

Ravensburger 

2010 Annual Report
of the Ravensburger AG Group



MUSEUM
RAVENSBURGER



Ground floor: Hall of Cubes with entrance to Founders' Room

RAVENSBURGER MUSEUM



Basement: Bathrooms and lockers

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THE RAVENSBURGER YEAR 2010

The toy markets in Europe grew by an average of around 5 % last year; however, the key goods categories for us, namely puzzles and games, contracted by some 2 %. The German children's and youth book market declined by around 4 %; the significant growth in the previous year was attributable to the success of an all-age vampire series that was assigned to the children's and youth segment, which was not repeated in the year under review.

In light of the slight downturn in the European games and puzzles markets and the children's and youth book market in Germany, Ravensburger enjoyed a good financial year. Sales at the Ravensburger Group increased by 6.3 % year-on-year to € 311.7 million, while net income for the year rose by € 1.3 million respectively 3.8 % to € 35.3 million.

The Games, Puzzles and Arts/Crafts division grew 8.3 % to € 245.0 million, recording a 5.9 % increase in Germany and 10.3 %

abroad. The reasons for this development are as follows: Following growth in 2009, sales of traditional games in Germany remained at the high level achieved to date. As such, growth in Germany was largely attributable to the launch of the product innovation "tiptoi®", a joint development by the Children's and Youth Book and Games, Puzzles and Arts/Crafts divisions.

By contrast, sales outside Germany declined in the previous year as a result of the financial crisis. Reluctance among banks to provide liquidity resulted in a reduction in inventories at some of our trading partners, which served to improve real sales in 2010. All of our foreign subsidiaries and our export operations also recorded sales growth compared with 2008, with France and the United Kingdom enjoying the best performance in this respect.

Another encouraging development was the growth in all categories of the Games, Puzzles and Arts/Crafts division.

Despite the contraction in the market, the Children's and Youth Book division improved its sales by 6.4 % year-on-year to € 65.7 million. Of this growth, 70 % is attributable to "tiptoi®", with the remainder generated in particular by the baby and toddler programme "ministeps®" and, as previously, the children's special interest book range "Wieso? Weshalb? Warum?®".

Sales at Ravensburger Spieleland fell by 5.9 % to € 6.7 million, with the number of visitors declining by 9.1 %. This was due to the poor weather at Easter and Whitsun as well as the Football World Cup.

Over recent times, the toy market has also seen growing digitalisation in terms of products, communication and retail alike. Ravensburger has made continuous efforts to ensure a good starting position in this area.

Our product range encompasses three segments: traditional games, games with integrated electronics, and digital products.

In the traditional toy market in Germany, 2010 was another successful year for Ravensburger. In addition to expanding our market leadership, we were responsible for the best-selling product in the German toy market, namely "Schlag den Raab".

In the area of products with integrated electronics, the children's game "Wer war's?" provided the breakthrough in the market following "King Arthur" (2003) and "Die Insel" (2005). This range has since been successfully expanded with the follow-ups "Wo war's?" and "Wer war's? Das 2. Abenteuer". Today, this market segment is largely dominated by Ravensburger. Our success is also due to the combination of two worlds: the social situation in the sense of the shared experience offered by a traditional game, and the digital technology that controls the game in unpredictable ways and increases the fun factor. The latest innovation is the audio-digital learning system "tiptoi®", which was launched in September 2010. Specially developed books and games can be actively heard and experienced via a pen equipped with a sensor and a speaker. A download portal provides the software for the various products.

In the area of digital products, our subsidiary "Ravensburger Digital", which was formed in 2009, enjoyed its first notable successes in 2010; for example, "memory®" and "Think®" repeatedly reached the App Store top ten. In the past year, we established the infrastructure to allow us to be active in the rapidly growing online market.

In the company's digital communications, our website relaunch went live in 2010. The new website offers extensive product information, from educational background information through to product descriptions including videos, 360° panoramas and TV clips. In particular, this reflects the growing consumer trend towards obtaining information on a manufacturer and its values from its website. Our online children's game section was also expanded in terms of both design and content. Above and beyond our own website, we reinforced our Internet-based communication activities in order to attract new consumers to our product range.

We also made further steps in the rapidly growing area of online retail, with a particular focus on training our key account managers for the specific requirements of online retail and establishing online sales promotion. We now have a strong position in this area. This was confirmed by the award of "Best Supplier of The Year" for

the goods category of toys, which was conferred on us once again by the online retailer Amazon.

We would like to express our gratitude and appreciation to all of our employees, the members of the Works Council and our commercial partners for their contribution to a successful year for Ravensburger.

In May 2010, the Ravensburger Museum was opened on a larger scale and with a new concept. The exhibition makes the past and present of Ravensburger into an interactive experience. The museum is characterised by the exciting contrast between historical exhibits and digital communication in an old building with contemporary interior architecture. This reflects Ravensburger's understanding of its own position: strongly rooted in tradition, but open to the future. In other words, the museum is a mirror of the Ravensburger brand itself. We would like to invite you to a visual tour of the Ravensburger Museum on the following pages.

The Managing Board



A building that dates back some 600 years and a company whose story began more than 125 years ago: following two years of renovation and restoration, this is the face of the Ravensburger Museum, which opened its doors on 22 May 2010.

Under the motto “Sharing Fascination”, the museum presents the history of the company and the world of Ravensburger products in an interactive exhibition on three floors.

The extensive renovation, which was respectful towards the historical building, the exciting contrast between old structures and modern architecture, the high-quality materials and sensitive furnishings and the contemporary educational and technological execution – all of these elements allow Ravensburger’s brand values and the lively interplay between yesterday and today to be experienced right down to the smallest detail.

THE FUTURE BEGINS
EVERY DAY. SINCE 1883



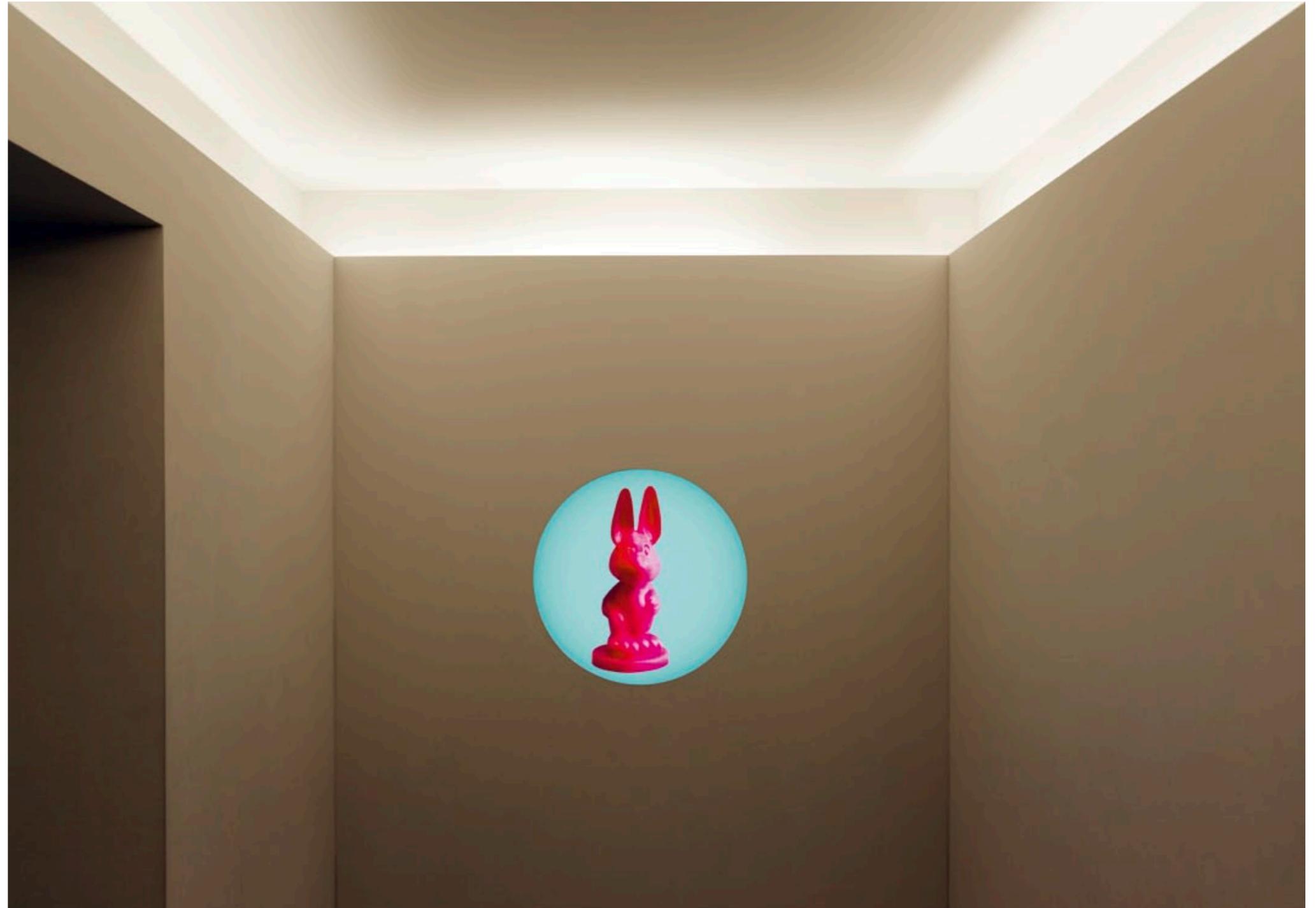


Ground floor: Treasure Chamber with classic games and books

ENJOYMENT,
EDUCATION,
TOGETHERNESS.
IN EVERY RAVENSBURGER PRODUCT



SURPRISING INSIGHTS INTO
THE HEART OF QUALITY





Ground floor: Stairs to the first floor

SOLID FOUNDATIONS,
CONSTANT DEVELOPMENT

REMEMBER. DISCOVER. EXPERIENCE



DARING TO EVOLVE WHILE
KEEPING THE BEST OF THE OLD





First Floor: View through to World of Games

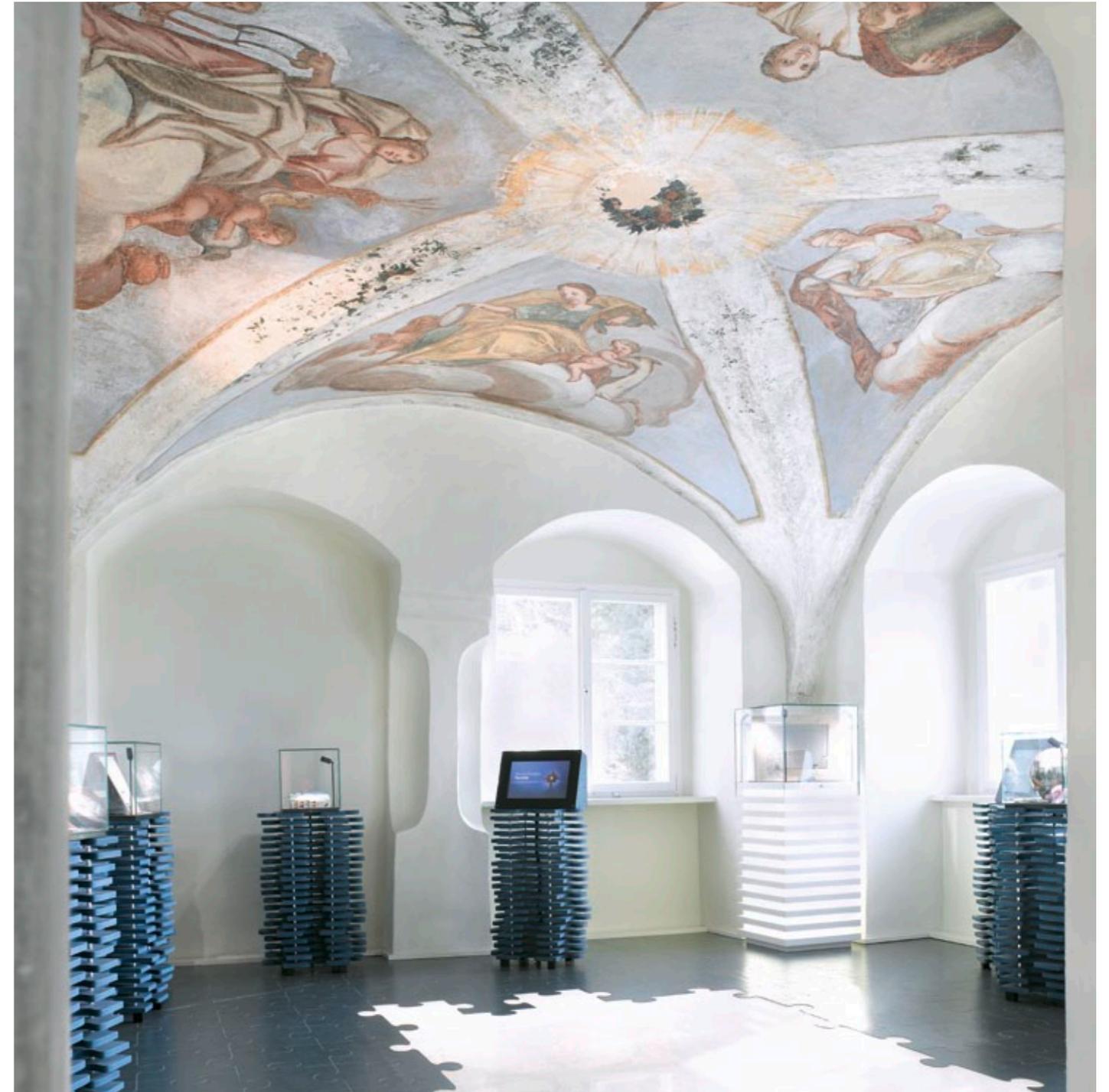
WHEN OLD STORIES
ARE TOLD ANEW



ENJOYMENT IN ALL COLOURS,
EDUCATION IN EVERY BOX



TRUE VALUES ARE TIMELESS



First Floor: Jigsaw Room with baroque ceiling fresco "The Four Virtues"



SMALL STEPS
INTO A BIG WORLD



ROOTED IN TRADITION,
FLYING INTO THE FUTURE





Second Floor: Who? What? Where? with an interactive globe

BECAUSE EDUCATION LIGHTS UP THE WORLD





Ground floor: Stairs to the first floor

GROUP MANAGEMENT REPORT OF RAVENSBURGER AG

OVERVIEW OF RAVENSBURGER AG AND THE GROUP

Ravensburger AG is the management holding of the Ravensburger Group. Various functions of the Group and its German subsidiaries are handled centrally by Ravensburger AG. This applies in particular to the following functions: central marketing, public relations, human resources, financing, treasury, central controlling, IT and legal issues.

In addition to performing its holding function, Ravensburger AG leases land and buildings in Ravensburg to its operating subsidiaries. Furthermore, the companies of the Group are licensed to use the Ravensburger brand. Finally, Ravensburger AG coordinates the group-wide risk management system.

The operating business of the Ravensburger Group is handled by Ravensburger AG's subsidiaries. The Group operates in four divisions: Games, Puzzles and Arts/Crafts; Children's and Youth Book; Leisure and Promotion Service; and Digital Products.

The Games, Puzzles and Arts/Crafts division develops, produces and markets its products internationally, with a focus on Europe. The Group has its own sales companies in the major European markets such as France, the United Kingdom, Italy, Spain, Benelux, Austria and Switzerland, as well as in the United States.

Smaller markets are developed through export business. The products are produced mainly at its own plants in Germany and the Czech Republic.

The Children's and Youth Book division focuses on the German-speaking markets, and publishes and markets picture books, children's non-fiction books, and fictional children's and youth books.

The Leisure and Promotion Service division targets children and parents via Ravensburger Spieleland, and offers a wide range of attractions suitable for children. In addition, promotions and events are offered as services for other brand-name companies. The Leisure and Promotion Service division has been operating Museum Ravensburger since it opened on May 22, 2010. In addition, it runs a Ravensburger outlet shop which opened in June 2010.

The Digital Products division develops products based on Ravensburger game concepts for all major digital media and gaming platforms. Moreover, it designs new product ideas in line with the brand and the content it represents. These include not only online and browser games, but also computer and console games, as well as mobile applications.

Employees as success factor

Apprenticeship at Ravensburger

In the past fiscal year, there were 29 apprentices with training agreements in nine different careers in Ravensburg; there were 16 apprentices in commercial, eight in commercial-technical, and five in logistics careers. Twelve of these apprentices started their vocational training with Ravensburger in fall 2010, while seven were taken on as employees after completing their apprenticeships.

Furthermore, 16 students were employed as part of an academic course combining study and work experience in cooperation with the "Duale Hochschule (University of Cooperation Education) Baden-Württemberg Ravensburg". Four of these students began their studies in 2010. We also took on four of these students in attractive positions within the Ravensburger Group in fall 2010.

International competencies

To actively promote the international training of our cooperative university students, we send three or four of them to our subsidiary Ravensburger USA Inc. each year. The period abroad calls for the ability to act independently and fosters linguistic, intercultural and specialist skills.

Our employees' expertise is continuously developed through in-house training courses. In addition, our employees enhance their language skills through individual training measures and language study trips.

Development of management

The quality of our management is a key factor in the success of our Company. In 2010, 64 managers, 30 % of them women, received training in team and leadership skills, entrepreneurial thinking and labor law as part of our management training program.

Post-graduate trainees

Within the scope of our 24-month post-graduate trainee program, we offer university and college graduates systematic, practice-oriented professional training with targeted on-the-job training. On April 1, 2010, six new trainees started their careers in the areas of innovation management, purchasing, supply chain, and sales and marketing. Selected specialist seminars and workshops enabled them to enhance their professional and soft skills and also advance their personal development.

Interns

Over a period of 18 months, our interns are prepared for future editing jobs by means of comprehensive on-the-job training and a specially developed training program. In 2010, we trained eleven interns for Ravensburger Buchverlag and Spielverlag in the editing departments.

Ravensburger "TOPP" qualification program

A 24-month training program comprising 15 extensive training modules has been established specifically for Ravensburger editors. Creative/design expertise, soft skills and entrepreneurial know-how are taught on the basis of a specially developed skills module. So far, 51 editors from all areas have participated in the "TOPP" program.

Family and career

Women accounted for 55 % of the total workforce in the past fiscal year. Ravensburger's goal is to leverage opportunities available within the Company to make it easier to reconcile the demands of family and career. At Ravensburger, this includes not only making working hours more flexible, but also offering various measures specially designed to promote the interplay of employees' private and professional lives. In addition to family-friendly general conditions and ancillary offerings, supervisors within the Company play a key role. Employees and managers

can approach each other openly, actively address their needs in a spirit of partnership, and work together to find solutions that are both family-friendly and in line with the Company's requirements.

SITUATION AND DEVELOPMENT OF BUSINESS 2010

During the past fiscal year, the economic environment was considerably more favorable than in 2009. Financing conditions for the retail trade returned to normal, and consumer spending improved in almost all countries.

On average, the US dollar appreciated by 4.8 % for the year 2010, likewise the pound sterling gained 3.7 %, and the Swiss franc 8.4 %. As of year-end, the Swiss franc stood at CHF 1.2525/€, 15.6 % up on the previous year.

Under these conditions, the Ravensburger Group was able to leverage the strengths of its offering in terms of content, quality and service to maintain and even improve its market position.

Business development of the operating divisions

Games, Puzzles and Arts/Crafts division

The sales of the division rose to € 245.0 million, an increase of 8.3 % on the previous year (€ 226.2 million). In Germany, the division's largest single market, the market for games and toys grew by 6 % in the past year. At € 105.8 million, sales exceeded the previous-year level by 5.9 % (€ 99.9 million).

About 57 % of sales was generated abroad. Apart from Spain, which stagnated, all the other relevant markets for games and toys grew – above all, the United Kingdom (+9 %) and France (+4 %).

Sales in euro increased in virtually all countries, sales in local currency in Switzerland and the USA decreased slightly. Following a marked decrease in 2009, export business recovered in 2010, growing by 7.2 % to € 18.2 million, exceeding the record year 2008.

In the games segment, gross sales increased by 4.2 %. Particularly noteworthy is the success of the party game based on the German TV show "Schlag den Raab", the country's best-selling game with 200,000 units sold, followed by "Wer war's?", the electronic "Children's Game of the Year" 2008 in Germany. However, the "Phase 10" product range also contributed to the growth of the segment with the new addition to international 3D action games, "Jolly Octopus".

In the puzzles segment, gross sales rose by 4.1 % in 2010. 2D puzzles saw particularly strong development.

Gross sales in the arts/crafts segment increased by 9.5 %, with the "Painting by Numbers" range contributing to growth, as well as the "Mandala Designer" range, which celebrated its tenth anniversary. Sales of the experiment boxes from Ravensburger also increased.

2010 saw the highly successful launch of the audio-digital learning system "tiptoi®", which rounded out the small-children/preschool segment in Germany, Austria and Switzerland. In addition to winning coveted awards, such as the "Toy Innovation Award" 2010 and the children's software prize "Gigamaus", "tiptoi®" won the hearts of consumers, with more than 200,000 products sold. The small-children's program "ministeps®" also developed favorably.

Children's and Youth Book division

The German book market as a whole came out of 2010 with a slight gain of 0.4 %. By contrast, the children's and youth book segment saw a decrease of 3.7 %.

With sales of € 65.7 million and 6.4 % growth, our Children's and Youth Book division further extended its lead in 2010.

The market launch of the new audio-digital learning system "tiptoi®" proved particularly successful. Picture books also saw a sharp increase in sales, closely followed by the "ministeps®" program for small children. In addition, the "Wieso? Weshalb? Warum?" segment developed very favorably. Non-fiction children's books continued the positive development of the previous year thanks to the "Zauberklang" series.

Leisure and Promotion Service division

Ravensburger Spieleland AG

There were 298,250 visitors to Ravensburger Spieleland in 2010, a decrease of 9.1 %. The fall and Christmas market was very well received, with a total of more than 7,000 visitors. Nearly 15,000 season tickets sold are testimony to the appeal of Spieleland.

Sales at Ravensburger Spieleland totaled € 6.7 million (down 5.9 % on the previous year), not quite matching previous-year figures.

Ravensburger Freizeit- und Promotion-Service GmbH

Ravensburger event agency, which operates as a service provider for business customers in the areas of stationary and mobile brand worlds, children's worlds and events, generated sales of € 1.0 million from all its activities in the past fiscal year.

Since May 2010, this business unit has also operated Museum Ravensburger at the Company's headquarters. A total of almost 24,000 visitors have been thrilled by the entertaining and authentic museum concept since the facility opened in May 2010.

Digital Products division

Following the foundation and establishment of the subsidiary's corporate infrastructure in 2009, 2010 was characterized mainly by the development of internal and external capacities for developing digital products. The first developed products focused on online and browser games, as well as mobile apps for the iPhone and iPad. The first products in these areas were developed and published this year, generating sales of € 0.3 million.

Situation of the Ravensburger AG Group

Income situation

The Ravensburger Group generated consolidated sales across all its divisions of € 311.7 million in 2010 (+6.3 %).

Other operating income amounted to € 9.0 million and was almost at the previous-year level.

Operating expenses increased by 7.9 % to € 278.5 million.

The cost of materials increased by 13.5 % to € 95.2 million. This is due not only to the volume effect, but also to increases in the price of raw materials (cardboard) and the price of merchandise from the Far East. Personnel expenses climbed to € 71.3 million. This increase is due to the average number of employees, which rose by 66 full-time equivalents, particularly in the industrial area, as well as an increase in wages and salaries. This was offset by the first-time disclosure of the interest portion of the pension provisions under interest expenses, rather than under personnel

expenses as in previous years. In this context, the disclosure provisions of the BilMoG [“Bilanzrechtsmodernisierungsgesetz”: German Accounting Law Modernization Act] were followed. Depreciation of property, plant and equipment increased by € 0.6 million to € 5.3 million, partly as a result of the completion of Museum Ravensburger in May 2010. Other operating expenses increased by € 6.1 million to € 106.7 million. This was due in particular to sales-volume-related selling expenses, royalties and advertising expenses.

The financial result fell by € 0.9 million to € 1.3 million. This was primarily due to the first-time disclosure of the interest portion of the provisions in the financial result.

The result from ordinary activities amounted to € 45.9 million, € 1.2 million higher than the previous-year figure.

The Group’s extraordinary result of € –0.4 million was at the previous-year level. This figure contains the netted adjustment entries pursuant to the BilMoG as of January 1, 2010.

As in the previous year, tax expenses came to € 10.2 million.

On balance, the Ravensburger Group achieved a net profit for the year of € 35.3 million, up € 1.3 million on the previous year.

Net assets

At € 289.9 million, the Group’s total assets as of December 31, 2010 were € 28.0 million up on the previous year (€ 261.9 million). This is primarily due to investments in property, plant and equipment, as well as the increase of capital tied up in current assets used in operations.

On balance, fixed assets rose by € 29.4 million to € 98.2 million. At € 11.3 million, investments in fixed assets were up on the previous year (€ 5.1 million) and significantly higher than depreciation of property, plant and equipment (€ 5.5 million). Taking exchange rates into consideration, property, plant and equipment therefore increased by € 6.7 million, primarily as a result of investments in a logistics project for the Ravensburg location and in new technologies. In addition, Museum Ravensburger was completed and opened in May 2010.

The increase in financial assets is mainly attributable to the long-term fixed-income mortgage bonds included in the fixed assets. These long-term mortgage bonds increased in the reporting period by € 21.4 million to € 46.3 million as it was possible to invest free liquidity for the medium-term at a more favorable rate of interest.

Current assets decreased during the same period by € 1.6 million to € 190.2 million. There are two contradictory developments in this context:

On the one hand, the portion of shares and short-term mortgage bonds held in current assets within the scope of asset management was increased by € 5.2 million.

Furthermore, there was an increase in capital tied up in current assets used in operations (inventories, receivables and other assets).

As of the balance sheet date, inventories increased by € 5.4 million, particularly in the Games, Puzzles and Arts/Crafts division, due to stockpiling of merchandise for new products and 2011 promotion items in particular.

Trade receivables increased by € 11.8 million. This is mainly due to the rise in sales mentioned above. As a result of seasonal factors, the majority of this sales was generated in the last quarter and was therefore not yet due as of the balance sheet date.

On the other hand, free liquidity decreased by € 25.7 million as a result of switching out to longer-term cancelable investments.

Liquidity/cash flow

The cash flow from ordinary business operations of the Ravensburger Group was € 25.4 million in the reporting year, some € 31.2 million under the previous-year figure (€ 56.6 million) as of the balance sheet date, although cash flow from operating activities was up on the previous year due to the good net profit for the year. A major reason for the decrease in the cash flow from ordinary business operations was the capital of € 16.4 million tied up in net current assets required for business operations as of the balance sheet date. This is offset by funds released from the provisions of € 3.7 million, as well as depreciation, amortization and other non-cash income and expenses of € 2.9 million.

Cash flow from investing activities amounted to € –36.9 million. In addition to capital expenditures in fixed assets of € 11.3 million already mentioned, this is due mainly to the medium- and long-term investment of part of the free liquidity in securities classified as current assets.

At € 14.4 million, the dividend distribution was at previous-year level.

Cash and cash equivalents therefore decreased, taking into consideration exchange rates, by a total of € 25.6 million. As of year-end, the Ravensburger Group does not record any liabilities to banks.

Financing structure

The equity of the Ravensburger Group increased from € 161.9 million to € 183.7 million in the past fiscal year. This is due to the net income for the year for the Group of € 35.3 million, less the dividend distribution of € 14.4 million. This yields an equity ratio of 63.4 % (previous year: 61.8 %).

Pension provisions fell by around € 0.4 million to € 24.3 million. This is primarily due to first-time netting of employer’s pension liability insurance with pension provisions.

The tax provisions decreased to € 1.4 million (previous year: € 2.6 million). Other provisions increased by € 5.2 million in the past fiscal year. This is due to a sales-related increase in provisions for returned goods, bonuses and advertising contributions (€ 2.8 million) as well as in other provisions (€ 2.4 million).

Trade payables, including prepayments received, increased by € 2.4 million on the previous year to € 28.5 million as of the reporting date.

At € 8.2 million, liabilities to Ravensburger Holding GmbH & Co. KG exactly matched the previous-year figure. Of this liability, an amount of € 7.8 million was paid out at the beginning of 2011.

During fiscal 2010, there was an average of 1,471 full-time equivalents in the Ravensburger Group (previous year: 1,405).

Due to the positive development of sales in Germany and abroad, there has been a positive and stable development of net assets, financial position and results of operations, with a reasonable increase in costs.

Risk management and internal control system

In order to identify, at an early stage, developments jeopardizing the Group’s ability to continue as a going concern, the Managing Board has set up a monitoring system that covers the entire Ravensburger Group. Within the scope of the risk management system, corporate risks are continuously identified, analyzed and assessed.

In addition to regular audits and special projects, the risk management system is based on ongoing reporting of monthly key figures and the analysis of deviations from the budget.

Activities in the area of liquidity hedging and currency hedging are aimed at ensuring the liquidity of the respective required currencies. In line with internal regulations, a planning horizon of one year is not exceeded.

Where possible, the central treasury of Ravensburger AG reduces any foreign currency risks for the Group within the scope of cash management through netting, and, if necessary, hedges residual risks against exchange rate fluctuations by means of forward exchange contracts.

OUTLOOK AT THE BEGINNING OF FISCAL YEAR 2011

The development of pan-European product brands under the Ravensburger brand will continue in 2011. Investments in innovative products and technologies within the scope of innovation management will remain a focus.

In spring 2011, the logistics of our subsidiaries in France, the Netherlands and Belgium will be insourced, as planned. In the future, these functions will be handled by the German parent company.

The new products and relaunches developed for the Games, Puzzles and Arts/Crafts division were warmly received by the retail trade, above all the newly launched products of the audio-digital learning system “tiptoi®”. In addition, the “Labyrinth” product range celebrates its 25th anniversary, and the range of electronic board games will be expanded.

In the Children’s and Youth Book division, we expect the product innovation “tiptoi®” and the new “Friendz” imprint, in cooperation with the Kids and Concept company, to develop positively.

We see possible risks for business development in the current year mainly as regards the following points:

- A process of increasing concentration on the part of the retail trade, with possible closures of some outlets and the associated danger of a reduction of margins for manufacturers and suppliers
- A further drop in retail prices
- The increasingly late start of Christmas business, which makes it difficult to make subsequent deliveries on time

In summary, the Managing Board of Ravensburger AG expects stable sales markets and a slight increase in sales in the years 2011 and 2012. However, difficult external conditions are offset by business opportunities through new products and relaunches. Due to additional investments in the market, rising raw material prices, and uncertainties regarding exchange rates, the Managing Board expects earnings and financial position to be stable in the current and following fiscal year.

There were no events of material importance after the balance sheet date.

Ravensburg, March 10, 2011

The Managing Board

Ravensburger AG Group, Ravensburg
Consolidated balance sheet as of December 31, 2010

ASSETS	€	€	T€
			Dec. 31, 2009
A FIXED ASSETS			
<i>I. Intangible assets</i>			
1. Purchased film rights, software, licenses and similar rights	1,492,057.87		39
2. Prepayments	101,164.14		311
	<u>1,593,222.01</u>		<u>350</u>
<i>II. Property, plant and equipment</i>			
1. Land and buildings	30,023,541.30		28,533
2. Plant and machinery	4,592,344.46		3,960
3. Other equipment, furniture and fixtures	13,015,431.71		8,075
4. Prepayments and assets under construction	2,350,289.67		2,734
	<u>49,981,607.14</u>		<u>43,302</u>
<i>III. Financial assets</i>			
1. Shares in affiliates	303,837.28		288
2. Equity investments	15,289.00		15
3. Securities classified as fixed assets	46,324,284.68		24,871
	<u>46,643,410.96</u>		<u>25,174</u>
	98,218,240.11		68,826
B CURRENT ASSETS			
<i>I. Inventories</i>			
1. Raw materials, consumables and supplies	7,915,742.27		5,741
2. Work in progress	2,875,101.28		2,748
3. Finished goods and merchandise	17,870,175.08		14,713
4. Prepayments	378,436.32		373
	<u>29,039,454.95</u>		<u>23,575</u>
<i>II. Receivables and other assets</i>			
1. Trade receivables	82,344,222.38		70,461
2. Receivables from affiliates	404,639.38		256
3. Other assets	9,138,439.51		7,903
	<u>91,887,301.27</u>		<u>78,620</u>
<i>III. Securities</i>			
Other securities	21,899,164.87		16,672
<i>IV. Cash on hand, central bank balances and bank balances</i>			
	<u>47,434,620.31</u>		<u>73,069</u>
	190,260,541.40		191,936
C PREPAID EXPENSES		926,583.99	678
D DEFERRED TAXES		522,897.42	437
	289,928,262.92		261,877

EQUITY AND LIABILITIES	€	€	T€
			Dec. 31, 2009
A EQUITY			
<i>I. Subscribed capital</i>	12,480,000.00		12,480
<i>II. Capital reserves</i>	39,050,000.00		39,050
<i>III. Revenue reserves</i>	56,071,386.75		48,132
<i>IV. Net retained profit</i>	76,087,380.53		62,235
	183,688,767.28		161,897
B PROVISIONS			
1. Pension provisions	24,312,865.56		24,653
2. Tax provisions	1,449,668.37		2,592
3. Other provisions	38,513,020.33		33,320
	64,275,554.26		60,565
C LIABILITIES			
1. Prepayments received on account of orders	18,864.68		36
2. Trade payables	28,460,787.41		26,071
3. Payable to affiliates	8,384,697.48		8,390
4. Other liabilities	5,016,911.91		4,862
	41,881,261.48		39,359
D DEFERRED INCOME		82,679.90	56
	289,928,262.92		261,877

Ravensburger AG Group, Ravensburg
Income statement for fiscal year 2010

	€	€	2009 T€
1. Sales	311,659,925.85		293,255
2. Increase (previous year: decrease) in finished goods and work in process	2,028,546.87		-1,867
3. Other own work capitalized	349,025.05		128
4. Other operating income	9,024,938.75		9,165
		323,062,436.52	300,681
5. Cost of materials			
a) Cost of raw materials, consumables and supplies and of purchased merchandise	83,455,331.03		71,970
b) Cost of purchased services	11,715,554.21		11,967
		95,170,885.24	83,937
		227,891,551.28	216,744
6. Personnel expenses			
a) Wage and salaries	57,913,521.46		55,983
b) Social security	10,976,160.34		10,193
c) Pension costs and other benefit costs	2,407,268.28		2,787
	71,296,950.08		
7. Amortization, depreciation and write-downs of intangible assets and property, plant and equipment	5,297,849.11		4,676
8. Other operating expenses	106,680,061.39		100,644
		183,274,860.58	
		44,616,690.70	42,461
9. Income from other securities and long-term loans including disposals earnings and income from write-ups	2,340,111.39		1,771
10. Other interest and similar income	660,771.44		841
	3,000,882.83		
11. Write-downs of financial assets and securities classified as current assets including disposals losses	247,078.39		113
12. Interest and similar expenses	1,442,042.71		298
	1,689,121.10		
		1,311,761.73	2,201
13. Result from ordinary activities		45,928,452.43	44,662
14. Extraordinary income	388,074.51		0
15. Extraordinary expenses	833,574.00		455
16. Extraordinary result		-445,499.49	-455
17. Income taxes	9,681,753.32		9,526
18. Other taxes	550,861.17		654
		10,232,614.49	10,180
19. Net income of the group		35,250,338.45	34,027
20. Profit carryforward from the prior year		47,834,808.72	56,332
21. Allocations to revenue reserves		6,997,766.64	28,124
22. Net retained profit		76,087,380.53	62,235

Supervisory Board

Dr. Klaus P. Bleyer
Lindau
Chairman

Dorothee Hess-Maier, Ravensburg
Ravensburg
Vice-Chairwoman

Rolf Allmendinger
Geislingen

Dr. Wolfram Freudenberg
Stuttgart

Carel Halff
Augsburg

Dr. Dieter Kurz
Oberkochen

Managing Board

Karsten Schmidt
Ravensburg
Spokesman until December 31st, 2010
Chairman since January 1st, 2011

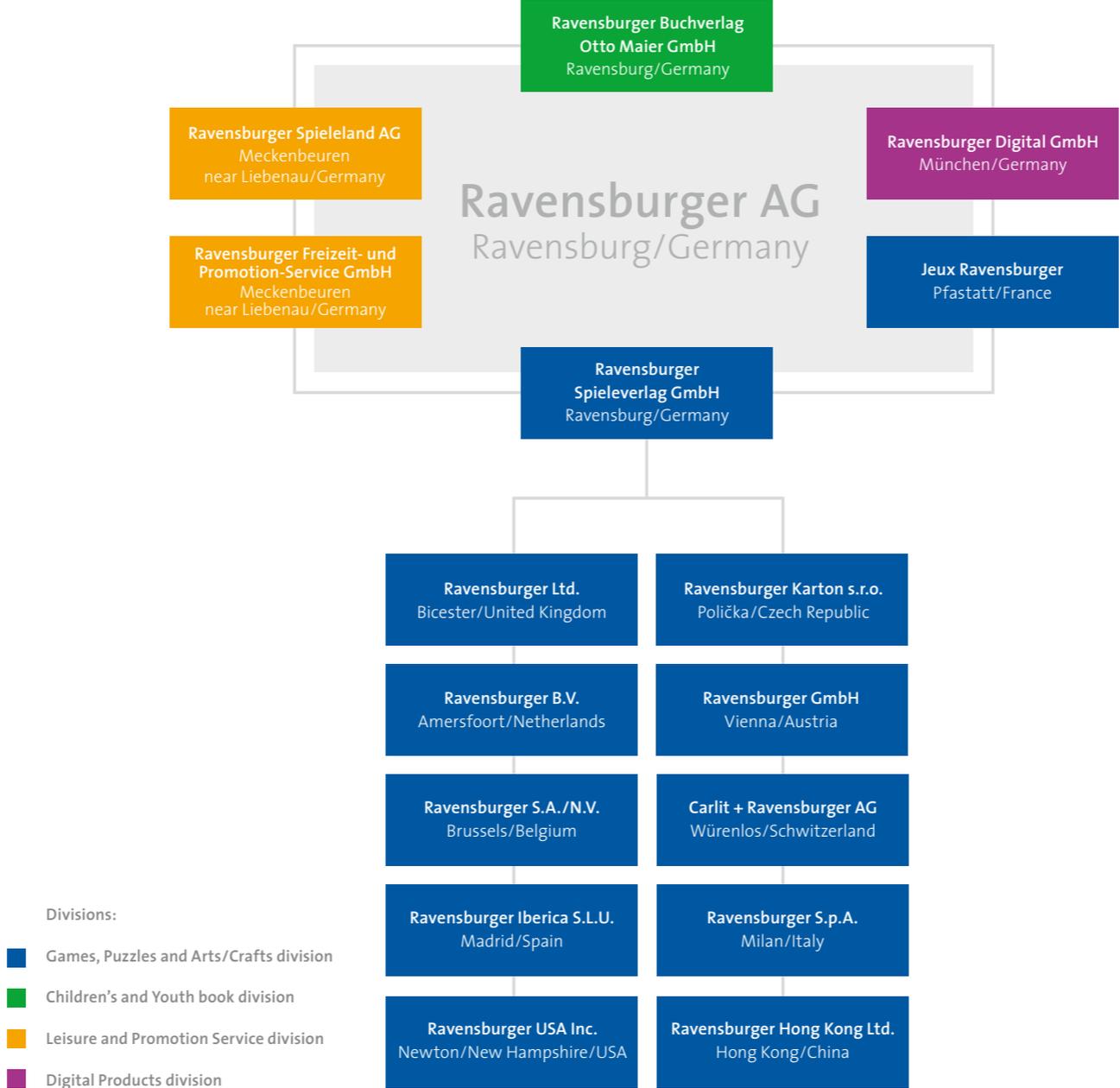
Jörg-Viggo Müller
Reutlingen

Clemens Maier
Bregenz/Austria
Since January 1st, 2011

Comparative of the Ravensburger AG Consolidated Group

	2000 T€	2001 T€	2002 T€	2003* T€	2004* T€	2005* T€	2006 T€	2007 T€	2008 T€	2009 T€	2010 T€
Sales without consolidated sales RTV Family Entertainment AG	284,375	288,328	254,444	266,972 258,343	286,575 280,536	287,671 283,770	281,505	285,761	287,768	293,255	311,660
Results from ordinary activities as a percentage of sales	-5,216 -1.8 %	7,952 2.8 %	23,234 9.1 %	27,562 10.3 %	32,173 11.2 %	40,885 14.2 %	45,623 16.2 %	39,993 14.0 %	33,575 11.7 %	44,662 15.2 %	45,928 14.7 %
Net income/(loss) for the year after tax margin as a percentage of sales	-14,498 -5.1 %	5,424 1.9 %	9,589 3.8 %	14,884 5.6 %	26,271 9.2 %	29,075 10.1 %	30,883 11.0 %	25,838 9.0 %	24,318 8.5 %	34,027 11.6 %	35,250 11.3 %
Cash flow** as a percentage of sales	12,118 4.3 %	17,900 6.2 %	39,100 15.4 %	28,900 10.8 %	36,700 12.8 %	40,200 14.0 %	41,400 14.7 %	32,237 11.3 %	30,967 10.8 %	38,247 13.0 %	39,817 12.8 %
Balance sheet total	245,946	226,070	198,257	256,736	265,001	234,654	237,055	257,758	239,099	261,877	289,928
Shareholder's equity as a percentage of balance sheet total	25,673 10.4 %	31,805 14.1 %	34,422 17.4 %	57,753 22.5 %	83,237 31.4 %	97,845 41.7 %	121,244 51.1 %	131,704 51.1 %	142,400 59.6 %	161,897 61.8 %	183,689 63.4 %
Number of employees (year-end)***	1,862	1,727	1,440	1,377	1,448	1,333	1,310	1,356	1,383	1,405	1,471
Investments in tangible fixed assets	8,580	3,334	2,763	1,952	4,739	7,891	3,282	5,812	4,515	5,108	11,300
Depreciation of tangible fixed assets	11,846	15,877	8,048	7,203	6,137	6,211	6,889	6,444	5,278	5,060	5,476
<p>* 2003–2005 consolidated financial participations RTV Family Entertainment AG included ** Operating cash flow without working capital and accruals established in accordance with DRS 2 (German Accounting Standards No. 2) *** from 2005 in full-time equivalents (previously: in headcounts)</p>											

Organigram of the Ravensburger AG Group



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Ravensburger AG Group
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