

FENIX OUTDOOR INTERNATIONAL AG

Interim condensed consolidated financial statement for the period ended 30 June 2017

Second quarter 2017-04-01 – 2017-06-30

- The total income of the Group was TEUR 117 748 (111 951), an increase of 5,2 %.
- The operating profit of the Group was TEUR 10 375 (6 730), an increase of 54,2%.
- The profit before tax of the Group was TEUR 8 565 (7 006).
- Earnings per share after tax amounted to EUR 0,43 (0,34).

Half year 2017-01-01 – 2017-06-30

- The total income of the Group was TEUR 244 901 (224 707), an increase of 9,0 %.
- The operating profit of the Group was TEUR 28 672 (19 404), an increase of 47,8 %.
- The profit before tax of the Group was TEUR 26 312 (17 476).
- Earnings per share after tax amounted to EUR 1,46 (0,89).

Events after period closing

- Fenix Outdoors subsidiary, Fjällräven International AB, has received a decision from the Swedish tax authority concerning settlement of Norwegian income tax. The sum of these settlements amounts to MEUR 2.5. In addition, the tax authority has decided on a tax surcharge of MEUR 1.0. The company considers that the tax authority is wrong in its assessment.
- At the Boardmeeting July 20 the Board appointed Mr Nordin as Vice Chairman.

This report contains information which Fenix Outdoor International AG is obliged to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was provided by the contact person stated below, for publication July 20, 2017 at 14:00.

CONTACTPERSON

Martin Nordin, CEO +41 797 99 27 58

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FINANCIAL INFORMATION

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

CALENDARIUM

FINANCIAL INFORMATION

Q3 report Jan-Sept,
Q4 report Jan-Dec, February 2018

COMMENTS BY THE CEO

The development in the second quarter clearly shows Fenix's global position. The strongest markets in the second quarter are China, Switzerland and Brand Retail in North America. Markets that are widely different in character and sales mix. For the first half of the year, markets like Central Europe, Korea and Norway are also growing strongly.

In North America Fenix Outdoor now operates 19 stores, 16 in the US and 3 in Canada. Overall, we see good growth primarily attributable to stores outside the New York area, where Fenix Outdoor's US retail establishment started. I also note that, the updating of the distribution structure that started last year, which affected sales negatively in quarter one has had the desired effect and the US wholesale business is showing growth in the second quarter. The fact that we are reporting a strong sales growth to the key focus customers shows that this was a correct decision.

During the quarter, the Group acquired the outstanding minority in its Swiss subsidiary, Bus Sport AG. Fenix Outdoor has also completed the acquisition of its Korean distributor, Alpen International Ltd. A company with a strong focus on retail sales. Alpen operates 12 "department stores" but also sells online as well as to external retailers. Already before the group was established in the retail market in Asia through its store in Hong Kong and through its JV in China, which operates a large number of stores. It should be informed that as Fenix holds only 50% in its Chinese JV, this sales are not included in the Group's net sales. The result that JV contributes is booked as a net income, but this income is now in line with or higher than many of our established markets in Europe.

In Germany, Globetrotter operates two new city stores since the end of March. However, it is too early to make any evaluation of these new establishments. In general, Friluft shows a satisfactory growth with a stronger gross margin contributing to the segment's improvement of the result. During the quarter, the building of a new logistics center for our business to consumer business was started. This center will be semi-automated and is expected to provide significant efficiency improvements.

The brands' autumn sales are promising and we expect sales at a higher level than last year in quarter three.

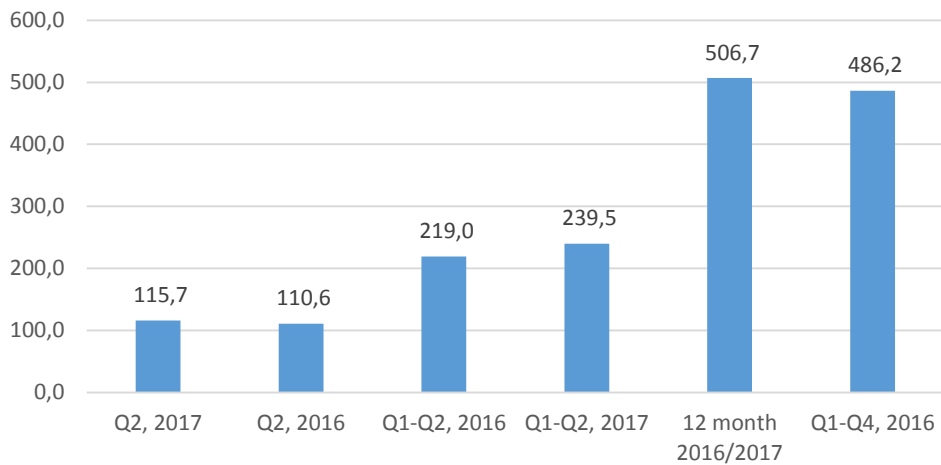
Before the autumn starts, I wish you all a nice summer.

Martin Nordin, CEO

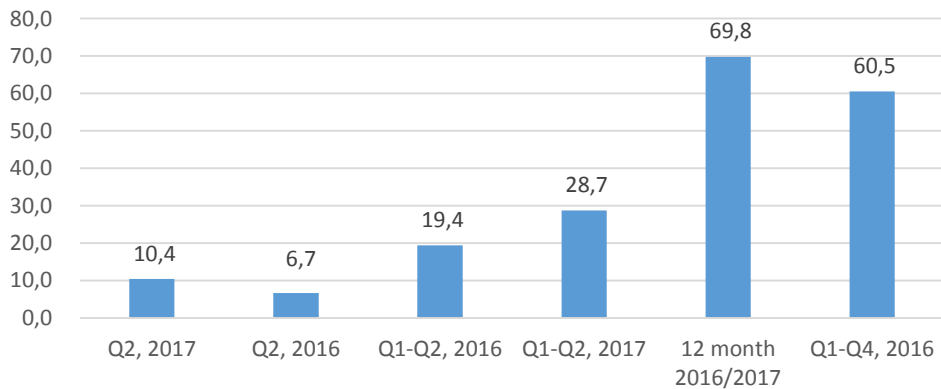
MEUR	April - June 2017	April - June 2016	Jan - Jun 2017	Jan - Jun 2016	July - June 2016/2017	Jan-Dec 2016
Net sales	115,7	110,6	239,5	219,0	506,7	486,2
Operating profit	10,4	6,7	28,7	19,4	69,8	60,5
Profit margin, %	9,0%	6,1%	12,0%	8,9%	13,8%	12,0%
Profit after financial items	8,6	7,0	26,3	17,5	67,4	58,6
Net profit for the period	5,8	4,6	19,6	12,0	55,8	48,2
Earnings per share, EUR	0,43	0,34	1,46	0,89	4,14	3,58
Equity/assets ratio, %			61,3%	54,2%		58,0%

THE OPERATION

Net sales, MEUR



Operating profit, MEUR



THE OPERATION

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

- 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 on sales of one brand.
- Global sales includes distribution companies selling more than one Fenix brand.
- In Frilufits 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		Frilufits		Global sales		Common		Group	
	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External sales, MEUR	24,3	21,5	65,1	63,2	25,9	24,9	0,4	1,0	115,7	110,6
Operating profit, MEUR	6,1	6,0	1,8	-0,5	4,5	3,2	-2,0	-2,0	10,4	6,7

	Brands		Frilufits		Global sales		Common		Group	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External sales, MEUR	55,7	47,4	116,5	114,7	66,7	55,5	0,6	1,4	239,5	219,0
Operating profit, MEUR	21,7	20,2	-0,1	-2,6	11,0	7,1	-3,8	-5,3	28,7	19,4
Number of Stores	23	18	60	58	12				95	76
of which are franchise			4	3					4	3
Fixed assets	22,4	21,7	33,7	33,9	14,7	10,2	12,1	6,6	82,9	72,4
Cap. Expenditures	1,0	2,4	3,2	0,9	0,5	0,6	4,2	0,9	8,9	4,8

External sales per market	Brands		Frilufits		Global sales		Common		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Switzerland					4,7	3,4			2,0%	1,6%
Sweden	10,0	8,4	23,0	22,2					13,8%	14,0%
Other Nordic countries	1,6	1,1	10,1	10,3	19,1	15,8			12,9%	12,4%
Germany	27,5	24,1	83,4	82,2			0,6	1,4	46,6%	49,2%
Benelux	4,6	4,9			5,7	5,3			4,3%	4,7%
Other Europe	0,7	0,5			16,3	12,6			7,1%	6,0%
North America	9,7	7,3			11,4	12,3			8,8%	8,9%
Other World	1,6	1,1			9,5	6,1			4,6%	3,3%
Total	55,7	47,4	116,5	114,7	66,7	55,5	0,6	1,4	100%	100%

THE OPERATION, six months

Brands

- The external net sales increased to MEUR 55,7 (47,4), an increase of 17,5 %.
- The operating profit increased to MEUR 21,7 (20,2), an increase of 7,4 %.

The strong growth reported for the first quarter has slowed somewhat after major deliveries made during March. The growth in the second quarter was 13%. The cost of IP management, internal services and retail establishments are somewhat higher than in the previous year, which has had a negative impact on the operating profit.

Global sales

- The external net sales increased to MEUR 66,7 (55,5), an increase/decrease of 11,2 %.
- The operating profit increased to MEUR 11,0 (7,1).

Sales growth shows the same trend as for Brands. Compared to last year the net sales increased 2% in quarter two. Operating profit is positively affected by increased contribution from the Chinese operations and through the acquisition of the minority in Bus Sport, the Group's Swiss distribution company.

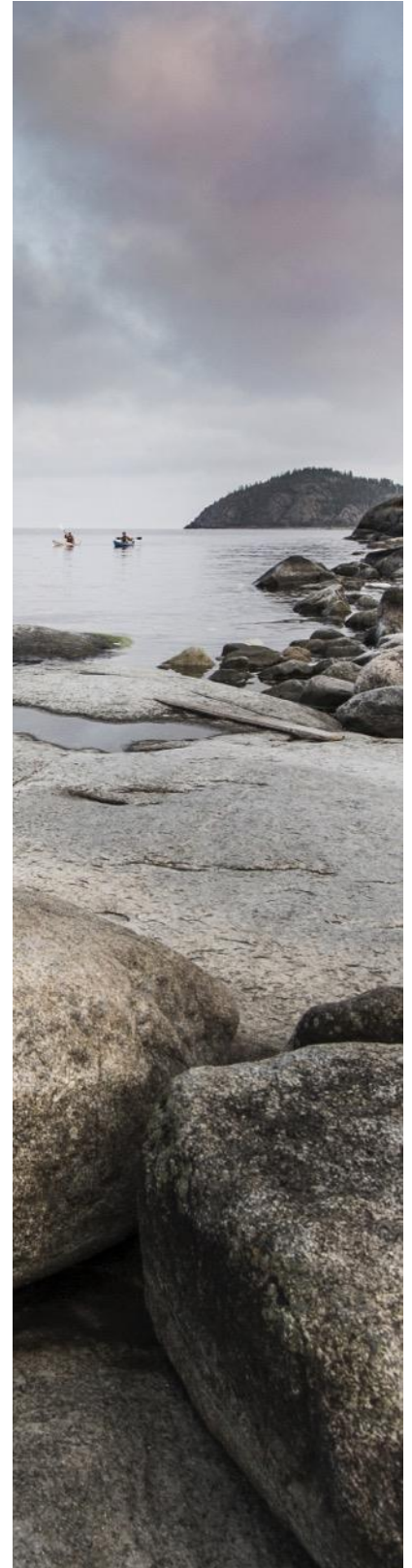
Frilufts

- The net sales are increased/decreased to MEUR 116,5 (114,7).
- The operating profit has improved to MEUR -0,1 (-2,6).

The sales increase is related to quarter two, where May and June showed good growth figures. The improvement in operating profit is mainly attributed to a higher gross margin and a continued cost control.

Liquidity and financial standing

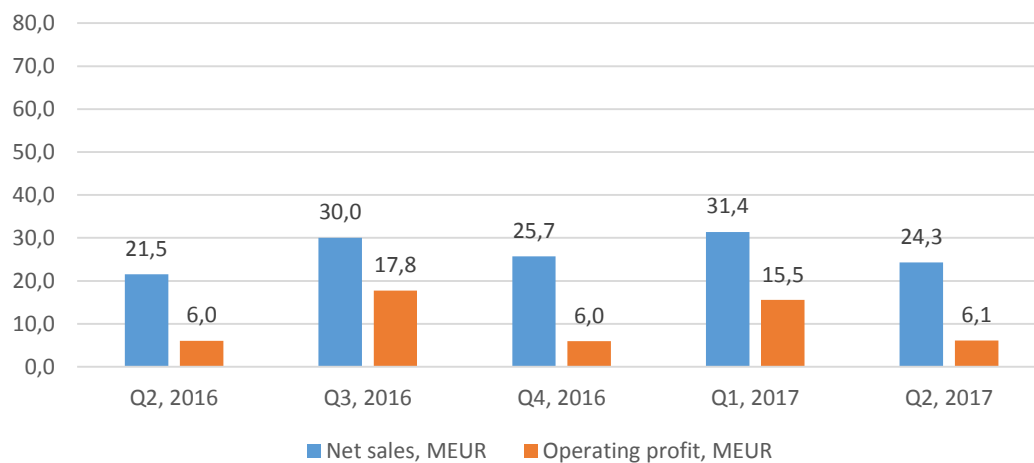
The Group's financial position remains strong. Consolidated cash and cash equivalents amounted to MEUR 51,8 (37,9). The Group's interest-bearing liabilities amounted to MEUR 45,7 (59,3). Consolidated equity attributable to shareholders was MEUR 192,4 (151,2), corresponding to an equity ratio of 61,3 (54,2)%



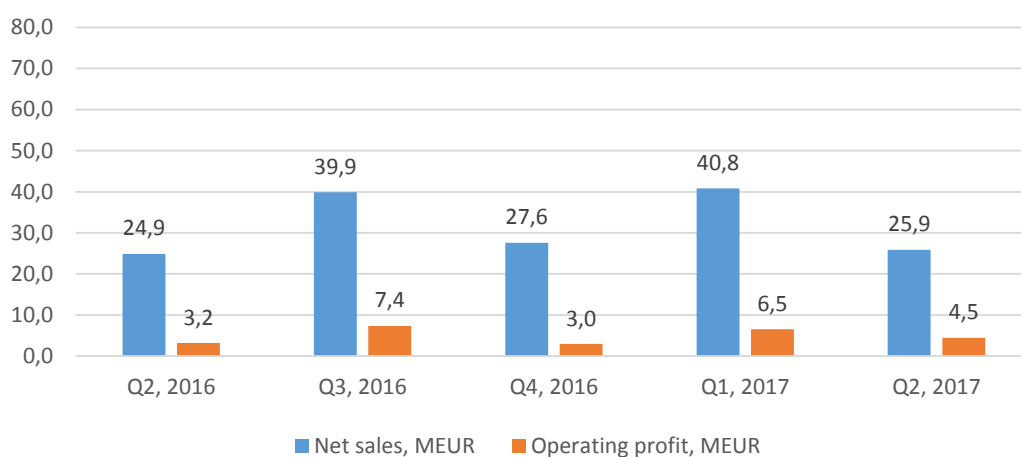
THE OPERATION

Net sales and operating result per segment

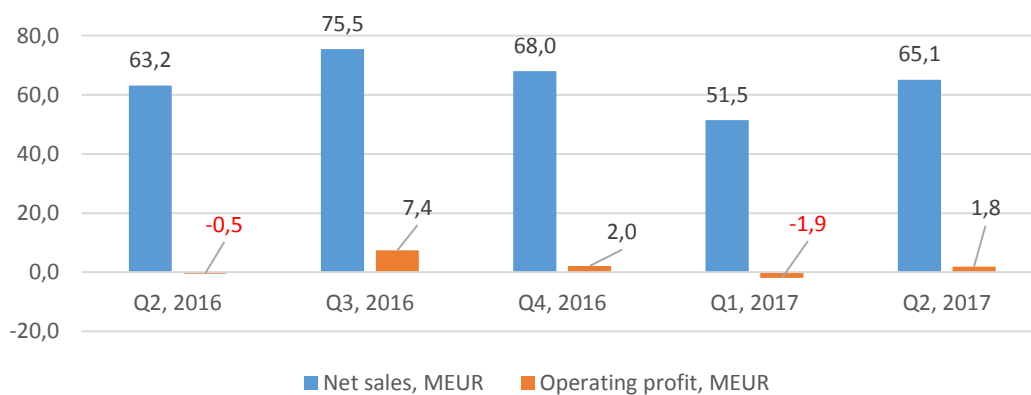
Brands



Global sales



Friluftts



FINANCIAL REPORT

CONSOLIDATED INCOME STATEMENT MEUR	3 months		6 months		12 months	
	April - June	April - June	Jan-June	Jan-June	July-June	Jan-Dec
	2017	2016	2017	2016	2016/2017	2016
Net sales	115,7	110,6	239,5	219,0	506,7	486,2
Other operating income	2,0	1,4	5,4	5,7	9,7	10,0
Total income	117,7	112,0	244,9	224,7	516,4	496,2
Cost of goods sold	-52,9	-52,5	-108,8	-102,9	-229,3	-223,4
Other external expenses	-28,6	-26,0	-56,1	-50,5	-112,5	-106,9
Personnel expenses	-23,4	-22,5	-46,4	-44,3	-94,0	-91,9
Depreciation/amortisation	-2,7	-4,3	-5,8	-7,2	-11,6	-13,0
Result from participations in associated companies	0,7	0,4	1,3	0,5	2,0	1,2
Other operating expenses	-0,4	-0,4	-0,4	-0,9	-1,2	-1,7
Operating expenses	-107,3	-105,3	-216,2	-205,3	-446,6	-435,7
Operating profit	10,4	6,7	28,7	19,4	69,8	60,5
Financial income	0,3	0,7	0,3	0,9	-0,5	0,1
Financial expenses	-2,1	-0,4	-2,7	-2,8	-1,9	-2,0
Profit before tax	8,6	7,0	26,3	17,5	67,4	58,6
Income tax	-2,8	-2,4	-6,7	-5,5	-11,6	-10,4
Net profit	5,8	4,6	19,6	12,0	55,8	48,2
Net profit for the year attributable to:						
Parent Company's shareholders	5,6	4,6	19,3	12,0	55,2	47,9
Non-controlling interests	0,2		0,3		0,6	0,3
Earnings per share after tax	0,43	0,34	1,46	0,89	4,14	3,58
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.

FINANCIAL REPORT

Consolidated Statement of Comprehensive Income MEUR	3 months		6 months		12 months	
	April - June	April - June	Jan-June	Jan-June	July-June	Jan-Dec
	2017	2016	2017	2016	2016/2017	2016
Net profit	5,8	4,6	19,6	12,0	55,8	48,2
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	-1,4	-0,7	-1,3	-1,2	-1,9	-1,8
Hedge accounting	-2,1	0,5	-3,0	-0,1	-1,8	1,1
Taxes	0,5		0,7		0,5	-0,2
Total other comprehensive income for the period:	-3,0	-0,2	-3,6	-1,3	-3,2	-0,9
Total comprehensive income for the year	2,8	4,4	16,0	10,7	52,6	47,3
Total comprehensive income attributable to:						
Parent Company's shareholders	2,6	4,4	15,7	10,7	52,0	47,0
Non-controlling interests	0,2		0,3		0,6	0,3

FINANCIAL REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MEUR	30 June 2017	30 June 2016	31 Dec 2016
Assets			
Fixed assets			
Intangible fixed assets	20,1	17,0	18,1
Tangible fixed assets	42,0	42,1	41,7
Financial assets	20,8	13,3	19,6
Total fixed assets	82,9	72,4	79,4
Current assets			
Inventories	133,5	123,3	121,1
Accounts receivable trade and other receivables	40,8	41,0	39,9
Prepaid expenses and accrued income	4,9	4,2	4,8
Cash and cash equivalents	51,8	37,9	76,8
Total current assets	231,0	206,4	242,6
Total assets	313,9	278,8	322,0
Equity and liabilities			
Equity and reserves attributable to the Parent Company's shareholders	192,4	151,2	186,7
Non-controlling interest	0,9	2,3	2,6
Total equity	193,3	153,5	189,3
Liabilities			
Non-current liabilities			
Other non-current liabilities	11,3	6,8	9,5
Interest bearing liabilities	1,5	-	-
Total non-current liabilities	12,8	6,8	9,5
Current liabilities			
Other current liabilities	43,1	42,6	48,5
Interest bearing liabilities	44,2	59,3	52,2
Accrued expenses and deferred income	20,5	16,6	22,5
Total current liabilities	107,8	118,5	123,2
Total equity and liabilities	313,9	278,8	322,0

FINANCIAL REPORT

Statement of changes in Equity MEUR	Share capital	Other contributed capital	Retained earnings	Total	Non-controlling interest	Total Equity
01-01-2016	12,4	39,8	95,6	147,8	2,3	150,0
Net Profit for the year			11,9	11,9	0,0	12,0
Other comprehensive income for the year			-1,2	-1,2	-	-1,2
Total comprehensive income for the year	-	-	10,7	10,7	0,0	10,7
Dividends			-7,3	-7,3	-	-7,3
30-06-2016	12,4	39,8	99,1	151,2	2,3	153,5
01-01-2017	12,4	39,8	134,6	186,7	2,6	189,3
Changes during 2017						
Net Profit for the year			19,3	19,3	0,3	19,6
Other comprehensive income for the year			-3,6	-3,6	-	-3,6
Total comprehensive income for the year	-	-	15,7	15,7	0,3	16,0
Transactions with non-controlling interests			0,8	0,8	-2,0	-1,3
Sales of own shares			0,4	0,4	-	0,4
Dividends			-11,1	-11,1	-	-11,1
30-06-2017	12,4	39,8	140,3	192,4	0,9	193,3

Sales of own shares - Under the option program released in February 2017, valid in 120 days, the senior executives has purchased 6 200 shares in the company.

FINANCIAL REPORT

Consolidated statement of cash flows	6 month		12 month
	Jan - June	Jan - June	Jan - Dec
	2017	2016	2016
MEUR			
OPERATING ACTIVITIES			
Net profit for the year	19,6	12,0	48,2
Tax expense in income statement	6,7	5,5	10,4
Financial result net in income statement	2,4	1,9	2,0
Depreciation/amortisation	5,8	7,2	13,1
Adjustment for non cash items	-2,0	-1,7	0,4
Interest and dividends realised	0,3	0,8	0,1
Interest paid	-1,6	-2,3	-1,8
Income tax paid	-15,1	-8,2	-10,5
	16,1	15,2	61,8
Change in inventories	-8,2	-7,0	-4,8
Change in operating receivables	2,8	-6,5	-5,3
Change in operating liabilities	-2,5	-5,2	-0,1
Cash flow from operating activities	8,2	-3,5	51,6
INVESTING ACTIVITIES			
Purchase of intangible assets	-2,7	-0,1	-0,8
Purchase of tangible fixed assets	-6,2	-4,7	-11,0
Sale of tangible fixed assets		0,2	0,2
Acquisition of subsidiaries, net of cash acquired		-0,2	-0,2
Change in financial assets	0,5	0,2	
Cash flow from investing activities	-8,4	-4,6	-11,8
FINANCING ACTIVITIES			
Borrowings	-11,8	-4,3	-12,8
Acquisition of non-controlling interests	-1,3	-	-
Sale and purchase of own shares	0,4		-0,8
Dividends paid	-11,1	-7,3	-7,3
Cash flow from financing activities	-23,8	-11,6	-20,8
Change in cash and cash equivalents	-24,0	-19,7	19,0
Cash and cash equivalents at beginning of year	76,8	58,0	58,0
Effect of exchange rate differences on cash and cash equivalents	-1,0	-0,4	-0,2
Cash and cash equivalents at period-end	51,8	37,9	76,8

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, 2017 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 2016 and should be read in conjunction with these.

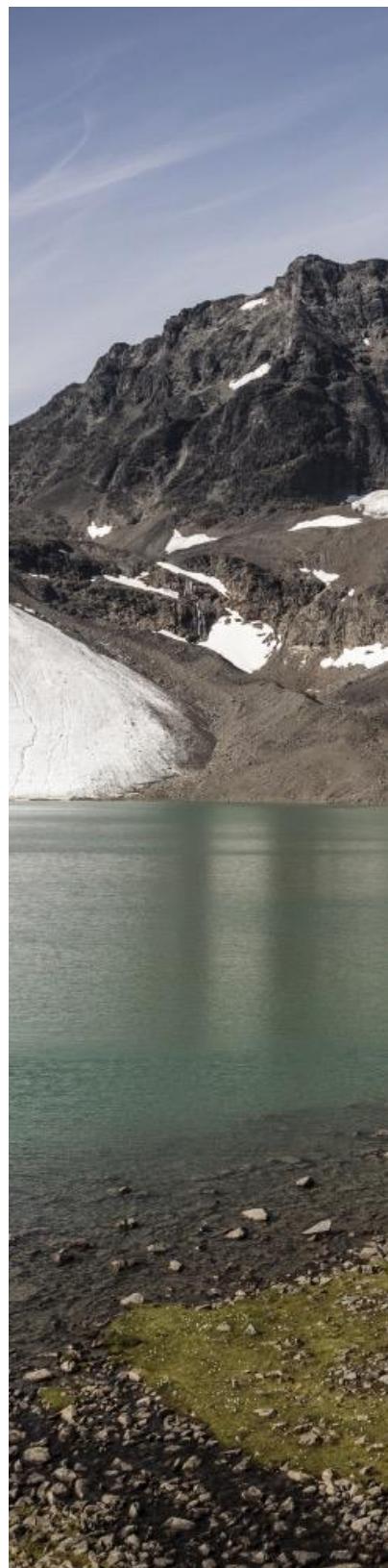
The Group presents consolidated financial data in EUR (conversion rates in accordance with Note 3).

Note 2 Risks

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

Note 3 Exchange rates

	Average rate			Balance sheet closing rate		
	Jan - Jun 2017	Jan - Jun 2016	Jan - Dec 2016	2017-06-30	2016-06-30	2016-12-31
SEK/EUR	9,5963	9,2966	9,4700	9,6398	9,4242	9,5525
CHF/EUR	1,0778	1,0980	1,0905	1,0930	1,0867	1,0739
USD/EUR	1,0929	1,1137	1,1026	1,1412	1,1102	1,0541
SEK/CHF	8,9036	8,4670	8,6837	8,8196	8,6723	8,8951



Notes to the financial report

Note 4 Hedge accounting

2017-06-30 2016-12-31 2016-06-30

Market value

-976	2 219	1 251
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FX Forwards

Purchased TUSD

30 460	27 000	37 700
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Sold TEUR

27 305	23 223	32 829
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Rate

1,116	1,163	1,148
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Purchasd TEUR

		1 200
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Sold TNOK

		11 102
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Rate

		9,252
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Purchasd TEUR

	3 000	
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Sold TGBP

	24 716	
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Rate

	8,239	
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Interest swap

Paying long term due 2020-03-19, TUSD

15 000	15 000	
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Getting short term 3 months, TUSD

15 000	15 000	
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Paying long term due 2020-03-19, TEUR

10 000	10 000	
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Getting short term 3 months, TEUR

10 000	10 000	
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Accounting method

The market value is reported in full as a change in the hedging reserve in other comprehensive income in equity.

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 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.

	Brands		Friluft		Global sales		Common		Group	
	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June	April-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External sales, MEUR	24,3	21,5	65,1	63,2	25,9	24,9	0,4	1,0	115,7	110,6
Operating profit, MEUR	6,1	6,0	1,8	-0,5	4,5	3,2	-2,0	-2,0	10,4	6,7

	Brands		Friluft		Global sales		Common		Group	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
External sales, MEUR	55,7	47,4	116,5	114,7	66,7	55,5	0,6	1,4	239,5	219,0
Operating profit, MEUR	21,7	20,2	-0,1	-2,6	11,0	7,1	-3,8	-5,3	28,7	19,4
Number of Stores	23	18	60	58	12				95	76
of which are franchise			4	3					4	3
Fixed assets	22,4	21,7	33,7	33,9	14,7	10,2	12,1	6,6	82,9	72,4
Cap. Expenditures	1,0	2,4	3,2	0,9	0,5	0,6	4,2	0,9	8,9	4,8

External sales per market	Brands		Friluft		Global sales		Common		Total	
	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June	Jan-June
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Switzerland					4,7	3,4			4,7	3,4
Sweden	10,0	8,4	23,0	22,2					33,0	30,6
Other Nordic countries	1,6	1,1	10,1	10,3	19,1	15,8			30,8	27,2
Germany	27,5	24,1	83,4	82,2			0,6	1,4	111,5	107,7
Benelux	4,6	4,9			5,7	5,3			10,3	10,2
Other Europe	0,7	0,5			16,3	12,6			17,0	13,1
North America	9,7	7,3			11,4	12,3			21,1	19,6
Other World	1,6	1,1			9,5	6,1			11,1	7,2
Total	55,7	47,4	116,5	114,7	66,7	55,5	0,6	1,4	239,5	219,0

Notes to the financial report

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

Fenix Outdoors subsidiary, Fjällräven International AB, has received a decision from the Swedish tax authority concerning settlement of Norwegian income tax. The sum of these settlements amounts to MEUR 2.5. In addition, the tax authority has decided on a tax surcharge of MEUR 1.0. The company considers that the tax authority is wrong in its assessment.

Note 9 Transactions with related parties

There have been no major changes in relations or transactions with related parties compared to 2016.

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Zug July 20, 2017

The CEO and the Board of Directors certifies 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

Susanne Nordin

Mats Olsson

Ulf Gustafsson

Sebastian von Wallwitz

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