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PRESS RELEASE

Accell Group books € 23 million profit in first half 2012

Heerenveen, (the Netherlands) 26 July 2012 - Accell Group N.V. realised an increase in turnover of 19% to 445.6 million in the first half of 2012 compared with € 373.0 million in the first half of 2011, with 2% of this increase being organic. The net operating result[1] decreased to € 23.2 million in the first half of 2012, down 15% from the € 27.3 million reported in the first half of 2011.

René Takens, CEO of Accell Group: "*Cycling continues to gain in popularity both in Europe and beyond, however new bicycle purchases in a number of countries were at a lower level in the first half of 2012 compared to the previous year. The ongoing uncertainty about economic developments is having a marked impact on consumer spending. Many people are choosing to postpone purchases of expensive goods such as bicycles. In most of the European countries where we are active, the weather conditions were also very much against us in the traditionally important second quarter of the year. Despite this, we managed to increase turnover organically still; the results were lower due in particular to lower turnover in the Netherlands, exchange rate effects and extra discounts.*
We expect the new annual collection and, once again, a great number of innovations to contribute to an increase in turnover and net operating result in the second half of the year compared to the same period in 2011. Whether this will be sufficient to result in a year-on-year increase in the full-year result will depend among others on the economic developments and the weather conditions. Based on the current state of affairs, we anticipate that the net operating result for the full year 2012 will not exceed that of 2011. In the longer term, Accell Group expects a continuation of growth in turnover and net operating result."

Key developments first half 2012

Accell Group booked an increase in turnover of 19% in the first half of 2012, with 2% of this increase organic. The largest part of the turnover growth came from the acquisitions of Raleigh Cycle in the second quarter of the year and of Currie Technologies in the United States and Van Nicholas in the Netherlands both in the beginning of 2012. Lower turnover in the Netherlands and France was offset by higher turnover in Germany and Asia. Reduced consumer spending due to the uncertain economic conditions combined with very poor spring weather conditions with a lot of rain meant bicycle sales were substantially lower – especially in May and June – than expected in many European countries.

In the second quarter of 2012, Accell Group acquired Raleigh Cycle, adding globally recognised brands such as Raleigh, Diamondback and Avenir to its brand portfolio. The acquisition has also given a further boost to Accell Group's position in the market for bicycles, bicycle parts and accessories in North America and the United Kingdom. The acquisition will enable Accell Group to realise significant synergies in the field of logistics, sourcing in Asia, sourcing benefits through increases in scale and the intensification of distribution of the Accell Group and Raleigh Cycle brands in their

[1] Net profit excluding one-off items (in 2012: transaction costs Raleigh; in 2011: profit from the participation Derby Cycle, the NMa charge and the costs related to the reorganisation of the fitness activities)

respective markets. The issue of 9.5% of Accell Group's outstanding shares to partly finance the acquisition of Raleigh was successful.

Turnover
(amounts x € million)

Geographic distribution			*By product group*		
Netherlands	124	(-10%)	Bicycles	332	(+14%)
Germany	113	(+9%)	Parts & accessories	104	(+42%)
France	30	(-1%)	Fitness	10	(+8%)
Other Europe	94	(+36%)			
Outside Europe	85	(+163%)			
Total	**446**		**Total**	**446**	

Segment Bicycles / Parts & accessories
Turnover in the segment bicycles / bicycle parts & accessories was up by 20% in the first half of 2012 at € 436 million, from € 363 million in the first half of 2011. The acquisition of Raleigh, which has its primary market positions in the United Kingdom and the United States, boosted the number of bikes sold to 942,000, from 709,000 in the first half of 2011, while reducing the average sales price to € 352, from € 410 in 2011. In organic terms, the average bike price was up 9% due to a different mix of turnover. The segment result was down almost 18% at € 37 million in the first half, from € 45 million in the same period of 2011, mainly as a result of exchange rate differences, extra discounts, lack of turnover growth as a result of lower consumer spending and due to the very poor weather.

Sales of electrical bicycles increased by 15% (organic: 15%). Sales in Germany in particular showed substantial growth. Turnover in sports bikes was up 25%, with 5% of this growth organic. Sales of traditional bikes were up 3%, while organically sales were down 16%.

Provisional market figures show that overall turnover from bicycle sales in the Netherlands was down by more than 20% in the first half of 2012. Turnover of Accell Group brands in the Netherlands was down approximately 13%. Consumer confidence in the Netherlands has reached an historic low. The resultant limited consumer spending, combined with extreme amounts of rain in the second quarter, were the main reasons for the drop in bicycle sales in the Netherlands. Turnover from bicycle parts and accessories was up by approximately 6%.

The German bicycle market saw estimated growth of around 5%. In Germany, sales in Accell Group bicycle brands were up 11%. Sales of electrical bicycles in Germany were up by approximately 50%, due to the strong consumer interest in these products. The sales of the innovative sports bikes of Ghost, Haibike and Winora also increased. Turnover in bicycle parts and accessories in Germany remained stable.

Accell Group's turnover from bicycles in France was down 11% in line with the market, as a result of lower consumer spending and delayed deliveries by suppliers. Turnover in bicycle parts and accessories in France was up more than 15%.

Turnover was up in other countries, both in Europe and beyond, as a result of the acquisition of Raleigh Cycle. The acquisition of Raleigh has given Accell Group a key market position in the United Kingdom and another strong boost to its position in the United States, after the earlier acquisitions of

SBS and Currie Technologies. Turnover increased in Austria and Switzerland, while in Italy turnover was stable. In Scandinavia turnover was up due to the acquisition of Vartex. In Turkey turnover was up as well.

Fitness

Turnover in this segment came in at € 10.1 million in the first half of 2012, unchanged from the € 10.1 million reported in the first half of 2011, and accounting for 2.3% of group turnover. The segment result improved to € -/- 0.9 million, compared with € -/- 1.8 million in the first half of 2011. This was largely due to a higher margin and cost-saving measures. In January of this year, Tunturi presented its new fitness line, which will be delivered from September.

Key financial developments in the first half of 2012

Total turnover was up 19% at € 445.6 million in the first half of 2012, with 2% of this realised organically.

The absolute added value rose by 7% to € 140 million, from € 130 million in the first half of 2011. Excluding the effect of acquisitions, added value was down by approximately 6%. Added value (net turnover minus cost of materials and inbound transport costs) as a percentage of turnover came in at 31.4%, compared with 34.9% in the first half of 2011. In addition to the impact of around 1% from acquisitions, this drop was due in part to the lack of turnover growth in the second quarter and in part to the impact of exchange rate differences and higher discounts.
In order to minimise the impact of exchange rate fluctuations during the season, Accell Group hedges the largest part of its currency needs at the start of each new bicycle season. For this purpose, Accell Group uses, among others, instruments that limit the downside risk by means of a fixed protection, while the company shares to a limited extent in a strengthening of the euro. In addition, deviations from volumes at the end of the season lead to either extra income or extra costs, dependent on the currency movement in the period. In the first half of 2011, the euro gained against other currencies, while the euro weakened against other currencies in the first half of 2012. While this led to benefits in the first half of 2011, it had negative effects in the first half of 2012; on a six-month comparative basis, this led to a difference of approximately € 5 million.
In addition, Accell Group granted more discounts in the first months of this year than in the comparable period of 2011. The fact that the expected turnover growth in the second quarter did not materialise means that the discounts granted could not be compensated. Excluding these effects, the percentage of added value remained reasonably stable on an organic basis.

Operating costs as a percentage of turnover were down at 24.7%, compared with 25.1% in the first half of 2011. This drop was largely due to the acquisition of Raleigh. On an organic basis, operating costs remained stable as a percentage of turnover. The operating result came in at € 29.8 million, compared with € 36.5 million in the first half of 2011. This translates into an operating margin (EBIT) of 6.7%, compared with 9.8% in the first half of 2011.

Interest expenses were up 33% due to the Raleigh Cycle acquisition and the ensuing increased use of credit facilities. Taxes fell to € 3 million compared with the same period of last year. The use of fiscal facilities (in particular, the positive impact the legal restructuring of the German activities in 2009 had on the tax rate) led to a reduction of the average tax burden to 12%, from 20% in the first half of 2011. The net operating result was € 23.2 million.

Acquisition costs, which were largely related to the acquisition of Raleigh Cycle, came in at € 2.8 million in the first half of 2012. In line with IFRS-3 these non-tax deductible costs can no longer be capitalised upon acquisition, as was common practice in the past. Net profit after deduction of these one-off expenses came in at € 20.5 million in the first half of 2012.

The balance sheet total was higher as of 30 June 2012, largely due to acquisitions. The working capital (inventories and accounts receivable minus accounts payable) stood at € 295 million, up from € 257 million a year earlier. Inventories were higher as per 30 June 2012, as a result of the addition of acquisitions. The impact of acquisitions on this item was approximately € 40 million. On an organic basis, inventories were down slightly. Receivables, which stood at € 156 million, also increased, by approximately € 44 million due to acquisitions, while receivables fell slightly on an organic basis, due to the lagging turnover in the last months. Trade accounts payable increased by € 40 million as a result of the Raleigh acquisition. This item increased by around € 3 million on an organic basis. Total bank debt stood at € 176 million as per 30 June 2012, up from € 144 million a year earlier, with around € 55 million of this due to acquisitions.

The operating cash flow before working capital came in at € 24.8 million, compared with € 31.6 million in the first half of 2011. Cash flow from working capital excluding acquisitions was € -/-5.3 million, compared to € -/-16.9 million in the first half of 2011. Cash flow from operating activities (after acquisitions) increased to € 19.4 million, from € 14.7 million in the first half of 2011. Acquisitions accounted for € 59.4 million, compared with € 14.5 million in the first half of 2011. Accell Group issued a total of two million new shares to finance acquisitions. The share issue yielded € 30.8 million after deduction of the issuance costs. The company also arranged a new loan of € 32.0 million with a remaining maturity of around 1.5 years. The solvency ratio at end June 2012 was 43%, compared with 44% at the end of June 2011.

There are no material changes to report in terms of the risks and uncertainties described in the 2011 annual report.

Outlook

Accell Group's products are enjoying strong interest from consumers. Cycling and fitness are considered fun, easy and healthy. In addition, bicycle use is relatively cheap. Many national and regional authorities in Europe and beyond are encouraging the use of bicycles as alternative modes of transport for reasons related to environmental awareness, mobility and health. Accell Group is convinced that the coming years will see more growth in cycling and exercise.

This will have a positive impact on the demand for bicycle parts and accessories and on the demand for bicycles and fitness equipment. The brands that make up Accell Group are able to present a new collection of products for new each season with numerous innovations in both technology and design. Continuous market research ensures that we develop the right products. Sales of electrical bicycles will continue to grow thanks to continued product development and dedicated attention. The Accell Group brands are market leaders in the field of electrical bicycles, as well as key players in high-quality sports bikes. In the coming years, Accell Group will continue to develop this positioning, on the basis of its current solid position in the middle and top segments of the market.

These structural market trends and distinguishing factors together form a solid basis for Accell Group's earnings model and earnings capacity in the coming years.

Expectation
Macro-economic conditions and the weather remain difficult to predict for the second half of 2012. Based on the current market outlook, Accell Group expects an increase in net operating result in the second half of the year when compared to the second half of 2011. Whether this will be sufficient to offset the lagging results in the first half will depend among others on economic developments and the weather this autumn. Based on the current state of affairs, the company anticipates that net operating result for the full year 2012 will not exceed that of 2011. In the longer term, Accell Group expects a continuation of growth in turnover and net operating result.

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About Accell Group
Accell Group is active internationally in the mid-range and higher segments of the market for bicycles, bicycle parts & accessories and fitness equipment. The group is the European market leader in bicycles. The market approach is based on the key concepts 'quality', 'innovation' and 'recognisable added value'. Taking responsibility in producing durable products and actively responding to social and demographic developments in the fields of environment and health are an integral part of Accell Group's strategy.

For consumers this translates into a broad and strong portfolio of brands, including international top brands and well-known national brands, often with a long history. Accell Group's best known brands are Atala, Batavus, Diamondback, Ghost, Haibike, Hercules, Koga, Lapierre, Loekie, Raleigh, Redline, Sparta, Tunturi, Winora and XLC. The company operates close to the market and taking into account the high added value and numerous innovations offered, sales primarily takes place via the specialist retail trade.

The company has production facilities in the Netherlands, Germany, France, Hungary, Turkey and Canada. Turnover in 2011 amounted to € 628.5 million compared with € 577.2 million in 2010 and net profit came in at € 40.3 million, compared with € 36.4 million in 2010. Approximately 34% of turnover was realised in the Netherlands, 28% was realised in Germany and 9% in France. Other European countries, including Belgium, Denmark, Finland, Austria, Italy, Spain, Sweden, Switzerland and the UK, accounted for 20% of turnover. The remaining 9% of turnover came from countries outside Europe, including the US, Canada and Turkey.

Accell Group shares are traded on the official market of the NYSE Euronext in Amsterdam and included in the Amsterdam Small Cap Index (AScX).

<u>For further information:</u>
Accell Group N.V.
René Takens, Chairman of the Board (CEO) tel: (+31) 0513-638701
Hielke Sybesma, Member of the Board (CFO) tel: +(31) 0513-638702
Website: www.accell-group.com

Press conference
Today, 26 July 2012 - Okura Hotel, Amsterdam (Ballroom I), **reception: 9.30 am; start 10.00 am**

Analysts meeting
Today, 26 July 2012 - Okura Hotel, Amsterdam (Ballroom I), **reception: 12.00 noon; start 12.30 pm**

Annexes
- Summary consolidated profit and loss statement as per 30-06-2012 and data per share
- Summary consolidated balance sheet as per 30-06-2012
- Summary consolidated cash flow statement as per 30-06-2012
- Summary consolidated statement of changes in equity as per 30-06-2012
- Summary consolidated statement of realised and non-realised results as per 30-06-2012
- Explanatory notes

SUMMARY CONSOLIDATED PROFIT AND LOSS STATEMENT [1)]

(amounts in € thousands)

	H1 2012	H1 2011
Net turnover	**445,597**	**373,024**
Cost of raw material and auxiliary materials	(305,899)	(242,982)
Staff costs	(52,552)	(44,578)
Depreciations	(4,244)	(3,906)
Other operating costs	(53,067)	(45,030)
	(415,762)	(336,496)
Operating profit	**29,835**	**36,528**
Result of participations	79	273
Financial income and expenses	(3,848)	(2,884)
Pre-tax profit	**26,066**	**33,917**
Taxes	(2,846)	(6,655)
Net operating result	**23,220**	**27,262**
Acquisition costs	(2,768)	0
Net profit	**20,452**	**27,262**

Earnings per share [2)]

(amounts in €)

Earnings per share	0.93	1.32
Weighted average number of outstanding shares	21,915,500	20,729,642
Number of outstanding shares at year-end	23,863,432	21,051,360

[1)] The figures mentioned in this half-year report have not been audited.
[2)] Earnings per share are calculated based upon weighted average number of outstanding shares.

SUMMARY CONSOLIDATED BALANCE SHEET
(amounts in € thousands)

	30 June 2012	31 December 2011	30 June 2011
ASSETS			
Fixed assets			
Tangible fixed assets	75,192	64,110	61,869
Intangible fixed assets	96,349	50,030	48,595
Financial fixed assets	13,417	11,946	18,894
Current assets			
Inventories	220,198	189,087	182,330
Receivables	177,227	114,564	127,926
Liquid assets	6,163	4,259	1,076
TOTAL	**588,546**	**433,996**	**440,690**
LIABILITIES			
Group equity	250,666	214,646	195,576
Provisions [1)]	35,976	22,535	25,009
Long-term debts	72,973	47,994	33,850
Credit facilities	103,252	71,918	110,285
Other short-term liabilities	125,679	76,903	75,970
TOTAL	**588,546**	**433,996**	**440,690**

[1)] Provisions include both long-term and short-term provisions.

SUMMARY CONSOLIDATED CASH FLOW STATEMENT

(amounts in € thousands)

	H1 2012	H1 2011
Cash flow from operations		
Net profit	20,452	27,262
Depreciations	4,244	3,906
Share-based payments	84	389
Cash flow from operations before working capital and provisions	**24,780**	**31,557**
Movement in working capital and provisions	(5,348)	(16,853)
Net cash flow from operations	**19,432**	**10,204**
Cash flow from investment activities		
Movement in fixed assets	(6,143)	(9,046)
Acquisitions subsidiary companies	(59,421)	(14,452)
Net cash flow from investment activities	**(65,564)**	**(18,998)**
Free cash flow [1)]	**(46,132)**	**(8,794)**
Cash flow from financing activities		
Movements in bank loans and bank credit	28,890	18,532
Share- and option arrangements	(447)	0
Share issue	30,808	0
Dividends	(10,978)	(9,890)
Net cash flow from financing activities	**48,273**	**8.642**
Net cash flow	2,141	(152)
Liquid assets as per 1 January	4,259	1,322
Effect of currency exchange liquid assets	(237)	(94)
Liquid assets as per 30 June	6,163	1,076

[1)] Free cash flow is defined as the balance of net cash flow from operations and investment activities.

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(amounts in € thousands)

	2012	2011
Balance on 31 December previous financial year	**214,646**	**180,392**
Dividends	(10,971)	(9,885)
Share issue	30,808	0
Share- and option arrangements	84	389
Other movements	(4,353)	(2,582)
Net profit current year	20,452	27,262
Balance on 30 June current financial year	**250,666**	**195,576**

SUMMARY CONSOLIDATED STATEMENT OF REALISED AND UNREALISED RESULTS

(amounts in € thousands)

	H1 2012	H1 2011
Realised net profit	**20,452**	**27,262**
Fair value adjustments financial instruments	(6,937)	(638)
Exchange differences foreign activities	1,406	(1,436)
Movements in deferred taxes	1,735	142
Total of realised and unrealised results	**16,656**	**25,330**

EXPLANATORY NOTES

Principles of valuation and the determination of results

This interim financial information pertaining to the period ending on 30 June 2012 has been drawn up in accordance with IAS 34 Interim Financial Reporting. For the principles of valuation and the determination of results, we refer to the annual accounts for the financial year 2011 (see the Accell Group N.V. 2011 annual report or go to www.accell-group.com). The interim report does not contain all the information that is prescribed for full annual accounts and should therefore be read in accompaniment with the Accell Group N.V. consolidated annual accounts for 2011. This interim report has not been audited.

Seasonal influences

The operations of Accell Group N.V. are subject to seasonal influences. In general, more turnover is generated in the first half of the calendar year than in the second half of the calendar year. The seasonal pattern is a result of the influence of weather on the sale of the products delivered by Accell Group N.V.

Segment information

The bicycles and bicycle parts segment has booked a net turnover of € 435.5 million in the first half of 2012 (2011: € 363.1 million). Up to and including June 2012, the segment result of bicycles and bicycle parts was € 37.0 million (2011: € 45.0 million). In the first half of 2012, the fitness segment has booked a net turnover of € 10.1 million (2011: € 10.1 million). The segment result of fitness was € -/- 0.9 million for the first half year of 2012 (2011: € -/- 1.8 million). For the purpose of aligning the total of the segment results with the result before taxes of Accell Group N.V., non-allocated costs, and financial income and expenses have been deducted. The non-allocated costs, excluding acquisitions costs, were € 6.3 million (2011: € 6.8 million) and the financial income and expenses were € -/- 3.8 million (2011: € -/- 2.9 million).

Purchase of subsidiaries

At the beginning of January 2012, Accell Group N.V. completed the acquisition of all the shares of Currie Technologies (“Currie”) LLC in Chatsworth (California, USA). Currie develops and sells high quality hybrid electrically powered bikes and electrically powered steps. The company distributes its products via superstores as well as specialist bike shops. In addition, all the shares of van Nicholas B.V. (Numansdorp) were acquired at the beginning of January 2012. Van Nicholas is specialized in the development, design and assembly of - exclusively - titanium bicycles (mountain bikes, racing bikes and touring bikes). By the end of April, Accell Group announced to have reached agreement on the acquisition of all issued shares in Raleigh Cycle Ltd (“Raleigh”) in Jersey (UK). Raleigh is a strong and well-known global bicycle brand. Its best known brands are Raleigh, Diamondback and Avenir. The company operates through production and distribution companies in the United Kingdom, the United States and Canada with in addition worldwide licensing activities and a sourcing company in Asia. Raleigh employs approximately 430 employees.

The transactions have been accounted for by the purchase method of accounting. The preliminary composition of the acquired combined net assets on the date of acquisition is as follows (in € thousands):

	Fair value assumed at acquisition	Fair value adjustments	Book values
Fixed assets	36,668	27,721	8,947
Other assets	96,206	(1,528)	97,734
Liquid assets	3,108	(131)	3,239
Other debts and acquisition obligations	(93,009)	(13,750)	(79,259)
	42,973		
Goodwill	19,556		
Obtained liquid assets	(3,108)		
Net investment cash flow	**59,421**		

Long-term debts

Due to the acquisition of Raleigh the financing of Accell Group has been enlarged with a term loan facility of € 32.0 million secured by Rabobank with a current maturity of 1.5 year at a variable interest rate.

Taxes

In the interim financial information, taxes have been included in the profit and loss account on the basis of the estimated weighted average applicable nominal corporate tax rate.

Outstanding shares

The number of outstanding shares as of 31 December 2011 was 21,094,760. In connection with the granting of provisionally assigned shares to the Executive Board and a number of directors, the number of outstanding shares increased by 22,968 shares. End of April the share capital was enlarged as a result of a share issue of 2,000,000 ordinary shares, which - after deduction of costs - raised € 30.8 million. Mid-May 2012 the dividend for the financial year 2011 was paid, for which 745,704 shares were issued and added to the outstanding share capital. As per 30 June 2012, the number of outstanding shares amounted to 23,863,432; the weighted average number of outstanding shares amounted to 21,915,500 over the first half period. The company has a long-term bonus plan for the Executive Board and a number of directors. The full exercise and respective appropriation of the share and option rights granted to date would increase the number of issued shares by 0.7%.

Dividend

At the Annual General Meeting of shareholders held on 26 April 2012, the dividend for the financial year 2011 was determined at € 0.92 per share, or a stock dividend. Following the expiration of the option period, it appeared that 48% of the shareholders had opted for a stock dividend. As per 22 May 2012, € 10,978,000 in cash dividend was paid and 745,704 shares were issued and added to the outstanding share capital.

Related party transactions

Intercompany transactions and balances between Accell Group N.V. and its subsidiaries are eliminated in the consolidation. The sum of the connected party transactions was € 3.1 million.

Off balance sheet obligations

The obligations not shown in the balance sheet, as included in the 2011 annual accounts, have changed during the first half of 2012, mainly due to the acquisition of Raleigh. As a result, off balance sheet obligations have increased with approximately € 3.5 million as per 30 June 2012.

Executive Board statement

The Executive Board is responsible for setting up and monitoring the efficiency of the internal systems for risk management and audit systems. The Executive Board would like to note at this point that the internal risk management and audit system is intended to identify and control significant risks the company is exposed to, with due consideration for the nature and scope of the organisation. Such a system cannot offer absolute certainty for achieving the objectives. Similarly, it is not possible to completely prevent cases from occurring that involve material errors, damage, fraud or the violation of statutory regulations. Actual effectiveness can only be assessed on the results achieved over a longer period.

With reference to article 5.25d paragraph 2c of the Dutch Financial Supervision Act ("Wft") and with due observance of the above notes regarding the set-up and operation of the internal risk measurement and audit system, as well as based on the audit of the financial statements of the accountant, the Executive Board members state that as far as they are aware, the financial statements as included on pages 7 up to 12 of this report provide a true representation of the assets, liabilities and the financial position on the balance sheet date as well as the profit for the first half year of Accell Group N.V. and the companies included jointly in the consolidation, and the reports as included on the pages 1 to 6 of this report provide a true representation of the information as required under article 5.25d paragraph 8 and 9 of the Financial Supervision Act ("Wft").

R.J. Takens, CEO
H.H. Sybesma, CFO
J.M. Snijders Blok, COO

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