work on a part-time basis (previous year: over 5,400). Fielmann is therefore quite successful in accommodating individual requests for a better work-life balance.
Not least because of the demographic development in Germany, Switzerland and Austria, Fielmann is recruiting employees at an early stage, and then qualifies them via a wide range of training programmes. Fielmann offers a broad spectrum of career options with attractive remuneration packages and financial development prospects. These have made working at Fielmann even more attractive in recent years.
A clear customer focus has taken Fielmann to the top. Our philosophy is also reflected in the salaries paid to our employees. A considerable proportion of the bonuses paid

to our store managers and the Management Board is dependent on the satisfaction of our customers. In addition, Fielmann gives its employees the opportunity to acquire an interest in the company. More than 85% (previous year: 85%) of our employees hold Fielmann shares and receive dividends in addition to their salaries. This acts as a motivation. Our customers benefit as a result.

Fielmann training and professional development All Fielmann stores in Germany and abroad are led by master opticians or optometrists. They are supported by a team of friendly, competent staff consisting mainly of certified opticians. Fielmann is the biggest training provider in the optical industry, employing 3,853 apprentices at the end of the year (previous year: 3,417 apprentices). Of this, the Germany segment accounts for 3,464 apprentices (previous year: 3,048). In Switzerland, Fielmann employs 202 apprentices (previous year: 196) and in Austria there are 176 apprentices (previous year: 165).
National awards testify to the high standard of our training. In the German optical industry competition, Fielmann accounted for all national winners over the last eight years. At Plön Castle, Fielmann is training the next generation of specialist opticians. Again in 2018, more than 7,000 opticians successfully finished courses at the Fielmann Academy. Since 2012, Plön has not only been the central site of training and professional development (CPD) for opticians, but also for hearing aid professionals. State-of-the-art technology combined with innovative teaching methods underpin the high standard of our training.
The Fielmann Academy colloquia in Plön have become established as a permanent fixture for the exchange between science and practical application. In total, more than 5,400 visitors have attended 42 events since 2007 to discuss the latest developments in the optical industry.

Comparison of planned and actual data 2018 The Fielmann Group formulated its expectations regarding the Group's business development in 2018 in the form of a forecast in the 2017 Annual Report. These expectations have been largely met. Fielmann expanded its sales network in the financial year by a further 13 stores (plan for 2018: more than 10 new stores). Eight new stores were opened in Italy and one each in Austria and Switzerland. In Germany, the sales network was expanded by three new stores.
There were relocations and renovations at 26 locations in 2018 (plan for 2018: to renovate more than 30 existing stores).
In 2018, a total of €82.1 million was invested in the expansion, modernisation and maintenance of the store network, in production, and in infrastructure (plan for 2018: €96.0 million).

Investments of €65.3 million were made in Germany (plan for 2018: €78.4 million), €8.3 million in Italy (plan for 2018: €6.5 million), €6.7 million in Switzerland (plan for 2018: €7.6 million), €1.0 million in Austria (plan for 2018: €1.8 million) and €0.1 million in Poland (plan for 2018: under €1.0 million).
Spending on the renovation of existing stores and opening of new ones totalled €46.4 million (plan for 2018: €46.8 million). Around €2.2 million was invested in increasing our production capacity (plan for 2018: €5.2 million) and a further €33.5 million was invested into the Fielmann Group's infrastructure (plan for 2018: €43.8 million). Last year, Fielmann invested more than €20 million in training and continued professional development (plan for 2018: €20 million).
The anticipated increases in market share for the financial year 2018 were achieved, particularly regionally and in our foreign growth markets.
In the 2018 financial year, unit sales increased by 0.5% (plan for 2018: slight rise in unit sales compared to previous year), consolidated sales rose by 3.0% (plan for 2018: sales expansion slightly above the average of previous years; average increase from 2013 to 2017: 4.6%). Pre-tax earnings amount to €250.9 million and are therefore 0.9% higher than in the previous year (plan for 2018: pre-tax earnings at the level of the previous year). Customer satisfaction stands at 91.4 % (plan for 2018: to keep customer satisfaction at its present level of over 90%). As announced, shareholders benefited from the company's success through an increase of 2.7% in the dividend, from €1.85 to €1.90, due to the strong sales revenue and return on equity (pre-tax profit margin of 17.6%, return on equity after tax and income attributable to minority interests amount to 31.8%).

Remuneration report Management Board contracts generally run for three years. Emoluments granted to the Executive Board for activity in the financial year consist of fixed and variable performance-related components. The Management Board member who left the company on 30 June 2017 was granted a pension benefit amounting to 40% of his final gross salary. The individual pecuniary benefit for the private use of company cars and the premium for a Fielmann Group accident insurance policy for the Management Board members were attributed to the fixed remuneration pro rata. The bonus system that applies to all Management Board members comprises the following:
The strict customer orientation of the Fielmann Group as the core of its corporate philosophy is reflected in the variable remuneration component of the Management Board contract. The bonus is split into two parts. Bonus I is based on net profit or loss for the year. Bonus II is aimed at promoting sustainable corporate development. Bonus II is also calculated on the basis of customer satisfaction.

For Bonus I, the bonus percentage that has been agreed for the individual Management Board members is multiplied by 70% of the adjusted annual net profit of the Fielmann Group. For Bonus II, the individual bonus percentage is initially calculated as 30% of the adjusted annual net profit in the three-year bonus period of the Fielmann Group.

The resulting amount is then assessed using a target system and the final result may be between 0% and a maximum of twice the starting amount, i.e. 60%. Customer satisfaction is therefore particularly important for assessing bonuses.

At the same time, the upper limit of the total variable remuneration payable to a member of the Management Board was set at a percentage of the fixed remuneration. For Günther Fielmann's contract, the ceiling for total variable remuneration was 200% of fixed remuneration (Bonus I and Bonus II) up to 14 April 2018 initially, while for Marc Fielmann it amounted to 150% of the fixed remuneration. With the introduction of dual chairmanship from 15 April 2018, the ceiling for variable remuneration was limited to 190% of the fixed remuneration for the two managers. For both Dr. Stefan Thies and Georg Alexander Zeiss, the ceiling amounts to 175% of the fixed remuneration. For Dr Körber, the ceiling amounted to 150% up to 31 March 2018, and from 1 April 2018 it amounts to 175% of the fixed remuneration. For Michael Ferley, the ceiling amounts to 150%.

The individual amounts payable for the financial reporting year and those for the previous year are indicated under Note (30) in the Notes to the Consolidated Accounts, in accordance with the reference tables of the German Corporate Governance Code.

Information pursuant to Section 315 Para. 4 of the German Commercial Code (HGB) as well as the shareholder structure

The composition of the subscribed capital The subscribed capital of Fielmann Aktiengesellschaft amounts to €84 million, divided into 84 million ordinary (bearer shares) shares of no par value. There are no different share classes. All shares carry the same rights and obligations. Each no par value share grants one vote in the Annual General Shareholders' Meeting (AGM) of Fielmann Aktiengesellschaft (Article 14 Para. 6 of the Articles of Association).

Limitations affecting voting rights or the transfer of shares With the agreement dated 4 April 2013, Marc Fielmann and Sophie Luise Fielmann joined a pool agreement (pool contract) between Günther Fielmann and KORVA SE, Lütjensee, that in turn was formed on 3 April 2013.

The pool contract comprises 60,180,844 shares in Fielmann Aktiengesellschaft (pool shares). According to the pool contract, the transfer of pool shares to third

parties requires approval by all other members of the pool. In addition, every pool member wishing to sell their pool shares must first offer these to the other members of the pool (preferential purchase right).
The pool contract stipulates that the voting rights of pool shares must be exercised at the Annual General Meeting of Fielmann Aktiengesellschaft in accordance with the resolutions passed by pool members in the pool meeting, and that this must occur regardless of whether and in which way the respective pool member voted at the pool meeting. The voting right of a pool member in the pool meeting is based on their voting right at the Annual General Meeting of Fielmann Aktiengesellschaft. Each pool share grants one vote.

Holdings that exceed 10% of voting rights At the time of preparing these consolidated accounts, the following direct and indirect interests in the share capital exceeded the 10% threshold: Günther Fielmann, Lütjensee (direct and indirect shareholdings), Marc Fielmann, Hamburg (direct and indirect shareholdings), Sophie Luise Fielmann, Hamburg (direct and indirect shareholdings), KORVA SE, Lütjensee (direct and indirect shareholdings), Fielmann Interoptik GmbH & Co. KG, Hamburg (indirect shareholdings), Fielmann Familienstiftung, Hamburg (indirect shareholdings).
The free float amounts to 28.36%. For further information on voting rights, please refer to the Notes to the Consolidated Accounts for 2018 of Fielmann Aktiengesellschaft.

Shares with special rights conferring powers of control No shares have been issued with special rights conferring powers of control.

The control of voting rights in the case of shareholdings of employees who do not directly exercise their control rights There is no such constellation within the company.

Statutory regulations and provisions in the Articles of Association governing the appointment and dismissal of Management Board members and amendments to the Articles of Association The statutory provisions on appointment and dismissal of Management Board members are laid down in Article 84 of the German Stock Corporation Act (AktG). Article 7 Para. 1 of the Articles of Association of Fielmann Aktiengesellschaft provides for the following regulation on the composition of the Management Board:
"(1) The company's Management Board shall consist of at least three persons. The Supervisory Board shall determine the number of Management Board members and the person who is to be the Chairperson of the Management Board, as well as the latter's deputy, if applicable."

The statutory provisions for amending the Articles of Association are stipulated in Article 119 of the German Stock Corporation Act (AktG) in conjunction with Article 179 of the AktG. Article 14 Para. 4 of the Articles of Association of Fielmann Aktiengesellschaft provides for the following regulation on amendments to the Articles of Association:
"(4) Unless otherwise required by law, a simple majority of votes cast is required and sufficient to pass resolutions at the Annual General Meeting."

Powers of the Management Board to issue or repurchase shares The Management Board is authorised, with the consent of all its members and with the approval of the Supervisory Board, to carry out new rights issues of ordinary bearer shares for cash and/or contributions in kind totalling up to €5 million, in one or more stages, up to 13 July 2021 (authorised capital 2016). The new shares are to be offered to shareholders for subscription.
However, the Management Board is authorised, with the consent of all its members and with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

- to make use of any residual amounts by excluding shareholders' subscription rights;
- when increasing the share capital, in return for cash contributions pursuant to Article 186 Para. 3 (4) of the German Stock Corporation Act (AktG), if the issue amount of the new shares does not fall far short of the market price for shares that are already listed at the time the issue amount is finally determined;
- for a capital increase for contributions in kind to grant shares for the purpose of acquiring companies, parts of companies or investments in companies.

Moreover, the Management Board is authorised, with the consent of all its members and with the approval of the Supervisory Board, to determine the further details of the implementation of capital increases from Authorised Capital 2016.

Significant agreements which take effect upon a change of control of the company following a takeover bid Such significant agreements do not exist.

Compensation agreements concluded by the company with the members of the Management Board or employees in the event of a takeover bid Such compensation agreements with the members of the Management Board or employees do not exist.

Disclosures pursuant to Sections 289b and 315b of the German Commercial Code (HGB) on the non-financial declaration (Corporate Social Responsibility Report) Fielmann Aktiengesellschaft has published its activities in the field of Corporate Social Responsibility (CSR) for the financial year 2018 on the website www.fielmann.com. The report was compiled based on the GRI standard of the Global Reporting Initiative (GRI). This procedure complies with the provisions of Sections 289b and 315b of the German Commercial Code (HGB) and represents the non-financial declaration of Fielmann Aktiengesellschaft pursuant to Section 289b Para. 3 of the German Commercial Code (HGB) and of the Fielmann Group pursuant to Section 315b Para. 3 of the German Commercial Code (HGB).

Group declaration of corporate governance as per Section 315d of the German Commercial Code (HGB) The declaration of corporate governance was issued by the Management Board and Supervisory Board and made publicly available on a permanent basis. It can be accessed online at www.fielmann.com.

Disclosures pursuant to Section 160 Para. 1 No. 2 of the German Stock Corporation Act (AktG) The Notes to the Consolidated Accounts of Fielmann Aktiengesellschaft contain details about the number of the company's own shares and their development in the financial year 2018.

Dependency report In accordance with Article 312 of the German Stock Corporation Act (AktG), the Management Board of Fielmann Aktiengesellschaft has prepared a dependency report detailing the company's relationships with Günther Fielmann (Chief Executive Officer (CEO) of Fielmann Aktiengesellschaft) as well as with other companies affiliated to him and with companies which are part of the Fielmann Group. The Management Board has released the following closing statement in this report:
"In accordance with Article 312 Para. 3 of the German Stock Corporation Act (AktG), the Management Board declares that our company received an appropriate service or compensation in return for each transaction indicated in the report on relationships with affiliated companies, on the basis of the circumstances of which we were aware at the time when the transactions were carried out. No measures that are subject to mandatory reporting requirements occurred in the 2018 financial year."

Risk management system

Through comprehensive opportunity and risk management, Fielmann can identify and develop opportunities at an early stage while also being mindful of potential risks. It is based on a detailed reporting system, which includes all planning and control systems. Using previously identified and defined thresholds, the company regularly analyses whether concentrations of risk exist within the Group or within Fielmann

Aktiengesellschaft. Monitoring is integrated into everyday processes, with monthly and annual reporting completing the early warning system. Potential risks are identified and evaluated with regard to their significance for the business position of Fielmann Aktiengesellschaft or the Group.
A standardised approach for managing any risks that occur as well as the expected development of the risk within the next 12 months are also recorded.

In addition to monthly and annual reporting, there is also mandatory ad hoc reporting. The results of the risk assessment are recorded with a traffic light system for the potential severity of the risk. The risks are categorised as follows:

Green:	good situation (expected damage has an extent of less than 1% of anticipated pre-tax profit)
Green-yellow:	slightly negative deviation from good situation (expected damage has an extent of between 1% and 3% of anticipated pre-tax profit)
Yellow:	risk of critical situation occurring (expected damage has an extent of between 3% and 5% of anticipated pre-tax profit)
Yellow-red:	critical situation (expected damage has an extent of between 5% and 10% of anticipated pre-tax profit)
Red:	highly critical (expected damage has an extent of more than 10% of anticipated pre-tax profit)

The process of risk identification, evaluation and assessment is carried out in a decentralised way by the individual departments. The risk officer coordinates the risk identification, evaluation and assessment. He is responsible for conveying the risk from the individual departments to the Management Board. This covers a wide range of separate risks, which can in turn be grouped into the following categories:
– Business environment risks, industry and Group key figures
– Sales
– Personnel
– Finance
– Production and Logistics
– Materials Management
– Information Technology
– Data protection
The system takes into account the likelihood of risks arising and their potential impact. The effectiveness of the information system is regularly assessed by internal audits and an external audit. The Fielmann Group and Fielmann Aktiengesellschaft face potential risks as detailed below. Any additional general risks are not specifically defined as, by their very nature, they cannot be avoided.

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

Industry risks and other external risks (business environment risks) Economic fluctuations in the international marketplace and increasingly intense competition constitute the fundamental risks. This gives rise to risks relating to prices and sales. Through continuous decentralised and centralised monitoring of the competition, we identify trends and developments early on. Monitoring the competition also includes tracking the development of relevant technologies. The range of optical products offered by online vendors are observed and analysed through various automated and manual means. The Management Board and other decision-makers are informed promptly of any movements in the market. In this way, risks are identified in good time so that measures can be implemented quickly.

Consumer behaviour is increasingly influenced by digital technologies. Glasses and especially contact lenses are now also being offered online.

In the eyewear industry, online vendors hold a market share of only 1.6% (previous year: 1.4%). Contact lens products generate the majority of online sales, amounting to approx. €300 million (previous year: €261 million) (ZVA, 2019).

An eyesight test, a reliable method for trying glasses on in 3D, and millimetre-precise 3D-fitting technology are necessary to produce a pair of glasses. Fielmann does not currently sell prescription glasses via the internet. Inaccurate data can lead to prismatic side effects. These can lead to fatigue, nausea, headaches or double vision. Given the technology available today, buying glasses on the internet is still too unreliable. In our industry, pure online retail is a business model with a very limited future.

Practically all shippers are now looking for offline partners or are opening their own stores. The future lies in omnichannel. Customers do not distinguish between online and offline. Fielmann's objective is "omnichannel innovation", which is created by combining personal assistance and digital services. Since 2016, we have been serving our contact lens customers with an omnichannel business model which is clearly superior to the competition. In 2018, we grew much faster than the market in the contact lens sector, and have therefore increased our market share. Now we are working on online sales for glasses in Fielmann quality. This requires innovative technologies such as a reliable method for trying glasses on in 3D, millimetre-precise 3D-fitting technology and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology leaders and innovative start-ups. The investment in the technology company FittingBox in November 2018 was a key step. With 13 patents, FittingBox is a global leader in the field of millimetre-precise 3D fitting technology for glasses and sunglasses. Consequently, the assessment of risk from distance sales competition remains unchanged at "low" (green to green-yellow).

Segment-specific risks (business environment risks) Segment reporting in the consolidated accounts, in accordance with IFRS, is based on regional sales markets, of which only the sales revenue of Switzerland and the "Other" segment can be affected by currency fluctuations. For further details, please refer to our comments under "Currency Risks".
Changes in health care legislation pose few risks for the optical retail market. As part of the 2004 health reform, the right to prescription glasses for people with statutory health insurance in Germany, with a few exceptions, was removed. Besides children and young people up to the age of 18, insured adults are only entitled to benefits if they have significant visual impairment in both eyes and if the visual performance of their better eye, with the best possible correction, reaches no more than 30%.
The exemption clause for claiming of benefits for a pair of glasses was extended from spring 2017. Insured people who require near-vision or distance-vision lenses with a refractive power of at least 6 dioptres, or of at least 4 dioptres due to corneal curvature, are entitled to have their costs covered to the amount set by the National Association of Statutory Health Insurance Funds or the contract price agreed by their health insurance company.
Since the fixed amount for hearing aids was increased to €785 per hearing aid on November 1, 2013, statutory health insurance holders in Germany are entitled to a hearing aid that brings their hearing as close to normal as is possible with modern medical technology. As a result of the framework agreements with statutory health insurance providers, hearing aid providers are already obligated to meet this objective at no charge for customers and with discounts for health insurance companies. This presents an opportunity for Fielmann to gain further market shares.
On 1 December 2018, a contract of the German Association of Supplementary Insurance Funds (vdek) took effect, which concerns the so-called "shorter supply line". Hearing healthcare professionals are usually not personally available to patients. ENT doctors only add their presence to the practice electronically. There is, therefore, no guarantee that a hearing healthcare professional can fit a hearing aid directly. With this "shorter supply line", patients receive the hearing aid from the ENT doctor directly

in the practice, in cooperation with an e-commerce company. Payments are then made via the insurance companies.
The assessment of business environment risks is unchanged at "low" (green).

Operating risks (production and logistics risks) By manufacturing the frames and prescription lenses ourselves, we are able to control the complete value chain, from checking the raw materials to assembling the finished glasses. A quality management system set up in accordance with DIN ISO 9001 ensures a standardised organisation with highly automated manufacturing and testing processes. This ensures a consistently high quality.
In the event of disruptions or longer term production stoppages, we have taken comprehensive precautionary measures:

- Systematic training and qualification programmes for employees
- Ongoing further development of the production processes and technologies
- Comprehensive safeguards at the stores
- Regular calibration of measuring equipment, maintenance of machinery, IT systems and communication infrastructure

In the event of any loss that may nevertheless occur, the company is insured to an economically appropriate extent. Consequently, the risk assessment for the area of production and logistics is unchanged at "low" (green).

Materials management risks Risks with regard to delivery capacity, quality and price for the lens, frame, contact lens and hearing aid product groups have been incorporated into materials management as key figures.
For prescription glasses, the number of current and new models were also taken into consideration, as well as the delivery capacity and inventory range.
Consequently, the risk assessment for the area of materials management is unchanged at "low" (green).

Group performance and expense risks As a designer, manufacturer, wholesaler and optician, Fielmann covers the entire value-chain of glasses. Our procurement strength and global business relationships allow us to ease supply bottlenecks in the short term and respond to developments in purchasing prices in a flexible way. Consequently, the assessment of this cost risk is unchanged at "low" (green).

Financial risks Foreign exchange and interest rate fluctuations may result in significant profit and cash flow risks for the Fielmann Group. Where possible, Fielmann approaches these risks on a centralised basis and manages them with foresight. Business operations also give rise to risks related to interest rates and currency fluctuations. The

instruments used to hedge these financial risks are indicated in the notes to the consolidated accounts on the respective balance sheet items. Major purchasing contracts are priced in euros. Fielmann finances the majority of its activities from its own funds (equity ratio is 75.1%; previous year: 75.1%). The impact of interest rate developments on business operations is therefore minimal.
Interest rate changes also impact on the level of balance sheet provisions and consequently, on the financial results. In addition, interest rate changes have an impact on the available liquidity and therefore also on the financial result. Risks also arise from fluctuations in exchange rates and securities. These are controlled by means of an investment management system to monitor credit, liquidity, market, interest rate and currency risks in the context of short and long-term financial planning. Consequently, the assessment of financial risk is unchanged at "low" (green).

Credit risks (finance) The maximum default risk within the Group corresponds to the amount of the book value of the financial assets. Default (non-payment) risks are taken into consideration through value adjustments. Low interest rates in the eurozone combined with the expansive monetary policy of the European Central Bank had an impact on all sectors of the economy in 2018. However, there is still a high risk for the single euro currency as a result of ailing banks and high private and public debt in some eurozone countries. The ECB's main refinancing interest rate was unchanged at 0.0% in the financial year 2018.
Against this background, the net interest result of the Fielmann Group amounted to €0.6 million (previous year: €0.8 million).
With regard to financing, the top priority of investment decisions remains, in principle, to secure purchasing power on a sustained basis. For 2018, the inflation rate in Germany is 1.9% (previous year: 1.8%). An investment guideline stipulates the maximum amount for all classes of financial instruments used for investment purposes. Investment options are essentially limited to investment grade securities.
In light of the continuing great uncertainty on the financial markets in 2018, Fielmann Aktiengesellschaft resolved to invest, in particular, in assets with a high credit rating or to leave liquid funds on cash-management accounts or on current accounts. Business partners' credit ratings are always checked and recorded before any major investment decision is made. Setting an upper limit on investments for every counterparty limits the default risk, as does the current focus on the investment horizon with terms of 8 months, on average (previous year: maturities of 9 months, on average). Non-rated securities are subject to internal assessments. Among other aspects, this takes into account the existing rating of the issuer or of a comparable borrower and the features of the securities. Investments with a term of up to three months do not require a rating, although these investments are subject to the specific exemption limits defined in the investment guideline.

Consequently, the assessment of credit risks is unchanged at "low" (green).
There is no concentration of default risks relating to trade receivables, as retail activities do not result in a focus on individual borrowers. In view of this, the assessment of default risk is still "low" (green).

Liquidity risks (finance) Our financial management seeks to ensure that the Management Board has the necessary flexibility to make entrepreneurial decisions and to guarantee the timely fulfilment of the Group's existing payment obligations. Fielmann Aktiengesellschaft's liquidity management is centralised for all Group subsidiaries. Currently, there are no liquidity risks (green). Moreover, the high level of liquidity provides sufficient leeway for further expansion. At 31 December 2018, the financial assets of the Group totalled €312.2 million (previous year: €350.1 million).

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

Interest rate risks (finance) The sensitivity analysis of interest rate risks is based on the following premises: Primary financial instruments are only subject to interest rate risks if they are valued at fair value. Financial instruments with floating rates are generally subject to market interest rate risks, as are liquid funds on current accounts. Consequently, the risk assessment for interest rates is unchanged at "low" (green).

Currency risks (finance) Given its international focus, the Fielmann Group is exposed to currency risks in connection with payment flows outside its own functional currency during the normal course of its business operations. More than 85% of the Group's payment flows are in euros, approximately 11% in Swiss francs (CHF), with the rest divided between US dollars (USD), Polish zloty (PLN), Ukrainian hryvnia (UAH), Japanese yen (YEN) and Belarusian roubles (BYN) (previous year: 85% EUR, 12% CHF). In order to limit currency risks on outgoing payments and regular expected cash flows in foreign currencies, currency forwards with maturities of up to 12 months are used for hedging purposes. Fielmann uses marketable currency forwards solely in the operational currencies of CHF and USD. We employ financial hedging solely to secure the regular cash flow of the Group in foreign currencies, not for speculative purposes. Simulation modelling is used as the basis for assessment of any risks identified, taking into account a variety of different scenarios.
The fair value of the financial instruments used is generally assessed on the basis of existing market information. Foreign exchange risks arising from the translation of financial assets and liabilities relating to foreign subsidiaries into the Group's reporting currency are not generally hedged.

The currencies PLN, UAH and BYN are not hedged as the relatively small total sum generated in these currencies does not warrant the high cost of hedging them.
At the reporting date of 31 December 2018, there were no currency forwards (previous year: none). Term deposits in USD currency were not held (previous year: none), and there were also no hedges against the Swiss franc (previous year: none). Consequently, the currency risk assessment is unchanged at "low" (green).

Sales risks Significant sales risks are customer satisfaction and unit sales development. Both of these key figures represent Fielmann's customer-oriented philosophy. For further expansion, the number of new store openings as well as the number of renovations/relocations have been taken into account.
Consequently, the risk assessment for the area of sales is "low" (green).

Demand for skilled staff (personnel) Demographic developments in the population will significantly change society in the coming years and decades. While the population is set to fall over the long term, the number and percentage of senior citizens is rising. The "baby boomer" generation, which currently makes up a large portion of the working population, is increasingly retiring, thus leaving the labour market. Companies and public authorities are faced with a shortage of skilled workers, and this can already be clearly seen in certain professions, industries and regions. In 2017, there were approximately 49.3 million people in the 20 to 64 age group. According to the Federal Statistical Office, this number will fall noticeably after 2020 and reach 44 to 45 million by 2030. As a result of the demographic changes, the size of the active labour force will decrease from the current 44.8 million to approximately 41.1 million in 2030. In 2060, some 38 million people will be of working age (–15%). The digitisation of the working world is changing jobs and the required qualifications. To meet the challenges of demographic and technological changes and counteract the effects of this trend at an early stage, Fielmann goes to schools, job fairs and popular media formats to secure its skilled staff for the future. Every year, approx. 10,000 young people apply for a vocational training course at Fielmann. After successfully passing an aptitude test, more than 1,500 young talents start their career with us.
As the biggest training provider in the optical industry, Fielmann is cultivating German apprenticeships. Our vocational training is carried out with German precision and thoroughness, both in Germany and abroad. Year on year, Fielmann invests tens of millions in training and development courses, and increased the number of training places by 436 in the last year to a total of 3,853 (previous year: 3,417 apprentices), which represents an increase of 12.8%. National awards pay testament to the quality of the training we provide.
Fielmann is continuing to expand and we are increasing our efforts to recruit qualified new employees. Fielmann has been running a campaign to attract additional apprentices since 2017.

The website www.optiker-werden.de provides insights into the daily life of opticians working for the market leader and aims to excite young people about the optical profession. Because of the positive feedback in the optical industry, apprentices will also be targeted for the hearing aid sector from 2019 using the website www.akustiker-werden.de. Fielmann also invests in innovative training concepts. With our part-time master class, for example, family-bound opticians are offered the opportunity for further qualification and the opportunity for professional advancement.
Given the current situation and the measures that have been implemented accordingly, the assessment of personnel risk is "low" (green).

IT risks The operational and strategic management of the Group is integrated in a complex information technology system. Fielmann's IT systems are regularly maintained and are equipped with a series of safeguards. The maintenance and optimisation of the systems is secured by means of a constant dialogue between internal and external IT specialists. The Fielmann Group also counteracts risks from unauthorised data access, data misuse and data loss with appropriate measures. Technological innovations and developments are continuously monitored and deployed where suitable. Consequently, the overall assessment of IT risks is "low" (green).

Data protection Digitisation has led to an increase in the connections and complexity of the IT landscape. The treatment of personal data and protection of internal information have become much more important. With the GDPR taking effect on 25 May 2018 and the revised German Federal Data Protection Act (BDSG), legislators have responded to this situation and updated personal data protection, privacy and the transparent processing of personal data.
Besides the IT architecture and the business processes, Fielmann's "Governance" unit carefully monitors information security and data protection. It further develops the technical and organisational measures on data protection, assists all projects relevant to data protection and offers concrete support when it comes to implementing internal guidelines and legally governed regulations. This unit set up a project-based data protection team in the financial year 2017 to implement and further develop the data protection standards. In addition, a "subject rights" process was established with staff who were specially trained in-house. Governance is responsible to the Management Board for the documentation, evaluation and security of sensitive data.
In this role, the Governance department plays a central role in the continuous further development of the data protection system. In line with the regulations on risk reporting, a consolidated assessment of the above-mentioned risks is categorised as low (green).

Opportunities Experts have ascertained that ever more children and young people will need glasses or contact lenses. Today, a greater number of young people are affected than was the case just a few decades ago. Studies have found that frequently using close vision for reading or working on computers, as well as a shortage of natural light are reasons for the strong longitudinal growth of the eyeball between the ages of 6 and 18. Furthermore, constantly looking at a smartphone, tablet or laptop harms the eyes. Experts refer to this phenomenon as "digital visual stress". It mainly occurs after staring at a screen for one or two hours, or if we frequently switch between different devices. From the age of 30, the so-called "accommodation", the ability of the eyes, or rather the lenses, to focus at different distances and see clearly, diminishes.

According to a study carried out by Kuratorium Gutes Sehen e.V., the number of glasses wearers in the 20 to 29 age group has more than doubled since 1952. In the 30 to 44 age group, the rise is in excess of 55%. In the second half of life, virtually everyone requires glasses. Normal-sighted people need reading glasses when they pass their 40's and those who had already needed glasses at a younger age then need two pairs, one for near vision and the other for distance vision. Multifocal lenses are more convenient, these days increasingly in the form of progressive lenses. Fielmann is outperforming the industry with regard to growth in progressive glasses. This is explained by the structure of our customer base. Fielmann customers are generally younger than those of its traditional competitors. They remain loyal to us over a period of many years. Consequently, even without gaining any new customers, the progressive share of Fielmann sales is set to rise by more than 50% over the coming years.

As a designer, manufacturer, wholesaler and optician, Fielmann covers the entire value chain. Fielmann can offer glasses at lower prices than the competition because we buy large quantities direct from the manufacturers that produce for the major brands, as well as producing our own. We save money by cutting out the middleman and pass the savings on to our customers.

Just 45% of all glasses wearers currently use prescription sunglasses. Fielmann is anticipating further growth from the rising share of fashionable prescription sunglasses. New developments in contact lenses, such as the modern and comfortable daily lenses made from sustainable materials or from customised products, lead to additional growth. We also see great opportunities in the smart connection of digital services and personal consulting in our stores. We will integrate our websites and stores even further, and create new digital services for our customers.

In addition to sales growth in the optical sector, we expect additional growth from opening more hearing aid studios. Our long-standing customers in the core catchment areas alone require more than 100,000 hearing aids per year. In Germany, current statistics show that more than 5.4 million people have a hearing condition requiring treatment (according to the German Guild for Hearing Healthcare Professionals), but at the moment only 3.5 million use a hearing aid.

With ever smaller, practically "invisible" hearing aids, the number of hearing aid users will increase significantly over the next few years. The combination of glasses and hearing aids is advantageous for our customers and thus improves loyalty to our company. Fielmann is developing its store network in Germany and pressing ahead with its expansion abroad. The neighbouring countries in Europe, particularly Italy, offer us opportunities for substantial growth and earnings.

Main features of the internal control and risk management system in terms of the accounting process The Management Board of Fielmann Aktiengesellschaft is responsible for the preparation and accuracy of the consolidated and annual accounts as well as for the management report. The processes are established by training and regular exchanges, standardised documentation as well as a IT-supported information system for accounting issues and a standard, group-wide accounting system. This also ensures the proper and timely preparation of the accounts.

Through a standard, group-wide accounting system, we control both the flow of goods as well as their valuation. To utilise the high level of integration of the deployed SAP systems and the standardisation of many processes, the end-of-year accounting operations have been centralised in the respective departments. With the exception of four small companies, all the individual accounts are prepared in SAP and merged for the Group centrally (previous year: four companies). The basis for each voucher audit is the control system that monitors process and data quality which has been installed for accounting at the level of individual financial statements and at Group level. This control system includes information flow charts, a control system for daily cash accounting, inspection and check lists as well as an IT system for monitoring transactions for monthly, annual and Group statements.

Compliance with the documents is subject to a regular review by the internal audit department. The accounting requirements of a central financial information system apply to the individual accounts of the included companies, in accordance with national commercial laws, with any special features applying to individual units being noted. Insofar as included companies prepare individual financial statements in accordance with other accounting standards, the accounting principles for the commercial financial statements II, which are processed centrally in group accounting, apply. The accounting principles are also applied to interim accounts and ensure factual and time-related consistency.

In the last financial year, the Supervisory Board approved the effectiveness of the internal control system and the risk management system as well as the internal review system.

Summary of the risk position as well as the internal audit system pursuant to the requirements under Article 107 of the German Stock Corporation Act (AktG) The Group's market position, its financial strength and a business model that allows Fielmann to identify and act on growth opportunities earlier than the competition, reveal no identifiable risks to future development with any substantial effect on assets, financial position or earnings.

Outlook

Fielmann is continuing to expand. We focus on the German-speaking region as well as the adjacent European countries. Our growth drivers remain intact in our core markets (Germany, Austria, Switzerland and Luxembourg). Besides our organic growth, considerable potential is offered by opening new stores, developing existing shops and moving to more attractive locations. Modernisation and increasing floor space generally lead to double-digit improvements in sales. In addition, we see opportunities in the fields of sunglasses, contact lenses, hearing aids and digitisation.

We plan to operate more than 600 stores in Germany, 50 stores in Switzerland and 45 stores in Austria. In our core markets, our long-term goal is to operate approx. 700 stores, selling 10 million pairs of glasses with sales revenues of €2.1 billion.

We are rapidly driving our expansion in our growth markets of Italy and Poland. In Northern Italy, we plan to operate 80 stores, sell 700,000 glasses per year and achieve a sales revenue of €140 million over the long term. In Poland, we aim to operate 50 stores in the long term, selling 400,000 glasses per year with a sales revenue of €40 million. Furthermore, Fielmann will enter new markets in the coming years via organic growth or through acquisitions. Our long-term goal in the new markets – including Italy and Poland – is to sell 2.1 million pairs of glasses per year with a sales revenue of €280 million.

The hearing aid market is a growth market targeting people who are fifty and older. At the end of the reporting year, Fielmann had 193 hearing aid studios, with plans to increase this to 350 in the long term.

One of the main reasons for our success is that our employees are highly qualified. As the biggest training provider in the optical industry, Fielmann is fundamentally shaping German optical apprenticeships. Our vocational training is carried out with precision and thoroughness, both in Germany and abroad. Year on year, Fielmann invests over €20 million in training and continued professional development. Expenditure of a similar magnitude is scheduled for 2019. Since 2006, Fielmann has increased the number of apprentices by 125%, from 1,715 to the current total of 3,853. Fielmann opened another training centre in Offenbach and plans an additional training facility in Erfurt.

Fielmann is digitising the optical industry for the benefit of customers – without compromising on quality. Customers do not distinguish between online and offline. Our objective is to achieve "omnichannel innovation". This is created by combining personal assistance and digital services.

At the moment, we are working on the online sale of glasses in Fielmann quality. For this we need market-ready technologies in three areas: a reliable method for trying glasses on in 3D, millimetre-precise fitting in 3D and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology leaders and innovative start-ups.

In 2019, we will invest more than €120 million from our own funds to expand, modernise and maintain the store network, production and infrastructure. With regard to our long-term objectives, we will invest a further €100 million in 2020.

In 2019, we plan to invest €98 million in Germany, €8 million in Switzerland, €7 million in Italy, €5 million in Austria and €1 million in Poland. We intend to spend €55 million on renovating existing stores and opening new ones. We further plan to invest a sum of around €6 million to increase production capacity and a further €59 million in Group infrastructure and sales channels.

Fielmann will continue to maintain a high equity ratio in future. The existing liquidity will be invested at low risk. With the recognition of leasing liabilities (particularly of rental arrangements) which will apply from 1 January 2019, the balance sheet total will rise considerably and the equity ratio will fall despite constant equity. We are creating a solid basis for ongoing, sustainable growth by investing in digitisation, in the training and continued professional development of staff, in opening new stores, and in the modernisation of existing stores and production. In addition, we also expect an increase in sales of progressive lenses, contact lenses and hearing aids. In the long term, we anticipate the sales of progressive lenses to rise by more than 50%. New lens production technologies for grinding lenses at our logistics centre in Rathenow and improved processes, both in our stores and at our headquarters, will boost productivity over the next two years.
The Federal government expects Germany's GDP to grow by 1.0% in 2019. At the beginning of the year, the mood among consumers showed a positive development for the consumer climate. Income expectations and the propensity to buy may exceed their high levels once again. Due to the good start to the year, the GfK consumer research company predicted a 1.5% increase in private consumption in Germany for 2019.
In view of these predictions, Fielmann is confident of strengthening its market position.

Summary statement on the forecast

Fielmann thinks long-term, and plans to open more than 15 new stores in both this year and the next, as well as renovating and expanding 40 existing stores per year. In 2019, we will continue to pursue our growth strategy. From the current perspective, our consistent focus on the customer, highly qualified staff, and past investment will enable us to gain additional market share in the current financial year, particularly in other European countries. The first few months of 2019 give us grounds for optimism. We aim to maintain customer satisfaction at over 90%.
We plan to slightly increase the number of units sold compared to the previous year. Furthermore, an improved product mix will also lead to a growth in sales. In 2019, this growth will be slightly above last year's figure as well as above the average of previous years. Investments are the condition required for growth. Fielmann has significantly increased the investment volume.
We expect a pre-tax income at the same level as the previous year due to the expansion and the major investments in digitisation, among other things. Shareholders will again benefit from the company's growth in the form of an appropriate dividend, as sales revenue and return on equity remain high for the retail sector.
A significant change in the underlying situation may lead us to adjust this forecast.

Fielmann Aktiengesellschaft, Hamburg
Consolidated balance sheet as at 31. 12. 2018

ASSETS	Text number in Notes	Position as at 31. 12. 2018 €000s	Position as at 31.12.2017 €000s
A. Non-current fixed assets			
I. Intangible assets	(1)	33,987	24,771
II. Goodwill	(2)	47,509	46,032
III. Tangible assets	(3)	262,253	239,731
IV. Investment property	(3)	13,639	16,089
V. Shares in associates	(4)	5,218	0
VI. Other financial assets	(4)	2,315	2,706
VII. Deferred tax assets	(5)	12,276	12,686
VIII. Other financial assets	(6)	61,574	57,822
		438,771	**399,837**
B. Current assets			
I. Inventories	(7)	136,307	128,673
II. Trade debtors	(8)	38,579	31,158
III. Other financial assets	(8)	55,473	51,810
IV. Non-financial assets	(9)	19,241	13,924
V. Tax assets	(10)	8,062	10,748
VI. Financial assets	(11)	109,803	117,399
VII. Cash and cash equivalents	(12)	138,557	172,131
		506,022	**525,843**
		944,793	**925,680**

LIABILITIES	**Text number in Notes**	**Position as at 31.12.2018 €000s**	**Position as at 31.12.2017 €000s**
A. Equity			
I. Subscribed capital	(13)	84,000	84,000
II. Capital reserves	(14)	92,652	92,652
III. Retained earnings	(15)	514,391	501,459
IV. Other reserves	(16)	17,966	16,704
Consolidated equity of the owners of the parent company		**709,009**	**694,815**
V. Non-controlling interests	(17)	207	195
		709,216	**695,010**
B. Non-current liabilities			
I. Accruals	(18)	25,482	23,776
II. Financial liabilities	(19)	1,363	1,858
III. Deferred tax liabilities	(20)	12,135	9,463
		38,980	**35,097**
C. Current liabilities			
I. Accruals	(21)	48,784	42,828
II. Financial liabilities	(22)	115	151
III. Trade creditors	(22)	56,337	63,820
IV. Other financial liabilities	(22)	21,843	25,276
V. Non-financial liabilities	(23)	58,544	50,090
VI. Income tax liabilities	(24)	10,974	13,408
		196,597	**195,573**
		944,793	**925,680**

Fielmann Aktiengesellschaft, Hamburg
Consolidated statement of profit and loss and other income

for the period from 1. 1. to 31. 12. 2018

	Text number in Notes	2018 €000s	2017 €000s	Change from previous year
1. Consolidated sales	(27)	1,427,999	1,385,974	3.0%
2. Changes in inventories	(27)	–2,825	355	–895.8%
Total consolidated sales		**1,425,174**	**1,386,329**	**2.8%**
3. Other operating income	(28)	21,353	14,188	50.5%
4. Cost of materials	(29)	–285,269	–277,205	2.9%
5. Personnel costs	(30)	–591,346	–568,733	4.0%
6. Depreciation	(31)	–45,110	–42,272	6.7%
7. Other operating expenses	(32)	–274,046	–263,259	4.1%
8. Expenses in the financial result	(33)	–913	–1,618	–43.6%
9. Income in the financial result	(33)	1,059	1,213	–12.7%
10. Result before taxes		**250,902**	**248,643**	**0.9%**
11. Taxes on income and earnings	(34)	–77,272	–75,790	2.0%
12. Net profit for the year	(35)	**173,630**	**172,853**	**0.4%**
13. Income attributable to minority interests	(36)	–4,741	–5,226	–9.3%
14. Profits to be allocated to parent company shareholders		**168,889**	**167,627**	**0.8%**
Earnings per share in € (undiluted)[1]	(35)	**2.01**	**2.00**	

[1] No events occurred in the reporting year or the previous year which would result in a dilution of earnings per share.

Statement of the overall result

Note (38)

	2018 €000s	2017 €000s
Net profit for the year	**173,630**	**172,853**
Items which are reclassified under certain conditions and reported in the profit and loss statement		
Earnings from foreign exchange conversion, reported under equity	1,923	–4,386
Items which will not be reclassified and reported in the profit and loss statement in future		
Valuation of employee benefits in accordance with IAS 19	–10	25
Other profit/loss after tax	**1,913**	**–4,361**
Overall result	**175,543**	**168,492**
of which attributable to minority interests	4,741	5,226
of which attributable to parent company shareholders	170,802	163,266

Movement in Group equity

Note (39)

	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserves	Valuation reserves IAS 19
	€000s	€000s	€000s	€000s	€000s
Position as at 1 January 2018	84,000	92,652	501,459	16,803	–2,244
Net profit for the year			168,889		
Other profit				1,923	–10
Overall result			168,889	1,923	–10
Dividends/profit shares[1]			–155,356		
Share-based remuneration					
Own shares					
First application of IFRS 9			–99		
Acquisition of non-controlling interests			–502		
Position as at 31 December 2018	**84,000**	**92,652**	**514,391**	**18,726**	**–2,254**

	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserves	Valuation reserves IAS 19
	€000s	€000s	€000s	€000s	€000s
Position as at 1 January 2017	84,000	92,652	488,632	21,189	–2,269
Net profit for the year			167,627		
Other profit				–4,386	25
Overall result			167,627	–4,386	25
Dividends/profit shares[1]			–151,112		
Share-based remuneration					
Own shares					
Acquisition of non-controlling interests			–3,688		
Position as at 31 December 2017	**84,000**	**92,652**	**501,459**	**16,803**	**–2,244**

[1] Dividends paid and share of profit allocated to other shareholders

Reserves for own shares €000s	Reserves for share-based remuneration €000s	Other reserves €000s	Consolidated equity of the parent company's shareholders €000s	Non-controlling interests €000s	Equity €000s
–220	2,365	16,704	694,815	195	695,010
			168,889	4,741	173,630
		1,913	1,913		1,913
		1,913	170,802	**4,741**	**175,543**
			–155,356	–4,729	–160,085
	–138	–138	–138		–138
–513		–513	–513		–513
			–99		–99
			–502		–502
–733	**2,227**	**17,966**	**709,009**	**207**	**709,216**

Reserves for own shares €000s	Reserves for share-based remuneration €000s	Other reserves €000s	Consolidated equity of the parent company's shareholders €000s	Non-controlling interests €000s	Equity €000s
–357	2,172	20,735	686,019	246	686,265
			167,627	5,226	172,853
		–4,361	–4,361		–4,361
		–4,361	163,266	**5,226**	**168,492**
			–151,112	–5,277	–156,389
	193	193	193		193
137		137	137		137
			–3,688		–3,688
–220	**2,365**	**16,704**	**694,815**	**195**	**695,010**

Cash flow statement for the Fielmann Group

Note (40)

	Cash flow statement according to IAS 7 for the period from 1 January to 31 December	2018 €000s	2017 €000s	Change €000s
	Earnings before taxes (EBT)	250,902	248,643	2,259
–/+	Profit shares of associates	–10		–10
+	Statement-related expenditure in the final result	913	1,618	–705
–	Statement-related income in the final result	–1,049	–1,213	164
+	Write-downs on tangible assets and intangible assets	45,110	42,272	2,838
–	Write-ups on tangible assets and intangible assets		–400	400
–	Taxes on income paid	–75,043	–81,773	6,730
+/–	Other non-cash income/expenditure	6,213	3,537	2,676
+/–	Increase/decrease in accruals	7,661	1,784	5,877
–/+	Profit/loss on disposal of tangible assets and intangible assets	–2,957	278	–3,235
–/+	Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations	–38,086	3,326	–41,412
+/–	Increase/decrease in trade creditors and other liabilities not attributable to investment or financial operations	–635	3,803	–4,438
–	Interest paid	–586	–1,281	695
+	Interest received	545	1,140	–595
–/+	Increase/decrease in other non-current financial assets and capital investments with a term of over three months	12,661	65,407	–52,746
=	**Cash flow from operating activities**	**205,639**	**287,141**	**–81,502**
	Receipts from the disposal of tangible assets	236	404	–168
–	Payments for tangible assets	–60,770	–54,413	–6,357
–	Payments for intangible assets	–15,231	–11,784	–3,447
+	Receipts from the disposal of financial assets	141	362	–221
–	Payments for financial assets	–220	–1,755	1,535
+	Receipts from the disposal of properties held as investment	4,640		4,640
–	Payments for investment property		–1	1
–	Payments for shares in associates	–4,739		–4,739
–	Payments for the acquisition of subsidiaries	–1,549	–2,152	603
=	**Cash flow from investment activities**	**–77,492**	**–69,339**	**–8,153**
	Payments to company owners and non-controlling shareholders	–160,085	–156,389	–3,696
+/–	Sale/Acquisition of own shares	–513	137	–650
+	Receipts from loans raised	232	864	–632
–	Repayment of loans	–763	–626	–137
–	Payments for the acquisition of additional shares in subsidiaries	–502	–3,688	3,186
=	**Cash flow from financing activities**	**–161,631**	**–159,702**	**–1,929**
	Changes in cash and equivalents	–33,484	58,100	–91,584
+/–	Changes in cash and equivalents due to exchange rates	–90	–1	–89
+	Cash and equivalents at the beginning of the period	172,131	114,032	58,099
=	**Cash and equivalents at the end of the period**	**138,557**	**172,131**	**–33,574**

Segment reporting for the Fielmann Group

Forms part of the Notes to the accounts, Note (41), previous year's figures in brackets

	Segments by region											
in € million	**Germany**		**Switzerland**		**Austria**		**Others**		**Consoli-dation**		**Consolidated value**	
Sales revenues from the segment	1,208.6	(1,163.9)	168.1	(171.6)	82.9	(81.7)	45.1	(39.4)	–76.7	(–70.6)	1,428.0	(1,386.0)
Sales revenues from other segments	76.5	(70.2)			0.2	(0.4)						
Outside sales revenues	**1,132.1**	**(1,093.7)**	**168.1**	**(171.6)**	**82.7**	**(81.3)**	**45.1**	**(39.4)**			**1,428.0**	**(1,386.0)**
Cost of materials	287.9	(277.4)	33.5	(33.7)	18.2	(18.6)	12.7	(11.5)	–67.0	(–64.0)	285.3	(277.2)
Personnel costs	476.4	(456.5)	67.6	(68.4)	30.6	(29.6)	16.7	(14.2)			591.3	(568.7)
Scheduled depreciation	36.5	(35.0)	4.5	(4.1)	1.6	(1.7)	2.5	(1.7)		(–0.2)	45.1	(42.3)
Expenses in Financial result	0.9	(1.6)	0.2	(0.1)			0.5	(0.4)	–0.7	(–0.5)	0.9	(1.6)
Income in the financial result	1.3	(1.3)	0.4	(0.4)			0.1		–0.7	(–0.5)	1.1	(1.2)
Earnings before tax – in segments excl. investment income	**217.1**	**(207.3)**	**24.7**	**(29.5)**	**14.3**	**(15.2)**	**–5.1**	**(–3.9)**	**–0.1**	**(0.6)**	**250.9**	**(248.7)**
Taxes on income and earnings	68.5	(68.3)	4.7	(6.0)	2.3	(2.7)	1.8	(–1.2)			77.3	(75.8)
Net profit for the year	**148.6**	**(139.0)**	**20.0**	**(23.5)**	**12.0**	**(12.5)**	**–6.9**	**(–2.7)**	**–0.1**	**(0.6)**	**173.6**	**(172.9)**
Non-current segment assets excluding financial instruments and deferred tax assets	296.6	(274.7)	31.6	(28.7)	5.8	(6.4)	23.4	(16.8)			357.4	(326.6)
Shares in associates	5.2	(0.0)									5.2	(0.0)
Investments	65.3	(51.9)	6.7	(6.4)	1.0	(0.5)	9.1	(10.0)			82.1	(68.8)
Deferred tax assets	11.0	(10.3)			0.3	(0.3)	1.0	(2.1)			12.3	(12.7)

Fielmann Aktiengesellschaft, Hamburg

Notes to the consolidated accounts for financial year 2018

I. General Information

Fielmann Aktiengesellschaft, which has its headquarters at Weidestraße 118a, Hamburg, Germany, is the Group's parent company. It is registered under HRB 56098 in the commercial register of the Hamburg Local Court.

The parent company of Fielmann Aktiengesellschaft is KORVA SE. The Group's ultimate parent company is Fielmann INTER-OPTIK GmbH & Co. KG. Fielmann Aktiengesellschaft is involved in the operation of and investment in optical businesses, hearing aid companies and the manufacture and sale of visual aids and other optical products, in particular, glasses, frames and lenses, sunglasses, contact lenses, related articles and accessories, merchandise of all kinds and hearing aids and their accessories. Its lens manufacturing activities are encompassed in its subsidiary Rathenower Optik GmbH.

On 18 March 2019, the Management Board of Fielmann Aktiengesellschaft approved the consolidated accounts as at 31 December 2018, and will submit them to the Supervisory Board for resolution on 21 March 2019. The consolidated accounts are expected to be approved at the accounts meeting of the Supervisory Board on 11 April 2019, insofar as there is a possibility that the consolidated accounts may be amended up to this date.

The consolidated accounts of Fielmann Aktiengesellschaft and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid for the reporting period, taking into account the pronouncements of the IFRS Interpretations Committee (IFRS IC), where they apply in the EU and were mandatory or were voluntarily applied in the financial year. Furthermore, the provisions under commercial law pursuant to Section 315e Para. 1 of the German Commercial Code (HGB) were also observed.

II. Application of new and amended standards

New and amended standards and interpretations applied for the first time in the financial year

Reference	Name	Obligation for first-time application in accordance with IASB	Obligation for first-time application in the EU
Annual Improvements Project	Annual Improvements to IFRSe 2014-2016 Cycle Amendments to IAS 28 and IFRS 1	1.1.2018	1.1.2018
Amendments to IAS 40	Classification of property still under construction or in development as "investment property"	1.1.2018	1.1.2018
Amendments to IFRS 2	Classification and assessment of share-based remuneration with cash settlement	1.1.2018	1.1.2018
Amendments to IFRS 4	Application of IFRS 9 "Financial Instruments" in connection with insurance contracts (is replaced by IFRS 17)	1.1.2018	1.1.2018
IFRS 9	Financial Instruments	1.1.2018	1.1.2018
IFRS 15	Revenue from Contracts with Customers	1.1.2018	1.1.2018
Amendments to IFRS 15	Clarifications to IFRS 15	1.1.2018	1.1.2018
IFRIC 22	Transactions in foreign currencies and trade-offs paid in advance	1.1.2018	1.1.2018

The application of these changes has no significant impact on the disclosures and amounts reported in the consolidated accounts of our company.

IFRS 9 "Financial Instruments" This standard deals with the classification and measurement of financial assets. "Amendments to IFRS 9, IFRS 7 and IAS 39 – Mandatory Effective Date and Transition Disclosures" and "Amendments to IFRS 9, IFRS 7 and IAS 39 – Hedge Accounting" were published in connection with the new standard. IFRS 9 must be applied retrospectively. There is no need to adjust the comparative figures for the previous year. As part of the classification pursuant to IFRS 9, there was no change to the valuation against IAS 39. There were no significant changes with regard to impairment under the expected loss model according to IFRS 9. The conversion effects resulting from the first application of IFRS 9 were reported in the retained earnings (see movement in equity and Note (39)). The opening balance sheet figures as at 1 January 2018, were adjusted. A reconciliation with the effects is described in Note (25).

IFRS 15 "Revenue from Contracts with Customers" This standard specifies at what date or over what period, and in what amount revenue is recognised. The amount that is expected in return for the transfer of goods and services to customers must be recognised as revenue. With regard to determining the date or the period, it depends on the transfer of control of goods or services to the customer and not on the transfer of risks and opportunities. IFRS 15 was applied for the first time on 1 January 2018. There is no impact from the first-time application of IFRS 15 on the presentation of the assets, financial position or earnings. In particular, there are no effects on the timing of revenue recognition, on the retained earnings, and no changes in presentation. There was no reconciliation. For further details on the income from sales, see Notes (23) and (27).

New and amended standards and interpretations which are not yet subject to mandatory application

The following new and amended standards have already been adopted by the IASB, but their application is not yet mandatory. Fielmann has not prematurely applied these provisions.

Reference	Name	Obligation for first-time application in accordance with IASB	Obligation for first-time application in the EU
Annual Improvements Project	Annual improvements to IFRSe 2015-2017 Cycle Amendments to IAS 12, IAS 23, IFRS 3 and IFRS 11	1.1.2019	Outstanding
Amendments to IAS 1 and IAS 8	Definition of materiality of annual accounts information	1.1.2020	Outstanding
Amendments to IAS 19	Plan amendment, curtailment or settlement	1.1.2019	Outstanding
Amendments to IAS 28	Long-term interests in associates and joint ventures	1.1.2019	1.1.2019
Amendments to IFRS 3	Definition of a business operation	1.1.2020	Outstanding
Amendments to IFRS 9	Prepayment features with negative compensation	1.1.2019	1.1.2019
IFRS 10 and IAS 28	Recognition of gains and losses in transactions with an associate or joint venture	Postponed indefinitely	Outstanding
IFRS 14	Regulatory Deferral Accounts	Outstanding	Adoption not planned
IFRS 16	Leases	1.1.2019	1.1.2019
IFRS 17	Insurance contracts (replaces interim standard IFRS 4)	1.1.2021	Outstanding
IFRIC 23	Uncertainty over income tax treatments	1.1.2019	Outstanding
Frame concept	Revised definitions of assets and liabilities, as well as new guidelines for valuation and derecognition, presentation and disclosure	1.1.2020	1.1.2020

IFRS 16 "Leasing" This new standard replaces the existing requirements of IAS 17 "Leasing" and the associated interpretations of IFRIC 4 "Determining Whether an Arrangement Contains a Lease", SIC 15 "Operating Leases: Incentives" and SIC 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease". The new standard sets out the principles for the recognition, measurement and disclosure of leases in the Notes. In future, all contractual

rights and obligations associated with leases are to be disclosed in the balance sheet of the lessee. A company also recognises a financial liability representing its obligation to make future lease payments. At the same time, the rights of usufruct to the underlying asset is capitalised, which is equivalent to the present value of future lease payments in addition to directly related cost. Over the term of the lease contract, lease liabilities are updated on a mathematical basis, while the rights of usufruct to the lease asset are subject to scheduled depreciation on a straight-line basis. There are exemptions in the accounting for short-term leases and leases of low-value assets. The approach of IFRS 16 to lessor accounting is essentially unchanged from the stipulations of IAS 17. In contrast to the recognition for the lessee, a distinction is maintained between finance and operating lease agreements for the lessor. In addition to changes in the accounting, IFRS 16 enhances disclosure obligations for both the lessor and the lessee. IFRS 16 is to be applied for the financial years that begin on or after 1 January 2019. A premature use is permitted if IFRS 15 is already being used. Fielmann Aktiengesellschaft will apply IFRS 16 for the first time in the financial year beginning on 1 January 2019. The modified retrospective approach will be used. With this method, the cumulative effect from the first-time application will be recorded in equity as a one-off adjustment in the opening balance sheet as at 1 January 2019. IFRS 16 has a significant impact on the presentation of assets, financial position and earnings as well as on the scope of the disclosures required in the Notes. The opening balance sheet as of 1 January 2019, is expected to show an increase of €380 to €400 million in the balance sheet total.
The other new and amended standards and interpretations outlined above are not presented in greater detail as the impact of these on the presentation of the assets, financial position and earnings of the Group is only expected to be of minor importance.

III. Key accounting and valuation principles

The consolidated accounts were prepared on the basis of historical acquisition or production cost with the exception of the revaluation of certain financial instruments, as described below.
Unless otherwise stated, all monetary amounts are shown in the Group currency € in thousands (T€), while Segment Reporting is in € millions.
The key accounting and valuation methods are explained below.

Scope of consolidation and changes in the scope of consolidation

All domestic and foreign subsidiaries included in the consolidated accounts are those in which Fielmann Aktiengesellschaft directly or indirectly holds the majority of voting rights or on which it has a controlling influence. Control of an investee exists if an investor is exposed, or has rights, to variable returns from their involvement with the investee and has the ability to affect those returns through its power over the investee. Fielmann Aktiengesellschaft also exercises control within the meaning of IFRS 10 over 23 German franchise companies (previous year: 24). This control results from the interaction of legal, franchising and economic influences. The stipulations of the franchise agreement regarding the shop locality, range, inventory, advertising, as well as other aspects, define the framework of business policy within the context of Fielmann Aktiengesellschaft. The 25 stores in the Baltic States that are operated through franchises are not within the scope of consolidation, as the contractual agreements do not lead to a control of the company (previous year: 25).

For the first time, Group shares in associates are reported. Associates are companies with whom the Group has considerable influence but exercises no control or joint leadership regarding financial or business policies. Shares in associates are reported in line with the equity method pursuant to IAS 28.

For the consolidated companies, please see the statement of holdings in the Notes. This also includes a list of companies which make use of the exemption under Section 264 Para. 3 and Section 264b of the German Commercial Code (HGB).

As at 31 December 2018, four companies were consolidated for the first time (previous year: eight). These included one newly established subsidiary in Germany and the acquisition of two traditional optical businesses. In addition, a company in Spain was founded which has not yet begun business activities.

As part of the stated company acquisitions (acquisition costs of T€1,499 settled with cash and case equivalents), differences were balanced as goodwill in the amount of T€1,196 in accordance with the purchase price allocation as per IFRS 3. There were no separately applicable intangible assets with a significant value. No material assets or liabilities were acquired. Equity worth T€200 was included in the capital consolidation. The value of the goodwill was shown by impairment tests in line with the principles set out below. No control was obtained on further payment means.

In view of the economic importance of the stores opened and the optical businesses acquired as part of normal expansion during the reporting year, no further information is given about the resulting change to the scope of consolidation. In the current financial year, there have been no relevant changes to the ownership structures of companies already included in the scope of consolidation in the previous year. As part of ongoing efforts to optimise the store network, no stores were closed in the reporting period (previous year: none).

On 27 November 2018, the Fielmann Group purchased 20.7% of shares in the augmented reality specialist FittingBox S.A. As an associate, the reporting will be based on the equity method. See Note (4) for further details.

Principles of consolidation

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 31 December 2018, and passed with unqualified certification. The accounts as at 31 December 2018, of the other companies were analysed to ascertain whether they were in accordance with the principles of proper accounting and whether the relevant statutes have been complied with for inclusion in the consolidated balance sheet.

The annual accounts of subsidiaries are adjusted where necessary to bring them into line with the accounting and valuation methods applied within the Group.

Receivables and liabilities as well as income and expenditure between Group companies have been offset against each other, except in individual cases where they are so minor as to be negligible. Tax is deferred on consolidation processes that affect profit and loss. Pursuant to IAS 12, the relevant national average income tax rates have been applied for the companies concerned.

Intra-Group profits on inventories and fixed assets have been eliminated.

Non-controlling shareholders' shares in subsidiaries are reported within equity capital separately from the Group's equity.

Capital consolidation is carried out by setting off the acquisition costs against the pro rata equity capital of the subsidiaries at current values. Non-controlling interests' shares of the net assets of companies included in the Group are valued on acquisition at the corresponding share of the reported amounts. Non-controlling interests in the Group's partnerships, which have the nature of equity in individual company accounts prepared in accordance with local accounting rules, are reported as liabilities in accordance with IAS 32. The exception to this rule is asset shortfalls in the individual company accounts, which are reported as negative values under non-controlling interests in equity.

Goodwill and impairment test

The goodwill resulting from a business combination is reported at cost less any impairment losses that may be required and shown separately in the balance sheet.

For the purposes of testing for impairment, goodwill must be allocated to each of the Group's cash generating units (CGUs) which are expected to benefit from the synergies generated by the combination.

The impairment test for goodwill is carried out regularly on 31 December of each financial year. The CGUs were determined according to the internal Management Reporting. As no stock market quotation or market prices were available for these CGUs, the test has been exclusively carried out by comparing the book value against the value in use (recoverable amount). The cash flows underlying the value in use result from one year's detailed projection and a subsequent two years' projection, which in turn is derived from the cumulative Group planning, and thereafter from a perpetuity value based on the third planning year. The growth rates resulting from this planning amount to 7.4% for the first year and 6.4% for the second year (previously: 4.7% and 4.6%). A growth rate of 0.5% was assumed from the third year (previous year: 0.5%). The pre-tax capitalisation rate amounted to 5.7% (previous year: 5.8%). Within the Group, the projections are usually based on figures taken from previous business development. Current external data are also included in the analysis process on account of these figures in relation to location.

Foreign exchange conversion

The functional currency concept is applied to accounts of consolidated companies that are prepared in foreign currencies. The foreign companies operate their business independently. Therefore the functional currency is the national currency of the respective country. Individual transactions are recorded at the rate prevailing on the balance sheet date. Any foreign exchange differences from the equalisation of open items are posted in the profit and loss statement. Annual accounts received 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 on the balance sheet date. The profit and loss accounts are converted to euros at the average annual rate. Currency differences are reported in a currency offset item included under other reserves. The relevant foreign currencies for the conversion of subsidiaries' accounts and the Group's procurement were as follows:

	Balance sheet rate 31. 12. 2018 1 € =	Balance sheet rate 31. 12. 2017 1 € =	Average rate 2018 1 € =	Average rate 2017 1 € =
Japanese yen (JPY)	125.85	135.01	130.40	126.71
Polish zloty (PLN)	4.30	4.17	4.26	4.26
Swiss franc (CHF)	1.13	1.17	1.16	1.11
Ukrainian hryvnia (UAH)	31.71	33.50	32.12	30.05
US dollar (USD)	1.15	1.20	1.18	1.13
Belarusian rouble (BYN)	2.47	2.36	2.41	2.19

Changes in the US dollar and Japanese yen are of relevance to the Fielmann Group as they affect recurring purchase contracts for frames. In the financial year, the purchase of goods in US dollar amounted to €33.4 million (previous year: €33.5 million) and in Japanese yen to €1.7 million (previous year: €1.6 million). The previous year's average exchange rate is applied to the purchases for comparative purposes to demonstrate the effect of the change in exchange rates. The development of the US dollar had a positive effect on the purchase of goods amounting to around €1.5 million (previous year: €0.7 million). As in the previous year, the development of the Japanese yen had a neglible impact on the purchase of these goods in the reporting year.

The Group's sales in Swiss francs totalled CHF 194.1 million (previous year: CHF 190.7 million). The negative impact of changes in the Swiss currency on sales amounts to €6.6 million when considering the previous year's average rate as a comparative value (previous year: €3.3 million; negative).

Individual balance sheet items

Preparation of the consolidated accounts according to IFRS necessitates estimates and assumptions being made in order to account for and value assets and liabilities. These are continually verified. In particular, assumptions and estimates are made in connection with the valuation of goodwill (Note (2)), accruals (Note (18); Note (21)) and tax-related issues (Note (5); Note (20)). The main assumptions and parameters on which the estimates are based are described in the following Notes to the accounts.

Intangible assets and tangible assets (A. I., III.) Intangible assets and tangible assets are valued and extrapolated at acquisition or production cost less straight-line scheduled depreciation. When software is developed in-house, Group companies are regarded as the manufacturers. The associated costs are capitalised at production cost in accordance with IAS 38.

In the case of production premises, a service life of up to 25 years is applied. The castle in Plön (Plön Castle) is depreciated over 55 years, while other business premises are depreciated over a maximum of 50 years. Tenants' fittings are depreciated on a straight-line basis, taking into account the term of the tenancy (normally seven to ten years). Factory and office equipment is depreciated over two to thirteen years (machinery and equipment generally over five years and IT equipment over three to five years). The service life is reviewed regularly and adjusted where necessary to anticipated life. Where appropriate, extraordinary depreciation is applied in accordance with IAS 36, and then reversed when the original reasons for it no longer apply. There are no borrowing costs where capitalisation is required in accordance with IAS 23.

Any public subsidies are deducted from the acquisition costs and recognised at the date of acquisition. In the financial year and in the previous year, no allowances were granted.

Investment properties (A.IV.) Properties which are not used in the Group's core business (investment properties under the terms of IAS 40) are also valued at amortised

cost in accordance with the principles specified above. They are subject to extraordinary depreciation if the realisable amount (value in use) falls below the book value. Extraordinary depreciation is reported under the item "depreciation". As in previous years, a gross rental method (hierarchy Level 3 in accordance with IFRS 13) using a rental income factor deduced from market observations of 15 annual net rentals is used to reach this valuation. The current value of these properties is shown in the Notes to the accounts. Revaluations are carried out if the realisable amount (value in use) resulting from a long-term improvement in the leasing situation exceeds the book value. These revaluations are reported in "other operating income".
Mixed-use properties are broken down in accordance with IAS 40.10. A portion is shown under investment properties, another portion under tangible assets. If they cannot be broken down in this way because of economic or legal conditions, they are shown solely under tangible assets, since, as a rule, the vast majority of the Group's properties are used for business purposes.

Financial instruments (assets A. VI., VIII. and B. II., III., VI., VII. and liabilities B. II. and C. II., III., and IV.) Financial instruments pursuant to IFRS are explained in Note (25) and in the Management Report. Further explanations of balance sheet items to which financial instruments are allocated are indicated in Note (25) of the Notes to the accounts.
Financial assets whose cash flows exclusively consist of interest and principal payments are classified depending on the business model. If the objective of the business model is to hold the assets to collect contractual cash flows, the valuation will be made at amortised costs. Where the business model generally involves holding, the assets will be assessed at fair value.
Trade receivables, other financial assets, investments, and cash and cash equivalents in the category "Financial assets at amortised costs" are subject to an impairment model as per IFRS 9 based on expected credit losses. The expected credit losses are calculated as the probability-weighted present value of all payment defaults during the term of the assets. A three-tier model is used for this purpose.

Level 1: Recording expected credit losses over the entire term due to events within the next twelve months
Includes new contracts and existing contracts with no significant increase to the credit risk. This usually involves contracts whose payments are fewer than 31 days overdue.

Level 2: Recording expected credit losses over the entire term without affecting the credit rating Includes financial assets whose credit risk has risen significantly but whose credit rating is not affected.

Level 3: Recording expected credit losses over the entire term with impairment of the credit rating
Includes financial assets whose credit ratings are impaired or have defaulted. This usually involves contracts whose payments are more than 90 days overdue or whose debtors are in financial difficulties.

With levels 1 and 2, the effective interest rate is determined based on the gross carrying value, whereas with level 3 the effective interest rate is calculated based on the net carrying value, i.e. deducting risk provisions. A significant increase in the default risk is a key factor for a transfer between levels. In principle, the transfer from level 1 to level 2 occurs when a financial asset is more than 30 days overdue. If it is more than 90 days overdue, there is objective evidence of a credit default and a transfer to level 3 will take place. This transfer also occurs with further objective evidence of an impending credit default, such as insolvency.

If a financial asset is subject to a low default risk on the balance sheet date, it is assumed that there has been no significant increase in the credit risk since the financial asset was first recorded. A low default risk is assumed if the external or an appropriate internal credit rating corresponds to the investment grade.

The Fielmann Group uses the simplified process for trade receivables and determines the expected credit loss over the entire term.

The allocation of the levels to the financial instruments is explained in further detail in Note (25). Due to its lesser importance to the Fielmann Group, there is no separate reporting of the resulting profits and losses in the consolidated profit and loss statement. The corresponding amount is explained in Note (25) and is included in other operating expenses or other operating income.

Financial assets with cash flows that do not consist solely of interest and principal payments are assessed at fair value through profit or loss. Securities in the “Fair value through profit or loss” category are reported at market value. If no stock market prices are available, market valuations by banks are used. A financial investment that is not held for trading purposes will then be designated as "Fair value through profit or loss" with the first valuation, if such a designation significantly reduces valuation inconsistencies. In the reporting year, as in the previous year, this refers to cash advances recorded in other financial assets to cover insurance-related accruals and deferrals for unearned premiums to the insurer of the Zero-Cost Insurance policy. These advances are invested by the insurer as capital investments. The net earnings (profits and losses) from the capital investments are exclusively for Fielmann.

The unrealised profits and losses and the incurred deferred taxes resulting from the market valuation are taken into account through profit or loss.

To set the market value of financial instruments, the following hierarchy is used:

Level 1: The input parameters for Level 1 are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the valuation date.

Level 2: The input parameters for Level 2 are inputs other than the quoted prices included in Level 1 that are either directly observable for the asset or liability, or indirectly derived from other prices.

Level 3: The input parameters for Level 3 are unobservable inputs for the asset or liability.

The financial instruments in the "investment management custodial accounts", "funds", and part of "other receivables" classes assessed at market value in the Group fall under Level 1 of the hierarchy.

Additions and disposals are reported at their actual value on the date the transaction is completed.

Financial liabilities are generally valued at the settlement amount, in accordance with IFRS 9. Any difference between what is paid and the amount repayable on final maturity is amortised. Liabilities in foreign currencies are converted at the rate prevailing on the reporting date.

Inventories (B. I.) Raw materials, consumables, supplies and merchandise are valued at acquisition cost. When necessary, they are reduced by means of value adjustments to the lower net realisable value. 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. Given the short production process, interest is not included.

Deferred taxes (assets A. VII. and liabilities B. III.) Deferred taxes result from different valuations in the IFRS and tax balance sheets of Group companies, as well as from consolidation measures, where these differences balance out again over time. These also include outside basis differences, as defined in IAS 12, which result from the difference between the pro rata net assets of a subsidiary recorded in the consolidated balance sheet and the investment book value of this subsidiary in the parent company's tax balance sheet. A tax deferral is made for outside basis differen-

ces, if realisation is expected within 12 months. In addition, tax deferrals are made for loss carry-forwards in compliance with IAS 12. The tax rates that are expected to be applicable when the asset is realised or the liability is met are used as a basis for calculating deferred tax assets and deferred tax liabilities.
In accordance with IAS 1.70, deferred taxes are recorded as non-current assets (Note (5)) and liabilities (Note (20)).
Deferred tax assets and liabilities are netted in accordance with IAS 12.71 ff, insofar as they relate to income tax groups or individual companies and have matching maturities.

Accruals (B. I. and C. I.) Accruals are accounted for in accordance with IAS 37 and IAS 19 (revised 2011). Accordingly, accruals are stated in the balance sheet for legal or de facto obligations resulting from past events, if the outflow of funds to settle the obligation is probable and can be estimated reliably. The figure for accruals takes into account those amounts which are necessary to cover future payment obligations, recognisable risks and uncertain liabilities of the Group. Non-current accruals are discounted in the case of material effects and entered at present value. The interest rate used is appropriate to the term of bonds for all accruals.
Accruals for pensions are valued for defined benefit 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 assessments are carried out annually for this purpose. Actuarial gains and losses resulting from changes in actuarial assumptions and differences between the assumptions and what actually happens are recorded under "other comprehensive income".
Please see Note (18) for further details.

Contingent liabilities Contingent liabilities are possible obligations in respect of other parties or current obligations in which an outflow of resources is improbable or cannot be reliably determined. Contingent liabilities are generally not stated on the balance sheet.

Leasing As the property owner, Fielmann Aktiengesellschaft functions as the lessor in leasing relationships. These are not part of the Group's core business.
The Group is solely a lessee in leasing relationships. Fielmann uses leases to rent business premises and vehicles. In a few cases, Fielmann also leases technical devices.

Revenue realisation Fielmann primarily generates revenues through its retail business. Revenue is realised and payment is made when the ordered and finished products are delivered to the customer. The Group also generates small quantities of revenue from wholesale business in the Germany segment. The income from sales also include earnings from processing insurance cases from the Zero-Cost Insurance policy. The scope of Fielmann's obligation here is always in the supply of corrective glasses. For this reason, Fielmann realises revenue that corresponds to that from the retail business. As the sales revenues are realised within one year, adjustment by a significant financial component as per IFRS 15.63 is dispensed with.
Furthermore, Fielmann records revenue from the insurance-related income from the Zero-Cost Insurance policy under income from sales. This revenue is recorded if it is likely that the economic benefit will pass to the Group and the amount can be determined reliably. Lease payments are distributed on a straight-line basis over the term of the lease in question through profit and loss. Material non-recurring income and costs, which are directly attributable to leases, are also distributed over their term.

Share-based remuneration Share-based remuneration settled through equity instruments to employees is valued at the fair value of the instrument on the date they are granted. This remuneration only contains Fielmann Group shares available on the market, which means that there is no uncertainty regarding estimates of their value. Please see Note (30) on forms of remuneration.

Earnings per share Basic earnings per share are calculated by establishing the ratio from the earnings attributable to the providers of equity capital and the average number of issued shares during the financial year – with the exception of own shares, which the company holds itself. If there is any dilution of earnings, this is included in the calculation of diluted earnings per share. There were no such effects in the current and previous year.

IV. Notes to the consolidated accounts
Assets

Changes in consolidated fixed assets as at 31.12.18

	Acquisition and production costs					
	Position as at 1. 1. 2018 €000s	Foreign exchange conversion €000s	Additions €000s	Disposals €000s	Book transfer €000s	Position as at 31.12.2018 €000s
I. Intangible assets						
1. Rights of usufruct	19,473	185	1,805			21,463
2. Licences, commercial trademarks and associated rights	33,192	18	1,399	817	3	33,795
3. Intangible assets produced in-house	11,687		2,458		2,189	16,334
4. Incomplete software projects	3,545		9,455		–2,189	10,811
	67,897	**203**	**15,117**	**817**	**3**	**82,403**
II. Goodwill	**135,895**	**2,054**	**1,246**	**0**	**0**	**139,195**
III. Tangible assets						
1. Property and similar rights and buildings, including buildings on third-party land	130,606	272	5,872	409	640	136,981
2. Tenants' fittings	222,758	1,029	20,423	7,110	1,121	238,221
3. Factory and office equipment	326,628	1,385	24,431	12,900	–521	339,023
4. Assets under construction	2,692	21	10,044	12	–624	12,121
	682,684	**2,707**	**60,770**	**20,431**	**616**	**726,346**
IV. Investment property	**36,507**	**0**	**0**	**7,392**	**–619**	**28,496**
V. Shares in associates	**0**	**0**	**4,748**	**0**	**470**	**5,218**
VI. Other financial assets	**2,807**	**0**	**220**	**141**	**–470**	**2,416**
Total fixed assets	**925,790**	**4,964**	**82,101**	**28,781**	**0**	**984,074**

Accumulated depreciation							Residual book values	
Position as at 1. 1. 2018 €000s	**Foreign exchange conversion €000s**	**Additions €000s**	**Disposals €000s**	**Book transfers €000s**	**Write-up €000s**	**Position as at 31. 12. 2018 €000s**	**Position as at 31. 12. 2018 €000s**	**Position as at 31. 12. 2017 €000s**
13,394	161	1,047				14,602	6,861	6,079
26,265	12	2,092	774			27,595	6,200	6,927
3,467		2,752				6,219	10,115	8,220
						0	10,811	3,545
43,126	**173**	**5,891**	**774**	**0**	**0**	**48,416**	**33,987**	**24,771**
89,863	**1,823**	**0**	**0**	**0**	**0**	**91,686**	**47,509**	**46,032**
38,963	141	2,646	405			41,345	95,636	91,643
151,454	662	13,335	6,776			158,675	79,546	71,304
252,536	1,188	22,802	12,453			264,073	74,950	74,092
						0	12,121	2,692
442,953	**1,991**	**38,783**	**19,634**	**0**	**0**	**464,093**	**262,253**	**239,731**
20,418	**0**	**436**	**5,997**	**0**	**0**	**14,857**	**13,639**	**16,089**
0	**0**	**0**	**0**	**0**	**0**	**0**	**5,218**	**0**
101	**0**	**0**	**0**	**0**	**0**	**101**	**2,315**	**2,706**
596,461	**3,987**	**45,110**	**26,405**	**0**	**0**	**619,153**	**364,921**	**329,329**

Changes in consolidated fixed assets as at 31.12.2017

	Acquisition and production costs					
	Position as at 1. 1. 2017 €000s	**Foreign exchange conversion €000s**	**Additions €000s**	**Disposals €000s**	**Book transfer €000s**	**Position as at 31. 12. 2017 €000s**
I. Intangible assets						
1. Rights of usufruct	16,032	–419	3,794		66	19,473
2. Licences, commercial trademarks and associated rights	29,101	–26	4,187	102	32	33,192
3. Intangible assets produced in-house	10,624		1,063			11,687
4. Incomplete software projects	899		2,738		–92	3,545
	56,656	**–445**	**11,782**	**102**	**6**	**67,897**
II. Goodwill	**140,010**	**–4,789**	**866**	**192**	**0**	**135,895**
III. Tangible assets						
1. Property and similar rights and buildings, including buildings on third-party land	125,086	–634	6,280	10	–116	130,606
2. Tenants' fittings	211,191	–2,212	17,987	5,265	1,057	222,758
3. Factory and office equipment	316,598	–3,148	27,603	14,029	–396	326,628
4. Assets under construction	876	–9	2,543		–718	2,692
	653,751	**–6,003**	**54,413**	**19,304**	**–173**	**682,684**
IV. Investment property	**36,339**	**0**	**1**	**0**	**167**	**36,507**
V. Other financial assets	**1,414**	**0**	**1,755**	**362**	**0**	**2,807**
Total fixed assets	**888,170**	**–11,237**	**68,817**	**19,960**	**0**	**925,790**

Accumulated depreciation							Residual book values	
Position as at 1. 1. 2017 €000s	**Foreign exchange conversion €000s**	**Additions €000s**	**Disposals €000s**	**Book transfers €000s**	**Write-up €000s**	**Position as at 31. 12. 2017 €000s**	**Position as at 31. 12. 2017 €000s**	**Position as at 31. 12. 2016 €000s**
12,696	–350	1,048				13,394	6,079	3,336
24,452	–22	1,936	101			26,265	6,927	4,649
1,129		2,338				3,467	8,220	9,495
						0	3,545	899
38,277	**–372**	**5,322**	**101**	**0**	**0**	**43,126**	**24,771**	**18,379**
94,306	**–4,251**	**0**	**192**	**0**	**0**	**89,863**	**46,032**	**45,704**
37,149	–317	2,528	10	–127	260	38,963	91,643	87,937
146,136	–1,444	11,754	4,992			151,454	71,304	65,055
246,077	–2,711	22,172	13,002			252,536	74,092	70,521
						0	2,692	876
429,362	**–4,472**	**36,454**	**18,004**	**–127**	**260**	**442,953**	**239,731**	**224,389**
19,935	**0**	**496**	**0**	**127**	**140**	**20,418**	**16,089**	**16,404**
101	**0**	**0**	**0**	**0**	**0**	**101**	**2,706**	**1,313**
581,981	**–9,095**	**42,272**	**18,297**	**0**	**400**	**596,461**	**329,329**	**306,189**

(1) Intangible assets

Intangible assets include IT software, which is written down on a straight-line basis over three to five years. There are no intangible assets with unlimited useful lives.
The additions regarding intangible assets produced in-house fully relate to the capitalisation of in-house software development amounting to T€2,458 (previous year: T€1,063). In addition, there were transfers from incomplete software projects to the intangible assets produced in-house amounting to T€2,189 (previous year: T€0).
The additions regarding unfinished software projects relate to costs for continued in-house software development amounting to T€1,697 (previous year: T€2,218), costs for developing software for order data management amounting to T€2,156, and costs for developing software for order status management amounting to T€2,762. Further additions relate to costs for developing new software, amounting to T€2,840 (previous year: T€520).
The costs which could not be capitalised in the reporting year amounted to T€3,321 in total (previous year: T€521).
This item also includes leasing rights that are written down over a maximum of 15 years. The leasing rights relate to usual payments to third parties to acquire rental agreements in preferred inner-city locations. The additions regarding the leasing rights largely result from the new stores in Italy and amount to T€1,805 (previous year: T€3,190).

(2) Goodwill

This item contains goodwill from capital consolidation. Goodwill is allocated to individual cash generating units (CGUs) for the purposes of the impairment test. In established markets, these are essentially individual stores. In countries where the Fielmann store network has not yet been built up sufficiently, the impairment test takes place at the level of the entire region. Goodwill amounting to T€37,848 was allocated to the Germany segment (previous year: T€36,602), including T€28,632 applicable to stores treated as single CGUs (previous year: T€27,386) and T€8,740 to Rathenower Optische Werke GmbH (previous year: T€8,740). Further significant goodwill of T€5,954 is attributable to the Switzerland segment (previous year: T€5,723) and of T€3,546 to the Netherlands in the other segments (previous year: T€3,546). The changes in book value for the Switzerland segment result from changes in the exchange rate.

(3) Tangible assets/ investment property

The residual book values of tangible assets including investment properties break down among the segments as follows as at 31 December 2018:

	31.12.2018 €000s	31.12.2017 €000s
Germany	231,541	219,264
Switzerland	24,819	21,949
Austria	5,598	5,885
Others	13,934	8,722
	275,892	**255,820**

Technical facilities and machinery are included under the item "factory and office equipment".

The additions (including those resulting from a reclassification from assets under construction) in tangible assets were in part due to replacement investments in the stores in the amount of T€43,051 (previous year: T€33,660). Other additions resulted from expansion of the Group (T€7,514; previous year: T€8,742). There are restrictions in terms of the right of disposal with regards to properties and other tangible assets of the Fielmann Academy due to non-profit status and listed building status. These totalled T€17,894 (previous year: T€18,292).

The additions for land and property include T€4,628 from the capitalisation of a property in Oldenburg.

Real estate which is not actively used by any of the companies within the Group is included in investment properties classification. Under IAS 40, such properties are classified as investment and valued at amortised cost. In the reporting year, no post-capitalisations were made for these properties (previous year: T€1). The fair value determined without a professional valuer but on the basis of a capitalised earnings method is T€16,545 (previous year: T€23,202). The corresponding rental income during the reporting period amounts to T€1,103 (previous year: T€1,547). This is offset by directly attributable expenses of T€792 (previous year: T€990).

In the reporting year, a property completely held as investment was sold for T€4,640.

As in the previous year, there were no extraordinary depreciations on properties in total.

(4) Shares in associates / Other financial assets[25]

The share in the associate, FittingBox S.A., is reported. FittingBox S.A. (www.fittingbox.com) was founded in 2006 and is a global leader in augmented reality technology, such as 3D virtual try-on for glasses and sunglasses. The company headquarters are in Toulouse, France, and it also has a subsidiary in Miami, USA. FittingBox develops innovative technology solutions and digital content for the optical industry and boasts the world's largest database of frame photos and 3D models. The strategic investment in the French technology company is a logical step in Fielmann's digitisation strategy. Together, we are working on online sales for glasses in Fielmann quality.
FittingBox S.A. is not listed on the stock exchange. The acquisition costs including transaction costs amounted to T€4,739. The table below summarises the financial information of FittingBox S.A. (as stated in their own annual accounts). For reasons of materiality, no amendments were made. The financial year 2018 displayed in the table contains the results for the period from 27 November to 31 December 2018.

	31.12.2018 €000s	27.11.2018 €000s
Ownership share in %	20.7	20.7
Current assets	5,133	6,334
Non-current fixed assets	3,155	2,426
Current liabilities	–3,809	–4,129
Non-current liabilities	–1,752	–1,951
Net assets (100%)	2,727	2,680
Group share in net assets (20.7%)	564	555
Goodwill incl. transaction costs	4,184	4,184
Book value of the investment	**4,748**	**4,739**
Sales revenues	682	
Net profit for the year from continuing business operations	47	
Other profit	0	0
Overall result (100%)	47	0
Group share in the overall result (20.7%)	**9**	**0**

[25] See Note (25) for further details

The item also includes an investment in an associate totalling T€470, which was reported in the previous year under "Non-current financial assets". Due to their size and lesser importance to the Fielmann Group, the earnings from shares in associates is reported in "Income in the financial result" (see Note (33)).
Other financial assets include loans to non-controlling interests.

(5) Deferred tax assets

Deferred tax assets amounting to T€12,276 are capitalised (previous year: T€12,686). More information is provided in Note (37) of the Notes to the accounts.

(6) Other non-current financial assets[25]

Non-current other financial assets are mainly long-term bonds and fixed-term deposits of Fielmann Aktiengesellschaft. The change compared to the previous year mainly results from the maturities in the financial assets. The summary of financial assets is shown in Note (40). In addition, deposits and employee loans are also reported under this item. Receivables from employees in the form of loans expected to be repaid in the next 12 months amount to T€142 (previous year: T€50). This is reported under current other financial assets (see Note (8)).

(7) Inventories

	31.12.2018 €000s	31.12.2017 €000s
Raw materials, consumables and supplies	614	637
Work in progress	12,091	8,785
Finished products and merchandise	123,602	119,251
	136,307	**128,673**

Inventories mainly relate to products for glasses, sunglasses, contact lenses and hearing aids. They also include other merchandise. Work in progress principally relates to processed customer orders for glasses and hearing aids.
The total value adjustments on inventories stands at T€6,152 and was recognised in full under cost of materials (previous year: T€6,868). Utilisation of inventories amounting to T€281,181 were recognised as expenditure in the financial year (previous year: T€273,649).

[25] See Note (25) for further details

(8) Trade debtors and current other financial assets [25]

More information on trade receivables is provided in Note (25) of the Notes to the accounts. Other financial assets mainly contain receivables due from suppliers of T€27,203 (previous year: T€24,836) and claims against insurance companies of T€23,516 (previous year: T€22,841). Of these receivables, T€22,376 were valued at market value (previous year: T€21,791).

(9) Non-financial assets

This item mainly comprises prepaid expenses for advance payments of social security contributions in Switzerland and for IT at Fielmann Aktiengesellschaft as well as receivables from social security contributions and sales tax.

(10) Current tax assets

Tax assets amounting to T€8,062 (previous year: T€10,748) result from prepayments of corporation tax (T€2,044; previous year: T€4,838) and trade tax (T€6,018; previous year: T€5,910).

(11) Current financial assets [25]

Current financial assets contain bonds, fixed deposits, bonded loans and funds held by Fielmann Aktiengesellschaft. They also include a custodial account in Switzerland comprising shares and bonds. In addition, the current financial assets include funds in the subsidiary in Italy which serve as lease securities. The change compared to the previous year mainly results from the maturities in the financial assets. The summary of financial assets is shown in Note (40).

(12) Cash and cash equivalents [25]

This item contains liquid funds and capital investments with a remaining term at the date of acquisition of up to three months. The change compared to the previous year mainly results from the maturities in the financial assets. The summary of financial assets is shown in Note (40).

LIABILITIES

(13) Subscribed capital/ authorised capital

As at 31 December 2018, the subscribed capital of Fielmann Aktiengesellschaft amounted to T€84,000. At the Annual General Meeting on 3 July 2014, a stock split (1:2 ratio) was resolved and carried out on 22 August 2014. Since then, Fielmann's capital has been divided into 84 million ordinary shares of no par value. A notional interest in the share capital of €1.00 is attributable to each of the 84 million shares. The shares are bearer shares and all offer the same voting rights as well as rights to the assets and profits of Fielmann Aktiengesellschaft.

[25] See Note (25) for further details

Under Article 5 Para. 3 of the Articles of Association, the Management Board has the authority, subject to the agreement of the Supervisory Board, to make new rights issues of ordinary bearer shares for cash and/or contributions in kind, in one or more stages up to 13 July 2021, for up to a maximum of T€5,000. The Management Board did not exercise this authority in the reporting period.

The fundamental aim of our capital management is to guarantee the Fielmann Group's financial stability and flexibility by securing its capital base in the long term. In managing its capital, the Group also aims to achieve an appropriate return on equity and to allow its shareholders to participate in the Group's success. The Group's managed capital consists of financial liabilities, cash and cash equivalents and equity.

Fielmann Aktiengesellschaft and the joint stock companies included in the financial accounts are subject to the minimum capital requirements of German legislation governing public and private limited companies as well as the corresponding provisions of state law and the legal form. There are no other sector-specific minimum capital requirements.

The liquidity of the Fielmann Group is pooled, checked and managed centrally on a daily basis. Both daily and monthly reporting systems have been installed for this purpose. This system guarantees the Group's compliance with all minimum capital requirements.

As at 31 December 2018, Fielmann Aktiengesellschaft held 12,937 (previous year: 3,072) own shares with a book value of T€733 (previous year: T€220). The Fielmann shares were acquired within the meaning of Section 71 Para. 1 No. 2 of the German Stock Corporation Act (AktG) in order to offer them to staff of Fielmann Aktiengesellschaft or its affiliated companies as employee shares or to be able to use them as part of share-based payments.

(14) Capital reserve

The amount shown relates exclusively to the premium from the 1994 rights issue under Section 272 Para. 2 No. 1 of the German Commercial Code (HGB).

(15) Retained earnings

The retained earnings contain non-distributed profits for the current financial year and previous years (see also Note (39)).

(16) Other reserves

The other reserves contain the foreign exchange equalisation item, profits and gains on giving own shares to employees in accordance with IFRS 2 and actuarial gains and losses from pension provisions as part of the application of IAS 19.

(17) Non-controlling interest

Non-controlling shares include shares of other shareholders in corporations of the Group. The shares of other shareholders in partnerships are only stated if shares in losses are present. The minority interests in positive equity capital of partnerships were stated as liabilities in accordance with IAS 32 (see also Notes (22), (25) and (39)).

(18) Non-current accruals

Non-current accruals developed as follows:

	Position as at 1.1.2018 €000s	Currency change €000s	Consumption €000s	Writebacks €000s	Allocation €000s	Position as at 31.12.2018 €000s
Pension accruals	7,776		–305		203	7,674
Accruals for anniversary bonuses	7,133	36	–863	–388	1,410	7,328
Reconversion obligations	3,083		–520	–170	46	2,439
Accruals for merchandise	4,640		–3,234		3,886	5,292
Other non-current accruals	1,144		–245		1,850	2,749
	23,776	**36**	**–5,167**	**–558**	**7,395**	**25,482**

Pension accruals mainly involve the non-forfeitable pension commitments of Fielmann Aktiengesellschaft and only relate to the Germany segment (T€6,621; previous year: T€6,766).

The accruals are matched by reinsurance credits of T€229 (previous year: T€420), which are netted off against pension accruals of T€229 (previous year: T€280). The change in the accruals includes the addition of interest in the amount of T€125 (previous year: T€132). Pension accruals of Fielmann Aktiengesellschaft will most likely be realised over the subsequent 15 years in line with the statistical mortality table.

The key assumptions on which the actuarial valuation has been based are:

	2018 in %	2017 in %
Discount rate	1.72	1.58
Anticipated increase in income	0.00	0.00
Anticipated increase in pensions	2.00	2.00

The pension provisions in the Fielmann Group are stipulated commitments so that no income increase is taken into account for the valuation of pension provisions.

A sensitivity analysis was carried out in respect of the discount rate. Lowering the discount rate by one percentage point would result in the present value of the defined benefit obligation increasing by T€1,250, while raising the discount rate by one percentage point would lower the present value by T€1,009. The values shown only resulted in a minor risk from pension commitments and reinsurance credits for the Group.

The change in the present value of the defined benefit obligation was as follows:

	2018 in %	2017 in %
Opening balance of the defined benefit obligation	8,056	8,136
Current service costs (reported in personnel costs)	13	16
Interest expenses (reported in financial result)	125	132
Actuarial gains and losses (reported in OCI)	14	–36
Benefits paid	–305	–192
Closing balance of the defined benefit obligation	**7,903**	**8,056**

The change in other comprehensive income (OCI) mainly resulted from changes in interest rates. Deferred tax expenses amounting to T€4 are attributable to actuarial gains and losses posted in other comprehensive income (previous year: deferred tax expenditure of T€11).

Breakdown of the plans:

	2018 €000s	2017 €000s
Defined benefit obligations		
– from plans which were partly or wholly financed via a fund (reinsurance)	6,621	6,766
– from plans which were not financed via a fund	1,282	1,290
	7,903	**8,056**

An endowment policy serves as reinsurance for the defined benefit obligation.

The amount shown in the balance sheet on the basis of the company's obligation from defined benefit plans is produced as follows:

	2018 €000s	2017 €000s
Present value of the defined benefit obligation	7,903	8,056
Fair value of plan assets	–229	–280
Accruals stated in the balance sheet	**7,674**	**7,776**

Accruals for anniversary bonuses are allocated for 10- to 35-year anniversaries taking actual rates of fluctuation from the past into account. Discounting is performed with the appropriate interest rate 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€705 (previous year: T€822). A change in the discount rate due to events on the capital market during the reporting year resulted in an increase in the accrual by T€70 (previous year: increase of T€38). The increase in the discounted amount caused by the passage of time amounts to T€74 (previous year: T€63).

The following interest rates were used in accordance with the current market situation:

10-year anniversaries: 0.44% (previous year: 0.32%)
25-year anniversaries: 1.74% (previous year: 1.58%)
35-year anniversaries: 2.01% (previous year: 1.86%)

The 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 tenancy period. An interest rate of 1.91% (11 years) was applied when discounting the settlement amounts at the reporting date (previous year: 1.72% (11 years)). An inflation rate of 0.4% was taken into account (previous year: 0.4%). The discounted settlement amounts are capitalised in the acquisition costs of tenants' fittings with fixed assets. They are subjected to scheduled depreciation over the remaining term of the tenancy agreement. The capital market-related change to

the discount rate in the reporting year has led to a reduction of T€69 in the accrual (previous year: increase of T€22).
The accruals relating to merchandise refer to risks under guarantees and other resulting risks. In addition to cost of materials, these include personnel costs for severance payments. The risks are largely realised within twelve months and within a maximum of three years. The current portion of risks under guarantees is shown under current accruals in Note (21). The assumptions regarding the assessment of risks are constantly verified by reports on guarantee cases. An inflation rate of 0.4% was taken into account when calculating the settlement amounts (previous year: 0.4%). The interest rates used for discounting were 0.16% for two years (previous year: 0.08%) and 0.37% for three years (previous year: 0.31%). The changes in interest rates resulted in an increase of T€6 in accruals (previous year: increase of T€12). Changes in interest rates resulted in changes to other non-current accruals of T€36 (previous year: T€66).

(19) Non-current financial liabilities (25)

Non-current financial liabilities are broken down as follows:

	31. 12. 2018 €000s	**31. 12. 2017 €000s**
Non-current liabilities to financial institutions	707	838
– of which with a residual term of more than 5 years T€450 (previous year: T€501)		
Other non-current liabilities	656	1,020
– of which with a residual term of more than 5 years T€202 (previous year: T€239)		
	1,363	**1,858**

All non-current liabilities to banks carry a fixed rate of interest and are for a fixed term. No significant interest rate risk is discernible because borrowing is low.

(20) Deferred tax liabilities

Deferred tax liabilities stand at T€12,135 (previous year: T€9,463). More information is provided in Note (37) of the Notes to the accounts.

[25] See Note (25) for further details

(21) Current accruals

Current accruals have developed as follows:

	Position as at 1.1.2018 €000s	Currency change €000s	Consumption €000s	Writebacks €000s	Allocation €000s	Position as at 31.12.2018 €000s
Personnel accruals	31,498	39	–29,301	–2,244	33,771	33,763
Accruals for merchandise	6,311	39	–3,019		3,895	7,226
Other accruals	5,019	19	–4,007	–936	7,700	7,795
	42,828	**97**	**–36,327**	**–3,180**	**45,366**	**48,784**

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

The accruals relating to merchandise refer to risks under guarantees, which are likely to be realised in the next twelve months. The non-current portion of risks under guarantees is shown in Note (18). In the first year, over 50% of the guarantee cases expected in total will be settled.

(22) Current financial liabilities, trade creditors and other financial liabilities [25]

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

Included in other financial liabilities are obligations towards non-controlling interests, which are considered equity in the individual company accounts according to local law and are shown as liabilities in accordance with IAS 32, in the amount of T€2,803 (previous year: T€2,919) (see also Notes (17), (25) and (39)).

(23) Non-financial liabilities

Non-financial liabilities include contractual obligations and liabilities from social security contributions as well as sales, wage and church taxes. The contractual obligations are attributable to the delineation of the income, which was received in the financial year but will be realised in the future, from the Zero-Cost Insurance as well as from the repair lump sums that the statutory health insurance providers pay in advance for hearing aids sold in Germany.

In the financial year 2018, the contractual obligations developed as follows:

Contractual obligations from Zero-Cost Insurance	in €000s
Position as at 1.1.2018	20,869
Allocation	21,694
Realised sales of the current financial year contained in the position as at 1 January	–20,869
Position as at 31.12.2018	**21,694**

[25] See Note (25) for further details

Contractual obligations from hearing aid repair lump sums	**in €000s**
Position as at 1.1.2018	12,370
Allocation	6,760
Realised sales of the current financial year contained in the position as at 1 January	–4,025
Realised sales of the current financial year not contained in the position as at 1 January	–704
Position as at 31.12.2018	**14,401**

(24) Income tax debts

Income tax debts essentially relate to corporation taxes (especially for Fielmann Aktiengesellschaft) and trade taxes.

(25) Financial instruments

The following legend shows the abbreviations for the valuations categories used in the next section:

Category IFRS 9	**Category IAS 39**	**Full title**	**Measurement**
AC	LaR	Financial Assets Measured at Amortised Cost	at amortised cost
FVtPL	FAHfT, FVtPL	Fair Value through Profit or Loss	Market value through profit or loss
FLAC	FLAC	Financial Liabilities Measured at Amortised Cost	at amortised cost

The effect of the first application of IFRS 9 on the consolidated accounts is shown in the following table. Financial assets of the former category LaR are classified as AC under IFRS 9. The categories FAHfT and FVtPL are reported jointly in the FVtPL category under IFRS 9. The category FLAC remains unchanged. The first application of IFRS 9 only leads to valuation differences in the application of the impairment model based on expected credit losses. The new categorisation has not led to any other valuation differences.

in €000s	Category in accordance with IAS 39	Category in accordance with IFRS 9
Other financial assets (non-current)		
Loans	LaR	AC
Other financial assets (non-current)		
Loans	LaR	AC
Bonds and fixed deposits	LaR	AC
Reinsurance policies	LaR	AC
Trade debtors		
Trade debtors	LaR	AC
Other financial assets (current)		
Other receivables	LaR	AC
Other receivables	FVtPL	FVtPL
Financial assets (current)		
Investment management custodial accounts	FAHfT	FVtPL
Funds	FAHfT	FVtPL
Bonds and fixed deposits	LaR	AC
Cash and cash equivalents		
Bonds and fixed deposits	LaR	AC
Liquid funds	LaR	AC
Total assets		
	LaR	AC
	FAHfT	FVtPL
	FVtPL	FVtPL

All categories of financial instruments are reported at their value on the date the respective transaction is completed. Allocation into measurement categories in accordance with IFRS 7 was effected on the basis of the economic properties and the risk structure of the respective financial instruments. In each category, the current value is determined by stock market prices and/or other data available in the financial market. In-house valuation procedures or procedures that are not based on observable market data were not used. As a result, there were no material uncertainties in determining the fair value of the financial instrument. Financial assets measured at amortised cost and financial assets at fair value through profit and loss have been classified in the corresponding category.

Book value on 31. 12. 2017	**Impairment IAS 39**	**Impairment IFRS 9**	**Book value on 01.01.2018**	**Deferred taxes**	**Retained earnings**
2,706	101	101	2,706		
2,706	**101**	**101**	**2,706**		
1,507		15	1,492	5	–10
56,175		135	56,040	41	–94
140			140		
57,822		**150**	**57,672**	**46**	**–104**
31,158	2,481	2,255	31,384	–69	157
31,158	**2,481**	**2,255**	**31,384**	**–69**	**157**
30,019	736	675	30,080	–19	42
21,791			21,791		
51,810	**736**	**675**	**51,871**	**–19**	**42**
8,729			8,729		
11,263			11,263		
97,407		237	97,170	73	–164
117,399		**237**	**117,162**	**73**	**–164**
10,000		43	9,957	13	–30
162,131			162,131		
172,131		**43**	**172,088**	**13**	**–30**
391,243	3,318	3,461	391,100	44	–99
19,992			19,992		
21,791			21,791		
433,026	**3,318**	**3,461**	**432,883**	**44**	**–99**

For the Fielmann Group's financial assets, there is a default risk which is accounted for by corresponding impairments. The impairment costs including a reversal of T€115 come from income reversals of T€1,464 and costs from impairment of T€1,579. Due to its lesser importance to the Fielmann Group, there is no separate reporting in the consolidated profit and loss statement. Receivables are retired when they are finally lost or when pursuit of the claim is futile, thus making no economic sense (e.g. minor sums). The cost of retiring these receivables amounts to T€1,122.

The distribution of the impairments to the classes is represented as follows:

in €000s	Category in accordance with IFRS 9	Book value on 31.12.2018
Other financial assets (non-current)		
Loans	AC (LaR)	2,315
		2,315
Other financial assets (non-current)		
Loans	AC (LaR)	1,571
Bonds and fixed deposits	AC (LaR)	60,003
Reinsurance policies	AC (LaR)	0
		61,574
Trade debtors		
Trade debtors	AC (LaR)	38,579
		38,579
Other financial assets (current)		
Other receivables	AC (LaR)	32,649
Other receivables	AC (LaR)	448
		33,097
Financial assets (current)		
Bonds and fixed deposits	AC (LaR)	89,165
		89,165
Cash and cash equivalents		
Bonds and fixed deposits	AC (LaR)	42,857
Liquid funds	AC (LaR)	95,700
		138,557
		363,287

			Total term ECL		
Book value before impairment on 31.12.2018	**Impairment as at 31.12.2018**	**12-month ECL**	**Non-impaired credit**	**Impaired credit**	**Deliveries and services**
2,416	101			101	
2,416	**101**	**0**	**0**	**101**	**0**
1,587	16	16			
60,130	127	127			
	0				
61,717	**143**	**143**	**0**	**0**	**0**
40,850	2,271				2,271
40,850	**2,271**	**0**	**0**	**0**	**2,271**
32,977	328	328			
823	375			375	
33,800	**703**	**328**	**0**	**375**	**0**
89,381	216	216			
89,381	**216**	**216**	**0**	**0**	**0**
42,999	142	142			
95,700	0				
138,699	**142**	**142**	**0**	**0**	**0**
366,863	**3,576**	**829**	**0**	**476**	**2,271**

In the current financial year, the impairments developed as followed:

in €000s	Loans	Bonds and fixed deposits	Trade debtors	Other receivables	Total
Impairment as at 1.1.2018	116	415	2,255	675	3,461
12-month ECL	1	70		31	102
Total term ECL:					
Non-impaired credits					
Impaired credits				–3	–3
Deliveries and services			16		16
Impairment as at 31.12.2018	**117**	**485**	**2,271**	**703**	**3,576**

Expected credit losses (ECL) are mainly calculated based on past experience under consideration of current circumstances and possibly adjusted for the predicted future economic development. They are calculated on a case by case basis where they are material, otherwise by grouping similar default risk characteristics, e.g. temporal criteria. The value adjustments for financial instruments are openly deducted in the case of trade receivables and other receivables through separate accounts.

For trade receivables, the expected credit loss over the entire term (total term ECL) was recorded, for simplification. Besides receivables from individual customers, the receivables relate to receivables from processing prescriptions and payment transactions. Due to past experience with maturity and default, the receivables from individual customers were value adjusted. The average for the two years prior to the financial year was therefore taken as the basis for calculation. It is assumed that a default event occurs no more than 90 days after the due date. For further receivables, an expected default rate of 1% is applied.

The value-adjusted receivables as a result of maturity developed as follows:

in €000s	Book value before impairment	Impairment as at 31.12.2018	Expected default rate in %	Balance sheet value on 31.12.2018
Receivables to customers				
Not due	5,598	217	4	5,381
1 to 30 days overdue	3,610	152	4	3,458
31 to 90 days overdue	1,022	129	13	893
more than 90 days overdue or other objective evidence of impairment	3,050	1,580	52	1,470
Subtotal	**13,280**	**2,078**		**11,202**
Other receivables	27,570	193	1	27,377
Impairment as at 31.12.2018	**40,850**	**2,271**		**38,579**

The credit default risk is assumed to be low for all other financial instruments that are valued at amortised cost. No significant defaults were reported in the past.
For bonds and fixed deposits, the expected credit loss over the next twelve months (12-month ECL) was simplified due to the unchanged low credit risk. The assets generally correspond to the so-called investment grade or a comparable credit rating if there is no rating. For the calculation of the expected credit losses, three clusters were formed according to the debtors' credit rating and default rates of 0.1%, 0.25% and 0.75% were applied.
For loans and other receivables, the expected credit loss was usually assessed over the next twelve months (12-month ECL) and a default rate of 1% applied. In certain cases, impairments amounting to the total ECL were made. The expected default rates are between 75% and 100%.
The impairments determined for liquid funds using the above schema were not recorded because of the very low amount.

The Germany segment accounts for over 90% of the financial assets. In the case of receivables from individual customers, the Group's retail activities mean that there is no default risk resulting from a focus on individual borrowers. High receivable balances particularly result from processing prescriptions, payment transactions and the Zero-Cost Insurance, as well as from the issuers of capital investments. Again, no increased risk is seen here. Legal steps were undertaken to follow up on incoming payments for impaired receivables amounting to T€2,498. The maximum default risk for the financial assets corresponds to their book values.
The Group has not prepared an analysis of the dates on which material financial liabilities are due since sufficient liquid funds are permanently available and there is therefore no liquidity risk.
Market risks for financial instruments in the Fielmann Group include price and interest rate risks for any capital investments, especially currency risks.

Currency risks As a result of its international operations, the Fielmann Group is exposed to foreign exchange risks. Financial instruments are converted to euros at the exchange rate of the balance sheet date in accordance with IAS 21. Currency differences are reported in a currency offset item included under other reserves. Additional currency risks are due to the conversion of existing financial instruments, especially credit balances with banks, capital investments, intra-group receivables and liabilities as well as procurement liabilities. The foreign currencies that are relevant to the Fielmann Group are described in Section III “Key accounting and valuation principles” under “Foreign exchange conversion”. In particular, the Fielmann Group is exposed to risk through the Swiss franc and the US dollar.
As part of a sensitivity analysis, the impact on the valuation of financial instruments in the currencies of Swiss franc and US dollar were examined on the basis of a possible appreciation or depreciation of 10% against the euro as at 31 December 2018 (previous year: 10%). This analysis assumes that all other variables remain constant. If the Swiss franc appreciated against the euro by 10%, the valuation of Fielmann's financial assets (€84.6 million, previous year: €83.3 million) and financial liabilities totalling €20.6 million (previous year: €9.6 million) would see an increase in equity of €6.7 million (previous year: €6.1 million) as well as an increased net profit for the year of €1.8 million (previous year: increase of €1.3 million). A depreciation of the Swiss franc against the euro by 10% would have the opposite effect on equity and

net income for the year. In particular, the significant change in equity is due to the conversion of financial instruments that exist in the Swiss companies.
Considering the valuation of financial assets amounting to €1.6 million (previous year: €1.1 million) and financial liabilities totalling €3.3 million (previous year: €2.3 million), an appreciation of the US dollar against the euro by 10% would lead to a decrease in equity of €0.1 million (previous year: decrease of €0.1 million) and a lower net profit for the year of €0.1 million (previous year: decrease of €0.1 million). A depreciation of the US dollar against the euro by 10% would have the opposite effect on equity and net income for the year.

Interest rate risks The capital investments of the Fielmann Group include call money and fixed-term deposits as well as fixed interest securities and bonded loans. As these capital investments are predominantly fixed interest and to be held to maturity, there is no significant interest rate risk for the Group. Owing to the low level of debt and additional financial assets, there are no material interest rate risks from financial liabilities.

Price risks The Fielmann Group is above all exposed to price risk through capital investments in shares and similar investments. As part of a sensitivity analysis, the impact of a possible increase or decrease of 10% in the share price against the position as at 31 December 2018 (previous year: 10%) was examined. This analysis assumes that all other variables remain constant and that the holding as at the balance sheet date is representative for the year as a whole.
An share price increase of 10% would result in an increase in equity amounting to €0.5 million (previous year: increase of €0.5 million) as well as increasing the annual net profit by €0.5 million (previous year: increase of €0.5 million). A reduction in the share price by 10% would have the corresponding opposite effect on equity and net income for the year.
More detailed explanations of the individual financial risks are contained in the Management Report.
The following table shows the book values and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It contains no information on the fair value for financial assets and financial liabilities which were not measured at fair value when the book value represents a reasonable approximation of the fair value.

Measurement categories in accordance with IFRS 7

in €000s	Measurement category in accordance with IFRS 9 (IAS 39)	Book value as at 31.12.2018
ASSETS		
Other financial assets (non-current)		
Loans	AC (LaR)	2,315
		2,315
Other financial assets (non-current)		
Loans	AC (LaR)	1,571
Bonds and fixed deposits	AC (LaR)	60,003
Reinsurance policies	AC (LaR)	0
		61,574
Trade debtors		
Trade debtors	AC (LaR)	38,579
		38,579
Other financial assets (current)		
Other receivables	AC (LaR)	33,097
Other receivables	FVtPL (FVtPL)	22,376
		55,473
Financial assets (current)		
Investment management custodial accounts	FVtPL (FAHfT)	8,444
Funds	FVtPL (FAHfT)	12,194
Bonds and fixed deposits	AC (LaR)	89,165
		109,803
Cash and cash equivalents		
Bonds and fixed deposits	AC (LaR)	42,857
Liquid funds	AC (LaR)	95,700
		138,557
Total assets		
	AC (LaR)	363,287
	FVtPL (FAHfT)	20,638
	FVtPL (FVtPL)	22,376
		406,301
LIABILITIES		
Financial liabilities (non-current)		
Liabilities to financial institutions	FLAC (FLAC)	707
Other liabilities	FLAC (FLAC)	128
Loans received	FLAC (FLAC)	528
		1,363
Financial liabilities (current)		
Liabilities to financial institutions	FLAC (FLAC)	115
		115
Trade creditors		
Trade creditors	FLAC (FLAC)	56,337
		56,337
Other financial liabilities		
Other liabilities	FLAC (FLAC)	19,040
Liabilities from third parties' capital interests	FLAC (FLAC)	2,803
		21,843
Total liabilities		
	FLAC (FLAC)	79,658
		79,658

Level of fair value hierarchy	Fair value	Measurement category in accordance with IFRS 9 (IAS 39)	Book value as at 31.12.2017	Level of fair value hierarchy	Fair value
		AC (LaR)	2,706		
			2,706		
		AC (LaR)	1,507		
		AC (LaR)	56,175		
		AC (LaR)	140		
			57,822		
		AC (LaR)	31,158		
			31,158		
		AC (LaR)	30,019		
1	22,376	FVtPL (FVtPL)	21,791	1	21,791
			51,810		
1	8,444	FVtPL (FAHfT)	8,729	1	8,729
1	12,194	FVtPL (FAHfT)	11,263	1	11,263
		AC (LaR)	97,407		
			117,399		
		AC (LaR)	10,000		
		AC (LaR)	162,131		
			172,131		
		AC (LaR)	391,243		
1	20,638	FVtPL (FAHfT)	19,992	1	19,992
1	22,376	FVtPL (FVtPL)	21,791	1	21,791
			433,026		
		FLAC (FLAC)	838		
		FLAC (FLAC)	303		
		FLAC (FLAC)	717		
			1,858		
		FLAC (FLAC)	151		
			151		
		FLAC (FLAC)	63,820		
			63,820		
		FLAC (FLAC)	22,357		
		FLAC (FLAC)	2,919		
			25,276		
		FLAC (FLAC)	91,105		
			91,105		

Income according to measurement categories

		2018				
Measurement categories in accordance with IFRS 9 (IAS 39)		**Profits from subsequent measurement at fair value €000s**	**Losses from subsequent measurement at fair value €000s**	**Impairments[1] €000s**	**Income in the financial result €000s**	**Expenses in the financial result €000s**
Fair Value through Profit or Loss	FVtPL (FAHfT)	69	940		255	
Fair Value through Profit or Loss	FVtPL (FVtPL)	24	662		330	
Financial Assets Measured at Amortised Cost	AC (LaR)			115	374	
Financial Liabilities Measured at Amortised Cost	FLAC (FLAC)					465
Reconciliation of financial result						
Financial income and expense for balance sheet items, which are not financial instruments					100	448
Income and expenses for financial instruments, which are not included in the financial result		–93	–1,602	–115		
		0	**0**	**0**	**1,059**	**913**

[1] Negative amounts represent write-ups

		2017				
Measurement categories in accordance with IFRS 9 (IAS 39)		**Profits from subsequent measurement at fair value** €000s	**Losses from subsequent measurement at fair value** €000s	**Impairments[1]** €000s	**Income in the financial result** €000s	**Expenses in the financial result** €000s
Fair Value through Profit or Loss	FVtPL (FAHfT)	962	108		176	
Fair Value through Profit or Loss	FVtPL (FVtPL)	338	133		388	
Financial Assets Measured at Amortised Cost	AC (LaR)			11	634	
Financial Liabilities Measured at Amortised Cost	FLAC (FLAC)					1,171
Reconciliation of financial result						
Financial income and expense for balance sheet items, which are not financial instruments					15	447
Income and expenses for financial instruments, which are not included in the financial result		–1,300	–241	–11		
		0	**0**	**0**	**1,213**	**1,618**

Gains and losses from the subsequent valuation of financial instruments in the "Fair Value through Profit or Loss" categories are calculated as the difference between the stock market price and the book value. Changes to the fair value are taken into account in line with the stock market price and for receivables as part of expected credit losses. Interest is recorded according to the relevant payments, taking into account deferrals for the period.
Impairment expenses for financial instruments which are not included in the financial result are shown under "other operating expenses" and corresponding income is listed under "other operating income".
Interest income for financial assets and financial liabilities, which are not measured at market value through profit or loss, comes to T€374 (previous year: T€634). The corresponding interest expenses amount to T€465 (previous year: T€1,171).

Bonds and fixed deposits The disclosure of bonds and fixed deposits of T€192,025 (previous year: T€163,582) comprises bonds (T€127,070; previous year: T€138,524), a bonded loan (T€5,009; previous year: T€5,002) as well as call money and fixed-term deposits (T€59,946; previous year: T€20,056), which are each carried at amortised cost and will be broken down by maturity in accordance with IAS 1.

Investment management custodial accounts The investment management custodial accounts reported under financial assets relate to a custodial account of Fielmann Schweiz AG, which is managed by an external custodian and contains shares and bonds in the amount of T€8,444 (previous year: T€8,729). The investment policy is based on a written strategy agreed with the custodial account manager. The securities held there are reported at current value (stock market price). Valuation gains and losses in the reporting period were charged to the profit and loss account.

Funds Funds include a fund in Fielmann Aktiengesellschaft amounting to T€9,882 (previous year: T€9,962). This is reported at current value (stock market price). Valuation gains and losses in the reporting period were charged to the profit and loss account.
In addition, funds in the Italian subsidiary amounting to T€2,312 are reported (previous year: T€1,301). The funds serve as lease securities in Italy and are pledged for this purpose. This is reported at current value (stock market price). Valuation gains in the reporting period were charged to the profit and loss account.

Other receivables Other receivables valued at amortised costs totalling T€33,097 mainly relate to receivables due from suppliers (previous year: T€30,019). Other receivables totalling T€22,376 (previous year: T€21,791) were designated as "at

Fair Value through Profit or Loss" at the time of recognition. This is reported at current value (stock market price). The positive difference in value between amortised cost and current value was T€156 (previous year: T€561). The book value is the maximum default risk. Valuation gains and losses in the reporting period were charged to the profit and loss account. Please see Note (8) for further details.

Liquid funds There are liquid funds of T€95,700 (previous year: T€162,131), of which T€93,331 (previous year: T€159,652) are credit balances with banks.

Liabilities to financial institutions There are non-current liabilities to financial institutions of T€707, which are secured by encumbrances on property or similar rights as they were last year (previous year: T€838).

Liabilities from third parties' capital interests Other financial liabilities include third parties' capital interests amounting to T€2,803 (previous year: T€2,919), which are reported as liabilities in accordance with IAS 32 (see also Notes (17), (22) and (39)).

(26) Contingent liabilities, other financial liabilities and lease agreements

In the financial year, the Fielmann Group assumed no guarantees for third party liabilities to banks, as was already the case in the previous year.

Lessee The Fielmann Group acts as a lessee of vehicles, equipment and property under operating leases. The lease payments are recognised as an expense.
At the reporting date, a residual liability of T€1,834 (previous year: T€1,986) existed in the Fielmann Group based on lease transactions for vehicles and equipment, of which T€1,046 had a remaining term of up to one year (previous year: T€1,093) and T€788 of between one and five years (previous year: T€893). The lease payments relating to these transactions during the reporting year amounted to T€420 (previous year: T€453).
Lease payments (essentially for business premises) were as follows:

	2018 €000s	2017 €000s
Minimum lease payments	74,151	72,515
Contingent payments	1,609	1,592
Payments for sub-leases	1,331	496
	77,091	**74,603**

Minimum lease payments relate to rents excluding utility charges and contractually agreed ancillary costs. Contingent payments include additional payments under sales-based lease agreements.

The Group predominantly concludes lease agreements for a fixed period of ten years with two renewal options (five years each). In addition to fixed minimum lease payments, some agreements include indexed, sales-based and graduated rent. The number of agreements subject to such terms in 2018 was as follows:

	Number	
Lease agreements with the following provisions	**Rented**	**Let**
Indexed rent	794	158
Sales-based rent	136	3
Graduated rent	75	16
Fixed rent	432	89

Rental commitments were as follows, whereby the information regarding future commitments only covers the contractual period of the lease agreements during which these cannot be terminated:

	31.12.2018 €000s	**31.12.2017 €000s**
Up to 1 year	72,828	72,902
Between 1 year and 5 years	218,934	210,255
More than 5 years	86,120	93,010
	377,882	**376,167**

Rental income of T€3,007 is expected from sub-leases which cannot be terminated (previous year: T€2,682).

Lessor The Fielmann Group also functions as a lessor of property within the framework of operating lease agreements. Lease agreements for properties used relate exclusively to rent for commercial property, whereas the presentation of properties let includes both commercial and residential space. As in the previous year, no contingent payments under lease agreements were received in the financial year 2018.

In the main, standard commercial lease agreements (for a term of five to ten years) and open-ended residential tenancy agreements are used. Rental income in the financial year amounted to T€3,080 (previous year: T€3,606)

Expected future income including that from sub-leases is as follows:

	31.12.2018 €000s	31.12.2017 €000s
Up to 1 year	2,401	2,242
Between 1 year and 5 years	3,479	4,201
More than 5 years	912	737
	6,792	**7,180**
of which income from property held as investment	1,994	2,355

As at 31 December 2018, the purchase commitments for replacement investments in existing stores amounted to T€9,660 (previous year: T€4,690), for production facilities at Rathenow T€1,380 (previous year: T€110) and T€1,800 for IT (previous year: T€780). There were no purchase commitments in the current financial year for store openings (previous year: T€1,660).

Profit and loss account

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

(27) Income from sales, including changes in inventories

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

	2018		2017	
	Gross €000s	Net €000s	Gross €000s	Net €000s
Stores, Germany	1,315,445	1,124,665	1,269,981	1,085,185
Fielmann AG, Germany	5,582	4,691	5,958	5,007
Stores, Switzerland	181,008	168,066	185,281	171,557
Stores, Austria	98,325	82,708	96,750	81,328
Other sales	53,136	47,869	47,842	42,897
Consolidated sales	**1,653,496**	**1,427,999**	**1,605,812**	**1,385,974**
Changes in inventories	–2,825	–2,825	355	355
Total Group sales	**1,650,671**	**1,425,174**	**1,606,167**	**1,386,329**

The decrease in sales revenues from stores in Switzerland is purely currency related. In the local currency, the stores in Switzerland recorded an increase in sales revenues. The retail sector achieved net income from sales of ophthalmic optics of T€1,337,172 (previous year: T€1,301,643).

In the Fielmann Group, glasses account for sales revenues of T€1,179,629 (previous year: T€1,148,952). Sales revenues for contact lenses account for T€116,209 (previous year: T€113,060), while sunglasses account for T€43,338 (previous year: T€42,048).

The revenues for the sale of hearing aid products totalling T€66,308 (previous year T€59,987) include income from hearing aid repair lump sums of T€4,793 (previous year T€4,145), which is paid by the health insurance companies for a period of five years and is apportioned accordingly (see Note 23).

Sales revenue also includes income from services and rental income from own property, and amounts to T€4,984 (previous year: T€5,234).

(28) Other operating income

Other operating income mainly comprises income from subletting leased property and from writing back accruals and value adjustments. The income from foreign exchange differences is valued at T€2,016 (previous year: T€763). The increased income principally results from the conversion of US dollars and Swiss francs. Besides the increased income from currency differences, the increase in other operating income largely results from capitalised services (see Note (1)) and the sale of a property (see Note (3)).

(29) Cost of materials

The cost of materials mainly relates to frames, lenses, contact lenses, cleaning and care products as well as hearing aids and hearing aid accessories after deducting discounts, rebates and other similar amounts.

(30) Personnel costs

	2018 €000s	2017 €000s
Wages and salaries	505,828	479,816
Social security costs and pension contributions	85,518	88,917
	591,346	**568,733**
of which pension scheme contributions	44,102	41,947

As part of the statutory arrangements in Germany concerning capital-building payments to employees, an offer is made to the workforce once a year to invest these benefits in the form of Fielmann shares. On 15 August 2018, each employee was offered 8 shares at a price of €58.80 with an exercise period until 9 November 2018 (previous year: 8 shares on 11 August 2017 at €71.05, until 10 November 2017). This offer was taken up by 6,582 employees (previous year: 7,021 employees). As a result, 52,656 shares were issued to employees (previous year: 56,168 shares). There were no open offers to subscribe to shares at the balance sheet date. On the last day of the exercise period, the closing market price was €56.70 (previous year: €72.14). In accordance with IFRS 2, the sum of T€2,986 was stated as expenditure for capital-building payments in the form of shares within the Group (previous year: T€4,052). Price gains and losses on the disposal of the company's own shares were offset directly against equity.

In the past financial year, employees in the stores also received a total of 50,193 shares from a performance-related bonus programme within the meaning of IFRS 2 (previous year: 48,743 shares). On the grant date, employees received a direct entitlement to the shares. The shares were quickly issued to the employees. The total expenditure amounted to T€5,499 (previous year: T€6,995). This scheme aims to reward particular elements of the Fielmann philosophy, such as customer satisfaction.

The remuneration granted to Management Board members for activity in the financial year is profit-based and divided into fixed and variable components. The premium for a Group accident insurance policy for the Management Board members and a pecuniary benefit for the use of company cars are attributed to the fixed remuneration pro rata. The variable components are based on the Fielmann Group's net income for the year. There are no share option programmes in place.

The corporate philosophy of complete dedication to customer needs is reflected in the contracts governing the Management Board members' variable remuneration. In principle, the bonuses are divided into two subareas. Bonus I (T1) is based solely on net income for the year with a weighting of 70%.

Bonus II (T2) is aimed at promoting the company's long-term development. This bonus is calculated on the basis of customer satisfaction in conjunction with net profit for the year, which is assessed by means of a target system over a period of three years. With the introduction of the co-CEO structure, the remuneration of Günther Fielmann and Marc Fielmann was adjusted so that the sum of the previous individual remunerations was distributed equally between the two Chairmen as of 15 April 2018. For Günther Fielmann's contract, the ceiling for total variable remuneration (Bonus I and Bonus II) was 200% of fixed remuneration up to 14 April 2018, and 190% afterwards, while for Marc Fielmann it amounted to 150% up to 14 April 2018, and 190% afterwards. For both Dr Stefan Thies and Georg Alexander Zeiss, the ceiling amounts to 175% of the fixed remuneration. For Dr Körber, the ceiling amounted to 150% up to 31 March 2018, and to 175% thereafter. For Michael Ferley, the ceiling amounts to 150% of the fixed remuneration.

In the financial year, total remuneration of the Management Board amounted to T€12,515 (previous year: T€12,344), of which T€4,664 is fixed remuneration (previous year: T€4,393) and T€7,851 is variable (previous year T€7,840). These figures include the payments for a member of the Management Board who will leave the company on 30 June 2019. In the business year, a member of the Management Board who left the company received a pension of T€216 (previous year: T€108).

	Günther Fielmann Chief Executive Officer (CEO) Date of entry: 1994[1]				Marc Fielmann Chief Executive Officer (CEO) Date of entry: 2016			
Allowances granted in €000s	2017	2018	2018 (Min.)	2018 (Max.)[2]	2017	2018	2018 (Min.)	2018 (Max.)[2]
Fixed remuneration	1,625	1,206	1,206	1,206	442	861	861	861
Ancillary benefits	47	47	47	47				
Subtotal	**1,672**	**1,253**	**1,253**	**1,253**	**442**	**861**	**861**	**861**
Variable remuneration								
One-year (T1)	2,275	1,637		2,339-T2	464	1,109		1584-T2
Multi-year								
Customer satisfaction (3 years) (T2)	975	702		2,339-T1	199	475		1584-T1
Period of service (3 years)	–	–	–	–	–	–	–	–
Subtotal	**3,250**	**2,339**	**0**	**2,339**	**663**	**1,584**	**0**	**1,584**
Total	**4,922**	**3,592**	**1,253**	**3,592**	**1,105**	**2,445**	**861**	**2,445**
Pension expenses	–	–	–	–	–	–	–	–
Total remuneration	**4,922**	**3,592**	**1,253**	**3,592**	**1,105**	**2,445**	**861**	**2,445**

	Michael Ferley Management Board Date of entry: 1.7.2017				Dr. Bastian Körber Management Board Date of entry: 2015			
Allowances granted in €000s	2017	2018	2018 (Min.)	2018 (Max.)[2]	2017	2018	2018 (Min.)	2018 (Max.)[2]
Fixed remuneration	221	442	442	442	520	570	570	570
Ancillary benefits	9	17	17	17	9	16	16	16
Subtotal	**230**	**459**	**459**	**459**	**529**	**586**	**586**	**586**
Variable remuneration								
One-year (T1)	232	464		663-T2	546	653		967-T2
Multi-year								
Customer satisfaction (3 years) (T2)	99	199		663-T1	234	280		967-T1
Period of service (3 years)	–	–	–	–	–	–	–	–
Subtotal	**331**	**663**	**0**	**663**	**780**	**933**	**0**	**967**
Total	**561**	**1,122**	**459**	**1,122**	**1,309**	**1,519**	**586**	**1,553**
Pension expenses	0	0	0	0	–	–	–	–
Total remuneration	**561**	**1,122**	**459**	**1,122**	**1,309**	**1,519**	**586**	**1,553**

[1] Previously had comparable function in predecessor company, Fielmann Verwaltung KG
[2] The maximum limit regulation includes both the single-year and multi-year variable remuneration in total.

	Dr. Stefan Thies Management Board Date of entry: 2007				Georg Alexander Zeiss Management Board Date of entry: 2004			
Allowances granted in €000s	**2017**	**2018**	**2018 (Min.)**	**2018 (Max.)²**	**2017**	**2018**	**2018 (Min.)**	**2018 (Max.)²**
Fixed remuneration	585	877	877	877	585	585	585	585
Ancillary benefits	16	23	23	23	20	20	20	20
Subtotal	**601**	**900**	**900**	**900**	**605**	**605**	**605**	**605**
Variable remuneration								
One-year (T1)	631	980	327	1,490-T2	631	653		1,024-T2
Multi-year								
Customer satisfaction (3 years) (T2)	270	419	139	1,490-T1	270	280		1,024 -T1
Period of service (3 years)	–	–	–	–	–	–	–	–
Subtotal	**901**	**1,399**	**466**	**1,490**	**901**	**933**	**0**	**1,024**
Total	**1,502**	**2,299**	**1,366**	**2,390**	**1,506**	**1,538**	**605**	**1,629**
Pension expenses	–	–	–	–	–	–	–	–
Total remuneration	**1,502**	**2,299**	**1,366**	**2,390**	**1,506**	**1,538**	**605**	**1,629**

	Günther Fielmann Chief Executive Officer (CEO) Date of entry: 1994 [1]		Marc Fielmann Chief Executive Officer (CEO) Date of entry: 2016		Michael Ferley Management Board Date of entry: 1.7.2017	
Inflow in €000s	2017	2018	2017	2018	2017	2018
Fixed remuneration	1,625	1,206	442	861	221	442
Ancillary benefits	47	47			9	17
Total	**1,672**	**1,253**	**442**	**861**	**230**	**459**
Variable remuneration						
One-year (T1)	2,275	2,275	464	464		232
Multi-year						
Customer satisfaction (3 years) (T2)	975	975	199	199		99
Period of service (3 years)	–	–	–	–	–	–
Total	**3,250**	**3,250**	**663**	**663**	**0**	**331**
Pension expenses	–	–	–	–	–	–
Total remuneration	**4,922**	**4,503**	**1,105**	**1,524**	**230**	**790**

	Dr. Bastian Körber Management Board Date of entry: 2015		Günter Schmid Management Board Date of entry: 1994 [1] Departure 30.6.2017		Dr. Stefan Thies Management Board Date of entry: 2007	
Inflow in €000s	2017	2018	2017	2018	2017	2018
Fixed remuneration	520	570	293		585	585
Ancillary benefits	9	16	21		16	15
Total	**529**	**586**	**314**	**0**	**601**	**600**
Variable remuneration						
One-year (T1)	546	546	819	410	631	631
Multi-year						
Customer satisfaction (3 years) (T2)	234	234	351	175	271	273
Period of service (3 years)	–	–	1,095	–	–	–
Total	**780**	**780**	**2,265**	**585**	**902**	**904**
Pension expenses	–	–	111	297	–	–
Total remuneration	**1,309**	**1,366**	**2,690**	**882**	**1,503**	**1,504**

	Georg Alexander Zeiss Management Board Date of entry: 2004	
Inflow in €000s	2017	2018
Fixed remuneration	585	585
Ancillary benefits	20	20
Total	**605**	**605**
Variable remuneration		
One-year (T1)	631	631
Multi-year		
Customer satisfaction (3 years) (T2)	271	273
Period of service (3 years)	–	–
Total	**902**	**904**
Pension expenses	–	–
Total remuneration	**1,507**	**1,509**

(31) Depreciation

	2018 €000s	2017 €000s
Intangible assets	5,891	5,322
Tangible assets including investment property	39,219	36,950
	45,110	**42,272**

As in the previous year, the figure for depreciation on intangible assets and tangible assets does not include any extraordinary write-downs in the reporting period.

(32) Other operating expenses

Other operating expenses include administrative and organisational costs, advertising, cost of premises as well as the costs of training and voluntary social benefits. The expenses arising from foreign exchange differences amounted to T€1,182 (previous year: T€6,025). The higher costs in the previous year principally resulted from the currency conversion of US dollars and Swiss francs. This is offset by income from foreign exchange differences amounting to T€2,016 (previous year: T€763) (see Note (28)).

(33) Financial result

The financial result is made up as follows:

	Expenses		Income		Balance	
in €000s	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Result from cash and capital investments	–227	–283	856	1,115	629	832
Result from on-balance sheet and other transactions not relating to financial assets	–686	–1,335	193	98	–493	–1,237
Interest result	**–913**	**–1,618**	**1,049**	**1,213**	**136**	**–405**
Result from shares in associates			10		10	
Financial result	**–913**	**–1,618**	**1,059**	**1,213**	**146**	**–405**

The changes in the result from on-balance sheet and other transactions not relating to financial assets are due to, among other things, interest rate effects of compounding non-current accruals.
More information on earnings from shares in associates is provided in Note (4) of the Notes to the accounts.

(34) Taxes on income and earnings

	2018 €000s	2017 €000s
Current income tax expenditure for Germany	66,291	68,834
Current income tax expenditure for outside Germany	8,007	9,026
Current income tax expenditure	**74,298**	**77,860**
Deferred tax expenditure for Germany	2,114	–480
Deferred tax expenditure for outside Germany	860	–1,590
Deferred tax expenditure	**2,974**	**–2,070**
Sum of taxes on income and earnings	**77,272**	**75,790**

The income tax expenditure includes trade tax and corporation tax as well as the equivalent national taxes of the consolidated companies and amounts to T€74,298 (previous year: T€77,860), of which a tax expense of T€407 is attributable to taxes applying to other periods (previous year: tax expenses of T€3,846). The current income tax-related expenditure of individual Group companies decreased by T€418 through the use of loss carry-forwards (previous year: T€382).

Deferred tax-related expenditure in the Group in the amount of T€2,974 (previous year: deferred tax income of T€2,070) mainly results from the current change from temporary differences and tax-related loss carry-forwards. More details can be found in Note (37) of the Notes to the accounts.

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

Earnings per share developed as follows:

	2018 €000s	2017 €000s
Net profit for the year	173,630	172,853
Income attributable to minority interests	–4,741	–5,226
Profits to be allocated to parent company shareholders	**168,889**	**167,627**
Number of shares in 000s	83,987	83,997
Earnings per share in € (diluted/basic)	**2.01**	**2.00**

There was no dilution of earnings in the financial year 2018 nor in the previous year.

(36) Income attributable to minority interests

Minority interests account for T€5,074 (previous year: T€5,504) of the profits and T€333 (previous year: T€278) of the losses. Net profit attributable to minority interests and corresponding dividends are subject to a de facto company reservation. For this reason, they are disclosed in the profit and loss account as well as in the movement in Group equity.

(37) Deferred taxes

Deferred tax assets on losses brought forward decreased by T€737 in the reporting period through corresponding annual results and earnings forecasts (previous year: increase of T€1,685).

Of the deferred tax assets on losses brought forward, a total of T€1,476 is attributable to companies that are currently making losses (previous year: T€2,434). The figure was reported on the basis of positive earnings forecasts, which are a result of the underlying tax planning and are also supported by these units' positive impairment tests.

No deferred tax assets were recognised for loss carry-forwards in the amount of T€5,474 because utilisation is not expected (previous year: T€8,907). This figure does not include any loss carry-forwards which are expected to lapse because of the passage of time.

Deferred tax assets on temporary differences from company balance sheets, contribution processes in the Group and elimination of intra-Group profits are also included. Realisation of deferred tax assets during the coming twelve months is likely to amount to T€8,501 (previous year: T€9,451), while realisation of deferred tax liabilities will probably amount to T€4,250 (previous year: T€4,134).
Deferred taxes are constituted as follows:

	31. 12. 2018		**31. 12. 2017**	
Deferred taxes	**€000s Asset**	**€000s Liability**	**€000s Asset**	**€000s Liability**
a) on deductible differences				
– from company accounts	3,658	6,088	2,825	3,063
– from commercial balance sheet II	11,338	12,414	11,081	12,138
– from consolidation	2,646	989	2,784	993
b) on loss carryforwards	1,990		2,727	
	19,632	**19,491**	**19,417**	**16,194**
Reconciliation to balance sheet value				
Netting effect in accordance with IAS 12.71 ff	–7,356	–7,356	–6,731	–6,731
Deferred tax assets and liabilities according to the balance sheet	**12,276**	**12,135**	**12,686**	**9,463**

The deferred taxes are added to the individual balance sheet items:

	31. 12. 2018		**31. 12. 2017**	
	€000s Asset	**€000s Liability**	**€000s Asset**	**€000s Liability**
Intangible assets	2,494	11,206	2,623	8,069
Tangible assets	2,237	228	2,029	262
Financial assets	245	290	19	289
Inventories	8,772	2,795	8,240	2,551
Non-financial assets		2,210		2,286
Accruals	3,681	1,276	3,158	1,264
Outside Basis Differences		658		604
Loss carryforwards	1,990		2,727	
Special reserves		828		869
Other	213		621	
	19,632	**19,491**	**19,417**	**16,194**
Reconciliation to balance sheet value				
Netting effect in accordance with IAS 12.71 ff.	–7,356	–7,356	–6,731	–6,731
Deferred tax assets and liabilities according to the balance sheet	**12,276**	**12,135**	**12,686**	**9,463**

The tax reconciliation is as follows:

Tax reconciliation statement pursuant to IAS 12	**2018 €000s**	**2017 €000s**
Earnings before taxes	**250,902**	**248,643**
Applicable tax rate, in per cent	30.7	30.7
Expected tax expenditure	**77,027**	**76,333**
Impact of foreign tax rate differences	–3,004	–4,261
Impact of deviations in the tax assessment base		
Third party share of profit exempt from corporation tax	–783	–858
Non-deductible expenditure [1]	1,176	870
Other tax-free earnings	–93	–99
Trade tax allowances and other tax adjustments	122	251
unrecorded and unused tax losses brought forward for the current period [2]	1,521	309
Aperiodic effects [1]	1,216	3,503
Other [1]	90	–258
Total Group tax expenditure	**77,272**	**75,790**

[1] Reclassification of a previous year's figure
[2] Previous year's figure updated

The parameters for calculating the expected tax rate of 30.7% in 2018 are an average trade tax (14.9% from an average collection rate of 425%) and corporation tax including the solidarity surcharge (15.8%). The parameters are unchanged compared with 2017.

IAS 12 stipulates that deferred taxes must be created on the difference between the pro rata net assets of a subsidiary recorded in the consolidated balance sheet and the investment book value of this subsidiary in the parent company's tax balance sheet (outside basis differences) if realisation is expected within twelve months. With an assessment base of 5% (Section 8b of the German Corporation Tax Act (KStG)), there is a deferred tax liability of T€658 (previous year: T€604) on planned distributions of T€42,875 from subsidiaries (previous year: T€39,363).

Incidentally, there are additional outside basis differences of T€3,968 on the balance sheet date (previous year: T€4,485). Realisation is not expected within the foreseeable future, meaning that recognition of a deferred tax liability in accordance with IAS 12.39 is not possible.

(38) Statement of the overall result

A deferred tax expense of T€4 relating to other income was entirely attributable to actuarial gains and losses from the valuation of pension provisions in accordance with IAS 19 (previous year: deferred tax income of T€11).

(39) Movement in Group equity

Own shares amounting to T€733 were deducted from equity (previous year: T€220). From the generated Group equity, Fielmann Aktiengesellschaft's retained earnings of T€248,855 (previous year: T€232,755) and the balance sheet profit of T€159,600 (previous year: T€155,400) are available for distribution to shareholders. On the balance sheet date, the generated Group equity is subject to a restriction on distribution amounting to T€13,675 (previous year: T€7,124). As in the previous year, this was attributable to software created in-house and capitalised in the separate financial statements of Fielmann Aktiengesellschaft (T€13,005, previous year: T€6,511). In addition, the difference from the valuation of the pension obligations with an actuarial interest rate of 10 years instead of 7 is subject to a restriction on distribution (T€670, previous year: T€613). Once again, the freely available reserves exceed this amount in the reporting year.

The distributions during the financial year of T€155,356 (previous year: T€151,112) (excluding the dividend for own shares) were based on a dividend of €1.85 per share (previous year: €1.80 per share).

Changes to consolidated equity from other consolidated income were due to the foreign exchange equalisation item and actuarial gains and losses from pension provisions pursuant to IAS 19. The valuation results in total deferred tax expenditure amounting to T€689 (previous year: T€685).

In accordance with IAS 32, the minority interests in the equity capital are stated as liabilities if relating to positive minority interests in partnerships. Minority interests in the net profit for the year and corresponding distributions are subject to a de facto company reservation. For this reason, they are disclosed in the profit and loss account as well as in the movement in equity capital (see Notes (17), (22) and (25)).

As part of the retrospective applications of the new directives of IFRS 9 for the classification and valuation of financial instruments, the opening balance sheet values were adjusted as at 1 January 2018. The economic effect of the adjustment was recorded directly in the retained earnings to the amount of T€99 (see Note (25)).

(40) Fielmann Group cash flow statement

The cash and cash equivalents stated at T€138,557 (previous year: T€172,131) comprise liquid funds (T€95,700; previous year: T€162,131) and capital investments (T€42,857; previous year: T€10,000). These are taken into account in the cash and cash equivalents, provided they have a remaining term of up to three months.

The most significant item recorded under other non-cash income and expenses is a deferred tax expenditure of T€2,891 in connection with the increase to temporary differences on intangible assets produced in-house (previous year: T€344 expenditure from write-downs of receivables). There are limitations on the disposal of liquid funds amounting to T€6 because of the restrictions imposed by the non-profit-making character of Fielmann Akademie Schloss Plön, gemeinnützige Bildungsstätte der Augenoptik GmbH (previous year: T€7).

The composition of financial assets is as follows:

	31.12.2018 €000s	31.12.2017 €000s	Change
Liquid funds	95,700	162,131	–66,431
Capital investments with a specific maturity of up to 3 months	42,857	10,000	32,857
Cash and cash equivalents	**138,557**	**172,131**	**–33,574**
Non-current financial assets	2,315	2,706	–391
Other non-current financial assets	61,574	57,822	3,752
Capital investments with a specific maturity of more than 3 months	109,803	117,399	–7,596
Financial assets	**312,249**	**350,058**	**–37,809**

For more detailed explanations regarding the individual items of the financial assets, please refer to Note (25).
The change to the liabilities from Financing Activities is as follows:

	31.12.2017 €000s	Cash flows €000s	Non-cash changes €000s	31.12.2018 €000s
Non-current financial liabilities	1,858	–3	–492	1,363
Current financial liabilities	151	–151	115	115
Financial liabilities	**2,009**	**–154**	**–377**	**1,478**

(41) Segment Reporting

In accordance with the regional structure of the internal reporting system, Segment Reporting distinguishes between the geographic regions in which the Group offers and delivers products and services. In addition to the segments of Germany, Switzerland and Austria, the regions of Eastern Europe, Italy, Luxembourg, the Netherlands and Poland are combined in the segment "Other". The Group's products and services do not significantly differ between the segments.
Segment revenues from transactions with other segments are not valued separately since these are commercial transactions on market terms and conditions. Results in the Switzerland and Austria segments are still affected by the tax audit that led to a change in the handling of offsetting service expenses between Group companies.

Income amounting to T€4,623 corresponding to the number of active insurance policies was allocated to the Austria segment as part of the Zero-Cost Insurance policy (previous year: T€4,218). For the purposes of commercial law, these are allocated to the segment Germany.

In the reporting year as in the previous year, there was no depreciation relating to impairment charges for impairment testing of any CGU.

The pre-tax results in the segments are adjusted for earnings from investments which are of minor significance for the Group.

The allocation of long-term segment assets to geographic regions is based on the country in which the respective Group company is located and equates to the balance sheet total of non-current assets less financial instruments and deferred tax assets.

Owing to the complex internal relationships resulting from Fielmann Aktiengesellschaft's wholesale function and the cash pooling system, segment assets are shown with their share in the consolidated enterprise value. No transitional value is therefore derived.

In view of the fact that the operating segments correspond to the Group structure under company law and the use of income figures in accordance with IFRS, the transitional values only reflect intra-Group netting.

Retail sales were not divided into product groups because optical products represent 94% of the sales in that segment.

V. Information on related parties (IAS 24)

As Chairman of Fielmann Aktiengesellschaft, Günther Fielmann is deemed to be a related party because he holds, either indirectly or directly, or controls the majority of the shares in Fielmann Aktiengesellschaft via Fielmann Familienstiftung. As well as the emoluments for his activities as Chairman (see Note (30)) and payment of dividends from the shares he holds, no further payments were made to Günther Fielmann apart from those listed below.

In addition, Günther Fielmann has a direct or indirect interest in or exercises control over the following companies, which from the viewpoint of Fielmann Aktiengesellschaft can be classified as related parties:

- KORVA SE (subsidiary of Fielmann Familienstiftung)
- Fielmann INTER-OPTIK GmbH & Co. KG
- MPA Pharma GmbH
- Hof Lütjensee-Hofladen GmbH & Co. oHG
- Gut Schierensee
- Various property management companies

During the 2018 financial year and the previous year, Fielmann Aktiengesellschaft and its Group companies purchased and provided both goods and services as well as renting and leasing out premises. Premises used by Group companies essentially encompass 24 stores (previous year: 24 stores). 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).
The transactions listed below are mainly attributable to the exchange of goods and services with Fielmann Aktiengesellschaft.

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

	2018		2017	
in €000s	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Transactions		569		584
Leases	154	3,130	155	3,071
	154	**3,699**	**155**	**3,655**

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

	2018		2017	
in €000s	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Services	707	180	693	212
Transactions		44		26
Leases	31	87	31	107
	738	**311**	**724**	**345**

	2018		2017	
Balances as at 31. 12. in €000s	Günther Fielmann	Related parties	Günther Fielmann	Related parties
Receivables	99	46	73	52
Liabilities		509		466

The Supervisory Board and Management Board continue to be deemed to be related parties. Total emoluments of the employee representatives on the Supervisory Board received in connection with the employment relationship amounted to T€480 (previous year: T€469). Total remuneration for the Supervisory Board for the financial year amounted to T€870 (previous year: T€880). All remunerations of the Supervisory Board are due in the short term. The explanation in Note (30) refers to the due date for the remuneration of the Management Board as well as the payments after termination of the Management Board relationship. There are no additional payments on termination of the Management Board relationship.

Supervisory Board remuneration (paid in the financial year)

in €000s	Fixed remuneration	Remuneration for committee activities	Attendance fees	Total remuneration 2018	Total remuneration 2017
Shareholder representatives					
Prof. Dr. Mark K. Binz (Chairman of the Supervisory Board)	120	20	5	145	145
Hans Georg Frey	40	10	5	55	55
Corinna Müller-Möhl	40			40	40
Hans Joachim Oltersdorf	40	5	5	50	50
Marie-Christine Ostermann	40			40	40
Pier Paolo Righi	40	5		45	45
Hans-Otto Schrader	40			40	40
Julia Wöhlke	40	5		45	45
Employee representatives					
Mathias Thürnau (Deputy Chairman of the Supervisory Board)	60	10	5	75	75
Heiko Diekhöhner	40			40	40
Jana Furcht	40	5		45	45
Ralf Greve	40	5	5	50	50
Fred Haselbach	40			40	40
Petra Oettle	40	5	5	50	50
Eva Schleifenbaum	40			40	40
Frank Scheckenberg	40			40	27
				840	827

VI. Other information

	Staff as at balance sheet date		Average staff number for year	
	2018	**2017**	**2018**	**2017**
Employees (excluding trainees)	15,526	15,105	15,389	14,933
of whom				
– Employees in Germany	12,736	12,379	12,643	12,251
– Employees in Switzerland	1,222	1,183	1,203	1,169
– Employees in Austria	641	646	638	651
– Other employees	927	897	905	862
Trainees	3,853	3,417	3,492	3,220
Total employees	**19,379**	**18,522**	**18,881**	**18,153**
Employees calculated as full-time equivalent	14,000	13,496	13,720	13,262

Auditor's fees

The fees charged for auditing services for financial year 2018 amount to T€216 (previous year: T€195). There were no expenses for other services in the financial year 2018 (previous year: T€10). The Group auditors did not supply taxation advice and other assurance services.

German Corporate Governance Code

The declaration of compliance required under Section 161 of the German Stock Corporation Act (AktG) was issued by the Management and Supervisory Boards and is permanently made available. It can be accessed on the internet at www.fielmann.com. The remuneration report is printed in the Management Report.

Kiel, Holstenstraße

Information on the bodies of the Company

Management Board

Günther Fielmann	Chairman of the Management Board [1], Corporate Philosophy	Lütjensee
Marc Fielmann	Chairman of the Management Board [2], Marketing, IT, Human Resources, Product Development	Hamburg
Michael Ferley	Supply Chain, Production	Hamburg
Dr. Bastian Körber [3]	Sales, Controlling, Expansion	Hamburg
Dr. Stefan Thies [4]		Hamburg
Georg Alexander Zeiss [5]	Finance, Property, Legal, Compliance	Ahrensburg

Supervisory Board

Shareholder representatives

Prof. Dr. Mark K. Binz (Chairman)	Rechtsanwalt, Binz & Partner	Stuttgart [6,7,8]
Hans-Georg Frey	Chief Executive Officer, Jungheinrich AG	Hamburg [6,8]
Carolina Müller-Möhl	President of the Administrative Board, Müller-Möhl Group	Zürich (CH)
Hans Joachim Oltersdorf	Managing Partner, MPA Pharma GmbH	Rellingen [6]
Marie-Christine Ostermann	Managing Director, Rullko Großeinkauf GmbH & Co. KG	Hamm
Pier Paolo Righi	CEO & President, Karl Lagerfeld International B.V.	Amsterdam (NL) [8]
Hans-Otto Schrader	Chairman of the Supervisory Board Otto AG für Beteiligungen	Hamburg
Julia Wöhlke	Managing Director, Iwan Budnikowsky GmbH & Co. KG	Hamburg [7]

Employee representatives

Mathias Thürnau (Deputy Chairman)	Chairman of the Works Council, Sales Specialist, Fielmann AG	Hamburg [6,7]
Heiko Diekhöner	Regional Manager, Fielmann AG	Hamburg
Jana Furcht	Master Optician, Fielmann AG & Co. OHG	München [7]
Ralf Greve	Spokesperson for Professional Development, Fielmann AG	Hamburg [6]
Fred Haselbach	Master Optician, Fielmann AG & Co. OHG	Lübeck
Petra Oettle	Optician Fielmann AG & Co. oHG	Ulm [6]
Eva Schleifenbaum	Trade union secretary, ver.di	Kiel
Frank Schreckenberg	Trade union secretary, ver.di	Berlin

[1] up to 12.4.2018 Legal, Product Development [2] from 12.4.2018 Chairman of the Management Board, Product Development, from 5.2.2019 Corporate Strategy, IT and Human Resources [3] from 5.2.2019 Controlling [4] up to 5.2.2019 Human Resources, IT and Controlling [5] from 12.4.2018 Legal [6] Member of the HR committee [7] Member of the Mediation Committee [8] Member of the Nomination Committee

These members of the Management Board are also active in the following Supervisory bodies

Georg Alexander Zeiss

Chairman of the advisory committee of Hettich Holding GmbH & Co. oHG, Kirchlengern[2]

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

Prof. Dr. Mark K. Binz

Deputy Chairman of the Supervisory Board of Faber-Castell AG, Stein [1]

Member of the Supervisory Board of Sick AG, Waldkirch [1]

Hans-Georg Frey

Advisory board of E.G.O. Blanc und Fischer & Co. GmbH, Oberderdingen [2]

Member of the advisory board of HOYER GmbH, Hamburg [2]

Carolina Müller-Möhl

Member of the advisory board of Orascom Development Holding AG, Altdorf, Switzerland [2]

Member of the advisory board of Neue Zürcher Zeitung, Zürich, Switzerland [2]

Hans Joachim Oltersdorf

Chairman of the advisory board of Parte GmbH, Cologne [2]

Hans-Otto Schrader

Member of the Board of Partners of Otto GmbH & Co KG, Hamburg [2]

Member of the Supervisory Board of the management company Otto mbH, Hamburg [2]

Member of the Supervisory Board of GSV Aktiengesellschaft für Beteiligungen, Hamburg [1]

Chairman of the advisory board of Systain Consulting GmbH, Hamburg [2]

Member of the advisory board of Dr. August Oetker KG, Bielefeld [2]

Member of the advisory board of Adolf Würth GmbH & Co. KG, Künzelsau [2]

Member of the Executive Committee of Pfeifer & Langen Industrie-und Handels-KG, Cologne [2]

Julia Wöhlke

Member of the Supervisory Board of Hamburger Volksbank e. G., Hamburg [2]

Member of the Supervisory Board of Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV), Hamburg [2]

[1] Member of statutorily required supervisory board

[2] Member of comparable domestic or international supervisory body of a business enterprise

Fielmann Aktiengesellschaft, Hamburg
Statement of holdings and scope of consolidation as at 31 December 2018

as well as an overview of companies which make use of the exemption under Section 264 (3) and Section 264b of the HGB (German Commercial Code)

Management, holding and service companies

Group share of the capital in per cent

Name	Location[1]	Share
Baur Optik Geschäftsführungs-AG	Donauwörth	100
CM Stadtentwicklung GmbH & Co. KG	Hamburg	51
CM Stadtentwicklung Verwaltungs GmbH	Hamburg	51
Fielmann Augenoptik AG & Co. Luxembourg KG	Hamburg	51
Fielmann Augenoptik Aktiengesellschaft	Hamburg	100
Fielmann Beteiligungsgesellschaft mbH	Hamburg	100
Fielmann Finanzservice GmbH	Hamburg	100
Fielmann Ventures GmbH	Hamburg	100
Fielmann Verwaltungs- und Beteiligungs GmbH	Hamburg	100
HID Hamburger Immobiliendienste GmbH	Hamburg	100
opt-invest GmbH & Co. OHG[2,3]	Hamburg	100
opt-Invest Verwaltungs- und Beteiligungs GmbH	Hamburg	100
ROKKU Designstudio GmbH	Hamburg	100
RA Optika AG	Kiev, Ukraine	100
Optik Hess GmbH	Cologne-Dellbrück	100
Fielmann Ltd.	London, Great Britain	100
Grupo Empresarial Fielmann Espana S.A.	Madrid, Spain	100
Optik Klüttermann Verwaltungs GmbH	Mönchengladbach	100
Fielmann Holding B.V.	Oldenzaal, Netherlands	100
Fielmann Akademie Schloss Plön, gemeinnützige Bildungsstätte der Augenoptik GmbH[2]	Plön	100
Fielmann Schloss Plön Hotel- und Catering GmbH	Plön	100
Beteiligungsgesellschaft fielmann Modebrillen Rathenow GmbH	Rathenow	100
Rathenower Optische Werke GmbH	Rathenow	100
Fielmann Schweiz AG	St. Gallen, Switzer-land	100

Production and trading companies

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. Kontaktlinsen-Service KG (formerly Fielmann AG & Co. Kontaktlinsen-Service OHG)	Rathenow	100
fielmann Modebrillen Rathenow AG & Co. KG	Rathenow	100
Rathenower Optik GmbH[3]	Rathenow	100
OTR Oberflächentechnik GmbH	Rathenow	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. am Kugelbrunnen KG	Aachen	100
Fielmann AG & Co. OHG	Aalen	100
Fielmann AG & Co. OHG[4]	Achern	100
Fielmann AG & Co. OHG	Achim	100
Fielmann Augenoptik AG & Co. OHG	Ahaus	100
Fielmann AG & Co. KG	Ahlen	100
Fielmann AG & Co. OHG	Ahrensburg	100
Fielmann AG & Co. OHG	Albstadt-Ebingen	100
Fielmann AG & Co. KG	Alsfeld	100
Fielmann AG & Co. KG	Altenburg	100
Fielmann AG & Co. KG	Alzey	100
Fielmann Augenoptik AG & Co. oHG	Amberg	100
Fielmann AG & Co. oHG	Andernach	100
Fielmann AG & Co. KG	Annaberg-Buchholz	100
Fielmann AG & Co. OHG	Ansbach	100
Fielmann AG & Co. KG	Arnsberg	100
Fielmann AG & Co. KG	Arnstadt	100
Fielmann AG & Co. City Galerie OHG	Aschaffenburg	100

The share of the capital refers to direct and indirect holdings of Fielmann Aktiengesellschaft. The domestic subsidiaries listed in the table below have fulfilled the conditions to make use of the exemption under Section 264 (3) for corporations and 264b for partnerships of the German Commercial Code (HGB) and therefore do not disclose their annual accounts, including the management report.

Stores — Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. oHG	Aschaffenburg	100
Fielmann AG & Co. oHG	Aschersleben	100
Fielmann AG & Co. KG	Aue	100
Fielmann AG & Co. KG	Auerbach/Vogtland	100
Fielmann AG & Co. im Centrum OHG	Augsburg	100
Fielmann AG & Co. oHG City-Galerie	Augsburg	100
Fielmann Augenoptik AG & Co. oHG	Aurich	100
Fielmann AG & Co. KG	Backnang	100
Fielmann AG & Co. OHG	Bad Dürkheim	100
Fielmann AG & Co. oHG	Bad Hersfeld	100
Fielmann AG & Co. oHG	Bad Homburg	100
Fielmann AG & Co. KG	Bad Kissingen	100
Fielmann AG & Co. oHG	Bad Kreuznach	100
Fielmann AG & Co. KG	Bad Mergentheim	100
Fielmann AG & Co. oHG	Bad Neuenahr-Ahrweiler	100
Fielmann AG & Co. OHG	Bad Neustadt/Saale	100
Fielmann AG & Co. oHG	Bad Oeynhausen	100
Fielmann AG & Co. KG	Bad Oldesloe	100
Fielmann AG & Co. KG	Bad Reichenhall	100
Fielmann AG & Co. KG	Bad Salzuflen	100
Fielmann AG & Co. KG	Bad Saulgau	100
Fielmann AG & Co. OHG	Bad Segeberg	100
Fielmann AG & Co. OHG	Bad Tölz	100
Fielmann AG & Co. OHG	Baden-Baden	100
Fielmann AG & Co. KG	Balingen	100
Fielmann AG & Co. OHG	Bamberg	100
Fielmann AG & Co. OHG	Barsinghausen	100
Fielmann AG	Basel, Switzerland	100
Pro-optik AG	Basel, Switzerland	100
Fielmann AG & Co. OHG	Bautzen	100
Fielmann AG & Co. OHG	Bayreuth	100
Fielmann AG & Co. OHG	Beckum	100
Fielmann AG & Co. OHG	Bensheim	100
Fielmann AG & Co. oHG	Bergheim	100
Fielmann AG & Co. oHG	Bergisch Gladbach	100
Fielmann AG & Co. Berlin-Hellersdorf OHG	Berlin	100
Fielmann AG & Co. Berlin-Zehlendorf OHG	Berlin	100
Fielmann AG & Co. Friedrichshagen OHG	Berlin	100
Fielmann AG & Co. Friedrichshain OHG	Berlin	100
Fielmann AG & Co. Gesundbrunnen-Center KG	Berlin	100
Fielmann AG & Co. Gropius Passagen OHG	Berlin	100
Fielmann AG & Co. im Alexa KG	Berlin	100
Fielmann AG & Co. Kreuzberg KG	Berlin	100
Fielmann AG & Co. Linden-Center KG	Berlin	100
Fielmann AG & Co. Märkisches Zentrum KG	Berlin	100
Fielmann AG & Co. Marzahn OHG	Berlin	100
Fielmann AG & Co. Moabit KG	Berlin	100
Fielmann AG & Co. Neukölln KG	Berlin	100
Fielmann AG & Co. oHG Tegel	Berlin	100
Fielmann AG & Co. Pankow OHG	Berlin	100
Fielmann AG & Co. Prenzlauer Berg OHG	Berlin	100
Fielmann AG & Co. Schöneweide OHG	Berlin	100
Fielmann AG & Co. Spandau OHG	Berlin	100
Fielmann AG & Co. Steglitz OHG	Berlin	100
Fielmann AG & Co. Tempelhof OHG	Berlin	100
Fielmann AG & Co. Treptow KG	Berlin	100
Fielmann AG & Co. Weißensee KG	Berlin	100
Fielmann AG & Co. Westend KG	Berlin	100
Fielmann AG & Co. Wilmersdorf KG	Berlin	100
Fielmann AG & Co. OHG	Bernau	100
Fielmann AG & Co. OHG	Bernburg	100
Fielmann AG & Co. OHG	Biberach an der Riß	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. Jahnplatz KG	Bielefeld	100
Fielmann AG & Co. OHG	Bielefeld	100
Fielmann AG & Co. Brackwede KG	Bielefeld	100
Fielmann AG & Co. oHG	Bietigheim-Bissingen	100
Fielmann AG & Co. KG	Bingen am Rhein	100
Fielmann Augenoptik AG & Co. OHG	Bitburg	100
Fielmann AG & Co. OHG	Bitterfeld	100
Fielmann AG & Co. oHG	Böblingen	100
Fielmann AG & Co. OHG	Bocholt	100
Fielmann AG & Co. OHG	Bochum	100
Fielmann AG & Co. Wattenscheid KG	Bochum	100
Fielmann Srl	Bolzano	100
Fielmann AG & Co. Bonn-Bad Godesberg OHG	Bonn	100
Fielmann AG & Co. oHG	Bonn	100
fielmann-optic Fielmann GmbH & Co. KG	Bonn	50.98
Fielmann Augenoptik AG & Co. OHG	Borken	100
Fielmann AG & Co. OHG	Bottrop	100
Fielmann Augenoptik AG & Co. KG	Brake	75
Fielmann AG & Co. OHG	Bramsche	100
Fielmann AG & Co. OHG	Brandenburg	100
Fielmann AG & Co. Schloss-Arkaden KG	Braunschweig	100
Fielmann AG & Co. OHG	Braunschweig	100
Fielmann AG & Co. Obernstraße OHG	Bremen	100
Fielmann AG & Co. oHG Bremen-Neustadt	Bremen	100
Fielmann AG & Co. Roland-Center KG	Bremen	100
Fielmann AG & Co. Vegesack OHG	Bremen	100
Fielmann AG & Co. Weserpark OHG	Bremen	100
Fielmann Augenoptik AG & Co. OHG	Bremerhaven	100
Fielmann AG & Co. OHG	Bretten	100
Fielmann AG & Co. OHG	Bruchsal	100
Fielmann AG & Co. oHG	Brühl	100
Fielmann AG & Co. OHG	Brunsbüttel	100
Fielmann AG & Co. oHG	Buchholz	100
Fielmann AG & Co. KG	Bünde	100
Fielmann AG & Co. OHG	Burg	100
Fielmann AG & Co. OHG	Burgdorf	100
Fielmann AG & Co. OHG	Buxtehude	100
Fielmann AG & Co. KG	Calw	100
Fielmann AG & Co. oHG	Castrop-Rauxel	100
Fielmann AG & Co. OHG	Celle	100
Fielmann AG & Co. OHG	Cham	100
Fielmann AG & Co. OHG	Chemnitz	100
Fielmann AG & Co. Vita-Center KG	Chemnitz	100
Fielmann AG & Co. oHG	Cloppenburg	100
Fielmann AG & Co. OHG	Coburg	100
Fielmann AG & Co. OHG	Coesfeld	100
Fielmann AG & Co. oHG	Cottbus	100
Fielmann AG & Co. OHG	Crailsheim	100
Fielmann AG & Co. OHG	Cuxhaven	100
Fielmann AG & Co. oHG	Dachau	100
Fielmann AG & Co. OHG	Dallgow-Döberitz	100
Fielmann AG & Co. KG	Darmstadt	100
Fielmann AG & Co. oHG Ludwigsplatz	Darmstadt	100
Fielmann AG & Co. KG	Datteln	100
Fielmann AG & Co. oHG	Deggendorf	100
Fielmann AG & Co. OHG	Delmenhorst	100
Fielmann AG & Co. OHG	Dessau-Roßlau	100
Fielmann AG & Co. oHG Kavalierstraße	Dessau-Roßlau	100
Fielmann AG & Co. OHG	Detmold	100
Fielmann Augenoptik AG & Co. KG (formerly fielmann-optic Fielmann GmbH & Co. OHG)	Diepholz	50
Fielmann AG & Co. oHG	Dillingen	100
Fielmann AG & Co. KG	Dingolfing	100
Fielmann AG & Co. OHG	Dinslaken	100
Fielmann AG & Co. OHG	Döbeln	100
Baur Optik AG & Co. KG	Donauwörth	100
Fielmann AG & Co. oHG	Dormagen	100
Fielmann AG & Co. KG	Dorsten	100
Fielmann AG & Co. KG	Dortmund	100
Fielmann AG & Co. Dresden Altstadt OHG	Dresden	100
Fielmann AG & Co. Dresden Neustadt OHG	Dresden	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. Kaufpark KG	Dresden	100
Fielmann AG & Co. Hamborn KG	Duisburg	100
Fielmann AG & Co. im Centrum OHG	Duisburg	100
Fielmann AG & Co. OHG	Dülmen	100
Fielmann AG & Co. OHG	Düren	100
Fielmann AG & Co. Derendorf OHG	Düsseldorf	100
Fielmann AG & Co. Friedrichstraße OHG	Düsseldorf	100
Fielmann AG & Co. im Centrum KG	Düsseldorf	100
Fielmann AG & Co. Oberkassel OHG	Düsseldorf	100
Fielmann AG & Co. Rethelstraße OHG	Düsseldorf	100
fielmann-optic Fielmann GmbH & Co. KG	Düsseldorf	60
Fielmann AG & Co. OHG	Eberswalde	100
Fielmann AG & Co. OHG	Eckernförde	100
Fielmann AG & Co. oHG	Ehingen	100
Fielmann AG & Co. OHG	Eisenach	100
Fielmann AG & Co. OHG	Eisenhüttenstadt	100
Fielmann AG & Co. oHG	Elmshorn	100
Fielmann AG & Co. OHG	Emden	100
Fielmann AG & Co. OHG	Emmendingen	100
Fielmann AG & Co. KG	Emsdetten	100
Fielmann AG & Co. OHG	Erding	100
Fielmann AG & Co. OHG	Erfurt	100
Fielmann AG & Co. Thüringen-Park OHG	Erfurt	100
Fielmann AG & Co. OHG	Erkelenz	100
Fielmann AG & Co. im Centrum OHG	Erlangen	100
Fielmann AG & Co. OHG	Erlangen	100
Fielmann AG & Co. KG	Eschwege	100
Fielmann AG & Co. OHG	Eschweiler	100
Fielmann AG & Co. EKZ Limbecker Platz KG	Essen	100
Fielmann AG & Co. Essen-Rüttenscheid OHG	Essen	100
Fielmann AG & Co. Zentrum KG	Essen	100
Fielmann AG & Co. Essen-Steele OHG	Essen-Steele	100
Fielmann AG & Co. OHG	Esslingen	100
Brillen-Bunzel GmbH	Ettlingen	100
Fielmann AG & Co. oHG	Ettlingen	100
Fielmann AG & Co. oHG	Euskirchen	100
Fielmann AG & Co. oHG	Eutin	100
Fielmann AG & Co. OHG	Finsterwalde	100
Fielmann AG & Co. OHG	Flensburg	100
Fielmann AG & Co. OHG	Forchheim	100
Fielmann AG & Co. OHG	Frankenthal	100
Fielmann AG & Co. OHG	Frankfurt (Oder)	100
Fielmann AG & Co. Bornheim KG	Frankfurt am Main	100
Fielmann AG & Co. Hessen-Center OHG	Frankfurt am Main	100
Fielmann AG & Co. Höchst OHG	Frankfurt am Main	100
Fielmann AG & Co. Leipziger Straße OHG	Frankfurt am Main	100
Fielmann AG & Co. Roßmarkt OHG	Frankfurt am Main	100
Fielmann AG & Co. oHG	Frechen	100
Fielmann AG & Co. OHG	Freiberg	100
Fielmann AG & Co. oHG	Freiburg im Breisgau	100
Fielmann AG & Co. oHG	Freising	100
Fielmann AG & Co. OHG	Freital	100
Fielmann AG & Co. KG	Freudenstadt	100
Fielmann AG & Co. OHG	Friedberg (Hesse)	100
Fielmann AG & Co. KG	Friedrichshafen	100
Fielmann AG & Co. OHG	Fulda	100
Fielmann AG & Co. OHG	Fürstenfeldbruck	100
Fielmann AG & Co. OHG	Fürstenwalde	100
Fielmann AG & Co. KG	Fürth	100
Fielmann AG & Co. KG	Garmisch-Partenkirchen	100
Fielmann AG & Co. OHG	Geesthacht	100
Fielmann AG & Co. KG	Geislingen an der Steige	100
Fielmann AG & Co. OHG	Geldern	100
Fielmann AG & Co. OHG	Gelnhausen	100
Fielmann AG & Co. im Centrum KG	Gelsenkirchen	100
Fielmann AG & Co. Buer OHG	Gelsenkirchen	100
Fielmann AG & Co. KG	Gera	100
Fielmann AG & Co. oHG	Gießen	100
Fielmann AG & Co. OHG	Gifhorn	100
Fielmann AG & Co. KG	Gladbeck	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. OHG	Glinde	100
Fielmann AG & Co. KG	Goch	100
Fielmann AG & Co. OHG	Göppingen	100
Fielmann AG & Co. Centrum KG	Görlitz	100
Fielmann AG & Co. OHG	Goslar	100
Fielmann AG & Co. OHG	Gotha	100
Fielmann AG & Co. OHG	Göttingen	100
Fielmann AG & Co. OHG	Greifswald	100
Fielmann AG & Co. OHG	Greiz	100
Fielmann AG & Co. OHG	Greven	100
Fielmann AG & Co. OHG	Grevenbroich	100
Fielmann AG & Co. KG	Grimma	100
Fielmann AG & Co. OHG	Gronau	100
Fielmann AG & Co. OHG	Gummersbach	100
Fielmann AG & Co. oHG	Günzburg	100
Fielmann AG & Co. Pferdemarkt OHG	Güstrow	100
Fielmann AG & Co. OHG	Gütersloh	100
Fielmann AG & Co. OHG	Hagen	100
Fielmann AG & Co. OHG	Halberstadt	100
Fielmann AG & Co. OHG	Halle	100
Fielmann AG & Co. Halle-Neustadt OHG	Halle-Neustadt	100
Fielmann AG & Co. OHG	Haltern am See	100
Fielmann AG & Co. Billstedt KG	Hamburg	100
Fielmann AG & Co. Bramfeld KG	Hamburg	100
Fielmann AG & Co. Eimsbüttel OHG	Hamburg	100
Fielmann AG & Co. EKZ Hamburger Straße KG	Hamburg	100
Fielmann AG & Co. Eppendorf KG	Hamburg	100
Fielmann AG & Co. Harburg Sand OHG	Hamburg	100
Fielmann AG & Co. im Alstertal-Einkaufszentrum OHG	Hamburg	100
Fielmann AG & Co. im Elbe-Einkaufszentrum OHG	Hamburg	100
Fielmann AG & Co. Bergedorf OHG	Hamburg	100
Fielmann AG & Co. Ochsenzoll OHG	Hamburg	100
Fielmann AG & Co. oHG Barmbek	Hamburg	100

Name	Location[1]	Share
Fielmann AG & Co. oHG Niendorf	Hamburg	100
Fielmann AG & Co. oHG Schnelsen	Hamburg	100
Fielmann AG & Co. Othmarschen OHG	Hamburg	100
Fielmann AG & Co. Ottensen OHG	Hamburg	100
Fielmann AG & Co. Rahlstedt OHG	Hamburg	100
Fielmann AG & Co. Rathaus OHG	Hamburg	100
Fielmann AG & Co. Volksdorf OHG	Hamburg	100
Fielmann AG & Co. Wandsbek OHG	Hamburg	100
Fielmann Augenoptik AG & Co. oHG Harburg-City	Hamburg	100
fielmann Farmsen Fielmann GmbH & Co. KG	Hamburg	50
Optiker Carl GmbH	Hamburg	100
Fielmann AG & Co. KG	Hameln	100
Fielmann AG & Co. KG	Hamm	100
Fielmann AG & Co. OHG	Hanau	100
Fielmann AG & Co. OHG	Hann. Münden	100
Fielmann AG & Co. Ernst-August-Galerie KG	Hanover	100
Fielmann AG & Co. Lister Meile OHG	Hanover	100
Fielmann AG & Co. Nordstadt OHG	Hanover	100
Fielmann AG & Co. OHG	Hanover	100
Fielmann AG & Co. Schwarzer Bär OHG	Hanover	100
Fielmann AG & Co. OHG	Haßloch	100
Fielmann AG & Co. OHG	Hattingen	100
Fielmann AG & Co. OHG	Heide	100
Fielmann AG & Co. KG	Heidelberg	100
Fielmann AG & Co. OHG	Heidenheim	100
Fielmann AG & Co. oHG	Heilbronn	100
Fielmann AG & Co. oHG	Heinsberg	100
Fielmann AG & Co. oHG	Helmstedt	100
Fielmann AG & Co. OHG	Herborn	100
Fielmann AG & Co. KG	Herford	100
Fielmann AG & Co. KG	Herne	100
Fielmann AG & Co. oHG im Centrum	Herne	100
Fielmann AG & Co. OHG	Herrenberg	100
Fielmann AG & Co. KG	Herten	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. oHG	Hilden	100
Fielmann AG & Co. OHG	Hildesheim	100
Fielmann AG & Co. OHG	Hof	100
Fielmann AG & Co. OHG	Homburg/Saar	100
Fielmann Augenoptik AG & Co. OHG	Höxter	100
Fielmann AG & Co. OHG	Hoyerswerda	100
Fielmann AG & Co. oHG	Husum	100
Fielmann AG & Co. OHG	Ibbenbüren	100
Fielmann AG & Co. oHG	Idar-Oberstein	100
Fielmann AG & Co. OHG	Ilmenau	100
Fielmann AG & Co. OHG	Ingolstadt	100
Fielmann AG & Co. EKZ Westpark OHG	Ingolstadt	100
Fielmann AG & Co. oHG	Iserlohn	100
Fielmann AG & Co. OHG	Itzehoe	100
Fielmann AG & Co. OHG	Jena	100
Fielmann AG & Co. OHG	Jülich	100
Fielmann AG & Co. OHG	Kaiserslautern	100
Fielmann AG & Co. OHG	Kamen	100
Fielmann AG & Co. KG	Kamp-Lintfort	100
Fielmann AG & Co. Westliche Kaiserstraße KG	Karlsruhe	100
Fielmann AG & Co. OHG	Kassel	100
Fielmann AG & Co. im DEZ OHG	Kassel	100
Fielmann AG & Co. OHG	Kaufbeuren	100
Fielmann AG & Co. OHG	Kempen	100
Fielmann AG & Co. oHG	Kempten	100
Fielmann AG & Co. OHG	Kiel	100
Fielmann AG & Co. oHG Wellingdorf	Kiel	100
Fielmann GmbH	Kiev, Ukraine	100
Fielmann AG & Co. oHG	Kirchheim unter Teck	100
Fielmann AG & Co. KG	Kleve	100
Fielmann AG & Co. Forum Mittelrhein OHG	Koblenz	100
Fielmann AG & Co. OHG	Koblenz	100
Fielmann AG & Co. Barbarossaplatz OHG	Cologne	100
Fielmann AG & Co. Ebertplatz KG	Cologne	100
Fielmann AG & Co. Mülheim OHG	Cologne	100
Fielmann AG & Co. OHG	Cologne	100
Fielmann AG & Co. oHG Kalk	Cologne	100
Fielmann AG & Co. oHG Rhein-Center	Cologne	100
Fielmann AG & Co. Schildergasse OHG	Cologne	100
Fielmann AG & Co. Venloer Straße OHG	Cologne	100
Optik Simon GmbH	Cologne	100
Fielmann AG & Co. Chorweiler KG	Cologne	100
Optik Hess GmbH & Co. KG	Cologne-Dellbrück	100
Brillen Müller GmbH & Co. OHG	Konstanz	100
Fielmann AG & Co. OHG	Konstanz	100
Fielmann AG & Co. OHG	Korbach	100
Fielmann AG & Co. KG	Köthen	100
Fielmann AG & Co. Neumarkt KG	Krefeld	100
Fielmann AG & Co. OHG	Kulmbach	100
Fielmann Augenoptik AG & Co. OHG	Laatzen	100
Fielmann AG & Co. oHG	Lahr	100
fielmann Fielmann GmbH	Landau	65
Fielmann AG & Co. OHG[4]	Landsberg am Lech	100
Fielmann AG & Co. OHG	Landshut	100
Fielmann AG & Co. OHG	Langenfeld	100
Fielmann AG & Co. OHG	Langenhagen	100
Fielmann AG & Co. KG	Lauf an der Pegnitz	100
Fielmann AG & Co. oHG	Leer	100
Fielmann AG & Co. am Markt OHG	Leipzig	100
Fielmann AG & Co. oHG Allee Center	Leipzig	100
Fielmann AG & Co. Paunsdorf-Center OHG	Leipzig	100
Fielmann AG & Co. KG	Lemgo	100
Fielmann AG & Co. OHG	Lengerich	100
Fielmann AG & Co. OHG	Leverkusen	100
Fielmann AG & Co. oHG	Limburg	100
Fielmann AG & Co. OHG	Lingen	100
Fielmann AG & Co. OHG	Lippstadt	100
fielmann-optic Fielmann GmbH & Co. KG	Lohne	61.54
Fielmann AG & Co. OHG	Lohr am Main	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. oHG	Lörrach	100
Fielmann AG & Co. KG	Lübbecke	100
Fielmann AG & Co. OHG	Lübeck	100
Fielmann AG & Co. KG	Luckenwalde	100
Fielmann AG & Co. oHG	Lüdenscheid	100
Fielmann AG & Co im Center KG	Ludwigsburg	100
Fielmann AG & Co. oHG	Ludwigsburg	100
Fielmann AG & Co. Rhein-Galerie KG	Ludwigshafen	100
Fielmann AG & Co. oHG	Lüneburg	100
Fielmann AG & Co. OHG	Lünen	100
Fielmann AG & Co. oHG	Lutherstadt Eisleben	100
Fielmann AG & Co. OHG	Lutherstadt Wittenberg	100
Fielmann GmbH	Luxembourg, Luxembourg	51
Fielmann AG & Co. OHG	Magdeburg	100
Fielmann AG & Co. Sudenburg OHG	Magdeburg	100
Fielmann AG & Co. OHG	Mainz	100
Fielmann AG & Co. OHG	Mannheim	100
Born Brillen Optik GmbH & Co. OHG[6]	Mannheim	100
Fielmann AG & Co. OHG	Marburg	100
Fielmann AG & Co. KG	Marktredwitz	100
Fielmann AG & Co. KG	Marl	100
Fielmann Augenoptik AG & Co. OHG	Mayen	100
Fielmann AG & Co. oHG	Meiningen	100
Fielmann AG & Co. OHG	Meißen	100
Fielmann AG & Co. OHG	Melle	100
Fielmann AG & Co. OHG (formerly Fielmann Augenoptik AG & Co. KG)	Memmingen	100
Fielmann AG & Co. OHG	Menden	100
Fielmann AG & Co. OHG	Meppen	100
Fielmann AG & Co. oHG	Merseburg	100
Fielmann AG & Co. OHG	Merzig	100
Fielmann AG & Co. OHG	Meschede	100
Fielmann AG & Co. oHG	Minden	100
IB Fielmann GmbH	Minsk, Belarus	100
Fielmann AG & Co. OHG	Moers	100
Fielmann AG & Co. OHG	Mölln	100
Fielmann AG & Co. oHG Hindenburgstraße	Mönchengladbach	100
Fielmann AG & Co. Rheydt oHG	Mönchengladbach	100
Fielmann AG & Co. KG	Mosbach	100
Fielmann AG & Co. OHG	Mühldorf a. Inn	100
Fielmann AG & Co. OHG	Mühlhausen	100
Fielmann AG & Co. OHG	Mülheim an der Ruhr	100
Fielmann AG & Co. RheinRuhrZentrum OHG	Mülheim an der Ruhr	100
Fielmann AG & Co. Haidhausen OHG	Munich	100
Fielmann AG & Co. Leopoldstraße OHG	Munich	100
Fielmann AG & Co. OHG	Munich	100
Fielmann AG & Co. oHG München OEZ	Munich	100
Fielmann AG & Co. oHG München PEP	Munich	100
Fielmann AG & Co. oHG Sendling	Munich	100
Fielmann AG & Co. Pasing OHG	Munich	100
Fielmann AG & Co. Riem Arcaden KG	Munich	100
Fielmann AG & Co. Tal KG	Munich	100
Fielmann AG & Co. Hiltrup OHG	Münster	100
Fielmann AG & Co. Klosterstraße OHG	Münster	100
Fielmann AG & Co. An der Rothenburg OHG	Münster	100
Fielmann AG & Co. KG	Nagold	100
Fielmann AG & Co. OHG	Naumburg	100
Fielmann AG & Co. KG	Neubrandenburg	100
Fielmann AG & Co. oHG Marktplatz-Center	Neubrandenburg	100
Fielmann AG & Co. OHG	Neuburg an der Donau	100
Fielmann AG & Co. oHG	Neu-Isenburg	100
Fielmann AG & Co. oHG	Neumarkt i. d. OPf.	100
Fielmann AG & Co. OHG	Neumünster	100
Fielmann AG & Co. OHG	Neunkirchen	100
Fielmann AG & Co. OHG	Neuruppin	100
Fielmann AG & Co. OHG	Neuss	100

Stores Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. oHG	Neustadt a.d. Weinstraße	100
Fielmann AG & Co. OHG	Neustrelitz	100
Fielmann AG & Co. Glacis-Galerie OHG	Neu-Ulm	100
Fielmann AG & Co. oHG	Neuwied	100
Fielmann AG & Co. OHG	Nienburg	100
Fielmann Augenoptik AG & Co. oHG	Norden	100
Fielmann Augenoptik AG & Co. KG	Nordenham	75
Fielmann AG & Co. OHG	Norderstedt	100
Fielmann AG & Co. OHG	Nordhausen	100
Fielmann AG & Co. OHG	Nordhorn	100
Fielmann AG & Co. OHG	Nördlingen	100
Fielmann AG & Co. OHG	Northeim	100
Fielmann AG & Co. am Hauptmarkt OHG	Nuremberg	100
Fielmann AG & Co. Nürnberg Lorenz OHG	Nuremberg	100
Fielmann AG & Co. Nürnberg-Süd KG	Nuremberg	100
Fielmann AG & Co. Nürnberg-Langwasser OHG	Nuremberg	100
Fielmann AG & Co. Oberhausen OHG	Oberhausen	100
Fielmann AG & Co. OHG Sterkrade	Oberhausen Sterkrade	100
Fielmann AG & Co. oHG	Oberursel	100
Fielmann AG & Co. OHG	Oer-Erkenschwick	100
Fielmann AG & Co. KG	Offenbach am Main	100
Fielmann AG & Co. oHG	Offenburg	100
Fielmann AG & Co. OHG	Oldenburg/Holstein	100
Fielmann AG & Co. im Centrum KG	Oldenburg/ Oldenburg	100
Fielmann B.V.	Oldenzaal, Netherlands	100
Hofland Optiek B.V.	Oldenzaal, Netherlands	100
Fielmann AG & Co. OHG	Olpe	100
Fielmann AG & Co. OHG	Olsberg	100
Fielmann AG & Co. oHG	Oranienburg	100
Fielmann Augenoptik AG & Co. KG (formerly fielmann-optic Fielmann GmbH & Co. KG)	Osnabrück	50.12
Fielmann AG & Co. oHG	Osterholz-Scharmbeck	100
Fielmann AG & Co. OHG	Osterode	100
Fielmann AG & Co. KG	Paderborn	100
Fielmann Opticas S.L.[7]	Palma de Mallorca, Spain	100
Fielmann Augenoptik AG & Co. oHG	Papenburg	100
Fielmann AG & Co. OHG	Parchim	100
Fielmann AG & Co. oHG	Passau	100
Fielmann AG & Co. OHG	Peine	100
Fielmann AG & Co. OHG	Pfarrkirchen	100
Fielmann AG & Co. OHG	Pforzheim	100
Fielmann AG & Co. oHG	Pinneberg	100
Fielmann AG & Co. OHG	Pirmasens	100
Fielmann AG & Co. OHG	Pirna	100
Fielmann AG & Co. KG	Plauen	100
Fielmann AG & Co. KG	Plön	100
Fielmann AG & Co. OHG	Potsdam	100
Fielmann sp. z o.o.	Poznań, Poland	100
Fielmann AG & Co. OHG	Quedlinburg	100
Fielmann AG & Co. OHG	Radebeul	100
Baur Optik GmbH Rain	Rain am Lech	60
Fielmann AG & Co. OHG	Rastatt	100
Fielmann AG & Co. OHG	Rathenow	100
Fielmann AG & Co. OHG	Ratingen	100
Fielmann AG & Co. KG	Ravensburg	100
Fielmann AG & Co. OHG	Recklinghausen	100
Fielmann AG & Co. im Donau-Einkaufszentrum KG	Regensburg	100
Fielmann AG & Co. KG	Regensburg	100
Fielmann AG & Co. KG	Reichenbach im Vogtland	100
Fielmann AG & Co. oHG	Remscheid	100
Fielmann AG & Co. oHG	Rendsburg	100
Fielmann AG & Co. OHG	Reutlingen	100
Fielmann AG & Co. OHG	Rheinbach	100
Fielmann AG & Co. oHG	Rheine	100

Stores Group share of the capital in per cent

Name	Location[1]	Share
Löchte-Optik GmbH	Rheine	100
Fielmann AG & Co. OHG	Riesa	100
Fielmann AG & Co. KG	Rinteln	100
Fielmann AG & Co. oHG	Rosenheim	100
Fielmann AG & Co. OHG	Rostock	100
Fielmann AG & Co. oHG Lütten Klein	Rostock	100
Fielmann AG & Co. OHG	Rotenburg/Wümme	100
Fielmann AG & Co. oHG	Rottenburg	100
Groeneveld Brillen en Contactlenzen B.V.	Rotterdam, Netherlands	100
Fielmann Augenoptik AG & Co. oHG	Rottweil	100
Fielmann AG & Co. OHG	Rudolstadt	100
Fielmann AG & Co. OHG	Rüsselsheim	100
Fielmann AG & Co. OHG	Saalfeld/Saale	100
Fielmann AG & Co. oHG	Saarbrücken	100
Fielmann AG & Co. oHG	Saarlouis	100
Fielmann AG & Co. KG	Salzgitter	100
Fielmann AG & Co. OHG	Salzwedel	100
Fielmann AG & Co. oHG	Sangerhausen	100
Fielmann AG & Co. OHG	Schleswig	100
Fielmann AG & Co. OHG	Schönebeck	100
Fielmann AG & Co. KG	Schwabach	100
Fielmann AG & Co. OHG	Schwäbisch Gmünd	100
Fielmann AG & Co. OHG	Schwäbisch Hall	100
Fielmann AG & Co. KG	Schwandorf	100
Fielmann AG & Co. OHG	Schwedt	100
Fielmann AG & Co. OHG	Schweinfurt	100
Fielmann AG & Co. im Centrum OHG	Schwerin	100
Fielmann AG & Co. OHG	Schwerin	100
Fielmann AG & Co. KG	Schwetzingen	100
Fielmann AG & Co. OHG	Seevetal	100
Fielmann AG & Co. oHG	Senftenberg	100
Fielmann AG & Co. OHG	Siegburg	100
Fielmann AG & Co. KG	Siegen	100
Fielmann AG & Co. oHG City-Galerie	Siegen	100
Fielmann AG & Co. Stern Center OHG	Sindelfingen	100
Fielmann AG & Co. OHG	Singen	100
Fielmann AG & Co. OHG	Soltau	100
Fielmann AG & Co. KG	Soest	100
Fielmann AG & Co. im Centrum OHG	Solingen	100
Fielmann AG & Co. OHG	Sonneberg	100
Fielmann AG & Co. KG	Sonthofen	100
Fielmann AG & Co. oHG	Speyer	100
Fielmann AG & Co. OHG	St. Ingbert	100
Fielmann AG & Co. OHG	Stade	100
Fielmann AG & Co. KG	Stadthagen	100
Fielmann AG & Co. OHG	Starnberg	100
Fielmann AG & Co. OHG	Stendal	100
Fielmann AG & Co. OHG	Stralsund	100
Optique Marmet Jacques SAS	Strasbourg, France	100
Fielmann AG & Co. OHG	Straubing	100
Fielmann AG & Co. OHG	Strausberg	100
Fielmann AG & Co. Bad Cannstatt OHG	Stuttgart	100
Fielmann AG & Co. EKZ Milaneo OHG	Stuttgart	100
Fielmann AG & Co. KG	Stuttgart	52
Optik Schuppin GmbH & Co. OHG	Stuttgart	100
Fielmann AG & Co. OHG	Suhl	100
Fielmann AG & Co. KG	Sulzbach	100
Fielmann AG & Co. KG	Sylt / OT Westerland	100
Fielmann AG & Co. oHG	Traunstein	100
Fielmann Augenoptik AG & Co. OHG	Trier	100
Fielmann AG & Co. OHG	Troisdorf	100
Fielmann AG & Co. KG	Tübingen	100
Fielmann Augenoptik AG & Co. oHG	Tuttlingen	100
Fielmann AG & Co. KG	Überlingen	100
Fielmann AG & Co. OHG	Uelzen	100
Fielmann Augenoptik AG & Co. oHG	Ulm	100
Fielmann AG & Co. KG	Unna	100
fielmann-optic Fielmann GmbH & Co. oHG	Varel	100

Stores

Group share of the capital in per cent

Name	Location[1]	Share
Fielmann AG & Co. OHG	Vechta	100
Fielmann AG & Co. oHG	Velbert	100
Fielmann AG & Co. oHG	Verden	100
Fielmann AG & Co. oHG	Viersen	100
Fielmann AG & Co. OHG	Villingen	100
Fielmann AG & Co. Schwenningen KG	Villingen-Schwenningen	100
Fielmann AG & Co. KG	Völklingen	100
Fielmann AG & Co. oHG	Waiblingen	100
Fielmann AG & Co. OHG	Waldshut-Tiengen	100
Fielmann AG & Co. OHG	Walsrode	100
Fielmann AG & Co. OHG	Waltrop	100
Fielmann AG & Co. OHG	Wangen im Allgäu	100
Fielmann AG & Co. KG	Warburg	100
Fielmann AG & Co. OHG	Warendorf	100
Fielmann AG & Co. OHG	Wedel	100
Fielmann AG & Co. OHG	Weiden i. d. Oberpfalz	100
Fielmann AG & Co. OHG	Weilheim i.OB.	100
Fielmann AG & Co. KG	Weimar	100
Fielmann AG & Co. OHG	Weinheim	100
Fielmann AG & Co. KG	Weißenburg in Bayern	100
Fielmann AG & Co. KG	Weißenfels	100
Fielmann AG & Co. OHG	Weißwasser	100
Fielmann AG & Co. KG	Weiterstadt	100
Optik Hörger GmbH & Co. OHG[5]	Wendlingen am Neckar	100
Fielmann AG & Co. OHG	Wernigerode	100
Fielmann AG & Co. OHG	Wesel	100
Fielmann Augenoptik AG & Co. OHG	Westerstede	100
Fielmann AG & Co. oHG	Wetzlar	100
Fielmann GmbH	Vienna, Austria	100
Fielmann AG & Co. OHG	Wiesbaden	100
Optik Käpernick GmbH & Co. KG	Wiesbaden	100
Fielmann AG & Co. KG	Wiesloch	100
Fielmann AG & Co. KG	Wildau	100
Fielmann Augenoptik AG & Co. OHG	Wildeshausen	100
Fielmann AG & Co. KG	Wilhelmshaven	100
Fielmann AG & Co. OHG	Winsen	100
Fielmann AG & Co. OHG	Wismar	100
Fielmann Augenoptik AG & Co. KG	Witten	50.5
Fielmann Augenoptik im Centrum AG & Co. oHG	Witten	100
Fielmann AG & Co. oHG	Wittenberge	100
Fielmann Augenoptik AG & Co. oHG	Wittlich	100
Fielmann Augenoptik AG & Co. OHG	Wittmund	100
Fielmann AG & Co. OHG	Wolfenbüttel	100
Fielmann AG & Co. OHG	Wolfsburg	100
Fielmann AG & Co. KG	Worms	100
Fielmann Augenoptik AG & Co. OHG	Wunstorf	100
Fielmann AG & Co. Barmen OHG	Wuppertal	100
Fielmann AG & Co. City-Arkaden KG	Wuppertal	100
Fielmann AG & Co. Elberfeld OHG	Wuppertal	100
Fielmann AG & Co. OHG	Würselen	100
Fielmann AG & Co. OHG	Würzburg	100
Fielmann AG & Co. KG	Zeitz	100
Fielmann AG & Co. OHG	Zittau	100
Fielmann AG & Co. OHG	Zweibrücken	100
Fielmann AG & Co. KG	Zwickau	100

[1] If no country is stated after the name of the town or city, the company is based in Germany.
[2] In accordance with Section 264 Para. 3 and Sections 264a and 264b of the German Commercial Code (HGB), this company is exempt from the obligation to prepare a management report.
[3] In accordance with Section 264 Para. 3 and Sections 264a and 264b of the German Commercial Code (HGB), this company is exempt from having to audit its financial statements.
[4] This company was founded in financial year 2018.
[5] This company was acquired by contract of purchase dated 08.02.2018 and entered in the commercial register on 28.03.2018.
[6] This company was acquired by contract of purchase dated 09.07.2018 and entered in the commercial register on 30.08.2018.
[7] This company was founded in financial year 2018. It has not yet been entered in the commercial register.

Proposed appropriation of profit

The Management Board and Supervisory Board will propose to the Annual General Meeting that the balance sheet profit of Fielmann Aktiengesellschaft, amounting to T€159,600, should be appropriated as follows:

Distribution of a dividend of	€000s
€1.90 per ordinary share (84,000,000 shares)	159,600

Hamburg, 18 March 2019

Fielmann Aktiengesellschaft
The Management Board

Günther Fielmann Marc Fielmann

Michael Ferley Dr. Bastian Körber Dr. Stefan Thies Georg Alexander Zeiss

Affirmation by the Management Board

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

Hamburg, 18 March 2019

Fielmann Aktiengesellschaft
The Management Board

Independent auditor's report

To Fielmann Aktiengesellschaft, Hamburg

NOTE ON THE AUDIT OF THE CONSOLIDATED ACCOUNTS AND THE GROUP MANAGEMENT REPORT

Audit opinion

We have audited the consolidated accounts of Fielmann Aktiengesellschaft, Hamburg, and its subsidiaries (of the Group) – comprising the consolidated balance sheet as at 31 December 2018, the consolidated profit and loss statement and other results, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2018, as well as the Notes to the consolidated accounts, including a summary of significant accounting methods. In addition, we have audited the Group Management Report of Fielmann Aktiengesellschaft, Hamburg, for the financial year from 1 January to 31 December 2018. In accordance with the German statutory provisions, we have not audited the content of the Group declaration on corporate governance pursuant to Section 315d of the German Commercial Code (HGB) nor the separate summarised non-financial report pursuant to Sections 289b to 289e, 315b and 315c of the German Commercial Code(HGB), to which the Group Management Report refers.

According to our assessment based on the insight gained during the audit,

- the attached consolidated accounts fully comply with the International Financial Reporting Standards (IFRS), as applicable in the EU, as well as the additional German statutory provisions pursuant to Section 315e Para. 1 of the German Commercial Code (HGB) and give a true and fair view, taking into account these regulations, of the assets and finances of the Group as at 31 December 2018, as well as its income for the financial year from 1 January to 31 December 2018, and
- the attached Group Management report provides a true picture of the Group's position. On all the key points, the Group Management Report is in line with the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development. Our audit opinion does not include the content of the above-mentioned Group declaration on corporate governance nor the separate summarised non-financial Group report.

Pursuant to Section 322 Para. 3 (1) of the German Commercial Code (HGB), we declare that our audit led to no objections to the correctness of the consolidated accounts and the Group Management Report.

Basis for the audit opinion

We have audited the consolidated accounts and the Group Management Report in accordance with Section 317 of the German Commercial Code (HGB) and the EU audit regulation (No. 537/2014; hereinafter referred to as "EU-AR") in compliance with the principles of proper and correct auditing laid down by the IDW (German Institute of Auditors). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Accounts and the Group Management Report" section of our report. We are independent of the Group companies in accordance with the provisions under European law and German commercial law and professional requirements, and we have fulfilled our other German ethical responsibilities in accordance with these requirements. Furthermore, we declare that we, in line with Article 10 Para. 2 (f) of the EU-AR, have not provided any prohibited non-audit services as described in Article 5 Para. 1 of the EU-AR. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion regarding the consolidated accounts and the Group Management Report.

Key audit matters in the audit of the consolidated accounts

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts for the financial year from January 1 to December 31 2018. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our audit opinion thereof, and we do not provide a separate audit opinion on these matters.
In our view, the key audit matters were as follows:
1. Recoverability of goodwill
2. Evidence and evaluation of the inventories

Our presentation of these key audit matters has been structured as follows:
a) Description of matters (including reference to related disclosures in the consolidated accounts)
b) Audit approach

1. Recoverability of goodwill

a) A goodwill of €47.5 million has been reported in the consolidated accounts of Fielmann Aktiengesellschaft. This corresponds to 5% of the consolidated balance sheet sum. Goodwill is tested for impairment up to 31 December of every financial year. The impairment test is carried out by a comparison of the book value against the value in use of the cash-generating unit, which is calculated as the present value of future cash flows. This present value calculation is based on one year's detailed projection, a subsequent two years' projection, which in turn is derived from the cumulative Group planning, and thereafter from a perpetuity value based on the third planning year. The result of the evaluation depends to a large extent on the discretionary assessment of the future cash inflows by the legal representatives and of the discount rate used. The evaluations are therefore subject to considerable uncertainty. In light of this background, this matter was of particular importance in our audit.

The Group's disclosures pertaining to recoverability of goodwill are contained in sections III. und IV. (2) of the Notes to the consolidated accounts.

b) In the course of our audit, we obtained an understanding of the company planning process and of the process for creating the impairment tests. In addition, we particularly comprehended and evaluated the methodical procedure for carrying out the impairment tests. For the purpose of risk assessment, we looked at the Group's budget history and took it into consideration in our assessment. We compared the anticipated future cash flows in the evaluation to the corresponding detailed projections as well as to the Group planning approved by the Supervisory Board. With regard to the assessment of the appropriateness of the assumptions and premises, procedures and evaluation models, we included internal specialists from the field of valuation services with whose support we also assessed the methodical procedure for carrying out the impairment tests and the parameters applied to determine the discount rates used, including the average capital costs and the calculation scheme. In our assessment of the appropriateness of the budgeting, we used the comparison to general and industry-specific market expectations as well as comprehensive explanations by the management as a basis. As minimal changes to the discount rate have a considerable impact on the value in use, we corroborated the underlying parameters using information supplied by the management and our own market research, and we also examined the mathematical correctness of the calculations for the value in use. We also conducted our own sensitivity analyses to determine if the respective goodwill is sufficiently covered by the discounted anticipated future cash inflows. As a significant part of the value in use results from forecast cash inflows for the period after the three-year projection (phase of perpetuity), we were critical in our assessment of the estimated long-term 0.5% growth rate in the perpetuity phase based on general and industry-specific market expectations.

2. Evidence and evaluation of the inventories

a) Inventories totalling €136.3 million are reported in the consolidated accounts of Fielmann Aktiengesellschaft. This corresponds to 14.4% of the consolidated balance sheet sum. The stock value is recorded as part of the permanent inventory and the extended periodic inventory. The evaluation is made at acquisition/production costs or at the lower net sales proceeds. In the financial year 2018, the inventories were reduced by means of value adjustments of €6.2 million. The basis for the value adjustments were generalised assumptions about the range of the inventories (markdowns) and, in specific cases, assumptions about the usability of the stocks. The value adjustments are therefore based on discretionary estimates by the legal representatives.
   For this reason and also due to the quantity and turnover rate of the inventories, the large number of storage locations in the Group and the related length of time for the audit, this matter was of special significance in our audit.
   The disclosures made by the legal representatives on the inventories can be found in sections III and IV (7) of the Notes to the consolidated accounts.
b) In the course of our audit, we evaluated the submitted internal control system for tracking and rating the inventories, and tested the implemented relevant controls. The focus here was on the controls for the automatic depreciation cycles. In this context, we analysed the depreciation cycles in the system – with the help of IT specialists – and examined their functional capability. With regard to the subsequent valuation of the inventories and the assumptions made in this respect, we verified the underlying assumptions for a representative sample and examined the evidence. Furthermore, we checked the presence and the condition of the inventories during our participation in physical stock-takes both at the central warehouse and at selected stores. The stores were selected based on a sampling method which took into consideration the amount of stock and our experiences from the past.

Other information

The legal representatives are responsible for other information. Other information comprises

- the Group declaration on corporate governance pursuant to Section 315d of the German Commercial Code (HGB), to which the Group Management Report refers,
- the assurance of the legal representatives regarding the consolidated accounts and the Group Management Report pursuant to Section 297 Para. 2 (4) and Section 315 Para. 1 (5) of the German Commercial Code (HGB) and
- all other parts of the Annual Report, with the exception of the audited consolidated accounts and the Group Management Report as well as our report.

In addition, the other information includes the separate summarised non-financial report pursuant to Sections 289b to 289e as well as 315b and 315c of the German Commercial Code (HGB), to which the group Management Report refers and which will most likely be published on the website of Fielmann Aktiengesellschaft, Hamburg, by 30 April 2019.

Our audit opinion on the consolidated accounts and the Group Management Report does not cover the other information, which is why we will not provide an audit opinion or any other form of audit-based conclusion on this subject.

In relation to our audit of the consolidated accounts, we are responsible for reading the other information and for assessing whether this other information

- shows any significant discrepancies to the consolidated accounts, to the Group Management Report or to the findings we make during our audit, or
- appears significantly incorrect for any other reason.

Responsibility of the legal representatives and the Supervisory Board for the consolidated accounts and the Group Management Report

The legal representatives are responsible for the preparation of the consolidated accounts, which fully comply with IFRS, as applicable in the EU, as well as with the additional German statutory provisions pursuant to Section 315e Para. 1 of the German Commercial Code (HGB), and for ensuring that the consolidated accounts give a true and fair view, taking into account these regulations, of the Group's assets, finances and income. Furthermore, the legal representatives are responsible for the internal controls that they deem necessary for enabling the preparation of the consolidated accounts, which are free of any significant – intended or unintended – misrepresentations.

In preparing the consolidated accounts, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. What's more, they are responsible for disclosing, as applicable, matters related to the company as a going concern. They are also responsible for reporting the going concern based on the principles of accounting, unless they intend to liquidate the Group or to cease operations, or they have no realistic alternative but to do so.

In addition, the legal representatives are responsible for preparing the Group Management Report, which provides a true and fair view of the position of the Group and is in line with all the key points in the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development. Moreover, the legal representatives are responsible for the policies and procedures (systems) that they determine are necessary to enable the preparation of a Group Management Report in accordance with the applicable

German statutory regulations and to provide sufficient and appropriate evidence for the assertions in the Group Management Report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the Group Management Report.

Auditor's responsibilities for the audit of the consolidated accounts and the Group Management Report

Our objective is to obtain reasonable assurance about whether the consolidated accounts as a whole are free of any significant – intended or unintended – misrepresentations, and whether the Group Management Report provides a true and fair view of the position of the Group and is in line with all the key points in the consolidated accounts, corresponds to the German statutory regulations and accurately portrays the opportunities and risks inherent in the future development, as well as to issue an auditor's report that includes our audit opinion on the consolidated accounts and the Group Management Report.

Reasonable assurance represents a high degree of assurance but is no guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) and the EU-AR in compliance with the principles of proper and correct auditing laid down by the IDW (German Institute of Auditors) always detects significant misrepresentations. Misrepresentations may be the result of infringements or inaccuracies and are regarded as significant if it could be reasonably expected that they – individually or as a whole – influence the economic decisions taken by addressees on the basis of these consolidated accounts and this Group Management Report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of significant – intended or unintended – misrepresentations in the consolidated accounts and in the Group Management Report, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting significant misrepresentations resulting from infringements is higher than for one resulting from inaccuracies, as infringements may involve collusion, forgery, intentional omissions, misleading representations, or the repeal of internal controls.

- obtain an understanding of the internal control system relevant to the audit of the consolidated accounts and of the policies and procedures relevant to the audit of the Group Management Report in order to plan audit procedures that are appropriate in the circumstances, but are not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting methods used and the reasonableness of accounting estimates and related disclosures made by the legal representatives.
- conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a significant uncertainty exists related to events or conditions that may cast serious doubt on the Group's ability to continue as a going concern. If we conclude that a significant uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated accounts or the Group Management Report or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that the consolidated accounts give a true and fair view of the Group's assets, finances and income in accordance with IFRS, as applicable in the EU, as well as with the additional German statutory provisions pursuant to Section 315e Para. 1 of the German Commercial Code (HGB).
- obtain sufficient appropriate audit evidence regarding the accounting information of the companies or business activities within the Group in order to provide an audit opinion on the consolidated accounts and the Group Management Report. We are responsible for the direction, supervision and performance of the audit of the consolidated accounts. We remain solely responsible for our audit opinion.
- evaluate the consistency of the Group Management Report with the consolidated accounts, its conformity with the law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the legal representatives in the Group Management Report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with supervision regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We also provide those charged with supervision with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with supervision, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further information pursuant to Article 10 of the EU-AR

We were chosen as the Group auditor by the Annual General Meeting on 12 July 2018. We were engaged by the Supervisory Board on 12 July 2018. We have been the Group auditor of Fielmann Aktiengesellschaft, Hamburg, without interruption since the financial year 2011.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU-AR (long-form audit report).

AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The auditor responsible for the engagement is Patrick Wendlandt.

Hamburg, 18 March 2019

Deloitte GmbH
Auditing firm

(Gerald Reiher)	(Patrick Wendlandt)
Auditor	Auditor

Fielmann Stores, Germany

by Federal state, as at 31 March 2019

Baden-Württemberg

Aalen	Mittelbachstraße 2-6
Achern	Hauptstraße 16
Albstadt-Ebingen	Marktstraße 10
Backnang	Uhlandstraße 3
Baden-Baden	Lange Straße 10
Bad Mergentheim	Marktplatz 7
Bad Saulgau	Hauptstraße 72
Balingen	Friedrichstraße 55
Biberach	Marktplatz 3–5
Bietigheim-Bissingen	Hauptstraße 41
Böblingen	Wolfgang-Brumme-Allee 27
Bretten	Weißhofer Straße 69
Bruchsal	Kaiserstraße 50
Calw	Lederstraße 36
Crailsheim	Karlstraße 17
Ehingen	Hauptstraße 57
Esslingen	Pliensaustraße 12
Ettlingen	Leopoldstraße 13
Freiburg	Kaiser-Joseph-Straße 193
Freudenstadt	Loßburger Straße 13
Friedrichshafen	Karlstraße 47
Geislingen	Hauptstraße 23
Göppingen	Marktstraße 9
Heidelberg	Hauptstraße 77
Heidenheim	Hauptstraße 19/21
Heilbronn	Fleiner Straße 28
Herrenberg	Bronngasse 6-8
Karlsruhe	Kaiserstraße 163
Kirchheim u. Teck	Marktstraße 41
Konstanz	Rosgartenstraße 12
Lahr	Marktplatz 5
Lörrach	Tumringer Straße 188
Ludwigsburg	Heinkelstraße 1-11
Ludwigsburg	Kirchstraße 2
Mannheim	Planken O 7, 13
Mosbach	Hauptstraße 31
Nagold	Turmstraße 21
Offenburg	Steinstraße 23
Pforzheim	Westliche Karl-Friedrich-Straße 29-31
Rastatt	Kaiserstraße 21
Ravensburg	Bachstraße 8
Reutlingen	Wilhelmstraße 65
Rottenburg	Marktplatz 23
Rottweil	Königstraße 35
Schwäbisch-Gmünd	Marktplatz 33
Schwäbisch Hall	Schwatzbühlgasse 6-8
Schwetzingen	Mannheimer Straße 18
Sindelfingen	Mercedesstraße 12
Singen	August-Ruf-Straße 16
Stuttgart	Königstraße 68
Stuttgart	Mailänder Platz 7
Stuttgart	Marktstraße 45
Tübingen	Kirchgasse 11
Tuttlingen	Bahnhofstraße 17
Überlingen	Münsterstraße 25
Ulm	Neue Straße 71
Villingen	Bickenstraße 15
Villingen-Schwenningen	In der Muslen 35
Waiblingen	Kurze Straße 40
Waldshut-Tiengen	Kaiserstraße 52-54
Wangen	Herrenstraße 28
Weinheim	Hauptstraße 75
Wiesloch	Hauptstraße 105

Bavaria

Amberg	Georgenstraße 22
Ansbach	Martin-Luther-Platz 8
Aschaffenburg	Goldbacher Straße 2
Aschaffenburg	Herstallstraße 37
Augsburg	Bürgermeister-Fischer-Straße 12
Augsburg	Willy-Brandt-Platz 1
Bad Kissingen	Ludwigstraße 10
Bad Neustadt	Hohnstraße 14
Bad Reichenhall	Ludwigstraße 20
Bad Tölz	Marktstraße 57
Bamberg	Grüner Markt 5
Bayreuth	Maximilianstraße 19
Cham	Marktplatz 12
Coburg	Mohrenstraße 34
Dachau	Münchner Straße 42a
Deggendorf	Rosengasse 1
Dillingen	Königstraße 16
Dingolfing	BGR-Josef-Zinnbauer-Straße 2
Erding	Lange Zeile 15
Erlangen	Nürnberger Straße 13
Erlangen	Weiße Herzstraße 1
Forchheim	Hauptstraße 45
Freising	Obere Hauptstraße 6
Fürstenfeldbruck	Hauptstraße 14
Fürth	Schwabacher Straße 36
Garmisch-Partenkirchen	Am Kurpark 11
Günzburg	Marktplatz 19
Hof	Ludwigstraße 81
Ingolstadt	Am Westpark 6
Ingolstadt	Moritzstraße 3
Kaufbeuren	Schmiedgasse 5
Kempten	Fischerstraße 28
Kulmbach	Langgasse 20-22
Landsberg a. Lech	Hubertus-von-Herkomer-Straße 19/20
Landshut	Altstadt 357/Rosengasse
Lauf an der Pegnitz	Marktplatz 53
Lohr am Main	Hauptstraße 37
Marktredwitz	Markt 20
Memmingen	Kramerstraße 24
Mühldorf	Stadtplatz 27
Munich	Hanauer Straße 68
Munich	Leopoldstraße 46
Munich	Ollenhauerstraße 6
Munich	Pasinger Bahnhofsplatz 5
Munich	Plinganserstraße 51
Munich	Sonnenstraße 1
Munich	Tal 23-25
Munich	Weißenburger Straße 21
Munich	Willy-Brandt-Platz 5
Neuburg an der Donau	Färberstraße 4
Neumarkt in der Oberpfalz	Obere Marktstraße 32
Neu-Ulm	Bahnhofstraße 1
Nördlingen	Schrannenstraße 1
Nuremberg	Breite Gasse 64-66
Nuremberg	Breitscheidstraße 5
Nuremberg	Glogauer Straße 30-38
Nuremberg	Hauptmarkt 10
Passau	Grabengasse 2
Pfarrkirchen	Stadtplatz 25
Ratisbon	Domplatz 4
Ratisbon	Weichser Weg 5
Rosenheim	Max-Josefs-Platz 5
Schwabach	Königsplatz 25
Schwandorf	Friedrich-Ebert-Straße 11
Schweinfurt	Georg-Wichtermann-Platz 10
Sonthofen	Bahnhofstraße 3
Starnberg	Wittelsbacher Straße 5
Straubing	Ludwigsplatz 15
Traunstein	Maximilianstraße 17
Weiden in der Oberpfalz	Max-Reger-Straße 3
Weilheim i.OB	Marienplatz 12
Weißenburg	Luitpoldstraße 18
Würzburg	Kaiserstraße 26

Berlin

Baumschulenweg	Baumschulenstraße 18
Charlottenburg	Wilmersdorfer Straße 121
Friedrichshagen	Bölschestraße 114
Friedrichshain	Frankfurter Allee 71-77
Gropiusstadt	Gropius Passagen
Hellersdorf	Zentrum Helle Mitte
Hohenschönhausen	Linden-Center
Kreuzberg	Kottbusser Damm 32
Märkisches Viertel	Märkisches Zentrum
Marzahn	Eastgate

Halle, Leipziger Straße

Berlin, Tempelhofer Damm

Mitte	Grunerstraße 20, Alexa
Moabit	Turmstraße 44
Neukölln	Karl-Marx-Straße 151
Pankow	Breite Straße 15
Prenzlauer Berg	Schönhauser Allee 70 c
Schöneweide	Brückenstraße 4
Spandau	Breite Straße 22
Steglitz	Schloßstraße 28
Tegel	Hallen am Borsigturm
Tempelhof	Tempelhofer Damm 182-184
Wedding	Gesundbrunnen-Center
Weißensee	Berliner Allee 85
Westend	Reichsstraße 104
Zehlendorf	Teltower Damm 27

Brandenburg

Bernau	Börnicker Chaussee 1-2
Brandenburg	Hauptstraße 43
Cottbus	Spremberger Straße 10
Dallgow-Döberitz	Döberitzer Weg 3
Eberswalde	An der Friedensbrücke 22
Eisenhüttenstadt	Lindenallee 56
Finsterwalde	Leipziger Straße 1
Frankfurt/Oder	Karl-Marx-Straße 10
Fürstenwalde	Eisenbahnstraße 22
Luckenwalde	Breite Straße 32
Neuruppin	Karl-Marx-Straße 87
Oranienburg	Bernauer Straße 43
Potsdam	Brandenburger Straße 47a
Rathenow	Berliner Straße 76
Schwedt	Vierradener Straße 38
Senftenberg	Kreuzstraße 23
Strausberg	Große Straße 59
Wildau	Chausseestraße 1
Wittenberge	Bahnstraße 28

Bremen

Bremen-Huchting	Roland-Center
Bremen-Neustadt	Pappelstraße 131
Bremen-Osterholz	Weserpark
Bremen-Vegesack	Gerhard-Rohlfs-Straße 73
Bremen-Zentrum	Obernstraße 32
Bremerhaven	Bürgerm.-Smidt-Straße 108
Bremerhaven	Grashoffstraße 28
Bremerhaven	Hafenstraße 141

Hamburg

Altstadt	Mönckebergstraße 29
Barmbek-Nord	Fuhlsbüttler Straße 122
Barmbek-Süd	Hamburger Meile
Bergedorf	Sachsentor 21
Billstedt	Billstedt-Center
Bramfeld	Bramfelder Chaussee 269
Eimsbüttel	Osterstraße 120
Eppendorf	Eppendorfer Landstraße 77
Farmsen	EKT Farmsen
Harburg	Lüneburger Straße 23
Harburg	Sand 35
Niendorf	Tibarg 19
Langenhorn	Langenhorner Chaussee 692
Osdorf	Elbe-Einkaufszentrum
Othmarschen	Waitzstraße 12
Ottensen	Ottenser Hauptstraße 10
Poppenbüttel	Alstertal-Einkaufszentrum
Rahlstedt	Schweriner Straße 7
Schnelsen	Frohmestraße 46
Volksdorf	Weiße Rose 10
Wandsbek	Wandsbeker Marktstraße 57

Hesse

Alsfeld	Mainzer Gasse 5
Bad Hersfeld	Klausstraße 6
Bad Homburg	Louisenstraße 87
Bensheim	Hauptstraße 20-26
Darmstadt	Ludwigsplatz 1a
Darmstadt	Schuchardstraße 14
Eschwege	Stad 19
Frankfurt/Main	Berger Straße 171
Frankfurt/Main	Borsigallee 26
Frankfurt/Main	Königsteiner Straße 1
Frankfurt/Main	Leipziger Straße 2
Frankfurt/Main	Roßmarkt 15
Friedberg	Kaiserstraße 105
Fulda	Marktstraße 14
Gelnhausen	Im Ziegelhaus 12
Gießen	Seltersweg 61
Hanau	Nürnberger Straße 23
Herborn	Hauptstraße 60
Kassel	Frankfurter Straße 225
Kassel	Obere Königsstraße 37a
Korbach	Bahnhofstraße 10
Limburg	Werner-Senger-Straße 2
Marburg	Markt 13
Neu-Isenburg	Hermesstraße 4
Oberursel	Vorstadt 11a
Offenbach	Frankfurter Straße 34/36
Rüsselsheim	Bahnhofstraße 24
Sulzbach	Main-Taunus-Zentrum
Weiterstadt	Gutenbergstraße 5
Wetzlar	Bahnhofstraße 8
Wiesbaden	Langgasse 3

Mecklenburg-Western Pomerania

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

Lower Saxony

Achim	Bremer Straße 1b
Aurich	Marktplatz 28
Barsinghausen	Marktstraße 8
Brake	Am Ahrenshof 2
Bramsche	Große Straße 31
Brunswick	Casparistraße 5/6
Brunswick	Platz am Ritterbrunnen 1
Buchholz	Breite Straße 15
Burgdorf	Poststraße 1
Buxtehude	Lange Straße 16
Celle	Zöllnerstraße 34
Cloppenburg	Lange Straße 59
Cuxhaven	Nordersteinstraße 8
Delmenhorst	Lange Straße 35
Diepholz	Lange Straße 43
Emden	Zwischen beiden Märkten 2-4
Esens	Herdestraße 2
Gifhorn	Steinweg 67
Goslar	Fischemäker Straße 15
Göttingen	Weender Straße 51
Hameln	Bäckerstraße 20
Hanover	Blumenauerstraße 1-7
Hanover	Engelbosteler Damm 66
Hanover	Ernst-August-Platz 2
Hanover	Hildesheimer Straße 7
Hanover	Lister Meile 72
Hann. Münden	Lange Straße 34
Helmstedt	Neumärker Straße 1a-3
Hildesheim	Bahnhofsallee 2
Jever	Kaakstraße 1
Laatzen	Marktplatz 11-16
Langenhagen	Marktplatz 7
Leer	Mühlenstraße 75
Lingen	Am Markt 9-10
Lohne	Deichstraße 4
Lüneburg	Große Bäckerstraße 2-4
Melle	Markt 12

Meppen	Markt 27
Nienburg	Georgstraße 8
Norden	Neuer Weg 113
Nordenham	Friedrich-Ebert-Straße 7
Nordhorn	Hauptstraße 46
Northeim	Breite Straße 55
Oldenburg	Lange Straße 12
Osnabrück	Große Straße 3
Osterholz-Scharmbeck	Kirchenstraße 19
Osterode	Kornmarkt 17
Papenburg	Hauptkanal Links 32
Peine	Gröpern 11
Rinteln	Weserstraße 19
Rotenburg	Große Straße 4
Salzgitter	In den Blumentriften 1
Seevetal	Glüsinger Straße 20
Soltau	Marktstraße 12
Stade	Holzstraße 10
Stadthagen	Obernstraße 9
Uelzen	Veerßer Straße 16
Varel	Hindenburgstraße 4
Vechta	Große Straße 62
Verden	Große Straße 54
Walsrode	Moorstraße 66
Westerstede	Lange Straße 2
Wildeshausen	Westerstraße 28
Wilhelmshaven	Marktstraße 46
Winsen	Rathausstraße 5
Wittmund	Norderstraße 19
Wolfenbüttel	Lange Herzogstraße 2
Wolfsburg	Porschestraße 39
Wunstorf	Lange Straße 40

North Rhine-Westphalia

Aachen	Adalbertstraße 49
Ahaus	Markt 26
Ahlen	Oststraße 51
Arnsberg-Neheim	Hauptstraße 33
Bad Oeynhausen	Mindener Straße 22
Bad Salzuflen	Lange Straße 45
Beckum	Nordstraße 20
Bergheim	Hauptstraße 35
Bergisch Gladbach	Hauptstraße 142
Bielefeld	Hauptstraße 78
Bielefeld	Oberntorwall 25
Bielefeld	Potsdamer Straße 9
Bocholt	Neutorplatz 2-4
Bochum	Kortumstraße 93
Bochum	Oststraße 36
Bonn	Kölnstraße 433
Bonn	Remigiusstraße 16
Bonn	Theaterplatz 6
Borken	Markt 5
Bottrop	Hochstraße 37-39
Brühl	Markt 3-5
Bünde	Eschstraße 17
Castrop-Rauxel	Münsterstraße 4
Coesfeld	Letter Straße 3
Datteln	Castroper Straße 24
Detmold	Lange Straße 12
Dinslaken	Neustraße 44
Dormagen	Kölner Straße 107
Dorsten	Lippestraße 35
Dortmund	Westenhellweg 67
Duisburg	Jägerstraße 72
Duisburg	Königstraße 50
Dülmen	Marktstraße 3
Düren	Wirteltorplatz 6
Düsseldorf	Friedrichstraße 53
Düsseldorf	Hauptstraße 7
Düsseldorf	Luegallee 107
Düsseldorf	Nordstraße 45
Düsseldorf	Rethelstraße 147
Düsseldorf	Schadowstraße 63
Emsdetten	Kirchstraße 6
Erkelenz	Kölner Straße 14b
Eschweiler	Grabenstraße 78-80
Essen	Hansastraße 34
Essen	Limbecker Platz 1a
Essen	Limbecker Straße 74
Essen	Rüttenscheider Straße 82
Euskirchen	Neustraße 41
Frechen	Hauptstraße 102
Geldern	Issumer Straße 23-25
Gelsenkirchen	Bahnhofstraße 15
Gelsenkirchen	Hochstraße 5
Gladbeck	Hochstraße 36
Goch	Voßstraße 20
Greven	Königstraße 2
Grevenbroich	Kölner Straße 4-6
Gronau	Neustraße 17
Gummersbach	Kaiserstraße 22
Gütersloh	Berliner Straße 16
Hagen	Elberfelder Straße 32
Haltern am See	Rekumer Straße 9
Hamm	Weststraße 48
Hattingen	Heggerstraße 23
Heinsberg	Hochstraße 129
Herford	Bäckerstraße 13/15
Herne	Bahnhofstraße 58
Herne	Hauptstraße 235
Herten	Ewaldstraße 12
Hilden	Mittelstraße 49-51
Höxter	Marktstraße 27
Ibbenbüren	Große Straße 14
Jülich	Kölnstraße 14
Iserlohn	Wermingser Straße 31
Kamen	Weststraße 74
Kamp-Lintfort	Moerser Straße 222
Kempen	Engerstraße 14
Kleve	Große Straße 90
Cologne	Barbarossaplatz 4
Cologne	Frankfurter Straße 34a
Cologne	Kalker Hauptstraße 55
Cologne	Mailänder Passage 1
Cologne	Neusser Straße 3
Cologne	Neusser Straße 215
Cologne	Rhein-Center
Cologne	Schildergasse 78-82
Cologne	Venloer Straße 369
Krefeld	Hochstraße 65
Langenfeld	Marktplatz 1
Lemgo	Mittelstraße 76
Lengerich	Schulstraße 64a
Leverkusen	Wiesdorfer Platz 15
Lippstadt	Lange Straße 48
Lübbecke	Lange Straße 26
Lüdenscheid	Wilhelmstraße 33
Lünen	Lange Straße 34
Marl	Marler Stern
Menden	Hochstraße 20
Meschede	Kaiser-Otto-Platz 5
Minden	Bäckerstraße 24
Moers	Homberger Straße 27
Mönchengladbach	Hindenburgstraße 104
Mönchengladbach	Marktstraße 27
Mülheim	Hans-Böckler-Platz 8
Mülheim	Humboldtring 13
Münster	Bodelschwinghstraße 15
Münster	Klosterstraße 53
Münster	Rothenburg 43/44
Neuss	Krefelder Straße 57
Oberhausen	Bahnhofsstraße 40
Oberhausen	Marktstraße 94
Oer-Erkenschwick	Ludwigstraße 15
Olpe	Martinstraße 29
Olsberg	Markt 1
Paderborn	Westernstraße 38
Ratingen	Oberstraße 15
Recklinghausen	Löhrhof 1
Remscheid	Allee-Center
Rheinbach	Vor dem Dreeser Tor 15
Rheine	Emsstraße 27
Siegburg	Kaiserstraße 34
Siegen	Am Bahnhof 40
Siegen	Kölner Straße 52
Soest	Brüderstraße 38
Solingen	Hauptstraße 50
Troisdorf	Pfarrer-Kenntemich-Platz 7
Unna	Bahnhofstraße 24
Velbert	Friedrichstraße 149
Viersen	Hauptstraße 28
Waltrop	Hagelstraße 5-7
Warburg	Hauptstraße 54
Warendorf	Münsterstraße 15

Peine

Wesel	Viehtor 20
Witten	Bahnhofstraße 48
Witten	Beethovenstraße 23
Wuppertal	Alte Freiheit 9
Wuppertal	Werth 8
Wuppertal	Willy-Brandt-Platz 1
Würselen	Kaiserstraße 76

Rhineland-Palatinate

Alzey	Antoniterstraße 26
Andernach	Markt 17
Bad Dürkheim	Stadtplatz 6
Bad Kreuznach	Mannheimer Straße 153-155
Bad Neuenahr-Ahrweiler	Poststraße 12
Bingen	Speisemarkt 9
Bitburg	Hauptstraße 33
Frankenthal	Speyerer Straße 1-3
Haßloch	Rathausplatz 4
Idar-Oberstein	Hauptstraße 393
Kaiserslautern	Fackelstraße 29
Koblenz	Hohenfelder Straße 22
Koblenz	Zentralplatz 2
Landau	Kronstraße 37
Ludwigshafen	Im Zollhof 4
Mainz	Stadthausstraße 2
Mayen	Neustraße 2
Neustadt an der Weinstraße	Hauptstraße 31
Neuwied	Mittelstraße 31
Pirmasens	Hauptstraße 39
Speyer	Maximilianstraße 31
Trier	Fleischstraße 28
Wittlich	Burgstraße 13/15
Worms	Kämmererstraße 9-13
Zweibrücken	Hauptstraße 59

Saarland

Homburg	Eisenbahnstraße 31
Merzig	Poststraße 25
Neunkirchen	Saarpark-Center
Saarbrücken	Bahnhofstraße 54
Saarlouis	Französische Straße 8
St. Ingbert	Kaiserstraße 57
Völklingen	Rathausstraße 17

Saxony

Annaberg-Buchholz	Buchholzer Straße 15a
Aue	Wettiner Straße 2
Auerbach	Nicolaistraße 15
Bautzen	Reichenstraße 7
Chemnitz	Markt 5
Chemnitz	Wladimir-Sagorski-Straße 22
Döbeln	Breite Straße 17
Dresden	Bautzner Straße 27
Dresden	Dohnaer Straße 246
Dresden	Webergasse 1
Freiberg	Burgstraße 5
Freital	Dresdner Straße 93
Görlitz	Berliner Straße 61
Grimma	Lange Straße 56
Hoyerswerda	D.-Bonhoeffer Straße 6
Leipzig	Ludwigsburger Straße 9
Leipzig	Markt 17
Leipzig	Paunsdorfer Allee 1
Meißen	Kleinmarkt 2
Pirna	Schmiedestraße 32
Plauen	Postplatz 3
Radebeul	Hauptstraße 27
Reichenbach	Zwickauer Straße 14
Riesa	Hauptstraße 95
Weißwasser	Muskauer Straße 74
Zittau	Markt 7
Zwickau	Hauptstraße 35/37

Saxony-Anhalt

Aschersleben	Taubenstraße 3
Bernburg	Lindenstraße 20e
Bitterfeld	Markt 9
Burg	Schartauer Straße 3
Dessau	Kavalierstraße 49
Dessau	Poststraße 6
Halberstadt	Fischmarkt 4a
Halle	Leipziger Straße 102
Halle	Neustädter Passage 16
Köthen	Schalaunische Straße 38
Lutherstadt Eisleben	Markt 54
Lutherstadt Wittenberg	Collegienstraße 6
Magdeburg	Breiter Weg 173
Magdeburg	Halberstädter Straße 100
Merseburg	Gotthardstraße 27
Naumburg	Markt 15
Quedlinburg	Steinbrücke 18
Salzwedel	Burgstraße 57
Sangerhausen	Göpenstraße 18
Schönebeck	Salzer Straße 8
Stendal	Breite Straße 6
Weißenfels	Jüdenstraße 17
Wernigerode	Breite Straße 14
Zeitz	Roßmarkt 9

Schleswig-Holstein

Ahrensburg	Rondeel 8
Bad Oldesloe	Mühlenstraße 8
Bad Segeberg	Kurhausstraße 5
Brunsbüttel	Koogstraße 67-71
Eckernförde	St.-Nicolai-Straße 23-25
Elmshorn	Königstraße 47
Eutin	Peterstraße 3
Flensburg	Holm 49/51
Geesthacht	Bergedorfer Straße 45
Glinde	Markt 6
Heide	Friedrichstraße 34
Husum	Markt 2
Itzehoe	Feldschmiede 34
Kiel	Holstenstraße 19
Kiel	Schönberger Straße 84
Lübeck	Breite Straße 33
Mölln	Hauptstraße 85
Neumünster	Großflecken 12
Norderstedt	Europaallee 4
Oldenburg	Kuhtorstraße 14
Pinneberg	Fahltskamp 9
Plön	Lange Straße 7
Rendsburg	Torstraße 1
Schleswig	Stadtweg 28
Wedel	Bahnhofstraße 38-40
Westerland	Friedrichstraße 6

Thuringia

Altenburg	Markt 27
Arnstadt	Erfurter Straße 11
Eisenach	Karlstraße 11
Erfurt	Anger 54
Erfurt	Thüringen-Park
Gera	Humboldtstraße 2a
Gotha	Marktstraße 9
Greiz	Markt 11
Ilmenau	Straße des Friedens 8
Jena	Markt 18
Meiningen	Georgstraße 24
Mühlhausen	Steinweg 90/91
Nordhausen	Bahnhofstraße 12-13
Rudolstadt	Markt 15
Saalfeld	Obere Straße 1
Sonneberg	Bahnhofstraße 54
Suhl	Steinweg 23
Weimar	Schillerstraße 17

Leipzig, Markt

Verona, Via Mazzini

Switzerland by canton

Aargau

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

Basel Land

Liestal	Rathausstrasse 59

Basel City

Basel	Marktplatz 16
Basel	Stücki Shopping Hochbergerstrasse 70

Berne

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

Fribourg

Bulle	Grand Rue 23
Fribourg	Rue de Romont 14

Geneva

Geneva	Rue de la Croix d'Or 9

Graubünden

Chur	Quaderstrasse 11

Lucerne

Lucerne	Weggisgasse 36-38
Sursee	Bahnhofstrasse 29

Neuchâtel

Neuchâtel	Grand-Rue 2

Schaffhausen

Schaffhausen	Fronwagplatz 10

Schwyz

Schwyz	Herrengasse 20

Solothurn

Olten	Hauptgasse 25
Solothurn	Gurzelngasse 7

St. Gallen

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

Thurgau

Frauenfeld	Zürcherstrasse 173

Ticino

Bellinzona	Via Nosetto 3
Lugano	Via Pietro Peri 4

Valais

Brig-Glis	Kantonsstrasse 58
Sion	Avenue du Midi 10

Vaud

Lausanne	Rue du Pont 22

Zug

Zug	Bahnhofstrasse 32

Zurich

Bülach	Bahnhofstrasse 11
Thalwil	Gotthardstrasse 16b
Uster	Zürichstrasse 20
Winterthur	Marktgasse 74
Zurich	Bahnhofstrasse 83
Zurich	Schaffhauserstrasse 355

Austria by state

Burgenland

Oberwart	Wienerstrasse 8a

Carinthia

Klagenfurt	St.Veiter Ring 20
Villach	Hauptplatz 21

Lower Austria

Amstetten	Waidhofnerstraße 1+2
Baden	Pfarrgasse 1
Krems	Wiener Straße 96-102
Mödling	Schrannenplatz 6
St. Pölten	Kremser Gasse 14
Vösendorf-Süd	Shopping-City Süd
Wiener Neustadt	Herzog-Leopold-Straße 9

Upper Austria

Linz	Blütenstraße 13-23
Linz	Landstraße 54-56
Pasching bei Linz	Pluskaufstraße 7
Ried im Innkreis	Hauptplatz 42
Vöcklabruck	Linzer Straße 50
Wels	Bäckergasse 18

Salzburg

Salzburg	Alpenstraße 114
Salzburg	Europastraße 1/Europark

Styria

Graz	Herrengasse 9
Kapfenberg	Wiener Straße 35a
Leibnitz	Hauptplatz 14
Leoben	Dominikanergasse 1
Seiersberg/Graz	Shopping City Seiersberg 5

Tyrol

Innsbruck	Maria-Theresien-Straße 6
Innsbruck	Museumstraße 38
Wörgl	Bahnhofstraße 33

Vorarlberg

Bregenz	Kaiserstraße 20
Bürs	Zimbapark
Dornbirn	Messepark

Vienna

Vienna	Auhof Center
Vienna	Favoritenstraße 93
Vienna	Grinzinger Straße 112
Vienna	Landstraßer Hauptstraße 75-77
Vienna	Mariahilfer Straße 67
Vienna	Meidlinger Hauptstraße 38
Vienna	Shopping-Center-Nord
Vienna	Thaliastraße 32
Vienna	Wagramer Straße 81

Italy by region

Emilia-Romagna

Piacenza	Via XX Settembre 112/114
Ravenna	Via Cavour 83

Friuli-Venezia Giulia

Pordenone	Corso Vittorio Emanuele II 11

Lombardy

Bergamo	Via XX Settembre 89
Brescia	Corso Giuseppe Zanardelli 8
Como	Via Vittorio Emanuele II 70
Cremona	Corso Campi 70
Monza	Via Italia 9
Pavia	Corso Cavour 22
Varese	Corso Matteotti 22/24

Piemont

Alessandria	Corso Roma 30
Novara	Corso Giuseppe Mazzini 1

Trentino-Alto Adige

Bolzano	Via Museo 15
Bressanone	Via Portici Minori 1
Merano	Via Cassa di Risparmio 9
Trento	Via Oss Mazzurana 24

Veneto

Verona	Via Mazzini 64
Verona	Viale delle Nazioni, Adigeo
Vicenza	Corso Andrea Palladio 78

Luxembourg

Esch sur Alzette	13, rue de l'Alzette
Luxembourg	9-11, Grand-Rue

Netherlands

Emmen	Picassopassage 74
Enschede	Kalanderstraat 17
Nijmegen	Broerstraat 31

Poland by voivodeship

Greater Poland

Poznań	Galeria Pestka, Al. Solidarności 47
Poznań	ul. Św. Marcin 69

Lesser Poland

Kraków	Bonarka City Center, ul. Gen. H. Kamieńskiego 11
Kraków	Galeria Krakowska, ul. Pawia 5

Kujawy-Pomerania

Bydgoszcz	Galeria Zielone Arkady, ul. Wojska Polskiego 1

Łódz

Łódz	Galeria Łódzka Al. Józefa Piłsudskiego 23
Łódz	ul. Piotrkowska 23

Masovia

Płock	Galeria Wisła, ul. Wyszogrodzka 144
Radom	Galeria Słoneczna, ul. Bolesława Chrobrego 1

Lower Silesia

Legnica	ul. Najswietszej Marii Panny 5d
Wrocław	Galeria Dominikanska, Pl. Dominikanski 3

Pomerania

Gdansk	Galeria Bałtycka, Al. Grunwaldzka 141
Gdynia	Centrum Handlowe Riviera, ul. Kazimierza Górskiego 2

Silesia

Bytom	Galeria Agora, Plac Tadeusza Kościuszki 1
Chorzów	ul. Wolności 30
Częstochowa	Galeria Jurajska, Al. Wojská Polskiego 207
Gliwíce	ul. Wyszynskiego 8
Katowice	ul. 3 Maja 17

West Pomerania

Koszalin	C.H. Atrium, ul. Paderewskiego 1
Szczecin	Al. Wojska Polskiego 15

Fielmann plants a tree for each employee every year and is committed to protecting nature and the environment. To date, Fielmann has planted more than 1.5 million trees and bushes. You can find further information in the Corporate Social Responsibility Report of Fielmann AG.

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