

FENIX OUTDOOR INTERNATIONAL AG

Quarterly report, three months

2016-01-01 – 2016-03-31

First quarter 2016-01-01 – 2016-03-31

- The total income of the group was TEUR 112 756 (104 576) 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 12 674 (3 474).
- The result before tax of the Group was TEUR 10 470 (5 969).
- Result per share after tax amounted to EUR 0,55 (0,25).

The information in this quarter 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 May10 2016.

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FINANCIAL INFORMATION

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

CALENDARIUM

FINANCIAL INFORMATION

Q2 report Jan – June, August 16 2016
Q3 report Jan – Sept, October 31 2016

COMMENTS BY THE CEO

As of this quarter, the Group reports its financial results divided into three segments - Brands, Global Sales and Frilufts. The Frilufts segment is unchanged from the previous year, while Brands has been divided into two units. Brands includes the operations of the five Brand companies. This segment also includes all brand sales directly to end customers, the brand's E-com sales and the Brand Retail stores established in North America and in Europe. The distribution companies concentrated in one brand are also included in the reporting of Brands. The distribution companies selling more than one of the Group's brands, "multi-brand companies," are reported in the segment Global Sales. The change has been made to clarify the responsibilities within the Group.

2016 has started strongly and the Group's net sales grew to MEUR 108.4 (101.8). The increase is primarily attributable to continued expansion of Fjällräven, with the strongest growth exhibited in the product category "Day packs".

North America remains the geographic area growing fastest, but also Sweden, driven by a strong quarter for Naturkompaniet, is showing good growth. The Frilufts sales on the German market declined slightly since previous year's figures also included a sale campaign of goods from previous seasons.

The operating result is significantly better than the previous year and totaled MEUR 12.7 (3.5). All segments show higher result. The most obvious change has been in the Frilufts German business with a smaller part of campaigns and lower costs related to the ongoing restructuring process.

The main reason for the significantly lower financial compared to the previous year is primarily attributable to the fact that the Group mainly finances its US operations with own funds, i.e. without corresponding external borrowing in USD. The last two years this has resulted in major currency profits, while the depreciation of the Dollar since the beginning of the year have generated an opposite effect this quarter.

Zug May 2016, Martin Nordin, CEO

MEUR	Jan-Mar 2016	Jan-Mar 2015	Apr-Mar 2015/2016	Jan-Dec 2015
Net sales	108,4	101,8	457,6	451,0
Operating profit	12,7	3,5	41,8	32,6
Profit margin, %	11,7%	3,4%	9,1%	7,2%
Profit after financial items	10,5	5,9	36,4	31,8
Net profit for the year	7,4	3,3	25,9	21,8
Earnings per share, EUR	0,55	0,25	1,9	1,62
Equity/assets ratio, %	51,9%	41,7%	61,6%	51,4%

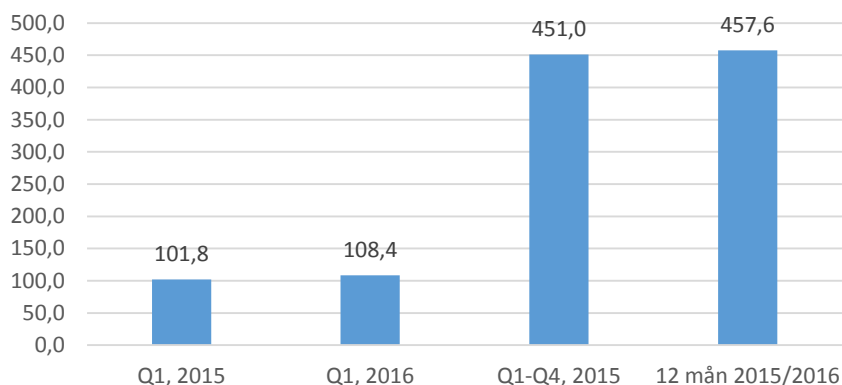
THE OPERATION

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

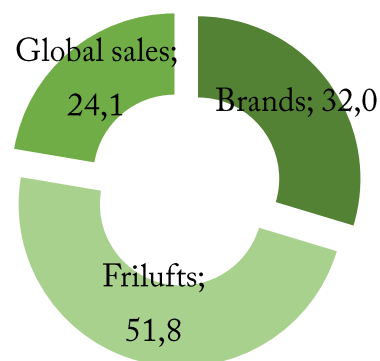
- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag and Brunton. It also includes Brandretail (The E-com and monobrand operations of the Brands) and distribution companies concentrated in sales of one brand.
- Global sales includes distribution companies selling more than one Fenix brand.
- Friluftts 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.

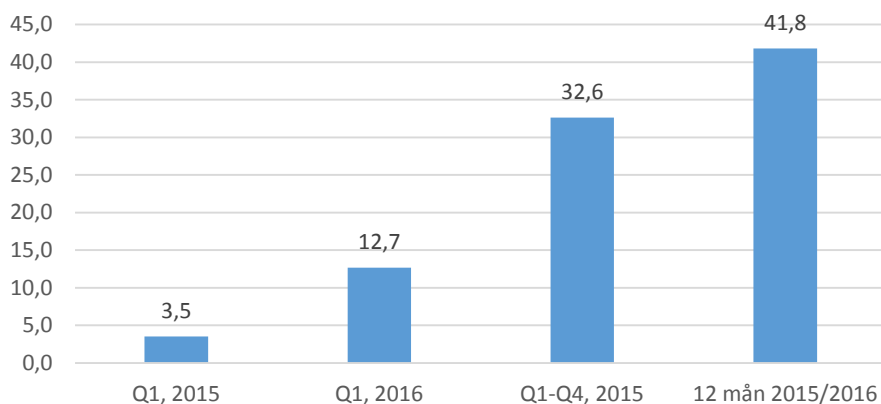
Netsales, MEUR



Net sales Q1 2016



Operation profit, MEUR



THE OPERATION

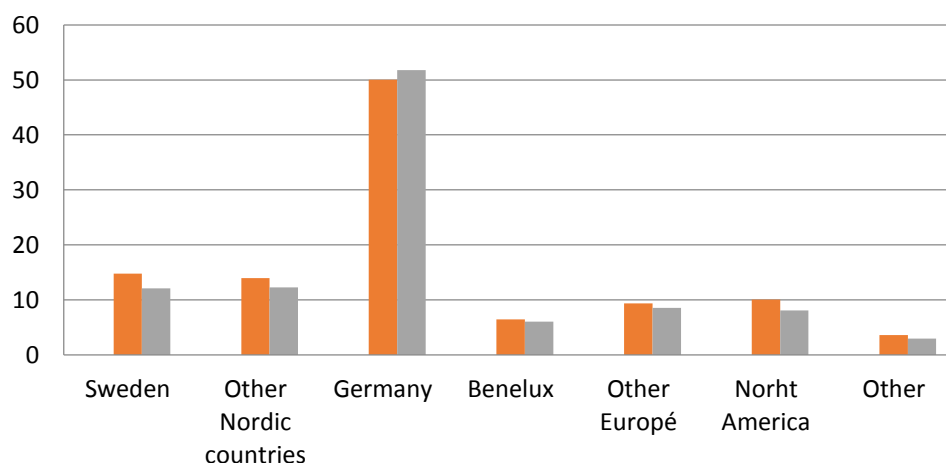
Segments – Net sales and operating result

Fenix Outdoor International AG reports net sales and operating result for the segments Brands, Global sales, Friluftts and Common services. The internal monitoring of the operations are structured according to this sectioning. In addition net sales are reported on geographical areas.

	Brands		Friluftts		Global sales		Common	
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	32,4	29,1	51,8	51,7	24,1	21,0		
Operating profit, MEUR	14,6	12,1	-2,4	-8,3	3,3	2,4	-2,8	-2,7
Number of Stores	18	14	58	61				
of which are franchise			3	5				

Net sales per market	Brands		Friluftts		Global sales		Total	
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
	2016	2015	2016	2015	2016	2015	2016	2015
Sweden	4,1	2,9	10,6	9,1			13,7%	11,9%
Other Nordic countries	0,5	0,5	5,1	4,5	8,3	7,2	12,9%	12,1%
Germany	14,0	13,7	36,0	38,0			46,2%	50,9%
Benelux	2,9	2,8			3,6	3,2	6,0%	5,9%
Other Europé	0,2	0,4			9,2	8,2	8,6%	8,4%
Norht America	10,1	8,1					9,3%	7,9%
Other	0,6	0,6			3,0	2,3	3,3%	2,9%
Total	32,4	29,1	51,8	51,7	24,1	21,0	100%	100%

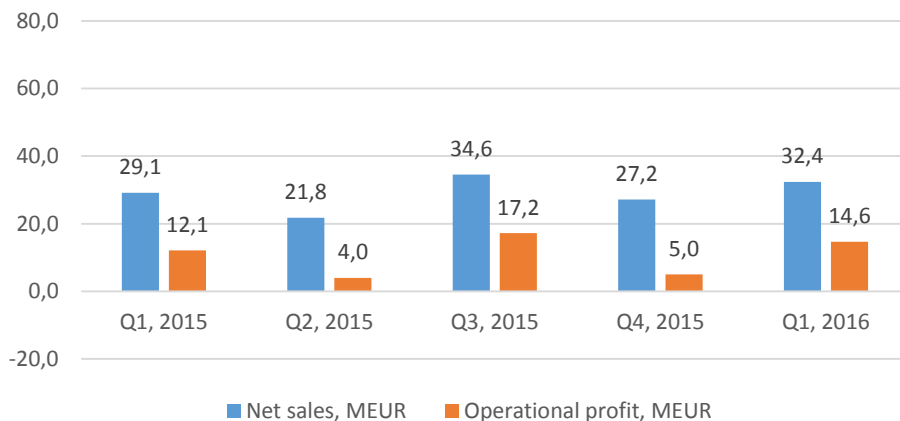
Sales per market, MEUR



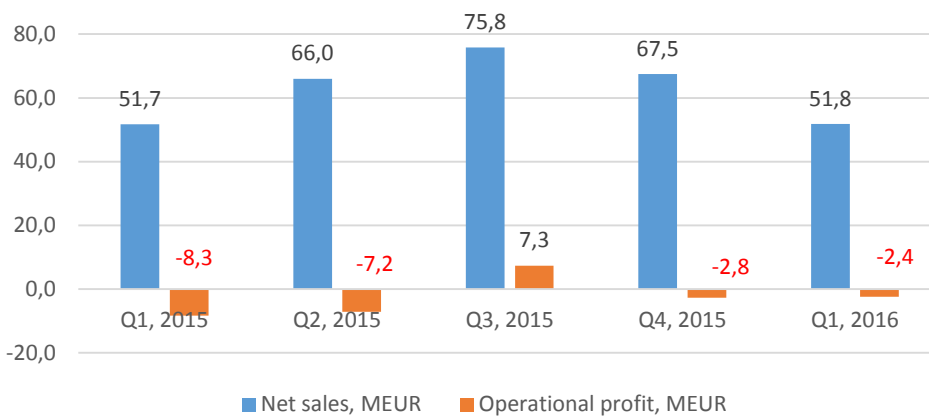
THE OPERATION

Net sales and operating result per segment

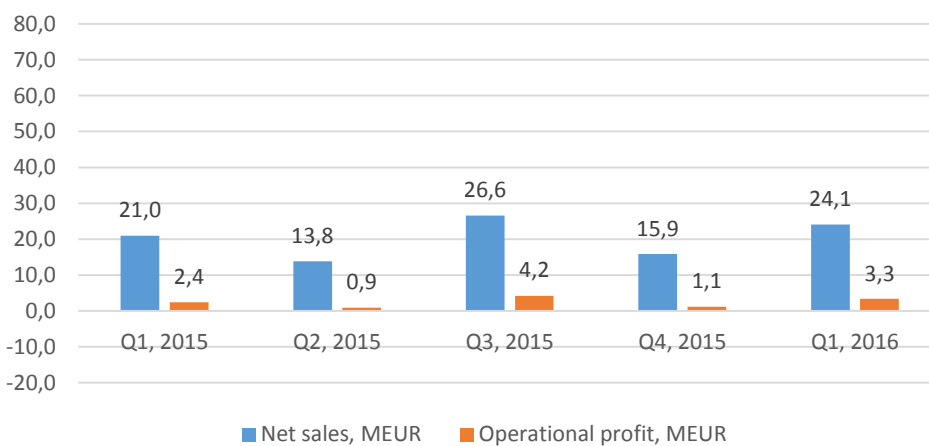
Brands



Frilufts



Global sales



THE OPERATION, three months

Brands

- The external net sales increased to MEUR 32,4 (29,1), an increase of 11,3 %
- The operating profit increased to MEUR 14,6 (12,2)

The increase in net sales is mainly coming from a strong growth of Fjällräven, not at least in the production category Daypacks. The segment is showing a stable gross- and operating margin.

Global sales

- The Net sales increased to MEUR 24,1 (21,0).
- The operating profit improved to MEUR 3,3 (2,4).

The increase was strongest in Eastern Europe and Asia, but also the Nordic countries and UK are showing good growth.

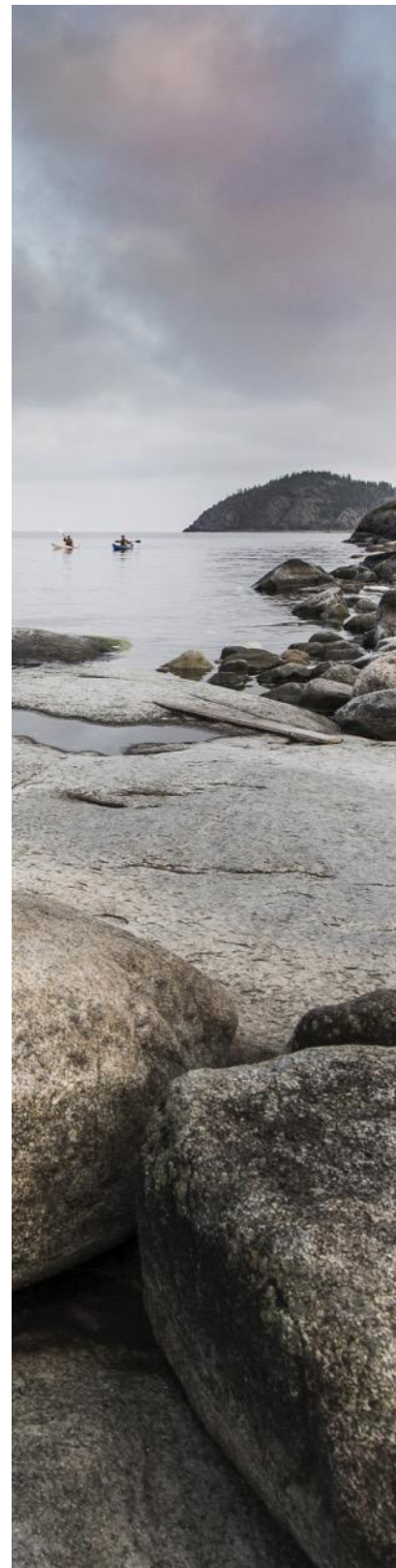
Friluft

- The net sales have increased to MEUR 51,8 (51,7).
- The operating result has improved to MEUR -2,4 (-8,3).

Naturkompaniet shows a very strong quarter. In Globetrotter sales have decreased slightly compared to last year, as sales last year were driven also by campaigns to sell old stock. The grossmargin is therefore on a higher level this year. The structural actions taken in Globetrotter last year and continuing this year have resulted in lower costs for the German retail operations.

Liquidity and financial standing

The Group's financial position remains strong. Consolidated cash and cash equivalents at 2016-03-31 amounted to MEUR 53.9 (43.2). The Group's interest-bearing liabilities amounted to MEUR 61.4 (56.0). Consolidated equity attributable to shareholders was MEUR 154.1 (119.0), corresponding to an equity ratio of 51.9 (41.7)%



FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT, MEUR	3 month		12 month	
	Jan - Mar	Jan - Mar	April - March	Jan-Dec
	2016	2015	2015/2016	2015
Net sales	108,4	101,8	457,6	451,0
Other operating income	4,3	2,8	10,1	8,6
Total income	112,6	104,6	467,7	459,7
Cost of goods sold	- 50,4	- 49,9	- 217,3	- 216,8
Other external expenses	- 24,5	- 25,3	- 103,2	- 104,0
Personnel expenses	- 21,8	- 22,6	- 93,4	- 94,2
Depreciation/amortisation	- 2,9	- 3,0	- 12,9	- 13,0
Result from participations in associated companies	0,1	-	3,4	3,3
Result adjustment aquisitionanalysis Globetrotter	- 0,5	- 0,3	- 2,6	- 2,4
Other operating expenses	- 100,0	- 101,1	- 425,9	- 427,0
Operating profit	12,7	3,5	41,8	32,6
Financial income	0,2	3,4	- 0,7	2,5
Financial expenses	- 2,4	- 1,0	- 4,8	- 3,3
Profit/loss before tax	10,5	5,9	36,4	31,8
Tax	- 3,1	- 2,6	- 10,5	- 10,0
Net profit	7,4	3,3	25,9	21,8
Net profit for the year attributable to:				
Parent Company's shareholders	7,4	5,9	29,7	28,3
Non-controlling interests	0,1	- 2,6	- 3,8	- 6,5
* Earnings per share before tax	0,78	0,45	2,70	2,36
* Earnings per share after tax	0,55	0,25	1,92	1,62
* Number of outstanding shares, B, thousands	11 060	10 850	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 REPORTS

Statement of other comprehensive income MEUR	3 month		12 month	
	Jan - Mar	Jan - Mar	April - March	Jan-Dec
	2016	2015	2015/2016	2015
Net profit for the year after tax	7,4	3,3	25,9	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	-0,5	-0,2	-1,6	-1,3
Cash flow hedges	-0,6	1,0	-1,8	-0,2
Total other comprehensive income for the period:	-1,1	0,8	-3,4	-1,6
Total comprehensive income for the year	6,4	4,1	22,5	20,2
Total comprehensive income attributable to:				
Parent Company's shareholders	6,2	6,7	26,2	26,7
Non-controlling interests	0,1	-2,6	-3,8	-6,5

FINANCIAL REPORTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	31 March 2016	31 March 2015	31 Dec 2015
Assets			
Fixed assets			
Intangible fixed assets			
Goodwill	11,6	11,5	11,6
Trademark	2,2	2,9	2,4
Other intangible fixed assets	5,2	5,9	5,6
Tangible fixed assets	42,3	46,4	43,1
Financial assets	13,0	13,4	11,5
Total fixed assets	74,2	80,1	74,2
Current assets			
Inventories	117,4	114,2	116,3
Accounts receivable trade and other receivables	47,0	43,3	34,5
Prepaid expenses and accrued income	4,3	4,3	4,3
Cash and cash equivalents	54,0	43,2	58,0
Total current assets	222,8	205,0	213,1
Total assets	297,0	285,1	287,3
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	154,1	119,0	147,7
Non-controlling interest	2,3	21,0	2,3
Total equity	156,4	140,0	150,0
Liabilities			
Non-current liabilities			
Other non-current liabilities	6,8	10,5	5,2
Interest bearing liabilities	-	2,6	-
Total non-current liabilities	6,8	13,1	5,2
Current liabilities			
Other short term liabilities	54,6	59,0	46,2
Interest bearing liabilities	61,4	56,0	64,9
Accrued expenses and deferred income	17,7	17,0	21,0
Total current liabilities	133,8	132,0	132,1
Total Equity and Liabilities	297,0	285,1	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 - March 2015						
Net Profit for the year			5 975	5 975	-2 677	3 298
Other comprehensive income for the year			783	783		783
Total comprehensive income for the year	-	-	6 758	6 758	-2 677	4 081
Closing balance 31-03-2015	11 014	24 935	83 018	118 967	21 029	139 996
Opening balance 01-01-2016						
Opening balance 01-01-2016	12 378	39 765	95 636	147 779	2 262	150 041
Changes Jan - March 2016						
Net Profit for the year			7 354	7 354	58	7 412
Other comprehensive income for the year			-1 056	-1 056	0	-1 056
Total comprehensive income for the year	0	0	6 298	6 298	58	6 356
Closing balance 31-03-2016	12 378	39 765	101 934	154 077	2 320	156 398

FINANCIAL REPORTS

Consolidated statement of financial position, MEUR	3 month		12 month
	Jan - Mar	Jan - Mar	jan - dec
	2016	2015	2015
OPERATING ACTIVITIES			
Operating profit	12,7	3,5	32,6
Depreciation	2,9	3,0	13,0
Adjustment for items not included in the cash flow, etc.	-1,3	1,7	-3,6
Interest and dividends realised	0,1	0,7	0,7
Interest paid	-0,8	-1,0	-3,3
Income Tax paid	-5,3	-2,6	-8,4
	8,3	5,3	31,0
Change in inventories	-1,1	-5,8	-7,9
Change in operating receivables	-12,6	-2,3	7,0
Change in operating liabilities	7,6	6,2	-9,0
Cash flow from operating activities	2,2	3,4	21,1
INVESTING ACTIVITIES			
Purchase of intangible fixed assets	-0,2	-0,2	-1,2
Purchase of tangible fixed assets	-1,6	-2,3	-7,9
Sale of tangible fixed assets	0,1	-	0,7
Sale of associated companies	-	-	6,2
Acquisition of subsidiaries, net of cash acquired	-0,2	-	-0,8
Change in financial assets	0,1	-4,1	-1,2
Cash flow from investing activities	-1,8	-6,6	-4,1
FINANCING ACTIVITIES			
Borrowings	-2,9	6,3	4,6
Acquisition of minority shares in subsidiaries	-	-	-0,5
Dividends paid	-	-	-5,7
Cash flow from financing activities	-2,9	6,3	-1,6
Change in cash and cash equivalents	-2,5	3,1	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	-1,5	-0,9	1,6
Cash and cash equivalents at year-end	54,0	43,2	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.

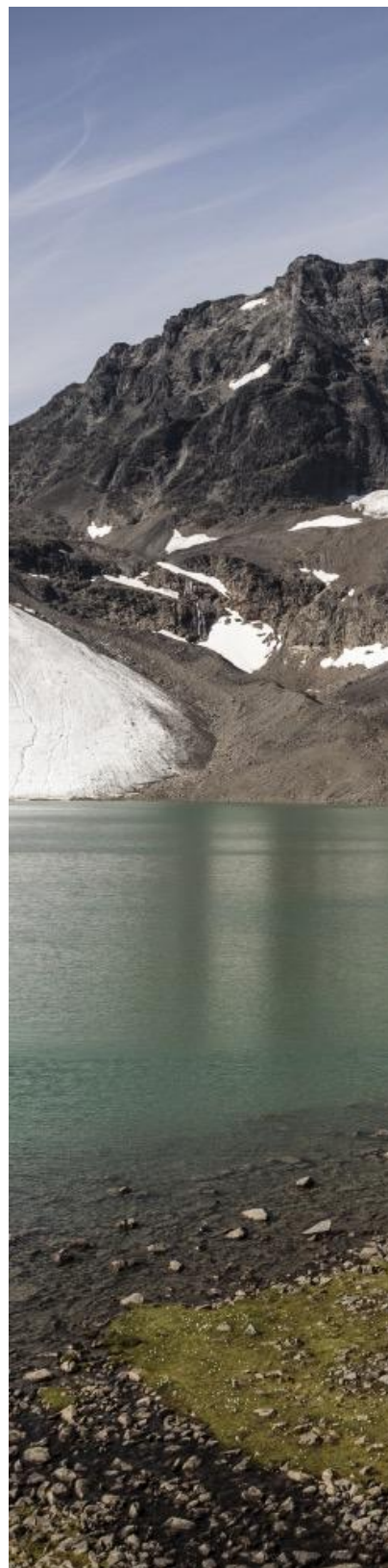
The Group presents consolidated financial data in EUR (conversion rates in accordance with Note 3).

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 period end	
	jan - mar 2016	jan - mar 2015	31-03- 2016	31-03- 2015
EUR/SEK	9,2253	9,3400	9,2985	9,2900
EUR/CHF	1,0931	1,0518	1,0996	1,0462
EUR/USD	1,1385	1,0810	1,1059	1,1033
CHF/SEK	8,4396	8,8800	8,4565	8,8800



Notes

NOTE 4. Group derivatives valued at market value

Total Assets and Liabilities	2016-03-31	2015-03-31
Derivatives used for hedging	-195	2 883
Purchased TUSD	26 100	22 000
Sold TEUR	22 771	17 580
Rate	1,146	1,251
Purchahsed TEUR	5 673	-
Sold TNOK	55 000	-
Rate	9,695	-

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.

Since the majority of the Group's interestbearing positions is short, maximum 3-month fixed interest notice, no market valuation of the investment portfolio or the loan portfolio has been considered necessary.

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		Friluffs		Global sales		Common	
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
	2016	2015	2016	2015	2016	2015	2016	2015
Net sales, MEUR	32,4	29,1	51,8	51,7	24,1	21,0		
Operating profit, MEUR	14,6	12,1	-2,4	-8,3	3,3	2,4	-2,8	-2,7
Number of Stores	18	14	58	61				
of which are franchise			3	5				

Net sales per market	Brands		Friluffs		Global sales		Total	
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
	2016	2015	2016	2015	2016	2015	2016	2015
Sweden	4,1	2,9	10,6	9,1			13,7%	11,9%
Other Nordic countries	0,5	0,5	5,1	4,5	8,3	7,2	12,9%	12,1%
Germany	14,0	13,7	36,0	38,0			46,2%	50,9%
Benelux	2,9	2,8			3,6	3,2	6,0%	5,9%
Other Europé	0,2	0,4			9,2	8,2	8,6%	8,4%
Norht America	10,1	8,1					9,3%	7,9%
Other	0,6	0,6			3,0	2,3	3,3%	2,9%
Total	32,4	29,1	51,8	51,7	24,1	21,0	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.

Notes

Zug May 10, 2016

The CEO certifies that that the interim report gives a true and fair view of the Group's operations, position and results and describes the significant risks and uncertainties that the Group stands in front of.

MARTIN NORDIN
CEO and Board member

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

