

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 30 Sept 2018

Third quarter 2018-07-01 – 2018-09-30

- The total income of the Group was TEUR 181 840 (172 014), an increase of 5,7 %.
- The operating profit of the Group was TEUR 43 808 (41 505), an increase of 5,5 %.
- The profit before tax of the Group was TEUR 44 173 (40 872).
- The profit after tax of the Group was TEUR 35 689 (30 540).
- Earnings per share amounted to EUR 2,65 (2,27).

Period 2018-01-01 – 2018-09-30

- The total income of the Group was TEUR 441 632 (416 157), an increase of 6,1 %.
- The operating profit of the Group was TEUR 75 789 (70 177), an increase of 8,0 %.
- The profit before tax of the Group was TEUR 76 399 (67 184).
- Earnings per share after tax amounted to EUR 4,34 (3,73).

Events after period closing

No significant events after period closing are noted.

This report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation rules. The information was provided by the contact person stated below, for publication October 24, 2018 at 14:15.

CONTACTPERSON

Martin Nordin, CEO +41 797 99 27 58

CONTENT	Page	FINANCIAL INFORMATION	CALENDARIUM FINANCIAL INFORMATION
CEO comment	2-3	Actual financial information is	Q4 2018 , Feb 7th 2019
The operation	4-6	available at	Q1 2019 , May 2 nd 2019
Financial reports	7-11	www.fenixoutdoor.se	AGM, May 2 nd 2019
Notes	12-15	under “Investerare”	
Auditors report	16		

COMMENT BY THE CEO

Given the very different trading climate due to the weather this summer the Group had a “reasonable” third quarter. Net sales were up from MEUR 168,2 to 178,9, an increase of 6%. Our operating profit increased from MEUR 41,5 to 43,8, an increase of 6%. North America showed a significant growth, especially on line and through our own shops.

Brand and Global sales Europe was a more mixed basket, with some markets being weaker and others growing. For example, Germany showed growth, whereas Sweden showed decreased sales. A conscious shrinking of the distribution drove this. All brands except Primus showed a growth in the third quarter.

Frilufts had a very tough quarter, falling short of last year numbers on a like for like basis. The reason was the warm weather, which led to a very different shopping behavior. I have always said that we cannot blame the weather and I still stand by that. This does not mean we can ignore the effects of the weather. It is a matter that affect us, but it also means that other years we have weather that really boosts sales, 2010 was such an example. In terms of the Globetrotter turn around I believe we are one step further even though we had a profit and sales decrease during this quarter. The retail companies did however maintain reasonable profitability in spite of their decreasing sales, which to me means that we have created a new and sustainable business model which focuses on cost control and stable gross margins

Other significant developments during the quarter are the investment plan decided almost two years ago. This has put pressure on the organization. We had, as an example, up to 30% absenteeism in our warehouse operations in Hamburg since the decision came to move the operation to Ludwigslust, creating both supply problems for the shops as well as for the web customers. This in combination with delays in implementing the IT system has caused extra costs of MEUR 2,0 for the first nine months, of which MEUR 1,0 during the 3rd quarter.

The result of the group was also affected negatively from a currency loss associating our Chinese JV of MEUR 0,6. Besides that neither Friluftsland nor Royal Robbins is contributing to the profits yet, due to integration investment. There will also follow negative effects from the logistics operation caused by the delay of the implementation of the IT system at Globetrotter until the implementation is finished.

I cannot say that I am satisfied with the 3rd quarter, but I want to end on a positive note. The North American growth has been very good. What is even more encouraging is that we have achieved a level of profitability there that shows that our business model works. This encourages us to speed up the North American expansion, so far this year we have opened a number of new shops, among others our third shop in Boston and shops in San Jose and Greenwich Connecticut. For 2019 we are aiming for 5-10 new shops.

COMMENT BY THE CEO

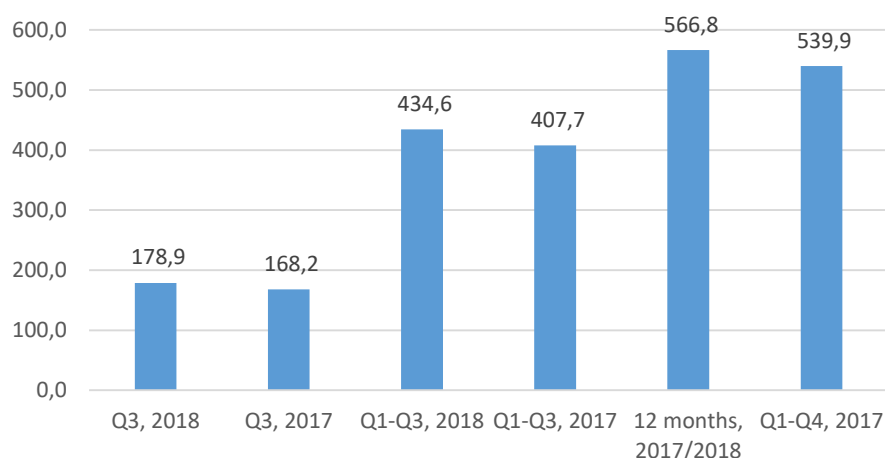
The individual results of the Globetrotter stores and the robustness of the business model, also encourages us to further expand our network of shops in Germany with a number of new smaller stores around 800-1 000 square meter in space next year.

Given the summer weather situation and its effects, I hesitate in saying anything about the rest of the year as Q4 is a quarter where the weather matters even more as well as does the Christmas trading, I wish I had a crystal ball to predict the future weather.

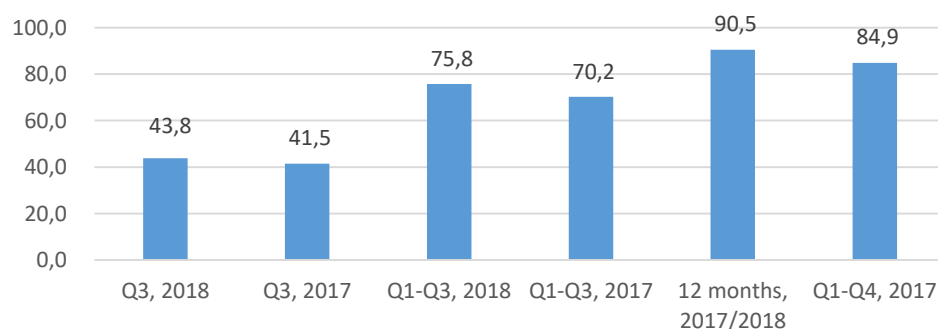
Martin Nordin, CEO

MEUR	July - Sept 2018	July - Sept 2017	Jan - Sept 2018	Jan - Sept 2017	Oct - Sept 2017/2018	Jan-Dec 2017
Net sales	178,9	168,2	434,6	407,7	566,8	539,9
Operating profit	43,8	41,5	75,8	70,2	90,5	84,9
Profit margin, %	24,5%	24,7%	17,4%	17,2%	16,0%	15,7%
Profit before tax	44,2	40,9	76,4	67,2	91,4	82,2
Net profit for the period	35,7	30,6	58,4	50,2	68,9	60,7
Earnings per share, EUR	2,65	2,27	4,34	3,73	5,12	4,51
Equity/assets ratio, %			68,3%	62,0%		62,1%

Net sales, MEUR



Operating profit, MEUR



THE OPERATION

The Group is organized in three business segments: Brands, Global sales and Friluftss.

- Brands includes the brands Fjällräven, Tierra, Primus, Hanwag, Royal Robbins and Brunton. It also includes Brandretail (The E-com and monobrand operations of the Brands) and distribution companies concentrated on sales of one brand.
- Global sales includes distribution companies selling more than one Fenix brand.
- In Friluftss the retailers Naturkompaniet AB, Partioaitta Oy, Globetrotter Ausrüstung GmbH and Friluftssland A/S are included.

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

	Brands		Friluftss		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External sales, MEUR	51,7	38,0	78,5	79,1	48,2	50,8	0,5	0,3	178,9	168,2
Operating profit, MEUR	28,9	20,2	8,9	11,3	9,7	11,7	-3,7	-1,7	43,8	41,5

	Brands		Friluftss		Global sales		Common		Group	
	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External sales, MEUR	118,0	93,7	202,3	195,5	113,0	117,5	1,3	1,0	434,6	407,7
Operating profit, MEUR	54,9	41,9	8,4	11,1	20,6	22,7	-8,2	-5,5	75,8	70,2
Number of Stores	29	24	71	60	16	14			116	98
of which are franchise		1	3	4					3	5
Fixed assets	24,2	21,9	36,1	32,5	12,2	14,8	42,7	20,3	115,2	89,5
Cap. Expenditures	2,3	1,0	3,2	3,4	1,4	0,8	17,0	14,4	23,9	19,6

External sales per market	Brands		Friluftss		Global sales		Common		Total	
	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept
	2018	2017 ^{*)}	2018	2017	2018	2017	2018	2017	2018	2017
Switzerland					8,3	8,0			1,9%	2,0%
Sweden	10,5	12,0	38,9	40,9					11,4%	13,0%
Other Nordic countries	3,4	3,8	29,0	17,4	31,4	33,3			14,7%	13,4%
Germany	50,8	49,0	134,4	137,2			1,3	1,0	42,9%	45,9%
Benelux	12,0	6,9			5,9	10,0			4,1%	4,1%
Other Europe	10,0	3,6			30,9	29,6			9,4%	8,1%
North America	29,5	15,8			23,3	22,3			12,1%	9,3%
Other World	1,8	2,6			13,2	14,3			3,5%	4,1%
Total	118,0	93,7	202,3	195,5	113,0	117,5	1,3	1,0	100%	100%

*) Presentation adjusted to 2018 definitions for better comparison.

THE OPERATION

Brands

	2018 (2017)			2018 (2017)		
External net sales	Q3	51,7 (38,0)	+36,1%	Q1-Q3	118,0 (93,7)	+25,9%
Operating profit	Q3	28,9 (20,2)		Q1-Q3	54,9 (41,9)	

Continued strong growth in North America, not at least from sales through own Brand retail shops, but also from the Royal Robbins, consolidated since quarter two.

The Scandinavian companies show lower sales related to currency effects and a limitation in distribution. Rest of Europe show increased sales, strengthened by some internal adjustments. The strong sales development gives a strong push to the profit level. The higher result, for Q3, is also affected by a favorable US dollar rate and a higher share of products sold through own Brand retail shops.

Friluft

	2018 (2017)			2018 (2017)		
External net sales	Q3	78,5 (79,1)	-0,8%	Q1-Q3	202,3 (195,5)	+3,5 %
Operating profit	Q3	8,9 (11,3)		Q1-Q3	8,4 (11,1)	

The very warm summer resulted in a drop of sales in Q3. The decrease is balanced by added sales from the Danish operation acquired in September 2017. The sales in local currency for Naturkompaniet is stable. Due to the decreased sales all markets shows lower profit than last year. The result of Friluftslund is also negatively affected by costs related to the ongoing upgrade of the shops.

Global sales

	2018 (2017)			2018 (2017)		
External net sales	Q3	48,2 (50,8)	-5,1%	Q1-Q3	113,0 (117,5)	-3,8%
Operating profit	Q3	9,7 (11,7)		Q1-Q3	20,6 (22,7)	

Like for like sales is increasing but reported sales in Q3 is decreasing. In addition, the associated result from the Chinese JV is negatively affected by the depreciated Chinese currency during last quarter.

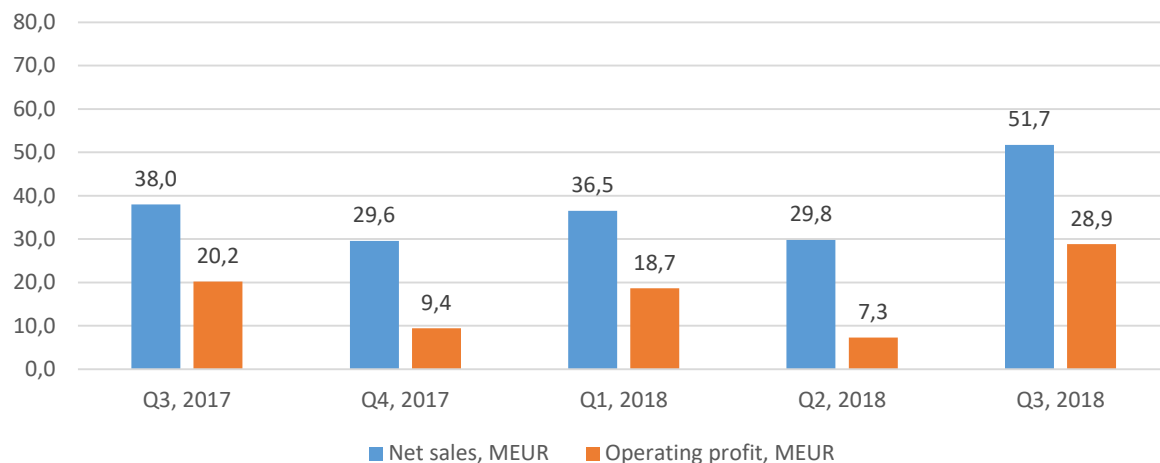
Liquidity and financial standing

The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 80,7 (73,4). The Group's interest-bearing liabilities amounted to MEUR 36,3 (45,1). The capital expenditures are still mainly related to the process of shifting the ERP systems in Globetrotter and the ongoing building of a European Business to Consumer warehouse in Ludwигlust in northern Germany. Consolidated equity attributable to shareholders was MEUR 276,7 (221,8), corresponding to an equity ratio of 68,3 (62,0)%.

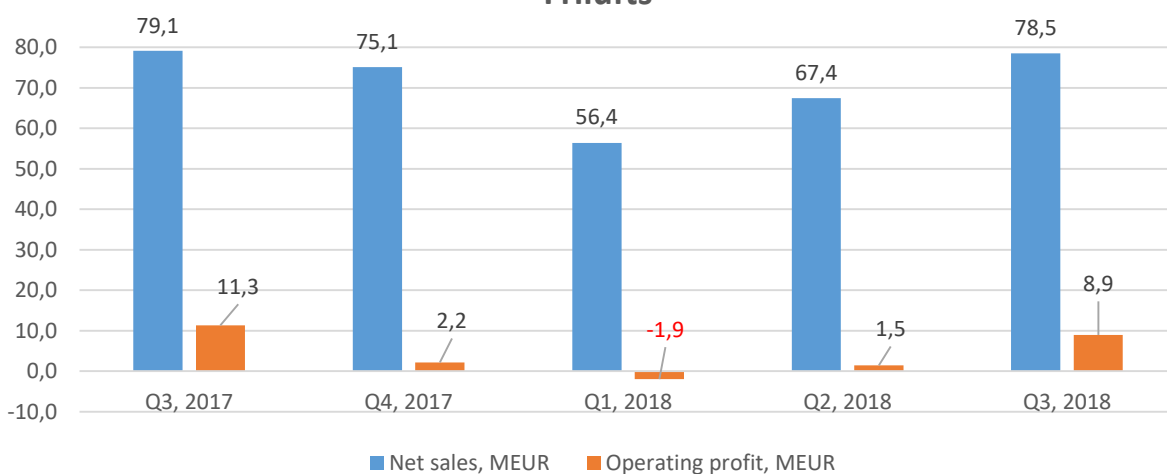
THE OPERATION

Net sales and operating result per segment

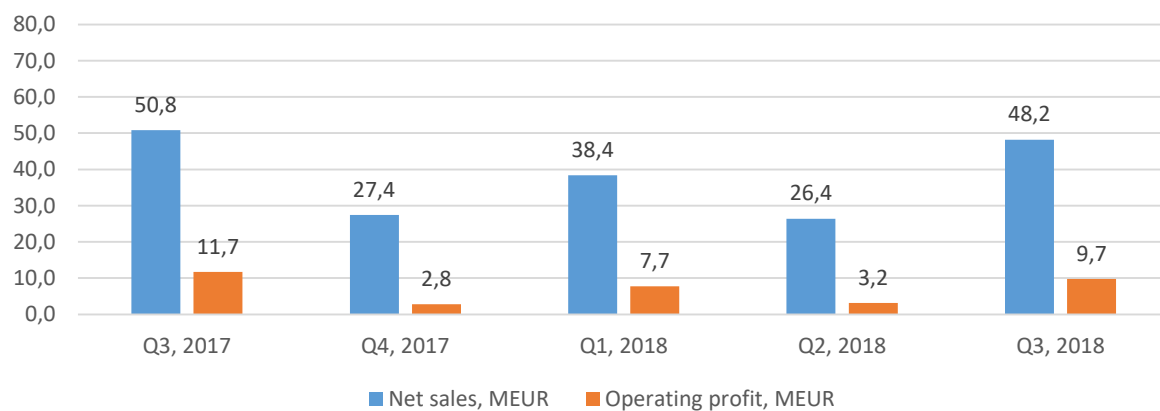
Brands



Frilufts



Global sales



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months ^{*)}		9 months		12 months ^{*)}	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct - Sept	Jan-Dec
	2018	2017 ^{**)}	2018	2017 ^{**)}	2017/2018	2017 ^{**)}
Net sales	178,9	168,2	434,6	407,7	566,8	539,9
Other operating income	2,9	3,9	7,0	8,5	10,1	11,3
Total income	181,8	172,1	441,6	416,2	576,9	551,2
Cost of goods	-75,2	-74,9	-187,9	-182,9	-243,1	-237,8
Other external expenses	-33,3	-28,7	-91,9	-84,8	-125,1	-118,1
Personnel expenses	-25,4	-24,0	-77,2	-70,4	-106,1	-99,3
Depreciation/amortisation	-3,3	-3,1	-9,3	-8,9	-13,1	-12,7
Result from participations in associated companies	-0,2	0,3	1,5	1,6	2,1	2,2
Other operating expenses	-0,6	-0,2	-1,0	-0,6	-1,1	-0,7
Operating expenses	-138,0	-130,6	-365,8	-346,0	-486,4	-466,3
Operating profit	43,8	41,5	75,8	70,2	90,5	84,9
Financial income	0,9	0,1	2,0	0,4	2,0	0,4
Financial expenses	-0,5	-0,7	-1,4	-3,4	-1,1	-3,1
Profit before tax	44,2	40,9	76,4	67,2	91,4	82,2
Income tax	-8,5	-10,3	-18,0	-17,0	-22,5	-21,5
Net profit	35,7	30,6	58,4	50,2	68,9	60,7
Net profit for the period attributable to:						
Parent Company's shareholders	35,7	30,5	58,4	49,8	69,1	60,5
Non-controlling interests	0,0	0,1	0,0	0,4	-0,2	0,2
Earnings per share, EUR	2,65	2,27	4,34	3,73	5,12	4,51
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 + 2 400 000 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.

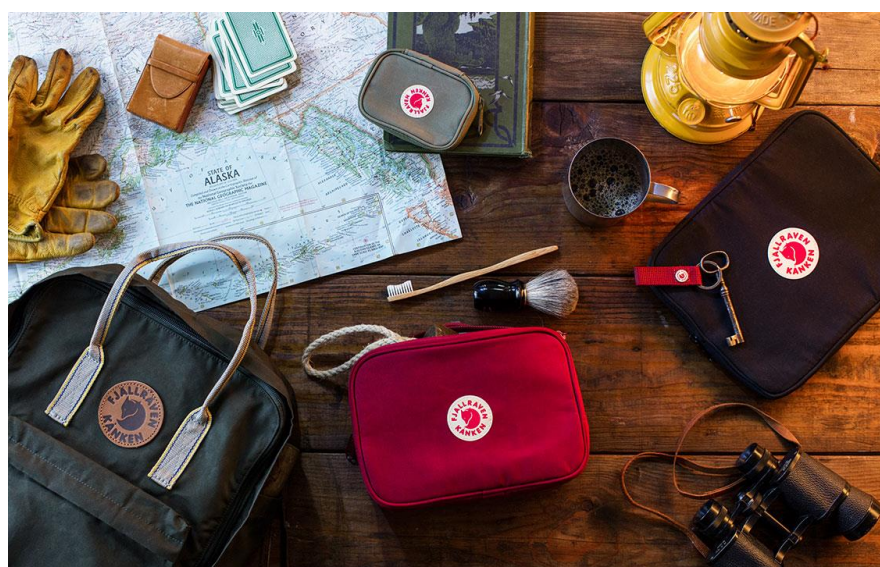
*) 3 months and 12 months of historical data that are not included in auditors' review of the interim report.

**) 2017 Restated, see note 1.

FINANCIAL REPORT

Consolidated Statement of Comprehensive Income MEUR	3 months* ¹⁾		9 months		12 months* ¹⁾	
	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Oct - Sept	Jan-Dec
	2018	2017	2018	2017	2017/2018	2017
Net profit	35,7	30,6	58,4	50,2	68,9	60,7
To be reclassified to the income statement in the future						
Change in translation reserve during the period	0,8	-1,4	-2,4	-2,7	-3,9	-4,2
Hedge accounting	-0,1	-0,6	0,1	-3,6	0,4	-3,3
Taxes	0,1	-0,1		0,6		0,6
Total other comprehensive income for the period	0,8	-2,1	-2,3	-5,7	-3,5	-6,9
Total comprehensive income for the period	36,5	28,5	56,0	44,5	65,4	53,8
Total comprehensive income attributable to:						
Parent Company's shareholders	36,5	28,4	56,0	44,1	65,6	53,6
Non-controlling interests	0,0	0,1	0,0	0,4	-0,2	0,2

*¹⁾ 3 months and 12 months of historical data that are not included in auditors' review of the interim report.



FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	30 Sept 2018	30 Sept 2017	31 Dec 2017
Assets			
Fixed assets			
Intangible fixed assets	35,4	22,5	29,0
Tangible fixed assets	61,7	47,9	52,3
Other non-current assets	18,1	19,1	19,3
Total fixed assets	115,2	89,5	100,6
Current assets			
Inventories	130,6	122,1	132,7
Accounts receivable trade and other receivables	73,5	68,5	39,8
Prepaid expenses and accrued income	5,0	4,5	4,9
Cash and cash equivalents	80,7	73,4	93,7
Total current assets	289,8	268,5	271,1
Total assets	405,0	358,0	371,7
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	276,7	221,8	230,8
Non-controlling interest	0,1	0,2	-
Total equity	276,8	222,0	230,8
Liabilities			
Non-current liabilities			
Other non-current liabilities	11,6	12,0	14,8
Interest bearing liabilities	1,6	1,8	1,9
Total non-current liabilities	13,2	13,8	16,7
Current liabilities			
Other current liabilities	57,6	58,1	47,8
Interest bearing liabilities	34,7	43,3	50,7
Accrued expenses and deferred income	22,7	20,8	25,7
Total current liabilities	115,0	122,2	124,2
Total equity and liabilities	405,0	358,0	371,7

FINANCIAL REPORT

Statement of changes in Equity MEUR	Share capital	Other contributed capital	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2017	12,4	39,8	134,6	186,7	2,6	189,3
Net Profit for the period			49,8	49,8	0,4	50,3
Other comprehensive income for the period			-5,7	-5,7	-	-5,7
Total comprehensive income for the period	-	-	44,1	44,1	0,4	44,6
Transactions with non-controlling interests			1,5	1,5	-2,8	-1,3
Fair value employee stock option			0,2	0,2		0,2
Sales of own shares			0,4	0,4		0,4
Dividends			-11,1	-11,1	-	-11,1
30-09-2017	12,4	39,8	169,6	221,8	0,2	222,0
01-01-2018	12,4	39,8	178,7	230,8	0,0	230,8
Net Profit for the period			58,3	58,3	0,0	58,4
Other comprehensive income for the period			-2,3	-2,3	-	-2,3
Total comprehensive income for the period	-	-	56,1	56,1	0,0	56,1
Dividends			-12,8	-12,8	-	-12,8
Transfer of cash flow hedge reserve to inventories			2,6	2,6	-	2,6
30-09-2018	12,4	39,8	224,5	276,7	0,1	276,8

FINANCIAL REPORT

	9 months		12 months
Consolidated statement of cash flows	Jan-Sept	Jan-Sept	Jan - Dec
MEUR	2018	2017	2017
OPERATING ACTIVITIES			
Net profit for the period	58,4	50,2	60,7
Tax expense in income statement	18,0	17,0	21,6
Financial result net in income statement	-0,6	3,0	2,7
Depreciation/amortisation	9,3	8,9	12,7
Adjustment for non cash items	-0,7	-3,5	-4,1
Interest received	0,4	0,4	0,4
Interest paid	-1,4	-2,1	-2,5
Income tax paid	-18,3	-19,8	-21,6
	65,1	54,1	69,9
Change in inventories	5,0	3,2	-3,6
Change in operating receivables	-28,1	-27,3	1,8
Change in operating liabilities	-1,5	6,1	0,5
Cash flow from operating activities	40,5	36,1	68,6
INVESTING ACTIVITIES			
Purchase of intangible assets	-7,1	-4,5	-7,1
Purchase of tangible fixed assets	-16,8	-15,1	-23,3
Sale of tangible fixed assets		0,2	0,4
Dividend from associated companies	2,3	-	-
Acquisition of subsidiaries, net of cash acquired	-1,5		-6,0
Settlement of loans	-0,9		-1,2
Financial assets	0,1	0,9	0,6
Cash flow from investing activities	-23,9	-18,5	-36,6
FINANCING ACTIVITIES			
Borrowings	1,5	3,8	10,2
Repaid borrowings	-18,1	-11,5	-13,5
Acquisition of non-controlling interests		-1,3	-1,3
Sale and purchase of own shares		0,4	0,4
Dividends paid	-12,8	-11,1	-11,1
Cash flow from financing activities	-29,4	-19,7	-15,3
Change in cash and cash equivalents	-12,8	-2,1	16,7
Cash and cash equivalents at beginning of year	93,7	76,8	76,8
Effect of exchange rate differences on cash and cash equivalents	-0,2	-1,3	0,2
Cash and cash equivalents at period-end	80,7	73,4	93,7

Notes to the financial report

Note 1 Accounting principles

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

The Group applies the International Financial Reporting Standards (IFRS) issued by the IASB and is compliant with IFRS as adopted by the EU. This quarterly report is prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies adopted are consistent with those applied in the Annual Report for the year ended 31 December 2017 with the exception of new and revised standards and interpretations that become effective January 2018. The new additions and clarifications regarding IFRS, which become effective January 1, 2018, had no significant impact on the financial report.

IFRS 9 Financial instrument became effective on 1 January 2018. The Group has not restated comparative information and applies IFRS 9 since 1 January 2018. The Group enters into cash flow hedges on forecast transactions to purchase inventory in foreign exchange. IFRS 9 requires that if a hedged forecast transaction subsequently results in the recognition of a non-financial asset (inventory) the entity must remove that amount from the cash flow hedge reserve and include it directly in the initial cost of the inventory. This is not a reclassification adjustment and, as such, it does not affect other comprehensive income. The Group has transferred MEUR 2,6 for the nine months to September 2018 and MEUR 0,1 for the three months July–September 2018 directly from equity to inventory, in the corresponding periods of 2017 such movements were recorded within other comprehensive income.

The revised IFRS standards, with the exception IFRS 15, did not have a significant impact on the accounting policies or the presentation of the Group's assets, liabilities, financial position and earnings. IFRS 15 applies to an annual reporting period beginning on or after 1 January 2018. The Group has applied the standard retrospectively in full and has restated the 2017 income statement. The major effect of IFRS 15 relates to the receipt of advertising contributions from vendors that were previously accounted for as other operating income. Under the new IFRS 15 guidance the Group has determined that these advertising activities do not fully represent payments for distinct services provided and should be accounted for as a reduction of the purchase price of the underlying goods purchased from those vendors. This restatement has resulted in a decrease of other operating income and cost of goods of MEUR 1,1 for the 9 months January to September 2017 (MEUR 0,3 for the 3 months July to September 2017). The Group has recognized an amount of MEUR 1,6 for the 9 months January to September 2018 (MEUR 0,5 for the 3 months July to Sept 2018) as a reduction of cost of goods.

IFRS 16 Leases will become effective 1 January 2019 and is expected, given the operational lease contracts in the group, to have an impact of the balance sheet and income statement of the Group. The review of the impact is ongoing.

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

Notes to the financial report

Note 2 Risks

The risk factors of the Group are presented in the last published annual report 2017 and are still valide, page 24.

Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Sep 2018	Jan - Sep 2017	Jan - Dec 2017	2018-09-30	2017-09-30	2017-12-31
SEK/EUR	10,3090	9,5834	9,6464	10,2831	9,6490	9,8438
CHF/EUR	1,1316	1,0983	1,1152	1,1572	1,1457	1,1702
USD/EUR	1,1576	1,1199	1,1353	1,1919	1,1806	1,1993
SEK/CHF	9,1101	8,7254	8,6502	8,8863	8,4219	8,4121

Note 4 Hedge accounting

	2018-09-30	2017-12-31	2017-09-30
Market value	1 853	-1 455	-1 670
FX Forwards			
Purchased TUSD	27 500	43 500	20 380
Sold TEUR	21 910	37 475	18 751
Rate	1,255	1,161	1,087
Purchased TUSD	1 500	1 500	-
Sold TNOK	12 311	12 736	-
Rate	8,207	8,491	-
Interest swap			
Paying long term due 2020-03-19, TUSD	15 000	15 000	15 000
Getting short term 3 months, TUSD	15 000	15 000	15 000
Paying long term due 2020-03-19, TEUR			10 000
Getting short term 3 months, TEUR			10 000



Notes to the financial report

Note 5 Segment reporting – sales and operating result

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

	Brands		Frlufts		Global sales		Common		Group	
	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept	July-Sept
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External sales, MEUR	51,7	38,0	78,5	79,1	48,2	50,8	0,5	0,3	178,9	168,2
Operating profit, MEUR	28,9	20,2	8,9	11,3	9,7	11,7	-3,7	-1,7	43,8	41,5

	Brands		Frlufts		Global sales		Common		Group	
	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
External sales, MEUR	118,0	93,7	202,3	195,5	113,0	117,5	1,3	1,0	434,6	407,7
Operating profit, MEUR	54,9	41,9	8,4	11,1	20,6	22,7	-8,2	-5,5	75,8	70,2
Number of Stores	29	24	71	60	16	14			116	98
of which are franchise		1	3	4					3	5
Fixed assets	24,2	21,9	36,1	32,5	12,2	14,8	42,7	20,3	115,2	89,5
Cap. Expenditures	2,3	1,0	3,2	3,4	1,4	0,8	17,0	14,4	23,9	19,6

External sales per market	Brands		Frlufts		Global sales		Common		Total	
	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept	Jan - Sept
	2018	2017 ^{*)}	2018	2017	2018	2017	2018	2017	2018	2017
Switzerland					8,3	8,0			8,3	8,0
Sweden	10,5	12,0	38,9	40,9					49,4	52,9
Other Nordic countries	3,4	3,8	29,0	17,4	31,4	33,3			63,8	54,5
Germany	50,8	49,0	134,4	137,2			1,3	1,0	186,5	187,2
Benelux	12,0	6,9			5,9	10,0			17,9	16,9
Other Europe	10,0	3,6			30,9	29,6			40,9	33,2
North America	29,5	15,8			23,3	22,3			52,8	38,1
Other World	1,8	2,6			13,2	14,3			15,0	16,9
Total	118,0	93,7	202,3	195,5	113,0	117,5	1,3	1,0	434,6	407,7

*) Presentation adjusted to 2018 definitions for better comparison.

Note 6 Acquisition of Royal Robbins

On March 28, 2018, Fenix Outdoor International AG acquired 100 % in Royal Robbins amounted to MEUR 1.1 in cash. The price for the shares was basically equal to net asset value. Since acquisition Royal Robbins contributed sales of MEUR 7,5 up to Q3 2018.

Notes to the financial report

Note 7 Outstanding options from Alpen International acquisition

The agreement from 2017 includes put/call arrangements for the 25% non-controlling interests, exercisable in the period between 2020 and 2029. The present value of the redemption amount was recognized as a long-term liability for the amount of TEUR 656 and the non-controlling interests were de-recognized. The position will be valued at each quarter closing, no adjustment was necessary at September 30, 2018. Future changes in the put option liability will be recognized in equity.

Note 8 Events after period closing

No major events after period closing

Note 9 Transactions with related parties

There have been no major changes in relations to transactions with related parties compared to 2017.

.....

Zug October 24, 2018

The President 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.

Alexander Koska, President



Report on the review of interim condensed consolidated financial statements

To the Board of Directors of
Fenix Outdoor International AG., Zug, org.nr CHE-206.390.054

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements (consolidated statement of income, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cash flows, consolidated statement of changes in equity and notes) of Fenix Outdoor International AG for the period from 01 January 2018 to 30 September 2018. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 “Interim Financial Reporting”.

Zurich, 24 October 2018

Ernst & Young Ltd

Roger Müller
Licensed Audit Expert
(Auditor in charge)

Roman Ottiger
Licensed Audit Expert