**Accell Group Reports 2017 Financials; Highlights Opportunities within North American Marketplace for Accell North America**

**Kent, Wash. (March 9, 2018)** – Accell Group N.V. (Accell Group), parent company of Accell North America (ANA), today reported on 2017 global financial results. Accell Group is the largest bicycle company in Europe and dominates the European markets in ebikes.

Today’s global earnings release was the first led by Accell Group N.V.'s newly appointed CEO Ton Anbeek, who took over the global leadership role on Nov. 1, 2017. Anbeek is four months into the role and the annual report served the dual purposes of announcing 2017 global financial results and setting out the go forward strategy for the Accell Group.

Accell Group’s 2017 earnings report highlighted strong revenue gains in Germany, Austria, Switzerland and France, that were partially offset by declines in revenue in North America and The Netherlands. Despite the weak performance at ANA in 2017, Anbeek is confident the new management team can bring the necessary transformation and strongly believes in the Ebike and Omnichannel opportunity in North America.

**North America Retail Correction:**

The global earnings release highlighted the significant retail market corrections in the North American market in 2017 that resulted in a 14% revenue decline at ANA that negatively impacted Accell Group global results and lead to a restructuring at ANA. A new leadership team was recently appointed and immediately set out to increase profitable sales, normalize working capital, reduce costs and complexity across the business, and refocus ANA’s resources on implementing Accell Group’s omnichannel strategy in the North American market.

The refocused omnichannel strategy includes a new focal point: renewed partnerships with forward-looking Independent Bicycle Dealers (IBD’s). That new strategy includes the updated omnichannel pricing strategy announced publicly on Jan. 19, 2018. As a result of the modified omnichannel approach, a large group of IBD’s has already signed on to be part of a ground-floor opportunity to modernize their businesses to serve today’s growing cadre of online consumers.

Despite the revenue decline, ANA produced several positive developments in the North American markets in 2017 which are expected to support renewed ANA growth in 2018 and beyond. Those positive developments include:

* Significantly higher revenue from ANA’s direct-to-consumer (D2C) businesses and other online sales channels.
* Growing e-bike sales for the Haibike, Raleigh and iZIP e-bike brands.
* Further successful integration of Beeline Mobile Bike Services, supporting increased direct-to-consumer relationships to IBD’s.
* Increased digital presence via robust digital marketing efforts by ANA to help dealers realize more foot traffic and retail sales.
* Expanded offers to IBD’s to participate in new revenue streams through e-commerce fulfillment with minimal inventory carrying costs.
* The opportunity for IBD’s to franchise Beeline Mobile Bike Services to increase the reach of their business without additional investments in brick and mortar locations.

These and other efforts initiated by newly appointed ANA management team have attracted more than 30 new dealers to ANA in the first week after the program launched in January 2018.

**Global Strategic Growth Initiatives:**

Accell Group announced its own global restructuring that includes separating the globe into 6 operating regions including DACH (Germany, Austria and Switzerland), Benelux, Southern Europe, UK & Ireland, Scandinavia and North America. Those regions account for almost 98% of global Accell Group sales. Globally, Accell Group is focusing on the following strategic initiatives to drive improved results in 2018:

* Strong expansion of ebikes globally, supported by improved ecommerce / digital platforms, experience centers, and mobile bike service
* Focused marketing efforts so that total marketing spend will be less fragmented
* Fewer but more impactful product and brand experience innovations
* Continued supply chain rationalization coupled with cost and complexity reduction

Overall, Accell Group expects to use savings from organizational simplification and complexity reduction to support brand marketing and innovation across the globe.

**ABOUT ACCELL GROUP:**

Accell Group, located in Heerenveen, The Netherlands, has leading brand positions in the Netherlands, Belgium, Germany, Italy, France, Finland, Turkey, the United Kingdom and the United States. In Europe, and is market leader in the bicycle market measured in turnover. Accell Group’s best known brands are Haibike (Germany), Winora (Germany), Batavus (Netherlands), Sparta (Netherlands), Koga (Netherlands), Lapierre (France), Ghost (Germany), Raleigh and Diamondback (UK, US, Canada), Tunturi (Finland), Atala (Italy), Redline (US), Loekie (Netherlands) and XLC (international). Accell Group and its subsidiaries employ more than 3,000 people in eighteen countries worldwide. The company has production facilities in the Netherlands, Germany, France, Hungary, Turkey and China. Accell Group products are sold in more than seventy countries. Accell Group shares are traded on Euronext Amsterdam and are included in the Amsterdam Small Cap index (AScX). In 2016, Accell Group sold around 1.5 million bicycles and recorded profitable turnover of over € 1 billion. 

**ABOUT ACCELL NORTH AMERICA (ANA):**

ANA is the North American arm of the Accell Group, the leading bicycle company in Europe, and a global leader in ebikes. Accell Group is one of the most stable, largest bicycle companies in the world, and is the parent company of Raleigh Bicycles, and the Raleigh Electric bicycles, iZip and Haibike ebike brands, as well as Diamondback and Redline bicycles. ANA is also the largest investor in Beeline, a mobile channel franchise opportunity that also offers IBD’s a powerful tech platform, yielding strong data that will continue to strengthen ANA’s new omnichannel program.

For more information on ANA’s Omnichannel Strategy, contact Larry Pizzi: [LPizzi@accellna.com](mailto:LPizzi@accellna.com)

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