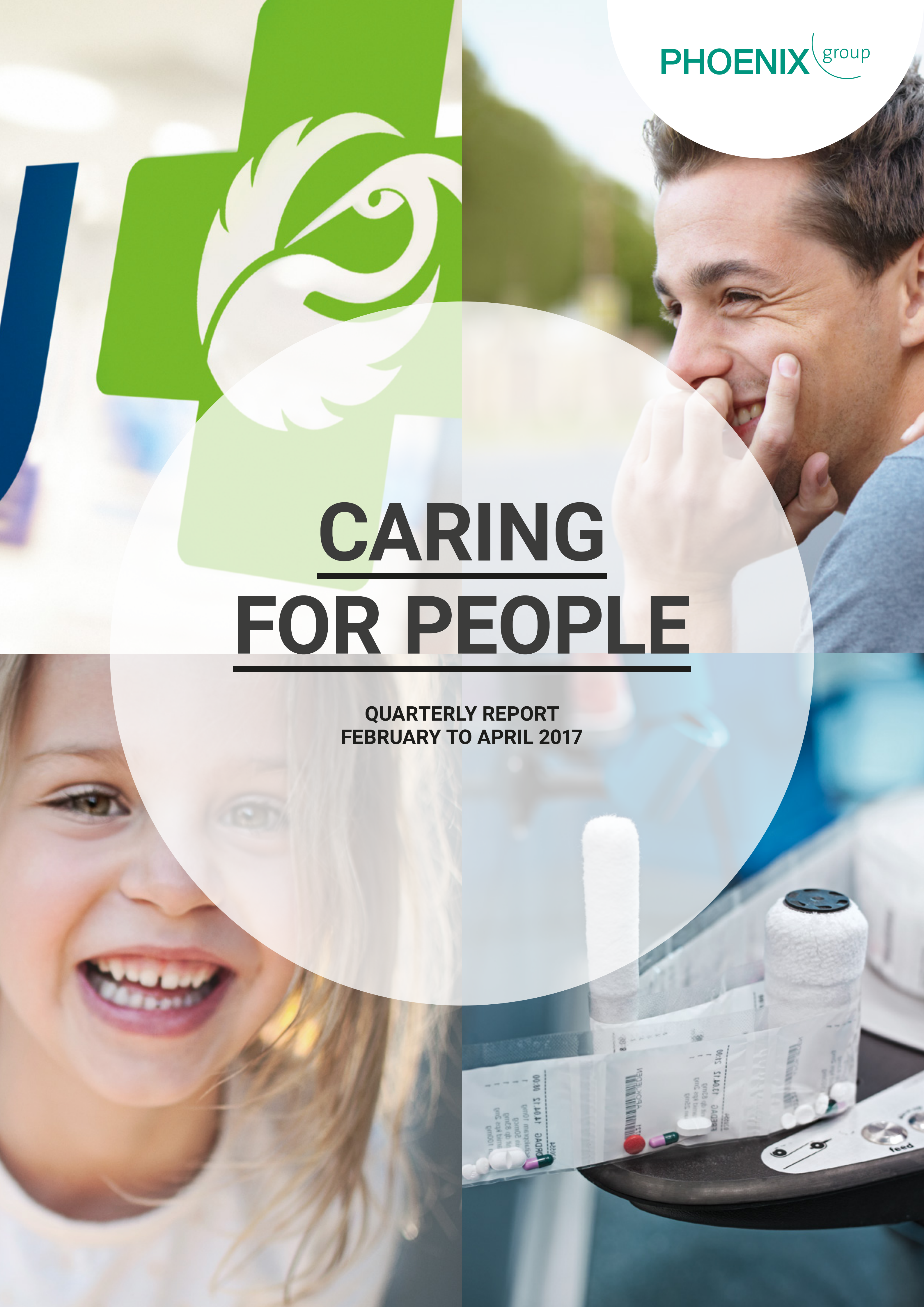


CARING FOR PEOPLE

QUARTERLY REPORT
FEBRUARY TO APRIL 2017

We deliver health.

Each and every day. Across Europe.

PHOENIX group

> **The PHOENIX group** is a leading pharmaceutical trader in Europe, reliably supplying people with drugs and medical products every day. The PHOENIX group originated from the merger of five regionally active pharmaceutical wholesale businesses in Germany in 1994. Today, the company offers unique geographical coverage throughout Europe, making a vital contribution to comprehensive healthcare with around 34,000 employees. The PHOENIX group's vision is to be the best integrated healthcare provider – wherever it is active. This means that each customer group is provided with the best possible services and products along the entire pharmaceutical supply chain.

> **In pharmaceutical wholesale,** the PHOENIX group is active with 152 distribution centres in 26 European countries and supplies pharmacies and medical institutions with drugs and other health products. Numerous other products and services for pharmacy customers complete the portfolio – from support with patient advice to modern goods management systems to pharmacy cooperation programmes. With over 12,000 member pharmacies, PHOENIX Pharmacy Partnership is the umbrella for our European network of 12 cooperation and partner programmes in 15 countries.

> **In pharmacy retail,** the PHOENIX group operates more than 2,000 of its own pharmacies in 13 countries – of which around 1,200 operate under the corporate brand BENU. In addition to Norway, the United Kingdom, the Netherlands, and Switzerland, the company is also represented in the Eastern European and Baltic markets. More than 17,000 pharmacy employees have around 136 million customer contacts each year. They dispense more than 300 million drug packages to patients and advise them on issues concerning pharmaceuticals and general health.

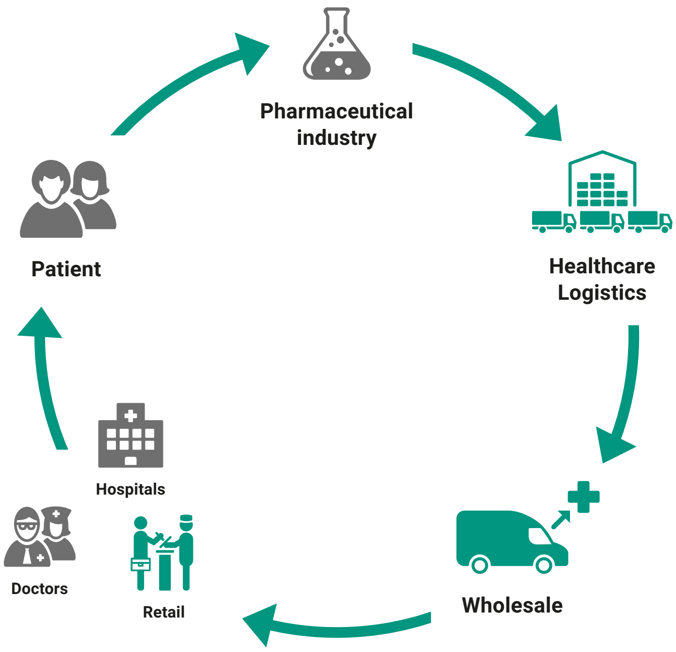
> **Pharma Services** provides services along the entire supply chain. The "All-in-One" concept stands for a comprehensive range of services that benefits drug manufacturers, pharmacies, and patients. The PHOENIX group takes on the entire distribution process for the pharmaceutical industry as desired and provides a first-class basis for decision-making with its business intelligence solutions.

CARING FOR PEOPLE

THE PHOENIX GROUP PUTS PEOPLE FIRST. THEIR NEEDS ARE THE GUIDING PRINCIPLE BEHIND OUR CORPORATE ACTIVITIES WITHIN THE EUROPEAN HEALTHCARE SYSTEM – FOR OUR DAY-TO-DAY OPERATIONS AND FOR ALL INVESTMENTS IN THE FUTURE.

CONTENTS

LINK BETWEEN MANUFACTURER AND PATIENT



WHOLESALE

> As a wholesaler, the PHOENIX group ensures that the drugs and health products of pharmaceutical manufacturers are delivered to pharmacies and medical institutions both quickly and reliably. The PHOENIX group also supports independent pharmacies in Europe, offering various services to increase customer retention.

PHARMA SERVICES

> PHOENIX Pharma Services offers a wide range of services along the entire pharmaceutical supply chain. Our business intelligence products also enable pharmaceutical manufacturers to make the right decisions and to focus their attention on the development and production of superior drugs. The PHOENIX group takes care of everything else.

RETAIL

> In pharmacy retail, the PHOENIX group is responsible for directly supplying the general public with pharmaceuticals and health products. The comprehensive and professional advice provided by our pharmacy staff is of the highest quality and is accompanied by the best possible customer service.

THE FIRST QUARTER AT A GLANCE

- Total operating performance and revenue increased again
- Gross profit increased compared to previous year
- Successful acquisition of the research and consultancy company Medaffcon Oy
- Expansion of regional growth markets with new logistics centre in Serbia

Key figures of the PHOENIX group		**1st quarter 2016/17**	**1st quarter 2017/18**
Total operating performance	in EUR m	7,260.5	7,587.4
Revenue	in EUR m	5,877.2	6,044.0
Total income	in EUR m	588.2	646.4
EBITDA	in EUR m	99.4	95.4
EBIT	in EUR m	71.2	62.4
Profit after tax (adjusted for foreign exchange rate effects and integration costs Mediq)	in EUR m	43.4	39.0

		30 April 2016	**31 January 2017**	**30 April 2017**
Equity	in EUR m	2,750.9	2,849.8	2,720.4
Equity ratio	in %	34.8	33.1	32.2
Net debt	in EUR m	1,355.3	1,377.5	1,638.5

INTERIM GROUP MANAGEMENT REPORT

BUSINESS AND ECONOMIC ENVIRONMENT

Development of the market

The European economy could continue its trend of growth in the first quarter of 2017. In the Eurozone, the seasonally adjusted GDP increased by 1.7% in the first quarter of 2017 compared to prior year's first quarter. In Germany, the seasonally and calendar adjusted GDP increased by 1.7% compared to the first quarter of 2016.

In total, the PHOENIX group continued its positive development in the European market environment. The increase in total operating performance was 4.5% (adjusted for foreign exchange rate effects 4.9%); revenue grew by 2.8%.

Acquisitions

In the first quarter of 2017/18 business combinations led to a cash outflow of €16.3 million (comparative period: €7.6 million). The acquisitions pertained to a research and consultancy company in Finland and individual pharmacies in several countries.

Results of operations

In the first quarter of 2017/18, total operating performance, comprising revenue and handled volume which cannot be recognised as revenue, increased by 4.5% to €7,587.4 million. Adjusted for foreign exchange rate effects, total operating performance grew by 5.0%.

Revenue grew by €166.8 million (2.8%) to €6,044.0 million (comparative period: €5,877.2 million). Adjusted for foreign exchange rate effects, revenue grew by 3.2%. The increase in revenue is mainly due to the acquisition of Mediq Apotheken Nederland B.V. in June 2016 as well as revenue growths in Northern Europe.

Gross profit increased by €50.0 million to €606.0 million. The gross profit margin increased to 10.0% (comparative period: 9.5%).

Personnel expenses increased by 13.8% to €336.6 million. This is mainly due to the acquisition of Mediq Apotheken Nederland B.V.

Other expenses rose by €21.5 million to €215.0 million. In addition to acquisition effects, this is mainly due to increased transportation costs, lease costs and IT costs. In relation to revenue, other expenses came to 3.6% (comparative period: 3.3%).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) decreased by €4.0 million to €95.4 million as total expenses grew at a higher rate than gross profit.

An EBITDA figure adjusted for interest from customers and expenses related to ABS/factoring (adjusted EBITDA) came to €98.3 million and is determined as follows:

EUR k	1st quarter 2016/17	1st quarter 2017/18
EBITDA	99,422	95,352
Interest from customers	2,601	2,569
Expenses related to ABS/factoring	614	359
Adjusted EBITDA	**102,637**	**98,280**

Depreciation and amortisation came to €32.9 million and were slightly above prior year's level due to acquisition effects.

The financial result decreased slightly compared to prior period's result by €0.9 million to €–10.6 million. This is mainly due to a higher net debt compared to the comparative period caused by prior year's acquisitions and the funding of the reduction of the limited partner's capital.

The effective tax rate in the first quarter of 2017/18 came to 28.7% and was 29.4% in the comparative period.

Profit after tax was €37.0 million (comparative period: €43.4 million). Of this, €6.4 million is attributable to non-controlling interests (comparative period: €5.2 million). Profit after tax adjusted for one-time costs in connection with the acquisition of Mediq Apotheken Nederland B.V. and foreign exchange rate effects, decreased by €4.4 million to €39.0 million compared to prior year.

Net assets

The Group's total assets decreased slightly by 1.6% to €8,461.4 million compared to 31 January 2017. The currency translation difference on the total assets, which is presented in the statement of changes in equity, amounts to €– 86.6 million (31 January 2017: €– 92.7 million), particularly caused by the devaluation of the British Pound.

Compared to 31 January 2017, non-current assets increased by €35.3 million to €3,051.3 million. The increase is mainly related to intangible assets. Intangible assets contain goodwill with an amount of €1,588.1 million (31 January 2017: €1,577.4 million) which rose due to acquisitions.

Inventories increased compared to 31 January 2017 by €21.5 million to €2,117.5 million. This increase is mainly due to seasonal fluctuation.

Trade receivables decreased slightly by 1.6% to €2,629.2 million. As of 30 April 2017 receivables of €4.7 million (31 January 2017: €24.0 million) had been sold under ABS and factoring programmes that are not accounted for in the statement of financial position. Under ABS and factoring programmes that are accounted for only to the extent of the continuing involvement, receivables of €173.3 million had been sold as of 30 April 2017 (31 January 2017: €175.6 million). The Group's continuing involvement came to €7.7 million (31 January 2017: €7.9 million).

Other current receivables and other current financial assets decreased from €180.1 million as of 31 January 2017 to €158.2 million and mainly include receivables from factoring and ABS transactions of €22.6 million (31 January 2017: €40.3 million) as well as receivables from rebates and bonuses of €67.2 million (31 January 2017: €72.9 million).

Other current assets increased from €104.7 million as of 31 January 2017 to €118.8 million among others due to higher prepayments.

The change in cash and cash equivalents is presented in the statement of cash flows.

See Consolidated statement of cash flows (p. 14).

Non-current assets held for sale of €5.7 million (31 January 2017: €8.3 million) mainly include pharmacies that need to be sold in connection with the Mediq acquisition.

Financial position

In March 2017, the limited partners reduced their capital in the parent company by €185.0 million to €1,000.0 million. A partial amount of €15.0 million relates to fully consolidated entities and was offset against reserves. As a result, the equity ratio as of 30 April 2017 decreased to 32.2% (31 January 2017: 33.1%).

The result before changes in working capital came to €115.9 million and was slightly above prior year's level. The increase in working capital amounted to €162.3 million and was €112.5 million lower than in the comparative period. Cash flow from operating activities increased by €116.6 million to €– 46.4 million.

Cash flow from investing activities came to €– 46.9 million and was €– 38.7 million in the comparative period. Investing activities mainly pertained to the acquisition of property, plant and equipment.

Non-current financial liabilities came to €928.5 million (31 January 2017: 753.5 million). As at 30 April 2017, non-current financial liabilities contain, among others, bonds of €594.5 million (31 January 2017: €594.1 million), promissory note bonds of €149.5 million (31 January 2017: €149.6 million) and loans from related parties to fund the reduction of the limited partner's capital of €175.0 million (31 January 2017: €0.0 million).

Current financial liabilities came to €923.7 million (31 January 2017: €961.9 million) and include, among others, liabilities to banks of €172.6 million (31 January 2017: €182.2 million), liabilities from ABS and factoring agreements with an amount of €495.0 million (31 January 2017: €533.9 million) as well as other loans amounting to €140.9 million (31 January 2017: €134.1 million).

Trade payables decreased by €138.0 million to €3,135.5 million.

Overall, the PHOENIX group was able to underline its position in the first quarter of 2017/18 as a leading pharmaceuticals trader in Europe.

RISKS AND OPPORTUNITIES

www.phoenixgroup.eu/en/investor-relations/publications/annual-report-201617/

The PHOENIX group has comprehensive planning, approval and reporting structures and an early warning system which we use to identify, assess and monitor our opportunities and risks. The opportunities and risks of significance to us are presented extensively in our annual report for fiscal year 2016/17.

The risks presented there are still essentially relevant.

FORECAST

We anticipate a stable economic environment in 2017, with GDP in Germany and the eurozone expected to grow by around 1% to 2%.

We still expect the European pharmaceutical markets to record a positive market growth in 2017.

We expect a considerable increase in adjusted EBITDA in 2017/18, positively affected by the inclusion of the acquisition of Mediq in the Netherlands for a full 12 months.

We expect a mostly stable development for the equity ratio.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the first quarter of 2017/18

EUR k	1st quarter 2016/17	1st quarter 2017/18
Revenue	**5,877,160**	**6,043,972**
Cost of purchased goods and services	– 5,321,162	– 5,437,924
Gross profit	**555,998**	**606,048**
Other operating income	32,215	40,402
Personnel expenses	– 295,948	– 336,645
Other operating expenses	– 193,516	– 214,972
Results from associates and joint ventures	455	519
Result from other investments	218	0
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**99,422**	**95,352**
Amortisation of intangible assets and depreciation of property, plant and equipment	– 28,272	– 32,924
Earnings before interest and taxes (EBIT)	**71,150**	**62,428**
Interest income	3,305	3,059
Interest expenses	– 12,942	– 13,103
Other financial result	– 29	– 506
Financial result	**– 9,666**	**– 10,550**
Profit before tax	**61,484**	**51,878**
Income taxes	– 18,076	– 14,889
Profit for the period	**43,408**	**36,989**
thereof attributable to non-controlling interests	5,180	6,350
thereof attributable to owners of the parent company	38,228	30,639

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the first quarter of 2017/18

EUR k	1st quarter 2016/17	1st quarter 2017/18
Profit after tax	**43,408**	**36,989**
Items not reclassified to the income statement		
Remeasurement of defined benefit plans	– 10,264	1,942
Items that may subsequently be reclassified to the income statement		
Gains/losses from changes in the fair value of available-for-sale financial assets	1	1
Reclassification adjustments	0	0
Currency translation differences	– 8,327	6,098
Other comprehensive income, net of taxes	**– 18,590**	**8,041**
Total comprehensive income	**24,818**	**45,030**
thereof attributable to non-controlling interests	4,692	6,550
thereof attributable to owners of the parent company	20,126	38,480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of 30 April 2017

ASSETS

EUR k	31 Jan. 2017	30 Apr. 2017
Non-current assets		
Intangible assets	1,956,394	1,971,354
Property, plant and equipment	859,045	865,783
Investment property	11,794	10,894
Investments in associates and joint ventures	14,134	15,194
Trade receivables	153	119
Other financial assets	91,648	96,570
Other assets	236	0
Deferred tax assets	82,667	91,411
	3,016,071	**3,051,325**
Current assets		
Inventories	2,096,010	2,117,516
Trade receivables	2,672,065	2,629,086
Income tax receivables	33,216	23,334
Other receivables and other current financial assets	180,106	158,186
Other assets	104,734	118,811
Cash and cash equivalents	487,861	357,455
	5,573,992	**5,404,388**
Non-current assets held for sale	8,285	5,671
Total assets	**8,598,348**	**8,461,384**

EQUITY AND LIABILITIES

EUR k	31 Jan. 2017	30 Apr. 2017
Equity		
Unlimited and limited partners’ capital	1,185,000	1,000,000
Reserves	1,566,327	1,611,088
Accumulated other comprehensive income	– 223,001	– 215,160
Equity attributable to partners	**2,528,326**	**2,395,928**
Non-controlling interests	321,438	324,508
	2,849,764	**2,720,436**
Non-current liabilities		
Financial liabilities	753,516	928,474
Trade payables	220	86
Provisions for pensions and similar obligations	251,812	242,857
Other non-current provisions	1,311	1,331
Deferred tax liabilities	120,535	123,378
Other non-current liabilities	2,534	2,623
	1,129,928	**1,298,749**
Current liabilities		
Financial liabilities	961,878	923,650
Trade payables	3,273,312	3,135,395
Other provisions	50,708	50,881
Income tax liabilities	45,885	46,955
Other liabilities	286,402	285,318
	4,618,185	**4,442,199**
Liabilities directly associated with assets held for sale	471	0
Total equity and liabilities	**8,598,348**	**8,461,384**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the first quarter of 2017 / 18

EUR k	30 Apr. 2016	30 Apr. 2017
Profit after tax	**43,408**	**36,989**
Write-downs/write-ups of fixed assets	28,272	32,924
Gain/loss from the disposal of fixed assets	335	– 2,110
Increase/decrease in non-current provisions	– 3,786	– 5,299
Result from associates and other investments	– 673	– 519
Other non-cash expenses/income	39,071	40,248
Net interest	9,637	10,044
Taxes	18,076	14,889
Interest paid	– 6,152	– 6,312
Interest received	3,189	3,066
Income taxes paid	– 19,784	– 8,031
Dividends received	181	0
Result before changes in working capital	**111,774**	**115,889**
Changes in working capital	**– 274,763**	**– 162,310**
Cash inflow (+)/outflow (–) from operating activities	**– 162,989**	**– 46,421**
Cash paid for the purchase of consolidated companies and business units	– 7,626	– 16,292
Cash received from the sale of consolidated companies and business units	0	9,661
Cash received from the sale of fixed assets	638	1,318
Cash paid for investments in non-current assets	– 31,739	– 41,575
Cash inflow (+)/outflow (–) from investing acitivities	**– 38,727**	**– 46,888**

EUR k	30 Apr. 2016	30 Apr. 2017
Cash available for financing activities	**– 201,716**	**– 93,309**
Capital decrease	0	– 170,015
Capital contribution to non-controlling interests	0	– 73
Payments to non-controlling interests (dividends)	– 168	– 2,865
Cash received from the issue of loans from shareholders	0	38,000
Cash received from the issue of loans from related parties	0	172,000
Repayment of borrowings from related parties	0	– 35,000
Acquisition of additional shares in already consolidated companies	– 69	– 1,193
Increase/decrease in ABS/factoring liabilities	96,774	– 20,868
Cash received from the issue of bonds and loans	114,553	102,806
Cash repayments of bonds and loans	– 41,738	– 119,594
Increase/decrease in finance lease liabilities	– 211	– 141
Cash inflow (+)/outflow (–) from financing activities	**169,141**	**– 36,943**
Change in cash and cash equivalents	**– 32,575**	**– 130,252**
Cash and cash equivalents at the beginning of the period	**367,881**	**487,861**
Exchange rate effect on cash and cash equivalents	487	– 154
Cash and cash equivalents at the end of the period	**335,793**	**357,455**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first quarter of 2017 / 18

EUR k	Unlimited and limited partners' capital	Reserves
1 February 2016	**1,185,000**	**1,444,420**
Profit after tax		38,228
Accumulated other comprehensive income		0
Total comprehensive income, net of tax	**0**	**38,228**
Changes in basis of consolidation		99
Dividends		0
Other changes in equity		– 14
30 April 2016	**1,185,000**	**1,482,733**
1 February 2017	**1,185,000**	**1,566,327**
Profit after tax		30,639
Accumulated other comprehensive income		0
Total comprehensive income, net of tax	**0**	**30,639**
Capital increase/reduction	– 185,000	14,985
Changes in the interest of consolidated companies		– 638
Dividends		0
Other changes in equity		– 225
30 April 2017	**1,000,000**	**1,611,088**

Currency translation differences	IAS 39 Available-for-sale financial assets	Remeasurement of defined benefit plans	Equity attributable to partners	Non-controlling interests	Total equity
– 48,480	**8,416**	**– 108,476**	**2,480,880**	**245,588**	**2,726,468**
			38,228	5,180	43,408
– 8,067	1	– 10,036	– 18,102	– 488	– 18,590
– 8,067	**1**	**– 10,036**	**20,126**	**4,692**	**24,818**
			99	– 178	– 79
			0	– 306	– 306
			– 14	– 7	– 21
– 56,547	**8,417**	**– 118,512**	**2,501,091**	**249,789**	**2,750,880**
– 92,698	**9,770**	**– 140,073**	**2,528,326**	**321,438**	**2,849,764**
			30,639	6,350	36,989
6,098	1	1,742	7,841	200	8,041
6,098	**1**	**1,742**	**38,480**	**6,550**	**45,030**
			– 170,015	0	– 170,015
			– 638	– 530	– 1,168
			0	– 2,865	– 2,865
			– 225	– 85	– 310
– 86,600	**9,771**	**– 138,331**	**2,395,928**	**324,508**	**2,720,436**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

as of 30 April 2017

The company

PHOENIX Pharmahandel GmbH & Co KG, Mannheim, ("PHOENIX" or the "PHOENIX group") is a European pharmaceuticals distribution group. PHOENIX has business activities in 26 European countries. In several countries, PHOENIX also operates its own pharmacy chains. The registered office is located in Mannheim, Germany.

Basis of presentation

The interim condensed consolidated financial statements of PHOENIX group as of 30 April 2017 are prepared on the basis of IAS 34 "Interim Financial Reporting", observing all International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), London, and mandatory in the EU as of 30 April 2017, as well as all mandatory interpretations of the International Financial Reporting Standards Interpretation Committee (IFRS IC).

The interim condensed consolidated financial statements as of 30 April 2017 of PHOENIX were released for publication by the management of PHOENIX Pharmahandel GmbH & Co KG on 13 June 207.

Significant accounting policies

The accounting policies used to prepare the interim condensed consolidated financial statements are essentially consistent with those used in the consolidated financial statements as of 31 January 2017. No new or amended IASB standards and interpretations were applicable for the first time.

Business combinations in the first quarter of 2017/18

The business combinations carried out in the first three months of 2017/18 are explained below. Purchase accounting is performed in accordance with the acquisition method pursuant to IFRS 3 "Business Combinations".

In fiscal year 2017/18, the cumulative profit after tax of the acquirees came to EUR –19k and revenue to EUR 1,633k. Assuming that the acquisition date coincides with the beginning of the reporting period for all business combinations, accumulated revenue for the period came to EUR 2,375k. Assuming that the acquisition date coincides with the beginning of the reporting period for all business combinations, the accumulated profit after tax came to EUR –24k.

The table below shows a summary of their fair values:

Fair value recognised on acquisition

EUR k	Other
Cash and cash equivalents	10,003
Equity instruments	0
Acquisition-date fair value of previously held equity interest	159
Total cost	**10,162**
Intangible assets	0
Other non-current assets	638
Inventories	617
Trade receivables	50
Cash and cash equivalents	23
Other current assets	191
Non-current liabilities	100
Current liabilities	566
Net assets	**853**
Non-controlling interests	0
Net assets acquired	**853**
Bargain purchase	**0**
Goodwill	**9,309**

Other business combinations
In the first three months of 2017/18, the Group acquired further pharmacies that are individually immaterial.

The goodwill arising on those acquisitions was allocated to the cash-generating units Netherlands (EUR 7,730k), Slovakia (EUR 1,066k), Czech Republic (EUR 374k) and the Baltics (EUR 139k) and is managed in the local functional currencies (EUR and CZK).

EUR 7,730k of the goodwill recognised from business combinations is expected to be tax deductible.

Because of preliminary data, some assets and liabilities could not be finally valued at the balance sheet date.

Other operating expenses

Other operating expenses contain expenses in connection with ABS and factoring programmes of EUR 359k (comparative period: EUR 614k).

Financial result

EUR k	1st quarter 2016/17	1st quarter 2017/18
Interest income	3,305	3,059
Interest expenses	– 12,942	– 13,103
Other financial result	– 29	– 506
Financial result	**– 9,666**	**– 10,550**

Interest income includes interest from customers of EUR 2,569 k (comparative period: EUR 2,601k).

The other financial result includes exchange rate gains of EUR 12,150k (comparative period: EUR 9,179k) and exchange rate losses of EUR 7,545k (comparative period: EUR 12,963k). Changes in the market value of derivatives gave rise to income of EUR 16,908k (comparative period: EUR 25,390k) and expenses of EUR 22,101k (comparative period: EUR 21,491k).

Other assets and other liabilities

EUR k	31 Jan. 2017	30 Apr. 2017
Prepayments	63,118	74,877
Tax claims – VAT and other taxes	22,154	15,320
Sundry other assets	19,462	28,614
Other assets	**104,734**	**118,811**

EUR k	31 Jan. 2017	30 Apr. 2017
VAT and other tax liabilities	87,160	80,687
Personnel liabilities	143,136	137,625
Liabilities relating to social security/similar charges	27,421	35,721
Prepayments	13,571	14,383
Sundry other liabilities	15,114	16,902
Other liabilities	**286,402**	**285,318**

Other financial assets and other financial liabilities

The table below presents the non-current financial assets

EUR k	31 Jan. 2017	30 Apr. 2017
Trade receivables, non-current	153	119
Other financial assets		
Available-for-sale financial assets	36,699	36,083
Loans to and receivables from associates	2,827	2,606
Other loans	44,391	44,342
Other non-current financial assets	7,731	13,539
	91,648	**96,570**

The table below presents the current financial assets:

EUR k	31 Jan. 2017	30 Apr. 2017
Trade receivables	2,672,065	2,629,086
Other financial assets		
Loans to and receivables from associates or related parties	8,874	6,339
Other loans	28,990	33,494
Derivative financial instruments	3,323	769
Other current financial assets	138,919	117,584
	180,106	**158,186**

The receivables from factoring and ABS transactions as of 30 April 2017 are presented below:

EUR k	31 Jan. 2017	30 Apr. 2017
Transferred but only partly derecognised receivables		
Receivables not derecognised in accordance with IAS 39		
Volume of receivables	587,485	544,004
Financial liability	525,971	487,222
Continuing Involvement		
Volume of receivables	175,577	173,327
Continuing Involvement	7,866	7,741
Financial liability	7,911	7,770
Transferred and fully derecognised receivables		
Volume of receivables	23,953	4,740
Retentions of title	40,262	22,590

At the reporting date, financial liabilities were divided into between non-current and current liabilities as follows:

EUR k	31 Jan. 2017	30 Apr. 2017
Financial liabilities (non-current)		
Liabilities to banks	150,243	149,928
Bonds	594,116	594,469
Loans	100	102
Liabilities to associates and related parties	0	175,000
Other financial liabilities	9,057	8,975
	753,516	**928,474**

EUR k	31 Jan. 2017	30 Apr. 2017
Financial liabilities (current)		
Liabilities to banks	182,155	172,593
Loans	134,131	140,882
Liabilities to associates and related parties	49,412	49,520
Liabilities for customer rebates and bonuses	35,244	29,936
ABS and factoring liabilities	533,882	494,992
Other financial liabilities	27,054	35,727
	961,878	**923,650**

In connection with the loan agreements, it was agreed to comply with certain financial covenants, all of which were met in the first quarter of 2017/18.

Liabilities to associates and related parties include current loan liabilities to partners of EUR 49,452k (31 January 2017: EUR 49,409k), resulting mainly from interest on the supplementary partner contribution.

Other financial liabilities (non-current) contain non-current derivative financial instruments of EUR 122k (31 January 2017: EUR 216k).

Other financial liabilities (current) contain current derivative financial instruments of EUR 3,823k (31 January 2017: EUR 1,172k).

Information on financial instruments

The items in the statement of financial position for financial instruments are assigned to classes and categories.

The carrying amounts for each category and class of financial assets and the fair values for each class are presented in the following table:

30 April 2017	Category pursuant to IAS 39						
EUR k	Loans and receivables	Available-for-sale financial assets	Held-to-maturity financial assets	Financial assets held for trading	Outside the scope of IFRS 7	Carrying amount	Fair value
Assets							
Available-for-sale financial assets	0	34,042	0	0	0	34,042	34,042
Available-for-sale financial assets at cost	0	2,041	0	0	0	2,041	n/a
Trade receivables	2,629,205	0	0	0	0	2,629,205	2,629,205
Loans to and receivables from associates or related parties	8,945	0	0	0	0	8,945	8,883
Other loans	77,836	0	0	0	0	77,836	77,866
Derivative financial assets without hedge accounting	0	0	0	769	0	769	769
Other financial assets	131,123	0	0	0	0	131,123	132,527
Cash and cash equivalents	357,455	0	0	0	0	357,455	357,455

31 January 2017	Category pursuant to IAS 39						
EUR k	Loans and receivables	Available-for-sale financial assets	Held-to-maturity financial assets	Financial assets held for trading	Outside the scope of IFRS 7	Carrying amount	Fair value
Assets							
Available-for-sale financial assets	0	34,042	0	0	0	34,042	34,042
Available-for-sale financial assets at cost	0	2,657	0	0	0	2,657	n/a
Trade receivables	2,672,218	0	0	0	0	2,672,218	2,672,218
Loans to and receivables from associates or related parties	11,701	0	0	0	0	11,701	11,621
Other loans	73,381	0	0	0	0	73,381	73,422
Derivative financial assets without hedge accounting	0	0	0	3,323	0	3,323	3,323
Other financial assets	146,650	0	0	0	0	146,650	147,681
Cash and cash equivalents	487,861	0	0	0	0	487,861	487,861

Available-for-sale financial assets primarily contain shares in unlisted entities. Where no fair value can be determined, they are recorded at acquisition cost. Shares in listed entities are measured at the quoted price determined as of the reporting date. For other available-for-sale financial assets, the fair value is determined using a multiplier method (revenue multiple, level 3). This uses individually derived multipliers between 0.64 and 1.34 (31 January 2017: between 0.64 and 1.34). A 10% increase in the multipliers would increase the value by EUR 4,703k (31 January 2017: EUR 4,703k); a 10% decrease in the multipliers would decrease the value by EUR 4,708k (31 January 2017: EUR 4,708k).

Derivatives are recognised at their fair values (level 2).

Due to the short-term maturities of cash and cash equivalents, trade receivables and other current financial assets, their carrying amounts generally approximate the fair values at the reporting date (level 2).

The fair value of loans to and receivables from associates or related entities, other loans, held-to-maturity financial assets and other non-current financial assets due after more than one year correspond to the net present value of the payments related to the assets based on the current interest rate parameters and yield curves (level 2).

The carrying amounts for each category and class of financial liabilities and the fair values for each class are presented in the following table:

30 April 2017	Category pursuant to IAS 39					
EUR k	Other financial liabilities	Financial liabilities held for trading	No category according to IAS 39.9	Outside the scope of IFRS 7	Carrying amount	Fair value
Financial liabilities						
Liabilities to banks	322,521	0	0	0	322,521	323,208
Bonds	594,469	0	0	0	594,469	654,141
Loans	140,984	0	0	0	140,984	140,984
Trade payables	3,135,481	0	0	0	3,135,481	3,135,481
Liabilities to associates and related parties	224,520	0	0	0	224,520	218,772
Liabilities and provisions for customer rebates and bonuses	29,936	0	0	0	29,936	29,936
ABS and factoring liabilities	494,992	0	0	0	494,992	494,992
Other financial liabilities	31,522	0	0	0	31,522	31,522
Lease liabilities	0	0	9,235	0	9,235	n/a
Derivative financial liabilities without hedge accounting	0	3,945	0	0	3,945	3,945

31 January 2017	Category pursuant to IAS 39					
EUR k	Other financial liabilities	Financial liabilities held for trading	No category according to IAS 39.9	Outside the scope of IFRS 7	Carrying amount	Fair value
Financial liabilities						
Liabilities to banks	332,398	0	0	0	332,398	333,106
Bonds	594,116	0	0	0	594,116	658,863
Loans	134,231	0	0	0	134,231	134,231
Trade payables	3,273,532	0	0	0	3,273,532	3,273,532
Liabilities to associates and related parties	49,412	0	0	0	49,412	45,085
Liabilities and provisions for customer rebates and bonuses	35,244	0	0	0	35,244	35,244
ABS and factoring liabilities	533,882	0	0	0	533,882	533,882
Other financial liabilities	25,309	0	0	0	25,309	25,309
Lease liabilities	0	0	9,414	0	9,414	n/a
Derivative financial liabilities without hedge accounting	0	1,388	0	0	1,388	1,388

The fair value of the bonds is the nominal value multiplied by the quoted price as of the reporting date (level 1).

Derivatives are recognised at their fair values (level 2).

Due to the short-term maturities of trade payables and other current financial liabilities, their carrying amounts generally approximate the fair values at the reporting date (level 2).

Fair value hierarchy of financial instruments

PHOENIX applies the following fair value hierarchy to define and present its financial instruments measured at fair value:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Techniques that use inputs that are not based on observable market data.

	Financial instruments measured at fair value			
EUR k	Level 1	Level 2	Level 3	Total
30 April 2017				
Available-for-sale financial assets	0	0	34,042	34,042
Derivative financial assets without hedge accounting	0	769	0	769
Derivative financial liabilities without hedge accounting	0	3,945	0	3,945
Other financial liabilities	0	0	9,463	9,463
31 January 2017				
Available-for-sale financial assets	0	0	34,042	34,042
Derivative financial assets without hedge accounting	0	3,323	0	3,323
Derivative financial liabilities without hedge accounting	0	1,388	0	1,388
Other financial liabilities	0	0	8,848	8,848

The fair value of available-for-sale assets measured at cost of EUR 2,041k (31 January 2017: EUR 2,657k) has not been disclosed because the fair value cannot be measured reliably.

The following table shows the reconciliation of the fair value based on level 3.

EUR k	Available-for-sale assets	Other financial liabilities
1 February 2017	**34,042**	**8,848**
Total gains and losses recognised in accumulated other comprehensive income	0	0
Purchase	0	0
Sale of shares	0	0
thereof recognised in the income statement	0	0
Acquisitions	0	0
Payments due to acquisitions	0	– 27
Other	0	642
30 April 2017	**34,042**	**9,463**

Contingent liabilities

As of 30 April 2017, PHOENIX recorded contingent liabilities for guarantees of EUR 69,780k (31 January 2017: EUR 67,679k).

Notes to the statement of cash flows

EUR k	31 Jan. 2016	30 Apr. 2016
Restricted cash		
Cash and cash equivalents at the end of the period	487,861	357,455
thereof restricted		
due to security deposits	16,058	8,892
due to restrictions placed upon foreign subsidiaries	11,751	7,851

Related party disclosures

A related party granted PHOENIX a loan in the first three months of 2017/18. The loan amounted to EUR 30,000k, was fully repaid during the reporting period and interest expenses of EUR 6k were incurred. Additional loans from limited partners amounting to EUR 38,000k were granted on which EUR 43k interest expenses were incurred. Furthermore, loans from related parties amounting to EUR 137,000k were granted on which interest expenses of EUR 166k were incurred.

Beyond that, the business relationships with related parties presented in the consolidated financial statements as of 31 January 2017 remained essentially unchanged in the first three months of 2017/18.

Mannheim, 13 June 2017

The Management Board of the unlimited partner
PHOENIX Verwaltungs GmbH

FINANCIAL CALENDAR 2017

Please consult our calendar for the most important announcement dates:

27 September	Half-year report February to July 2017
21 December	Quarterly report February to October 2017

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