

FENIX OUTDOOR INTERNATIONAL AG

Condensed consolidated financial statement for the period ended 31 December 2016

Fourth quarter 2016-10-01 – 2016-12-31

- The total income of the Group was TEUR 123 642 (112 320), an increase of 10,1 %.
- The operating profit of the Group was TEUR 9 596 (5 048).
- The profit before tax of the Group was TEUR 9 842 (4 778).
- The profit after tax of the Group was TEUR 12 528 (5 888).
- Earnings per share after tax amounted to EUR 0,93 (0,44).
- The Board proposes a dividend of 8,00 Swedish Kronor per B-share and 0,80 Swedish Kronor per A-share.

This report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation. The information was provided by the contact person stated below, for publication February 14, 2017 at 14 45.

CONTACTPERSON

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CONTENT

Page

FINANCIAL INFORMATION

CEO comment	3-4
The operation	5-7
Financial reports	8-12
Notes	13-16

Other financial information is available at www.fenixoutdoor.se under "Finansiellt"

CALENDARIUM

FINANCIAL INFORMATION

- Week 14, distribution of Annual report
- 9 May 2017, Q1 report and Annual General Meeting in Solna, Sweden.
- 20 July 2017, Q2 report.

FENIX OUTDOOR INTERNATIONAL AG

Condensed consolidated financial statement for the period ended 31 December 2016

Period 2016-01-01 – 2016-12-31

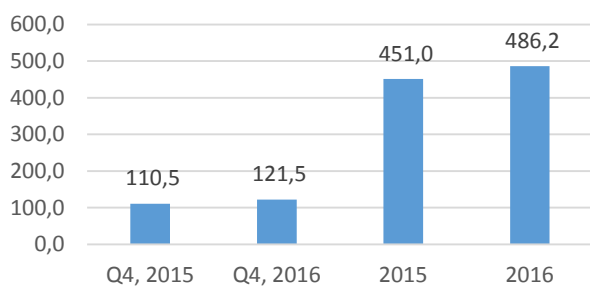
- The total income of the group was TEUR 496 218 (459 654), an increase of 8,0 %.
- The operating profit of the Group was TEUR 60 520 (32 640).
- The profit before tax of the Group was TEUR 58 558 (31 797).
- Earnings per share after tax amounted to EUR 3,58 (1,62).

Events after period closing

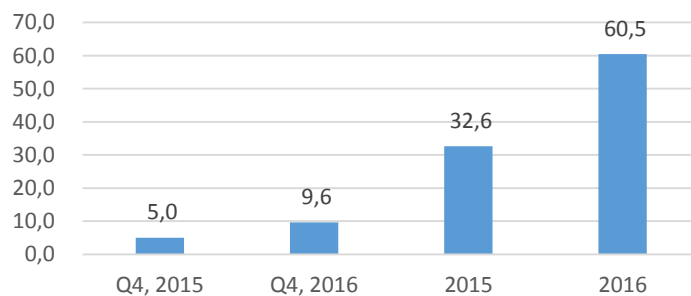
- There have been no material events after the reporting period.



Net sales, MEUR



Operating profit, MEUR



COMMENTS BY THE CEO

A satisfying end of a good year

The positive trend mainly continued in the last quarter.

- Fenix Brand and Global Sales segments continued to grow with good profitability.
- Fjällräven is the brand growing the most, both in percentage and monetarily. This is a result of:
 - A continued growth in new markets.
 - Strong growth in the product category "daypacks".
 - A good growth in other major categories such as jackets and pants.
- Frilufts in Finland and Sweden had a very strong start of the quarter due to the weather, but the Christmas sales showed weaker growth than expected. The German market has had profitable sales and cost control as goals and met its targets for the quarter.

This combination of actions and growth has resulted in that the Group will be reaching its long term goal of an operating margin of 10%, which I am happy with.

However, there are always reasons to continue to work hard and although growth has created new conditions, work on efficiencies and savings is important. For example, significant efficiency improvements must be implemented in our support functions. One difficulty with growth is also integrating new staff into our corporate culture, as examples Fenix traditional cost control culture.

Another challenge is to exploit the success we have on new markets with specific products and to increase and expand the sales to a larger assortment. In some individual markets this focus has been successful. An example of this is Canada where we now are approaching balanced sales, based on the three stores that have succeeded very well.

Even the US market indicates a promising development in this direction, which shows how important our brand stores are in the process regarding the widening of the Fjällräven profile. But the battle for the consumer's favor must continue. Our focus on sustainability shows every day to be accurate, as customers become more and more aware, mainly in North America, but also in Asia this becomes increasingly important.

It is easy to focus only on Fjällräven, but also the other brands are contributing to the group's success. Tierra shows significant progress and although they still generating losses, I am confident that the company will soon contribute even financially and not just technically to the Group. Primus and Brunton have had a difficult year. Above all Primus had some problems with its supply chain, which has meant lost sales with consequent financial effects.

COMMENTS BY THE CEO

Brunton which in our opinion is a world leader in high-quality precision compasses have had a difficult year, but this is related to the significant write offs of goods in closed segments. During the year, the segment Portable Power was closed down in favor of the focus on developing and making high quality compasses.

In Frilufts, Naturkompaniet and Partioatta had a good fourth quarter, although Christmas sales in comparison with the beginning of the quarter was weaker. The total year for these units was very good. Globetrotter, the Group's major adventure, showed a significant improvement compared with the previous year, so even in the fourth quarter. The improvement in Globetrotter has been more focused on adjusting the stores' cost base which has been successful. I want to give all local store managers an eulogy for their hard work in this process. Although the support functions have achieved certain goals especially in the logistics, some progress has also been made in other areas.

However, it is clear that there is still further efficiency and savings potential before the work is completed, which it incidentally never will be. So the focus for Globetrotter in 2017 is to increase sales and bring order to the cost of the key processes, which among other things can be done through increased coordination within the group.

Zug in February 2017 Martin Nordin

MEUR	Oct - Dec 2016	Oct - Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	121,5	110,5	486,2	451,0
Operating profit	9,6	5,0	60,5	32,6
Profit margin, %	7,9%	4,5%	12,4%	7,2%
Profit after financial items	9,8	4,8	58,6	31,8
Net profit for the period	12,5	5,9	48,2	21,8
Earnings per share, EUR	0,93	0,44	3,58	1,62
Equity/assets ratio, %			58,0%	51,4%

THE OPERATION

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

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag and Brunton. It also includes Brandretail (The E-com, the Brand- and Flagshipstores) and distribution companies concentrated on sales of only one brand.
- Global sales includes distribution companies selling more than one Fenix brand.
- In Friluft the retailers Naturkompaniet AB, Partioaitta Oy and Globetrotter Ausrüstung GmbH are included.

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

	Brands		Friluft		Global sales		Common		Group	
	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External sales, MEUR	25,6	19,8	68,0	66,9	27,6	23,3	0,3	0,5	121,5	110,5
Operating profit, MEUR	6,0	3,2	2,0	0,1	3,0	3,0	-1,4	-1,3	9,6	5,0
Number of Stores	22	19	58	59					80	78
of which are franchise			3	4					3	4
Fixed assets	23,8	20,9	34,4	37,2	12,5	9,9	8,7	6,2	79,4	74,2
Cap. Expenditures 3 months	1,1	0,9	0,2	2,8	1,1	0,5	1,1	1,4	3,5	5,6

	Brands		Friluft		Global sales		Common		Group	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External sales, MEUR	103,0	87,5	258,3	259,1	122,9	102,5	2,0	1,9	486,2	451,0
Operating profit, MEUR	44,0	34,9	6,9	-6,7	17,5	12,4	-7,9	-8,0	60,5	32,6
Number of Stores	22	19	58	59					80	78
of which are franchise			3	4					3	4
Fixed assets	23,8	20,9	34,4	37,2	12,5	9,9	8,7	6,2	79,4	74,2
Cap. Expenditures	5,2	3,4	0,6	3,0	1,8	1,3	2,8	1,4	10,4	9,1

External sales per market	Brands		Friluft		Global sales		Common		Total	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Switzerland					8,2	7,4			1,7%	1,6%
Sweden	19,4	15,9	54,7	48,7					15,2%	14,3%
Other Nordic countries	3,5	2,7	25,3	24,1	36,2	29,3			13,4%	12,4%
Germany	50,4	41,4	178,3	186,3			2,0	1,9	47,4%	50,9%
Benelux	8,2	8,8			9,9	8,7			3,7%	3,9%
Other Europe	1,3	1,0			27,4	22,4			5,9%	5,2%
North America	18,0	16,1			29,8	25,3			9,8%	9,2%
Other World	2,2	1,6			11,4	9,4			2,8%	2,4%
Total	103,0	87,5	258,3	259,1	122,9	102,5	2,0	1,9	100%	100%

THE OPERATION

BRANDS MEUR

Group external Net sales

Operating result

Oct-Dec 2016	Change	Oct-Dec 2015	2016	Change	2015
25,6	29,3%	19,8	103,0	17,7%	87,5
6,0		3,2	44,0		34,9

In terms of Net sales, the favorable trend from previous quarters continued during the last three months. Of the major markets Germany and the Nordic region contributed most strongly to the increase in Net sales. In North America the growth was limited by Brunton's concentration on navigation. Among the brands Fjällräven and Tierra showed the highest relative growth.

GLOBAL SALES MEUR

Group external Net sales

Operating result

Oct-Dec 2016	Change	Oct-Dec 2015	2016	Change	2015
27,6	18,5%	23,3	122,9	19,9%	102,5
3,0		3,0	17,5		12,4

Global sales has increased its sales in all markets. By the more major markets Norway showed the strongest growth. The higher operating income is a function of the increased sales.

FRILUFTS MEUR

Group external Net sales

Operating result

Oct-Dec 2016	Change	Oct-Dec 2015	2016	Change	2015
68,0	1,6%	66,9	258,3	-0,3%	259,1
2,0		0,1	6,9		-6,7

The last quarter for Frilufts has followed the same pattern as previous quarters. Globetrotter shows a continuing improvement following the plans we have made. This results in a slightly lower turnover, but an improved margin and cost situation. Naturkompaniet continues to increase its sales on the Swedish market and Partioaitta is presenting a result well in line with expectations.

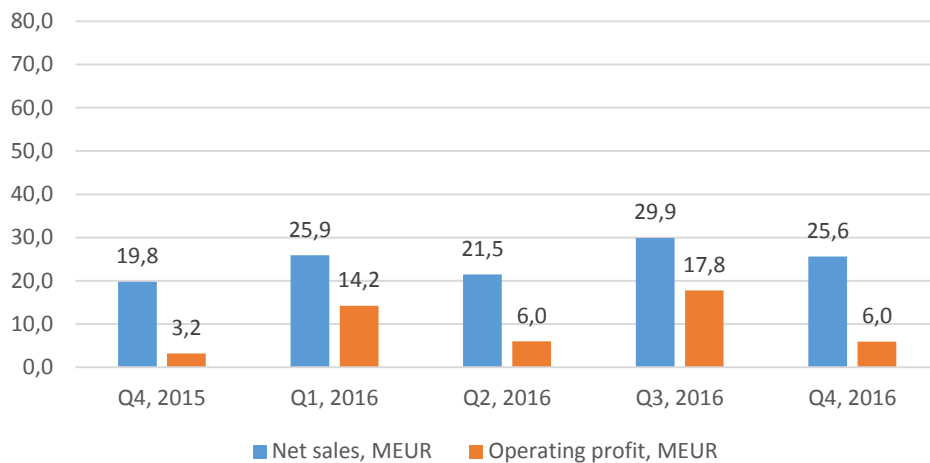
Liquidity and financial standing

The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 76,8 (58,0). The Group's interest-bearing liabilities amounted to MEUR 52,2 (64,9). Consolidated equity attributable to shareholders was MEUR 186,7 (147,7), corresponding to an equity ratio of 58,0 % (51,4).

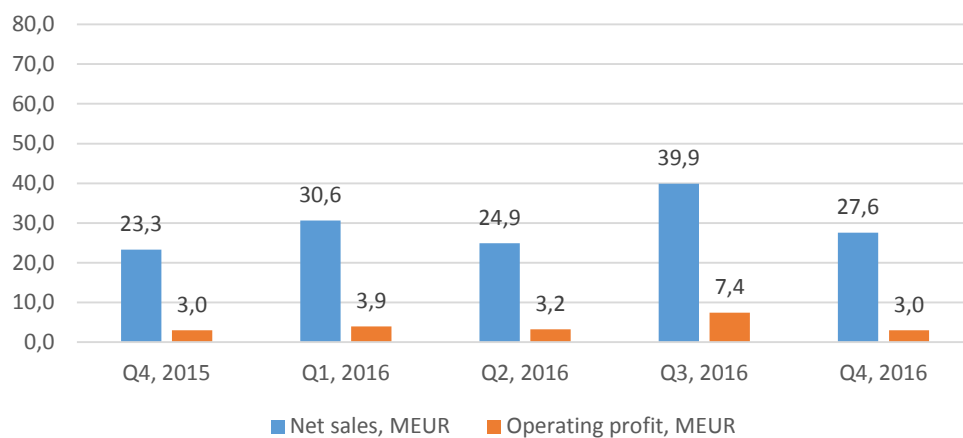
THE OPERATION

Net sales and operating result per segment

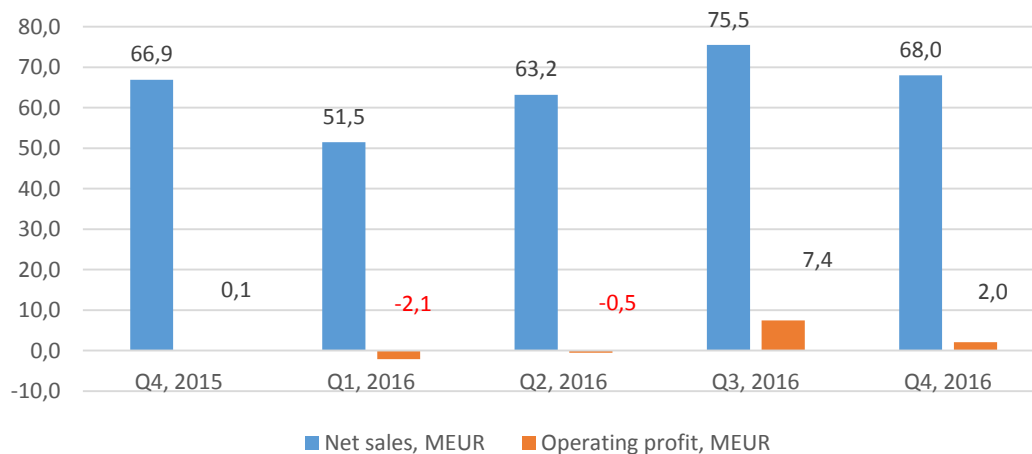
Brands



Global sales



Friluftst



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months		12 months	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015
Net sales	121,5	110,5	486,2	451,0
Other operating income	2,1	1,8	10,0	8,6
Total income	123,6	112,3	496,2	459,7
Cost of goods sold	-53,3	-52,6	-223,4	-216,8
Other external expenses	-31,3	-27,6	-106,9	-104,0
Personnel expenses	-25,7	-23,8	-91,9	-94,2
Depreciation/amortisation	-3,3	-3,2	-13,1	-13,0
Result from participations in associated companies	0,4	0,3	1,3	3,3
Other operating expenses	-0,8	-0,4	-1,7	-2,4
Operating expenses	-114,0	-107,3	-435,7	-427,0
Operating profit	9,6	5,0	60,5	32,6
Financial income	0,8	0,2	0,1	2,5
Financial expenses	-0,6	-0,4	-2,0	-3,3
Profit before tax	9,8	4,8	58,6	31,8
Income tax	2,7	1,1	-10,4	-10,0
Net profit	12,5	5,9	48,2	21,8
Net profit for the year attributable to:				
Parent Company's shareholders	12,4	5,9	47,9	28,3
Non-controlling interests	0,1	0,0	0,3	-6,5
Earnings per share after tax	0,93	0,44	3,58	1,62
Number of outstanding shares, B, thousands	11 060	11 060	11 060	11 060
Number of outstanding shares, A, thousands	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 REPORT

Consolidated Statement of Comprehensive Income MEUR	3 months		12 months	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015
Net profit	12,5	5,9	48,2	21,8
Not to be reclassified in the income statement in the future				
Remeasurements of post employment benefit obligations				0,1
To be reclassified in the income statement in the future				
Change in translation reserve during the period	0,2	-0,5	-1,9	-1,3
Hedge accounting	1,7	1,1	1,1	-0,2
Taxes	-0,3		-0,2	
Total other comprehensive income for the period:	1,6	0,6	-1,0	-1,5
Total comprehensive income for the year	14,1	6,5	47,2	20,3
Total comprehensive income attributable to:				
Parent Company's shareholders	14,0	6,5	46,9	26,8
Non-controlling interests	0,1	0,0	0,3	-6,5

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	31 Dec 2016	31 Dec 2015
Assets		
Fixed assets		
Intangible fixed assets		
Goodwill	11,4	11,6
Trademark	2,0	2,4
Other intangible fixed assets	4,7	5,6
Tangible fixed assets	41,7	43,1
Financial assets	19,6	11,5
Total fixed assets	79,4	74,2
Current assets		
Inventories	121,1	116,3
Accounts receivable trade and other receivables	39,9	34,5
Prepaid expenses and accrued income	4,8	4,3
Cash and cash equivalents	76,8	58,0
Total current assets	242,6	213,1
Total assets	322,0	287,3
Equity and liabilities		
Equity and reserves attributable to the Parent Company's shareholders	186,7	147,7
Non-controlling interest	2,6	2,3
Total equity	189,3	150,0
Liabilities		
Non-current liabilities		
Other non-current liabilities	9,5	5,2
Total non-current liabilities	9,5	5,2
Current liabilities		
Other current liabilities	48,5	46,2
Interest bearing liabilities	52,2	64,9
Accrued expenses and deferred income	22,5	21,0
Total current liabilities	123,2	132,1
Total equity and liabilities	322,0	287,3

FINANCIAL REPORT

Statement of changes in Equity TEUR	Share capital	Other contributed capital	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2015	11 014	24 935	76 260	112 209	23 706	135 915
Net Profit for the year			28 267	28 267	-6 500	21 767
Other comprehensive income for the year	1 163	5 812	-8 427	-1 452	-	-1 452
Total comprehensive income for the year	1 163	5 812	19 840	26 815	-6 500	20 315
Transactions with non-controlling interests	201	9 018	5 225	14 444	-14 944	-500
Dividends			-5 689	-5 689	-	-5 689
31-12-2015	12 378	39 765	95 636	147 779	2 262	150 041
01-01-2016	12 378	39 765	95 636	147 779	2 262	150 041
Changes during 2016						
Net Profit for the year			47 867	47 867	290	48 157
Other comprehensive income for the year			-912	-912	-	-912
Total comprehensive income for the year	-	-	46 954	46 954	290	47 245
Purchase of own shares			-769	-769	-	-769
Dividends			-7 255	-7 255	-	-7 255
31-12-2016	12 378	39 765	134 567	186 710	2 552	189 262

FINANCIAL REPORT

	12 month	
Consolidated statement of cash flows	Jan - Dec	Jan - Dec
MEUR	2016	2015
OPERATING ACTIVITIES		
Operating profit	60,6	32,6
Depreciation	13,1	13,0
Adjustment for non cash items	-0,3	-3,6
Interest and dividends realised	0,1	0,7
Interest paid	-1,8	-3,3
Income tax paid	-10,5	-8,4
	61,2	31,0
Change in inventories	-4,8	-7,9
Change in operating receivables	-5,3	7,0
Change in operating liabilities	-0,8	-9,0
Cash flow from operating activities	50,3	21,1
INVESTING ACTIVITIES		
Purchase of intangible assets	-0,8	-1,2
Purchase of tangible fixed assets	-9,6	-7,9
Sale of tangible fixed assets	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	-	-1,2
Cash flow from investing activities	-10,4	-4,1
FINANCING ACTIVITIES		
Borrowings	-12,8	4,6
Acquisition of non-controlling interests	-	-0,5
Purchase of own shares	-0,8	-
Dividends paid	-7,3	-5,7
Cash flow from financing activities	-20,9	-1,6
Change in cash and cash equivalents	19,0	15,4
Cash and cash equivalents at beginning of year	58,0	41,0
Effect of exchange rate differences on cash and cash equivalents	-0,2	1,6
Cash and cash equivalents at year-end	76,8	58,0

Notes to the financial report

Note 1 Accounting principles

Fenix Outdoor International AG is a listed company with registered office in Zug, Switzerland.

The Group applies the International Financial Reporting Standards (IFRS) as they are adopted by EU and are in compliance with IFRS and issued by the IASB. This quarterly report is prepared in accordance with IAS 34, Interim Financial Reporting. The new additions and clarifications regarding IFRS, which became effective January 1, 2016 have not had any significant impact on the financial report. The accounting policies adopted are consistent with those applied 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).

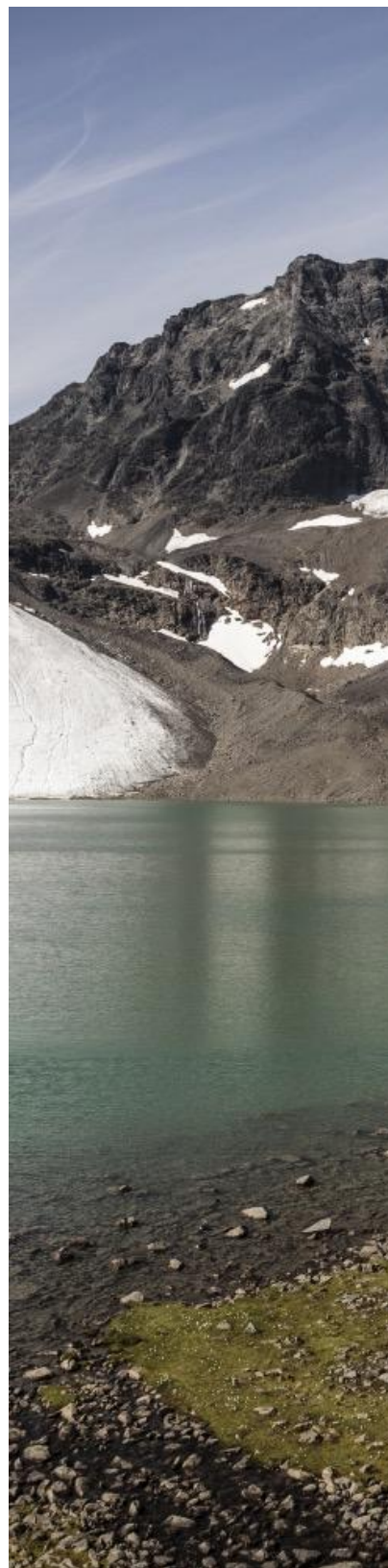
The report is not reviewed by the Auditors of the Group

Note 2 Risks

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

Note 3 Exchange rates

	Average rate		Balance sheet closing rate	
	2016	2015	2016	2015
SEK/EUR	9,4700	9,3400	9,5525	9,1878
CHF/EUR	1,0905	1,0650	1,0739	1,0833
USD/EUR	1,1026	1,1040	1,0541	1,0885
SEK/CHF	8,6837	8,7700	8,8951	8,4813



Notes

Note 4. Group derivatives valued at market value

Market value

	2016-12-31	2015-12-31
Derivatives used for hedging FX	2 219	1 113
Derivatives used for hedging Interest duration	-156	-

FX Forwards per balance sheet date

Purchased TUSD	27 000	32 700
Sold TEUR	23 223	28 686
Rate	1,163	1,140

Purchahsed TUSD	3 000	
Sold TNOK	24 716	
Rate	8,239	

Valuation method

The market value of the derivative position is the 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.

Accounting method

The market value of the positions is recognized in other comprehensive income in equity as the Group applies hedge accounting.

Maturity

The maturity of the FX forwards is less than 12 months.

Interest rate swap

	2016-12-31	2015-12-31
Paying Long term USD due 2020-03-19 (TUSD)	15 000	-
Getting short term USD 3 months (TUSD)	15 000	-
Paying Long term EUR due 2020-03-19 (TEUR)	10 000	-
Getting short term EUR 3 months (TEUR)	10 000	-

Notes

Note 5 Segment reporting

Since 2016-01-01 the Group is organized in three business segments: Brands, Global sales and Friluft. Fenix Outdoor International AG reports sales and operating result for the segments Brands, Global Sales, Friluft and Common. The internal monitoring of the operations takes place in this segmentation. Additionally sales is divided into geographical areas. The comparative figures from 2015 are presented accordingly. Before the figures from Brands and Global sales were reported within the segment Brands.

	Brands		Friluft		Global sales		Common		Group	
	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External sales, MEUR	25,6	19,8	68,0	66,9	27,6	23,3	0,3	0,5	121,5	110,5
Operating profit, MEUR	6,0	3,2	2,0	0,1	3,0	3,0	-1,4	-1,3	9,6	5,0
Number of Stores	22	19	58	59					80	78
of which are franchise			3	4					3	4
Fixed assets	23,8	20,9	34,4	37,2	12,5	9,9	8,7	6,2	79,4	74,2
Cap. Expenditures 3 months	1,1	0,9	0,2	2,8	1,1	0,5	1,1	1,4	3,5	5,6

	Brands		Friluft		Global sales		Common		Group	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
External sales, MEUR	103,0	87,5	258,3	259,1	122,9	102,5	2,0	1,9	486,2	451,0
Operating profit, MEUR	44,0	34,9	6,9	-6,7	17,5	12,4	-7,9	-8,0	60,5	32,6
Number of Stores	22	19	58	59					80	78
of which are franchise			3	4					3	4
Fixed assets	23,8	20,9	34,4	37,2	12,5	9,9	8,7	6,2	79,4	74,2
Cap. Expenditures	5,2	3,4	0,6	3,0	1,8	1,3	2,8	1,4	10,4	9,1

External sales per market	Brands		Friluft		Global sales		Common		Total	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Switzerland					8,2	7,4			8,2	7,4
Sweden	19,4	15,9	54,7	48,7					74,1	64,6
Other Nordic countries	3,5	2,7	25,3	24,1	36,2	29,3			65,0	56,1
Germany	50,4	41,4	178,3	186,3			2,0	1,9	230,7	229,6
Benelux	8,2	8,8			9,9	8,7			18,1	17,5
Other Europe	1,3	1,0			27,4	22,4			28,7	23,4
North America	18,0	16,1			29,8	25,3			47,8	41,4
Other World	2,2	1,6			11,4	9,4			13,6	11,0
Total	103,0	87,5	258,3	259,1	122,9	102,5	2,0	1,9	486,2	451,0

Notes

Note 7 Major events during the period

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

Note 8 Events after period closing

No major events have occurred after the closing date.

Note 9 Transactions with related parties

There have been no major changes in relations or transactions with related parties compared to 2015.

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Zug February 14, 2017

The CEO certifies that this 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 are exposed to.

MARTIN NORDIN
CEO