Press Release

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International Spielwarenmesse 2017

Ravensburger: A Decade of Growth

Ravensburg – The Ravensburger Group has increased its sales for 10 years in a row despite sometimes difficult market conditions. During the previous financial year, the company grew by 6.9%, to €474.5 million*, which was once again stronger than the market environment. All business divisions show a positive development. Toys, in particular, contributed to the growth in sales at Ravensburger. Among the most successful products was the "tiptoi®" digital-audio learning system. But classic games, such as "Scotland Yard" and "Labyrinth," also enjoyed higher sales volumes. In addition, BRIO, now in its second year with the Ravensburger Group, enjoyed double-digit growth for a second time.

Sustained Positive Development of the Group

Between 2006 and 2016, Ravensburger Group sales rose by roughly 70%. The company has thereby developed more dynamically than its market environment. These gains can be attributed to several factors: On the one hand, Ravensburger has steadily invested in its innovative strength and established some of the most successful brands on the German toy market. The integration of digital elements into haptic products, in particular, has enhanced the playing experience of consumers and given Ravensburger sustained growth in sales. On the other hand, the company has expanded through its acquisitions of BRIO and the US game developer Wonder Forge. On the eve of the toy trade fair in Nuremberg, Ravensburger Group CEO Karsten Schmidt said: "Our company is in excellent shape. We have a good starting point for facing the future and continuing to grow."

Games, Puzzles and Arts/Crafts Division: High Demand for tiptoi®, Classic Games and 3D Puzzles

Toys continued their positive trend in Western Europe in 2016. The large Western European toy markets^{**}, which are core for Ravensburger, had combined growth of 4.4%. Ravensburger enjoyed stronger growth than the markets: The *Games, Puzzles and Arts/Crafts* division, Ravensburger's largest as it accounted for 76% of combined sales, saw a year-on-year increase in sales of 8.2%, to €358.9 million*.

In Germany, Ravensburger toys experienced robust growth in sales, of 14.1%, to €140 million*, making the company the second-largest supplier on the German toy market. The "tiptoi®" digital-audio learning system was a decisive

* Please note: 1) All figures provided in the text are on a provisional basis. We will publish final revenue and earnings figures at our annual results press conference in June 2017. 2) Only Ravensburger Group revenues were specified after consolidation. ** G5 countries: Germany, France, the UK, Italy and Spain. Download fotos and text: <u>www.ravensburger.de/presse</u> More about Ravensburger: <u>www.ravensburger.de</u> factor in this growth. Since its debut in 2010, sales figures for the line have continuously risen, and it can now be found in nearly half of all households with children between the ages of four and eight.

Sales of classic games also grew last year. For example, sales of the board games "Scotland Yard" and "Labyrinth," which have been on the market for some 30 years and are regularly updated with new versions, saw significant growth. Sales were also stronger than in the previous year for 3D puzzles, especially the "Eiffel Tower – Night Edition" and "Statue of Liberty" buildings as well as the new shoe-shaped "Sneaker" puzzle.

Outside of Germany, sales of Ravensburger toys rose by 4.2%, to €217.8 million. The company's strongest growth was in Southern Europe. In Italy and Spain, the rise in sales was particularly owed to licensed products tailored to the market.

BRIO: Another Year of Double-Digit Growth

In 2015, Ravensburger acquired the prestigious Swedish toy manufacturer BRIO in order to accelerate its growth abroad and to advance its expansion from the games market into the toy market. In its second year as part of the Ravensburger Group, BRIO enjoyed strong growth once again, with sales rising by 19.3%, to €55.3 million*. BRIO benefitted from synergies resulting from working with Ravensburger sales and marketing teams in countries such as the UK and the US. In addition, new products around the Rescue theme – such as the BRIO World "Firefighter Set," with a fire station, vehicles and figures – invigorated sales.

Children's and Youth Book Division: Stable Sales Performance

In what continues to be a challenging retail environment, sales of Ravensburger's *Children's and Youth Book* division saw slight growth of 0.4%, to €65 million*. Among the products that sold especially well in 2016 was "Wieso? Weshalb? Warum?", the most successful children's reference book series in Germany. Also in high demand was the licensing program, which was expanded with content such as that of Disney.

Leisure and Promotion Division: Holiday Village in Leisure Park

Sales for the *Leisure and Promotion* division were up by 5.5% on the previous year, to €14.9 million*/**. A significant share of this came from the Ravensburger Spieleland leisure park, which belongs to the division. By opening the holiday village in June 2016, the Spieleland offered family-friendly overnight accommodations on its own grounds for the first time. As a result, the leisure park set a new record for visitors, welcoming 411,900 guests last season.

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