



Interim Report as at 30 September 2007

**First nine months: 20 per cent increase in EBT
Staff: 700 additional jobs in 2007**

fielmann

Fielmann Aktiengesellschaft

Interim Report as at 30 September 2007

Dear Shareholders and Friends of the Company,

Our expectations for the first nine months of financial year 2007 have been met. Fielmann achieved an increase in unit sales, sales revenue and income, with a disproportionately high rise in profits

Interim Management Report

General conditions

Economic research institutes are forecasting economic growth of 2.5 per cent (previous year: 2.7 per cent) for Germany in 2007. Growth is primarily based on international demand. The umbrella association forecasts growth in turnover of 2 per cent for the optical sector and GfK has established a rise in unit sales of 3 per cent.

Consumer prices rose by 2.4 per cent last year. At the same time, retailers recorded a decline in sales of more than one per cent. As at 30 September 2007, the rate of unemployment was 8.4 per cent (3.5 million).

Unit sales and revenue

Report on earnings, the financial position and asset

Fielmann increased unit sales in the first nine months of 2007 to 4.54 million pairs of glasses (previous year: 4.33 million pairs of glasses). External sales (consolidated sales including VAT) rose by 8.7 per cent to € 743.7 million in the same period and consolidated sales were up by 6.7 per cent to € 631.7 million. The rise in the rate of value added tax in Germany implemented on 1 January 2007 has caused the disproportionately high increase in external sales compared with consolidated sales.

In the third quarter, unit sales increased to 1.52 million pairs of glasses (previous year: 1.48 million pairs of glasses). External sales were up by 8.0 per cent to € 250.1 million and consolidated sales by 6.1 per cent to € 214.9 million.

More than 2.8 million spectacle wearers have opted for the glasses for free insurance from Fielmann and HanseMerkur. An annual premium of € 10 entitles the insured party to a pair of the latest fashion glasses from the zero cost collection and single vision lenses, every two years, as well as to replacement spectacles in the event of breakage, damage or a change in prescription free of charge. If customers opt for a pair of glasses for which an additional charge applies, they receive a € 15 rebate on the retail price. The premium for varifocals is € 50 a year and the credit on glasses for which an additional charge is payable amounts to € 70. In the event of a claim, customers are reimbursed for 70 per cent of the retail price of spectacles for which an additional charge applies.

In the first nine months of financial year 2007, pre-tax profits rose by 20.4 per cent to € 93.4 million and profits after tax by 8.2 per cent to € 56.3 million.

Pre-tax profits in the third quarter of 2007 increased by 27.7 per cent to € 37.6 million and profit after tax rose 0.5 per cent to € 19.8 million as a result of the impact of the 2008 corporation tax reforms, which made a one-off revaluation of deferred taxes necessary. Earnings per share amounted to € 1.29 (previous year: € 1.18) and earnings per share in the third quarter of the year stood at € 0.45 (same period in the previous year: € 0.44).

Investments were financed entirely from cash flow and totalled € 31.0 million in the first nine months of 2007 (previous year: € 31.8 million). We invested € 21.4 million in branches (previous year: € 20.2 million), with the number of stores rising to 589 as at 30 September (previous year: 558).

Earnings and investments

Earnings per share

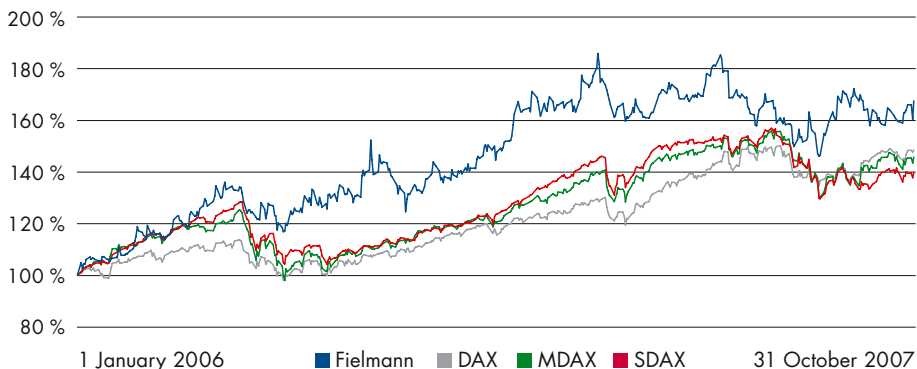
| € '000 | Sept. 2007 | Sept. 2006 | 2006 |
|---|---------------|---------------|---------------|
| Net income | 56,290 | 52,019 | 71,769 |
| Income attributable to other shareholders | -2,144 | -2,367 | -2,707 |
| Period result | 54,146 | 49,652 | 69,062 |
| Earnings per share in € | 1.29 | 1.18* | 1.64 |

* Share split with effect from 9 August 2006

Fielmann shares

In the third quarter of the year, the capital markets were affected by the sub-prime mortgage crisis. The DAX currently stands at 8,000 points and Fielmann shares at € 47.

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



Dividend

The Annual General Meeting of Fielmann AG on 12 July 2007 resolved a dividend of € 1.20 per share for financial year 2006 (+26.3 per cent on the previous year). Fielmann distributed € 50.4 million to its shareholders, which represents a pay-out ratio of 73.0 per cent.

Staff

Fielmann is the biggest employer and trainer in the optical industry. As at 30 September, the Company employed a staff of 11,865 (previous year: 11,132), of whom 1,955 are trainees (previous year: 1,718).

With 5 per cent of all optical stores in Germany, Fielmann provides training for 30 per cent of trainees in the sector. The Company's success in training is reflected by nationwide awards. In 2007, Fielmann staff accounted for the national winners in the practical performance competition of the German optical industry and for 83 per cent of all state winners in the assistants' category.

The majority of our employees participate in the company through capital contributions and shares. This highlights the trust they place in the Company. In addition to good salaries, they receive interest, profit shares and dividends, all of which boost staff motivation.

With effect from 12 July 2007, Ms Eva Schleifenbaum took over from Mr Holger Glawe as the representative of the ver.di union on the Fielmann AG Supervisory Board.

The Company has no information that would result in a change in the material forecasts and other statements provided in its last consolidated Management Report regarding the Group's development during the financial year. The statements provided in Annual Report 2006 on the opportunities and risks of the business model remain unchanged.

Notes

The Interim Report as at 30 September 2007 is based on the same accounting and valuation principles that were applied to the consolidated annual accounts as at 31 December 2006, which were prepared in accordance with the International Financial Reporting Standards (IFRS incorporating IAS). Ten further companies were included for the first time in the scope of consolidation as at 31 March 2007, five as at 30 June 2007 and six as at 30 September 2007. These are new marketing companies, in which Fielmann Aktiengesellschaft holds a direct or indirect majority of the voting rights and over which it has uniform control. They had no significant impact on the financial position of the Group at the time the present Interim Report was prepared.

Information on the Company boards

Forecast, risks and opportunities

Accounting and valuation principles

Corporation tax reforms

Following the 2008 corporation tax reforms, the relevant tax rates will be reduced with effect from 1 January 2008. In this connection, deferred income tax assets and liabilities at Fielmann will in future be valued at the lower tax rates, applicable from 1 January 2008. This results in a one-off additional non-cash tax expense. From financial year 2008 onwards, the tax ratio will reduce considerably as a result of our corporate structure and the high level of available capital resources.

Since the Fielmann Group currently has a deferred tax asset surplus, the revaluation at the lower tax rates in the third quarter of 2007 has resulted in a one-off non-cash tax expense of € 3.2 million. Therefore, our liquidity remains unchanged in the current financial year.

Explanatory notes on the cash flow statement

The financial resources amounting to T€ 85,052 correspond to the item "currency and equivalents" reported in the balance sheet. It comprises liquid funds, money market funds that can be converted into cash at any time and securities with fixed bullet maturities of no more than one month.

| € '000 | September 2007 | September 2006 |
|--------------------------------|----------------|----------------|
| Liquid funds | 32,343 | 42,001 |
| Money market funds | 37,350 | |
| Securities held until maturity | 15,359 | 18,066 |
| Financial resources | 85,052 | 60,067 |

Explanatory notes on the segment report

The "of which balances with banks and securities" item (T€ 135,063) comprises the items, "currency and equivalents" (T€ 85,052), "financial assets" (T€ 48,614) and "other financial assets" (T€ 1,397).

Value impairments on securities and goodwill as well as unscheduled depreciation relating to tangible assets were not required in the period under review.

The contractual relationships with related parties explained in Annual Report 2006 continue virtually unchanged. They are carried out at customary market prices and terms and are of minor importance to Fielmann Aktiengesellschaft.

In the first nine months of 2007, income amounted to T€ 509 and expenses to T€ 2,725.

With regard to the issue of the cut-off date in relation to the Healthcare Modernisation Act, the German Social Court in Kassel confirmed the Fielmann interpretation of the law in its decision of 6 September 2007 (B 3 KR 20/06 R). Health insurance companies must also contribute to glasses if the spectacles were ordered from the optician in 2003, but the finished glasses were handed over to the customer in 2004.

As yet, no written notification of the grounds for the judgement has been issued, the health insurance companies have not yet made a definitive statement regarding the decision and a hundreds of legal disputes are pending. The existing value adjustments on claims worth € 4.4 million have therefore remained unchanged.

The portfolio of 21,522 own shares under the item "securities" has been sold. The book value as at 30 September 2007 amounted to T€ 869.4. The reported Fielmann shares were acquired within the context of § 71 para. 1 no. 2 AktG (German Stock Corporation Act) for the purposes of offering them to staff of Fielmann Aktiengesellschaft and its affiliated companies as employee shares. In addition, staff in the German branches receive shares for achieving specified targets. The item has been included in the accounts

For the current financial year, Fielmann expects a double digit growth in pre-tax profit. In addition, the Company will open 30 branches and create approximately 700 new jobs, 200 of which will be additional trainee positions.

Information on related parties (IAS 24)

Significant events

Other details

Outlook

Hamburg, November 2007

Fielmann Aktiengesellschaft
The Management Board

Segments by region, September 2007

Brackets indicate the previous year's figure.

| € million | Germany | Switzerland | Austria | Other | Consolidation | Group |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Sales revenue | 537.5 (508.7) | 67.0 (62.4) | 34.0 (29.6) | 17.0 (13.4) | -23.8 (-21.8) | 631.7 (592.3) |
| Sales revenue from other segments | 20.8 (18.2) | 1.8 (1.9) | 0.1 (0.0) | 1.1 (1.7) | | |
| Outside sales revenue | 516.7(490.5) | 65.2 (60.5) | 33.9 (29.6) | 15.9 (11.7) | | 631.7(592.3) |
| Result from ordinary activities ¹ | 72.1 (60.1) | 16.1 (14.0) | 5.4 (3.6) | 0.0 (0.1) | -0.2 (-0.3) | 93.4 (77.5) |
| of which interest income | 1.7 (0.7) | 0.9 (1.3) | 0.4 (0.2) | -0.1 (0.0) | | 2.9 (2.2) |
| Result from ordinary activities² | 70.4 (59.4) | 15.2 (12.7) | 5.0 (3.4) | 0.1 (0.1) | -0.2 (-0.3) | 90.5 (75.3) |
| Investments | 26.8 (28.3) | 2.1 (1.7) | 0.5 (1.2) | 1.6 (0.6) | | 31.0 (31.8) |
| Cash flow ³ | 67.7 (60.3) | 13.3 (12.0) | 5.2 (4.8) | 1.2 (0.9) | -4.7 (-5.0) | 82.7 (73.0) |
| Scheduled depreciation | 20.1 (20.1) | 1.7 (1.9) | 1.3 (1.4) | 0.8 (0.7) | | 23.9 (24.1) |
| Segment assets | 452.6 (441.6) | 38.7 (35.8) | 14.6 (14.1) | 22.7 (13.4) | | 528.6 (504.9) |
| of which balances with banks and securities | 105.1 (80.2) | 20.9 (20.1) | 1.6 (0.9) | 7.5 (2.8) | | 135.1 (104.0) |
| | 347.5(361.4) | 17.8 (15.7) | 13.0 (13.2) | 15.2 (10.6) | | 393.5(400.9) |
| Segment debts | 117.5 (134.1) | 4.5 (4.7) | 3.8 (3.1) | 3.4 (4.4) | | 129.2 (146.3) |
| of which amounts due to banks | 13.5 (21.1) | 0.1 (0.3) | | 0.2 (0.3) | | 13.8 (21.7) |
| | 104.0 (113.0) | 4.4 (4.4) | 3.8 (3.1) | 3.2 (4.1) | | 115.4(124.6) |

¹ In the segments excl. income from participations ² Excl. interest ³ In the segments excl. income from participations, adjusted for tax

Movement of equity, September 2007

Brackets indicate the previous year's figure.

| € '000 | As at 1 January | Dividend paid/profit shares* | Consolidated net income for the period | Other changes | As at 30 September |
|--------------------------------------|--------------------------|------------------------------|--|------------------------|--------------------------|
| Subscribed Capital | 54,600 (54,600) | | | | 54,600 (54,600) |
| Capital reserves | 92,652 (92,652) | | | | 92,652 (92,652) |
| Group equity generated | 236,723 (209,235) | -50,372 (-39,860) | 54,146 (48,799) | -1,421 (-3,455) | 239,076 (214,719) |
| of which: securities held for sale | 94 (993) | | | 20 (-993) | 114 (0) |
| of which: currency equalisation item | -1,142 (0) | | | -327 (-624) | -1,469 (-624) |
| of which: own shares | 388 (589) | | | 481 (940) | 869 (1,529) |
| of which: share-based remuneration** | 443 (149) | | | | 443 (149) |
| Minority interests | 16 (-29) | -2,103 (-2,432) | 2,144 (2,367) | -215 (93) | -158 (-1) |
| Group equity | 383,991 (356,458) | -52,475 (-42,292) | 56,290 (51,166) | -1,636 (-3,362) | 386,170 (361,970) |

* Dividends distributed and profit shares allocated to other shareholders.

** For employee shares; cf. Note 28 in Annual Report 2006

Segments by division, September 2007

Brackets indicate the previous year's figure.

| € million | Wholesale/ Service | | Production/ Logistics | | Retail | | Consolidation | | Group | |
|--|-----------------------|----------------|--------------------------|---------------|--------------|----------------|---------------|---------------|--------------|----------------|
| Sales revenue | 205.9 | (192.8) | 41.7 | (32.8) | 623.3 | (585.1) | -239.2 | (-218.4) | 631.7 | (592.3) |
| Sales revenue from other segments | 201.4 | (188.4) | 37.8 | (30.0) | | | | | | |
| Outside sales revenue | 4.5 | (4.4) | 3.9 | (2.8) | 623.3 | (585.1) | | | 631.7 | (592.3) |
| Result from ordinary activities ¹ | 47.5 | (35.5) | 12.2 | (9.2) | 34.0 | (33.5) | -0.3 | (-0.7) | 93.4 | (77.5) |
| of which interest income | 7.4 | (7.5) | 1.9 | (0.9) | -6.4 | (-6.2) | | | 2.9 | (2.2) |
| Result from ordinary activity² | 40.1 | (28.0) | 10.3 | (8.3) | 40.4 | (39.7) | -0.3 | (-0.7) | 90.5 | (75.3) |
| Investments | 8.3 | (10.5) | 1.3 | (1.1) | 21.4 | (20.2) | | | 31.0 | (31.8) |
| Cash flow ³ | 35.6 | (30.1) | 10.2 | (9.7) | 45.5 | (44.3) | -8.6 | (-11.1) | 82.7 | (73.0) |
| Scheduled depreciation | 6.6 | (7.0) | 1.5 | (1.8) | 15.8 | (15.3) | | | 23.9 | (24.1) |
| Segment assets | 295.6 | (281.7) | 20.9 | (21.2) | 212.1 | (202.0) | | | 528.6 | (504.9) |
| of which balances with banks and securities | 131.7 | (99.1) | 0.2 | (0.2) | 3.2 | (4.7) | | | 135.1 | (104.0) |
| | 163.9 | (182.6) | 20.7 | (21.0) | 208.9 | (197.3) | | | 393.5 | (400.9) |
| Segment debts | 72.9 | (87.8) | 4.9 | (4.4) | 51.4 | (54.1) | | | 129.2 | (146.3) |
| of which amounts due to banks | 8.7 | (17.0) | 0.3 | (0.3) | 4.8 | (4.4) | | | 13.8 | (21.7) |
| | 64.2 | (70.8) | 4.6 | (4.1) | 46.6 | (49.7) | | | 115.4 | (124.6) |

¹ In the segments excl. income from participations ² Excl. interest ³ In the segments excl. income from participations, adjusted for tax

Financial calendar 2008

| | |
|------------------------------|---------------|
| Preliminary figures for 2007 | February 2008 |
| Quarterly report | April 2008 |
| Accounts press conference | April 2008 |
| Annual General Meeting | 10 July 2008 |
| Bloomberg code | FIE |
| Reuters code | FIEG.DE |
| ISIN | DE0005772206 |

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Cash flow statement

| for the period 1 January to 30 September | 2007 € '000 | 2006 € '000 | Change € '000 |
|---|----------------|----------------------|------------------|
| Result before interest and tax (EBIT) | 90,495 | 75,291 | 15,204 |
| Interest expenses | -1,365 | -1,167 | -198 |
| Interest income | 4,225 | 3,401 | 824 |
| Result from ordinary activities | 93,355 | 77,525 | 15,830 |
| Taxes on income | -37,065 | -25,506 ¹ | -11,559 |
| Profit for the period (including shares of minority interests) | 56,290 | 52,019 | 4,271 |
| +/- Write-downs/write-ups on fixed assets | 23,864 | 24,062 | -198 |
| +/- Increase/decrease in long-term accruals | 223 | 418 | -195 |
| +/- Other non-cash income/expenditure | 2,358 | -3,513 | 5,871 |
| = Cash flow | 82,735 | 72,986 | 9,749 |
| +/- Increase/decrease in current accruals | -2,368 | 6,827 | -9,195 |
| -/+ Profit/loss on disposal of fixed assets | -134 | -275 | 141 |
| -/+ Increase/decrease in inventories, trade debtors as well as other assets not attributable to investment and financial operations | -1,385 | -36,703 | 35,318 |
| +/- Increase/decrease in financial assets held for trading purposes | -34,445 | -5,230 | -29,215 |
| +/- Increase/decrease in trade creditors as well as other liabilities not attributable to investment and financial operations | 25,158 | 26,214 | -1,056 |
| = Cash flow from current business activities | 69,561 | 63,819 | 5,742 |
| Receipts from disposal of tangible assets | 931 | 621 | 310 |
| - Payments for investments in tangible assets | -25,995 | -27,195 | 1,200 |
| + Receipts from the sale of intangible assets | 4 | 0 | 4 |
| - Payments for investments in intangible assets | -4,546 | -4,052 | -494 |
| + Receipts from disposal of financial assets | 120 | 181 | -61 |
| - Payments for investments in financial assets | -364 | -497 | 133 |
| - Payments for the acquisition of consolidated companies and other business units after deduction of acquired cash resources | -91 | 0 | -91 |
| = Cash flow from investment activities | -29,941 | -30,942 | 1,001 |
| - Payments to company owners and minority shareholders | -52,475 | -42,315 | -10,160 |
| - Payments for the redemption of loans and (finance) loans | -5,630 | -4,801 | -829 |
| = Cash flow from financial activities | -58,105 | -47,116 | -10,989 |
| Cash changes in financial resources | -18,485 | -14,239 | -4,246 |
| +/- Changes in financial resources due to exchange rates, scope of consolidation and valuation | -508 | -134 | -374 |
| + Financial resources at the beginning of the period | 104,045 | 74,440 | 29,605 |
| = Financial resources at the end of the period | 85,052 | 60,067 | 24,985 |

¹ The item has been adjusted in line with the ACTUAL tax rate for 2006.

Consolidated profit and loss account

| for the period 1 July to 30 September | 2007 € '000 | 2006 € '000 | Change |
|---|----------------|-----------------------|---------------|
| 1. Consolidated sales | 214,886 | 202,458 | 6.1 % |
| 2. Changes in finished goods and work in progress | -1,755 | -1,410 | |
| Total consolidated revenues | 213,131 | 201,048 | 6.0 % |
| 3. Other operating income | 13,228 | 11,640 | 13.6 % |
| 4. Costs of materials | -64,449 | -63,780 | 1.0 % |
| 5. Personnel costs | -78,177 | -76,972 | 1.6 % |
| 6. Depreciation | -7,916 | -7,765 | 1.9 % |
| 7. Other operating expenses | -38,679 | -35,301 | 9.6 % |
| 8. Interest result | 415 | 541 | -23.3 % |
| 9. Result from ordinary activities | 37,553 | 29,411 | 27.7 % |
| 10. Income taxes | -17,718 | -9,677 ¹ | 83.1 % |
| 11. Net income for the quarter | 19,835 | 19,734 | 0.5 % |
| 12. Income attributable to other shareholders | -933 | -1,293 | |
| 13. Results for the period | 18,902 | 18,441 | 2.5 % |
| Earnings per share in € | 0.45 | 0.44 ² | |

Consolidated profit and loss account

| for the period 1 January to 30 September | 2007 € '000 | 2006 € '000 | Change |
|---|----------------|-----------------------|---------------|
| 1. Consolidated sales | 631,719 | 592,287 | 6.7 % |
| 2. Changes in finished goods and work in progress | 1,874 | 2,589 | |
| Total consolidated revenues | 633,593 | 594,876 | 6.5 % |
| 3. Other operating income | 39,218 | 36,723 | 6.8 % |
| 4. Costs of materials | -196,038 | -179,433 | 9.3 % |
| 5. Personnel costs | -230,964 | -221,697 | 4.2 % |
| 6. Depreciation | -23,864 | -24,062 | -0.8 % |
| 7. Other operating expenses | -131,450 | -131,116 | 0.3 % |
| 8. Interest result | 2,860 | 2,234 | 28.0 % |
| 9. Result from ordinary activities | 93,355 | 77,525 | 20.4 % |
| 10. Income taxes | -37,065 | -25,506 ¹ | 45.3 % |
| 11. Net income as at 30 September | 56,290 | 52,019 | 8.2 % |
| 12. Income attributable to other shareholders | -2,144 | -2,367 | |
| 13. Results for the period | 54,146 | 49,652 | 9.1 % |
| Earnings per share in € | 1.29 | 1.18 ² | |

¹ The item has been adjusted in line with the ACTUAL tax rate for 2006.

² Share split with effect from 9 August 2006

Consolidated balance sheet

| Assets | As at 30 September 2007 € '000 | As at 31 December 2006 € '000 |
|--|--------------------------------------|-------------------------------------|
| A. Long-term fixed assets | | |
| I. Intangible assets | 10,043 | 7,466 |
| II. Goodwill | 41,146 | 40,870 |
| III. Tangible assets | 188,429 | 185,369 |
| IV. Investment property | 9,735 | 10,001 |
| V. Financial assets | 1,873 | 1,575 |
| VI. Deferred tax assets | 17,795 | 21,904 |
| VII. Tax assets | 2,799 | 2,799 |
| VIII. Other financial assets | 1,397 | 6,081 |
| | 273,217 | 276,065 |
| B. Current assets | | |
| I. Inventories | 89,648 | 86,085 |
| II. Receivables and other assets | 40,878 | 40,833 |
| III. Tax assets | 4,727 | 6,963 |
| IV. Prepaid expenses | 11,747 | 5,125 |
| V. Financial assets | 48,614 | 14,169 |
| VI. Cash and cash equivalents | 85,052 | 104,045 |
| | 280,666 | 257,220 |
| | 553,883 | 533,285 |
| Equity and liabilities | As at 30 September 2007 € '000 | As at 31 December 2006 € '000 |
| A. Equity capital | | |
| I. Subscribed capital | 54,600 | 54,600 |
| II. Capital reserves | 92,652 | 92,652 |
| III. Profit reserves | 184,930 | 186,323 |
| IV. Balance sheet profit | 0 | 50,400 |
| V. Result for the period | 54,146 | 0 |
| VI. Minority shares of third parties | -158 | 16 |
| | 386,170 | 383,991 |
| B. Long-term liabilities | | |
| I. Long-term accruals | 6,567 | 6,344 |
| II. Long-term financial liabilities | 8,696 | 13,832 |
| III. Deferred tax liabilities | 6,021 | 7,670 |
| | 21,284 | 27,846 |
| C. Current liabilities | | |
| I. Current accruals | 28,197 | 30,565 |
| II. Current financial liabilities | 6,702 | 7,195 |
| III. Trade creditors and other liabilities | 79,075 | 59,525 |
| IV. Tax liabilities | 32,455 | 24,163 |
| | 146,429 | 121,448 |
| | 553,883 | 533,285 |