

FENIX OUTDOOR INTERNATIONAL AG

Semiannual report

2016-01-01 – 2016-06-30

Second quarter 2016-04-01 – 2016-06-30

- The total income of the group was TEUR 111 951 (103 600) an increase of 8 %.
- The increase of total income is mainly referred to the further expansion of Fjällräven.
- The operating profit of the group was TEUR 6 730 (-3 059).
- The result before tax of the Group was TEUR 7 006 (-4 045).
- Result per share after tax amounted to EUR 0.34 (-0.38).



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FINANCIAL INFORMATION

Actual financial information is available at www.fenixoutdoor.se under “Finansiellt”

CALENDARIUM FINANCIAL INFORMATION

Q3 report Jan – Sept, October 31 2016.

Q4 report Jan – Dec, February 2017.

FENIX OUTDOOR INTERNATIONAL AG

Semiannual report

2016-01-01 – 2016-06-30

Half year 2016-01-01 – 2016-06-30

- The total income of the group was TEUR 224 707 (208 203) an increase of 7.9 %.
- The increase of total income is mainly referred to the further expansion of Fjällräven.
- The operating profit of the group was TEUR 19 404 (414).
- The result before tax of the Group was TEUR 17 476 (-1 869).
- Result per share after tax amounted to EUR 0.89 (-0.13).

Events after period closing

- There have been no material events after the reporting period.

The information in this semiannual report is such as Fenix Outdoor International AG shall publish according to Swedish law, “lagen om värdepappersmarknaden”, “lagen om handel med finansiella instrument” and requirements specified in the agreement with NasdaqOMX. The information was published August 16 2016.

CONTACTPERSON

Martin Nordin, CEO
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COMMENTS BY THE CEO

The positive trend from the three first months is continuing also in the second quarter. The Net sales of the quarter ended MEUR 110,7 (102,2), an increase with 8%. The sales are increasing in almost every market and it is Fjällräven continuing driving the development forward.

However, the global growth of Fjällräven has been shown to have a downside, as the Group must invest more and more resources to limit the widespread pirate copying that comes with the sales success, not at least regarding the Chinese market.

Hanwag, Primus and Tierra are consolidating their positions. In the spring it was decided to limit the Brunton product range to instruments, mainly compasses, which is the core segment of the brand. The efforts within "Portable Power" has shown to be a failure, competition from various volume-based low-cost producers, with a broader type of distribution channels, has proved too big.

Within Retail, Globetrotter shows a continuing improvement following the plans we have made. This has resulted in a slightly lower turnover, but an improved margin- and cost situation. Naturkompaniet continues to increase its sales on the Swedish market and Partioaitta holds its position on a generally weak Finnish market.

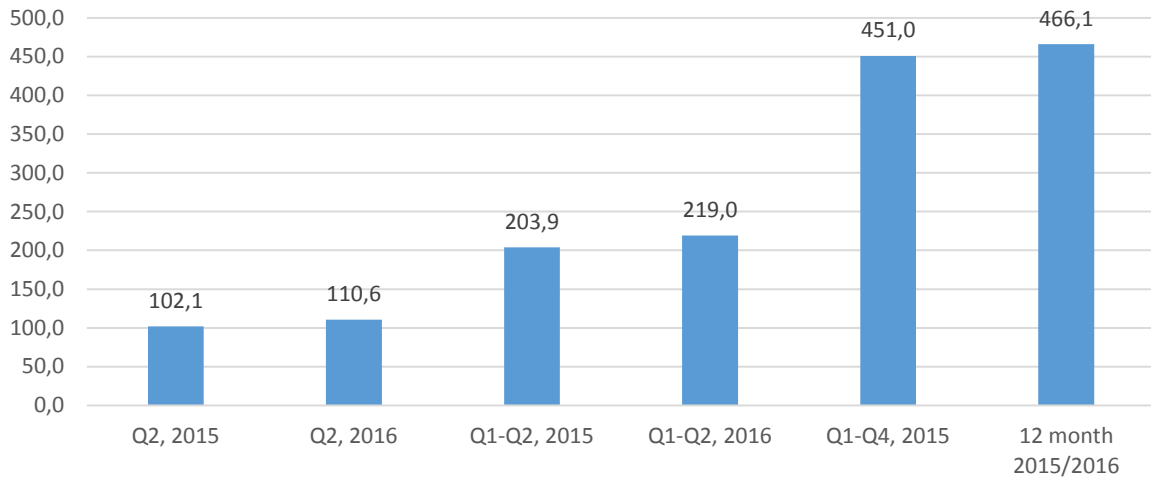
Consolidated operating profit for the second quarter increased from MEUR -3.1 to + 6.7 million. Approximately half of the improvement is dated back to the negative effects from the previous year's expenses related to structural changes in the Globetrotter, the second part can be attributed to good cost control and increased sales.

Zug August 2016, Martin Nordin, CEO

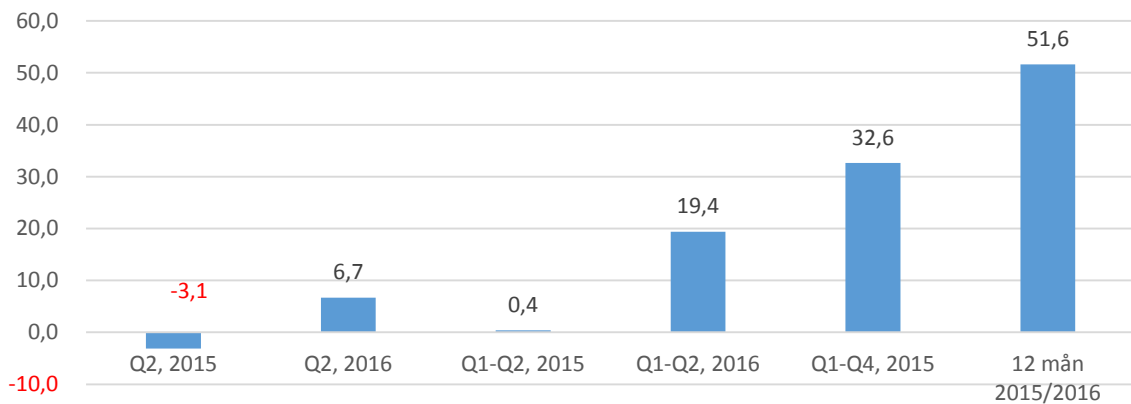
MEUR	April-June 2016	April-June 2015	Jan-June 2016	Jan-June 2015	July-June 2015/2016	Jan-Dec 2015
Net sales	110,6	102,1	219,0	203,9	466,1	451,0
Operating profit	6,7	-3,1	19,4	0,4	51,6	32,6
Profit margin, %	6,1%	-3,0%	8,9%	0,2%	11,1%	7,2%
Profit after financial items	7,0	-4,0	17,5	1,9	47,4	31,8
Net profit for the period	4,6	-5,1	12,0	-1,8	35,6	21,8
Earnings per share, EUR	0,34	-0,38	0,89	-0,13	2,6	1,62
Equity/assets ratio, %			54,2%	47,6%		51,4%

THE OPERATION

Netsales, MEUR



Operation profit, MEUR



THE OPERATION

Since 2016-01-01 the Group organized in three business segments: Brand, Global sales and Friluft.

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag and Brunton. It also includes Brandretail (The E-com and monobrand operations of the Brands) and distribution companies concentrated in sales of one brand.
- Global sales includes distribution companies selling more than one Fenix brand.
- Friluft includes the outdoor retailers Naturkompaniet AB, Partioaitta Oy and Globetrotter GmbH

The three business segments are supported by common functions for management, CSR/CSO, finance, IT and logistics.

	Brands		Friluft		Global sales		Common	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	27,4	21,8	64,3	66,5	19,1	13,8	0,0	0,0
Operating profit, MEUR	6,8	4,0	-0,7	-7,2	2,1	0,9	-1,4	-0,8
Number of Stores	18	14	58	60				
of which are franchise			3	5				

	Brands		Friluft		Global sales		Common	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	59,8	50,9	116,1	118,1	43,2	34,8		
Operating profit, MEUR	21,4	16,1	-3,2	-15,5	5,5	3,3	-4,2	-3,5
Number of Stores	18	14	58	61				
of which are franchise			3	5				

Net sales per market	Brands		Friluft		Global sales		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2016	2015	2016	2015	2016	2015	2016	2015
Sweden	8,4	6,7	22,2	19,3			14,0%	12,8%
Other Nordic countries	1,1	0,9	10,3	10,0	15,8	12,8	12,4%	11,6%
Germany	24,1	20,3	82,7	88,8	0,0		48,7%	53,5%
Benelux	4,9	5,2	0,9		5,3	4,6	5,1%	4,9%
Other Europé	0,6	0,3			15,9	13,6	7,5%	6,8%
Norht America	19,6	16,6			0,0		9,0%	8,1%
Other	1,1	0,9			6,1	3,8	3,3%	2,3%
Total	59,8	50,9	116,1	118,1	43,2	34,8	100%	100%

THE OPERATION, six months

Brands

- The external net sales increased to MEUR 59.8 (50.9), an increase of 17.5 %
- The operating profit increased to MEUR 21.4 (16.1)

The increase in net sales is mainly coming from the strong growth of Fjällräven, not at least in the production category Daypacks. The segment is showing a stable gross - and operating margin. The sales of Brunton products has decreased as a result of the decision to concentrate on sales of compasses.

Global sales

- The Net sales increased to MEUR 43.2 (34.8). An increase of 24,1%.
- The operating profit improved to MEUR 5.5 (3.3).

Global Sales is positively affected by the continued global growth of Fjällräven.

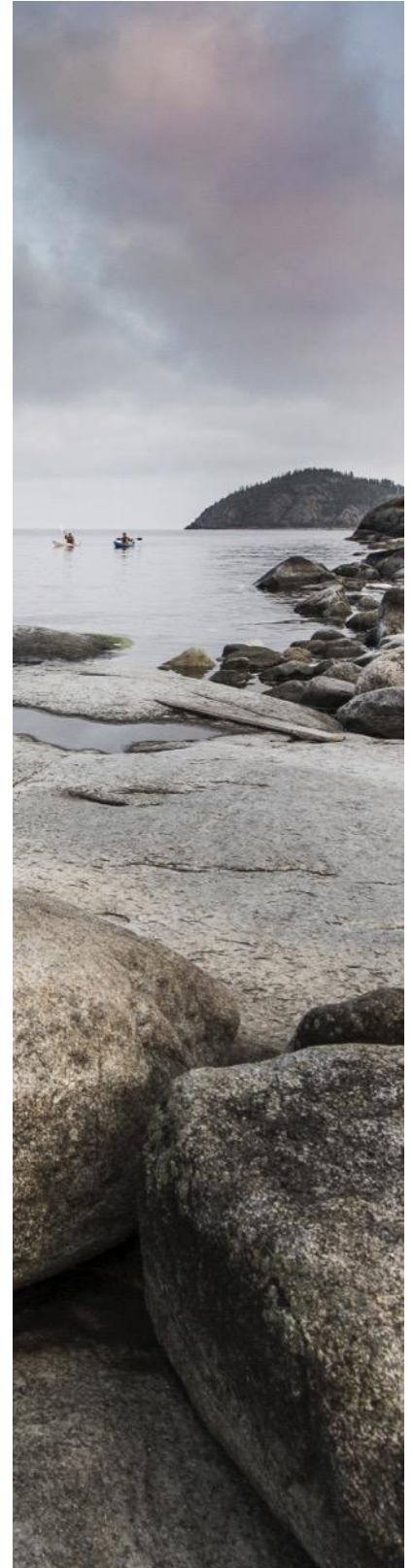
Friluftts

- The net sales have increased to MEUR 116,1 (118,1).
- The operating result has improved to MEUR -3.2 (-15.5).

Naturkompaniet shows continued good sales development. Globetrotter reports lower sales , but the effects of the lower sales is compensated by a more sustainable gross margin now generated by the company. The structural changes implemented in Globetrotter is also resulting in lower costs for the German retail operations . Given the weak economic situation in Finland, Partioaitta is showing a fully acceptable result ..

Liquidity and financial standing

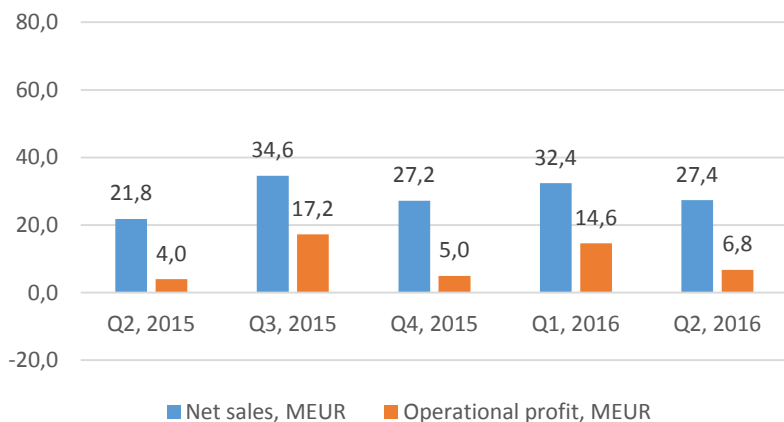
The Group's financial position remains strong. Consolidated cash and cash equivalents at 2016-06-30 amounted to MEUR 37.9 (31.8). The Group's interest-bearing liabilities amounted to MEUR 59.3 (65.5). Consolidated equity attributable to shareholders was MEUR 151.2 (125.3), corresponding to an equity ratio of 54.2 (47.6)%



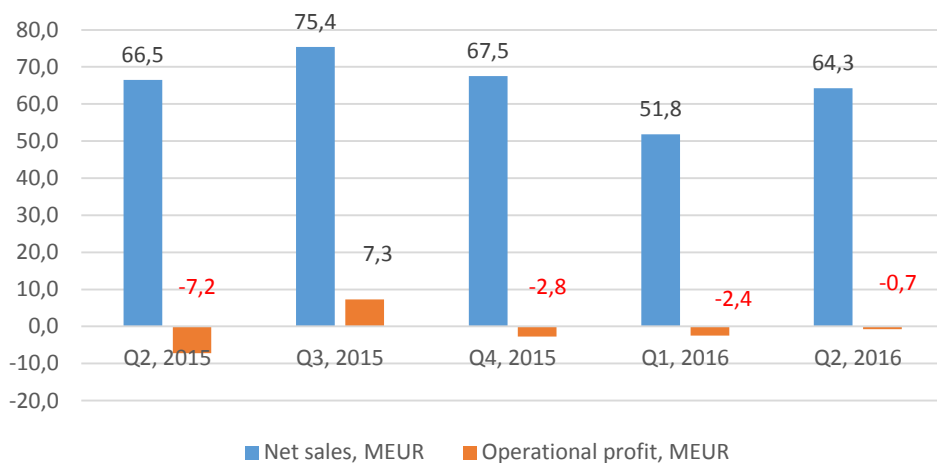
THE OPERATION

Net sales and operating result per segment

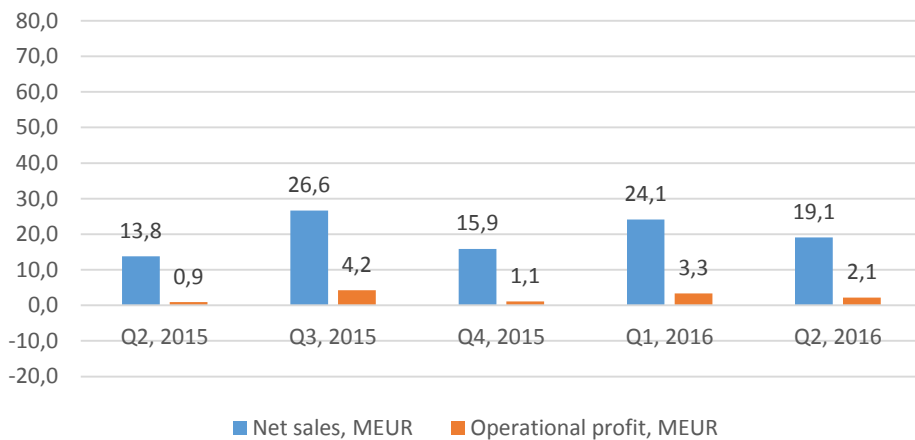
Brands



Friluftts



Global sales



FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT, MEUR	3 month		6 month		12 month	
	April - June	April - June	Jan - June	Jan - June	July-June	Jan-Dec
	2016	2015	2015	2014	2015/2016	2015
Net sales	110,6	102,1	219,0	203,9	466,1	451,0
Other operating income	1,4	1,5	5,7	4,3	10,0	8,6
Total income	112,0	103,6	224,7	208,2	476,2	459,7
Cost of goods sold	- 52,5	- 49,0	- 102,9	- 98,9	- 220,8	- 216,8
Other external expenses	- 26,0	- 26,9	- 50,5	- 52,5	- 102,0	- 104,0
Personnel expenses	- 22,5	- 26,7	- 44,3	- 49,2	- 89,3	- 94,2
Depreciation/amortisation	- 4,3	- 3,0	- 7,2	- 6,0	- 14,2	- 13,0
Result from participations in associated companies	0,4	-	0,5	-	3,8	3,3
Other operating expenses	- 0,4	- 1,1	- 0,9	- 1,2	- 2,1	- 2,4
Other operating expenses	- 105,3	- 106,7	- 205,3	- 207,8	- 424,5	- 427,0
Operating profit	6,7	- 3,1	19,4	0,4	51,6	32,6
Financial income	0,7	0,1	0,9	3,5	- 0,1	2,5
Financial expenses	- 0,4	- 1,0	- 2,8	- 2,0	- 4,1	- 3,3
Profit/loss before tax	7,0	- 4,0	17,5	1,9	47,4	31,8
Tax	- 2,4	- 1,1	- 5,5	- 3,7	- 11,8	- 10,0
Net profit	4,6	- 5,1	12,0	- 1,8	35,6	21,8
Net profit for the year attributable to:						
Parent Company's shareholders	4,6	- 2,3	12,0	4,7	35,5	28,3
Non-controlling interests	- 0,0	- 2,8	0,0	- 6,5	0,0	- 6,5
* Earnings per share before tax	0,52	- 0,30	1,30	0,14	3,52	2,36
* Earnings per share after tax	0,34	- 0,38	0,89	- 0,13	2,64	1,62
* Number of outstanding shares, B, thousands	11 060	11 060	11 060	11 060	11 060	11 060
* Number of outstanding shares, A, thousands	24 000	24 000	24 000	24 000	24 000	24 000

Earnings per share calculated as, number of B-shares + 2 400 A-shares, as A-shares only qualify to a tenth of the dividend compared to B-shares. There are no outstanding options or convertibles which would result in a dilution.

FINANCIAL REPORTS

Statement of other comprehensive income MEUR	3 month		6 month		12 month	
	April - June	April - June	Jan - June	Jan - June	July - June	Jan - Dec
	2016	2015	2015	2014	2015/2016	2015
Net profit for the year after tax	4,6	-5,1	12,0	-1,8	35,6	21,8
Not to be reclassified in the income statement in the future						
Remeasurements of post employment benefit obligations						
To be reclassified in the income statement in the future						
Change in translation reserve during the period	-0,7	-0,8	-1,2	-1,0	-1,5	-1,3
Cash flow hedges	0,5	-1,3	-0,1	-0,3	0,0	-0,2
Total other comprehensive income for the period:	-0,2	-2,1	-1,3	-1,3	-1,6	-1,6
Total comprehensive income for the year	4,4	-7,2	10,7	-3,1	34,0	20,2
Total comprehensive income attributable to:						
Parent Company's shareholders	4,4	-4,4	10,7	3,4	34,0	26,7
Non-controlling interests	- 0,0	-2,8	0,0	-6,5	0,0	-6,5

FINANCIAL REPORTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	30 June 2016	30 June 2015	31 Dec 2015
Assets			
Fixed assets			
Intangible fixed assets			
Goodwill	11,4	11,5	11,6
Trademark	2,1	2,7	2,4
Other intangible fixed assets	3,5	5,5	5,6
Tangible fixed assets	42,1	45,7	43,1
Financial assets	13,3	13,1	11,5
Total fixed assets	72,4	78,5	74,2
Current assets			
Inventories	123,3	117,8	116,3
Accounts receivable trade and other receivables	41,0	30,7	34,5
Prepaid expenses and accrued income	4,2	4,5	4,3
Cash and cash equivalents	37,9	31,8	58,0
Total current assets	206,4	184,8	213,1
Total assets	278,8	263,3	287,3
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	151,2	125,3	147,7
Non-controlling interest	2,3	1,3	2,3
Total equity	153,5	126,6	150,0
Liabilities			
Non-current liabilities			
Other non-current liabilities	6,8	3,9	5,2
Interest bearing liabilities	-	9,9	-
Total non-current liabilities	6,8	13,8	5,2
Current liabilities			
Other short term liabilities	42,6	47,3	46,2
Interest bearing liabilities	59,3	55,6	64,9
Accrued expenses and deferred income	16,6	20,0	21,0
Total current liabilities	118,5	122,9	132,1
Total Equity and Liabilities	278,8	263,3	287,3

FINANCIAL REPORTS

TEUR	Share capital	Other contributed capital	Retained earnings	Total	Non-controlling interest	Total Equity
Opening balance 01-01-2015	11 014	24 935	76 260	112 209	23 706	135 915
Changes Jan - June 2015						
Net Profit for the year			4 724	4 724	-6 531	-1 807
Other comprehensive income for the year			-1 287	-1 287	-	-1 287
Total comprehensive income for the year	-	-	3 437	3 437	-6 531	-3 094
Reclassification		2 352	-2 352			
Transactions with non-controlling interests						
Transactions with owners	201	9 018	6 119	15 338	-15 838	-500
Dividends			-5 689	-5 689		-5 689
Closing balance 30-06-2015	11 215	36 305	77 775	125 295	1 337	126 632
Opening balance 01-01-2016	12 378	39 765	95 636	147 779	2 262	150 041
Changes Jan - June 2016						
Net Profit for the year			11 923	11 923	44	11 967
Other comprehensive income for the year			-1 247	-1 247	-	-1 247
Total comprehensive income for the year	-	-	10 676	10 676	44	10 720
Transactions with owners						
Dividends			-7 255	-7 255	-	-7 255
Closing balance 30-06-2016	12 378	39 765	99 057	151 200	2 306	153 506

FINANCIAL REPORTS

Consolidated statement of financial position, MEUR	6 month		12 month
	Jan - June	Jan - June	jan - dec
	2016	2015	2015
OPERATING ACTIVITIES			
Operating profit	19,4	0,4	32,6
Depreciation	7,2	6,0	13,0
Adjustment for items not included in the cash flow, etc.	-1,7	-7,0	-3,6
Interest and dividends realised	0,8	1,6	0,7
Interest paid	-2,3	-1,1	-3,3
Income Tax paid	-8,2	-3,7	-8,4
	15,2	-3,8	31,0
Change in inventories	-7,0	-6,3	-7,9
Change in operating receivables	-6,5	10,4	7,0
Change in operating liabilities	-5,2	-3,9	-9,0
Cash flow from operating activities	-3,5	-3,6	21,1
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-0,1	-0,3	-1,2
Purchase of tangible fixed assets	-4,7	-3,3	-7,9
Sale of tangible fixed assets	0,2	0,2	0,7
Sale of associated companies	-	-	6,2
Acquisition of subsidiaries, net of cash acquired	-0,2	-	-0,8
Change in financial assets	0,2	-1,5	-1,2
Cash flow from investing activities	-4,6	-4,9	-4,1
FINANCING ACTIVITIES			
Borrowings	-4,3	5,3	4,6
Acquisition of minority shares in subsidiaries	-	-0,5	-0,5
Dividends paid	-7,3	-6,0	-5,7
Cash flow from financing activities	-11,6	-1,2	-1,6
Change in cash and cash equivalents	-19,7	-9,7	15,4
Cash and cash equivalents at beginning of year	58,0	41,0	41,0
Effect of exchange rate differences on cash and cash equivalents	-0,4	0,5	1,6
Cash and cash equivalents at year-end	37,9	31,8	58,0

Notes to the financial reports

Not 1 Accounting principles

Fenix Outdoor International AG is a listed company, seated in Zug, Schweiz.

The Group applies the International Financial Reporting Standards (IFRS) as they are adopted by EU. This quarterly report is made according to IAS 34, Semiannual reporting. The new additions and clarifications regarding IFRS, which became effective January 1, 2016 have not given any significant effect on the financial report. The accounting policies adopted are consistent with those found in the Annual Report for the year ended 31 December 2015 and should be read in conjunction with these.

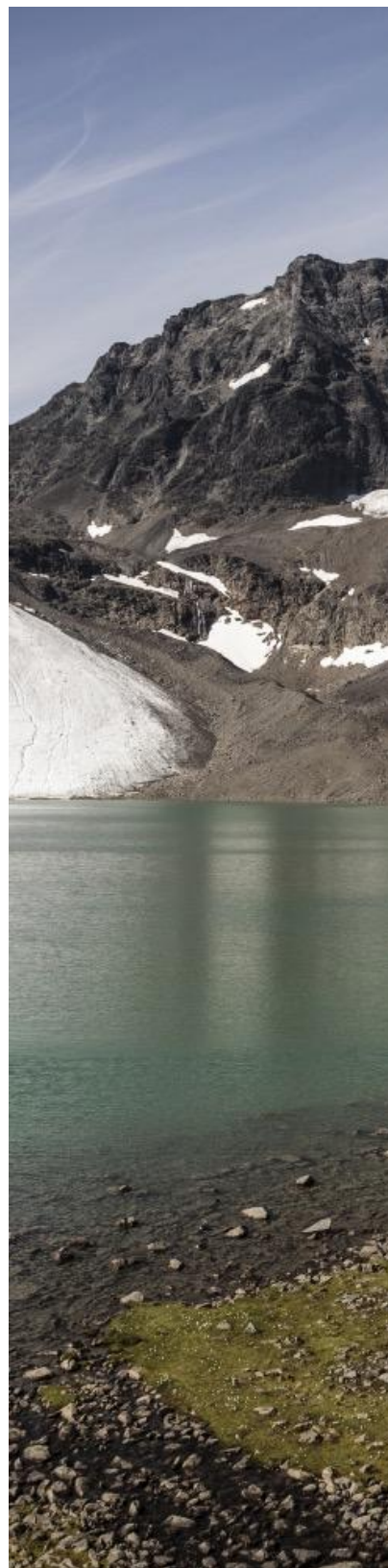
The Group presents consolidated financial data in EUR (conversion rates in accordance with Note 3).

Not 2 Risks

The riskfactors of the Group are presented in the last published annual report, page 33.

Not 3 Exchange rate

	Average rate		Balance rate	
	jan - jun	jan - jun	period end	
	2016	2015	30-06-2016	30-06-2015
EUR/SEK	9,2966	9,3150	9,4242	9,2150
EUR/CHF	1,0980	1,0466	1,0867	1,0412
EUR/USD	1,1137	1,1110	1,1102	1,1189
CHF/SEK	8,4670	8,9000	8,6723	8,8500



Notes

NOTE 4. Group derivatives valued at market value

Total Assets and Liabilities	2016-06-30	2015-06-30
Derivatives used for hedging	1 251	1 302
Purchased TUSD	37 700	37 500
Sold TEUR	32 829	32 157
Rate	1,148	1,166
Purchahsed TEUR	1 200	-
Sold TNOK	11 102	-
Rate	9,252	-
Purchahsed TEUR	4 827	
Sold TGBP	3 800	
Rate	0,787	

The derivative position, or the market value, is a value calculated as the difference in forward rate against current spot rate at the balance sheet date with the addition of the remaining hedging premiums / discounts from the closing date to contract maturity of all outstanding positions at the balance sheet date. The value and the change of the positions taken in USD are recognized directly in equity. The maturity is less than 12 months.

Notes

Note 5 Segment reporting – sales and operating result

Fenix Outdoor International AG reports sales and operating result for the segments Brands, Global Sales, Recreation and Common. The internal monitoring of the operations takes place in this segmentation. Additionally sales is divided into geographical areas.

	Brands		Friluft		Global sales		Common	
	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	27,4	21,8	64,3	66,5	19,1	13,8	0,0	0,0
Operating profit, MEUR	6,8	4,0	-0,7	-7,2	2,1	0,9	-1,4	-0,8
Number of Stores	18	14	58	60				
of which are franchise			3	5				

	Brands		Friluft		Global sales		Common	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	59,8	50,9	116,1	118,1	43,2	34,8		
Operating profit, MEUR	21,4	16,1	-3,2	-15,5	5,5	3,3	-4,2	-3,5
Number of Stores	18	14	58	60				
of which are franchise			3	5				

Net sales per market	Brands		Friluft		Global sales		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2016	2015	2016	2015	2016	2015	2016	2015
Sweden	8,4	6,7	22,2	19,3			14,0%	12,8%
Other Nordic countries	1,1	0,9	10,3	10,0	15,8	12,8	12,4%	11,6%
Germany	24,1	20,3	82,7	88,8	0,0		48,7%	53,5%
Benelux	4,9	5,2	0,9		5,3	4,6	5,1%	4,9%
Other Europe	0,6	0,3			15,9	13,6	7,5%	6,8%
North America	19,6	16,6			0,0		9,0%	8,1%
Other	1,1	0,9			6,1	3,8	3,3%	2,3%
Total	59,8	50,9	116,1	118,1	43,2	34,8	100%	100%

Notes

Note 7 Major events during the three month period

No major events, besides what has been reported in this report can be noted.

Note 8 Events after period closing

No major events has occurred after the quartal closing.

Note 9 Transactions with related parties

No major changes in relations or transactions with related parties compared to 2015.

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Zug August 16, 2016

The CEO and the Board of Directors certify that the interim report gives a true and fair view of the Group's operations, position and results and describes the principal risks and uncertainties that the Company and the companies in the group face.

MARTIN NORDIN
CEO

Sven Stork
Chairman

Ulf Gustafsson
Member of the Board

Mats Olsson
Member of the Board

Susanne Nordin
Member of the Board

Sebastian von Wallwitz
Member of the Board

The interim report is not reviewed by the Auditors of the Group.