

Welcome to The NPD Group's 2013 Review of the Global Toy Market Prepared for the ICTI AGM



TOY TRENDS REVIEW

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Methodology & Business Model

We create value, enabling clients to make better business decisions



- Industry Expertise
- World-Class Research Sciences, Technology, Panel and Operations
- **1,800 Clients Worldwide**



Consumer Survey

- ❖ U.S.: **3 million** adult registered users
- ❖ Europe: **200,000 active panelists**
 - ❖ Weekly surveys to 14,000

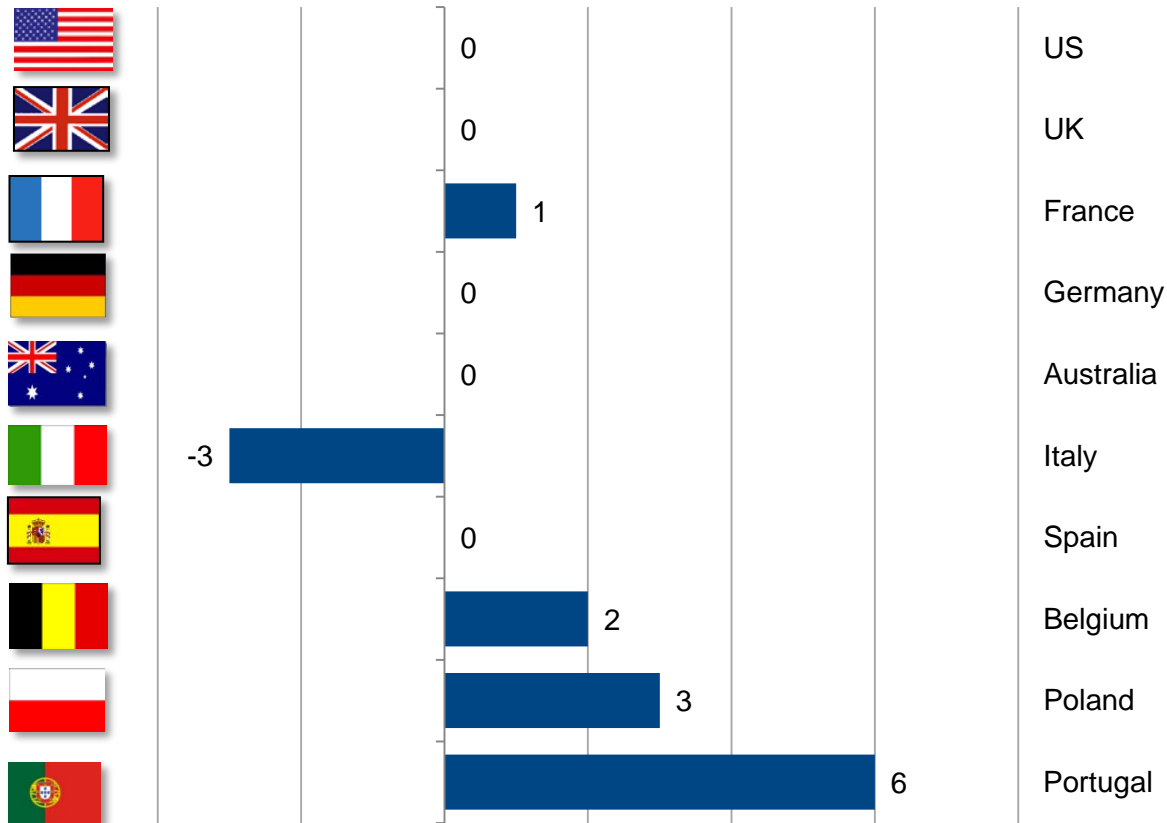


Point-of-Sale Transactions

- ❖ 700 Retail Partners
- ❖ 140,000 Doors

Sales Failed To Grow In Core Markets Units Down In All Major Countries

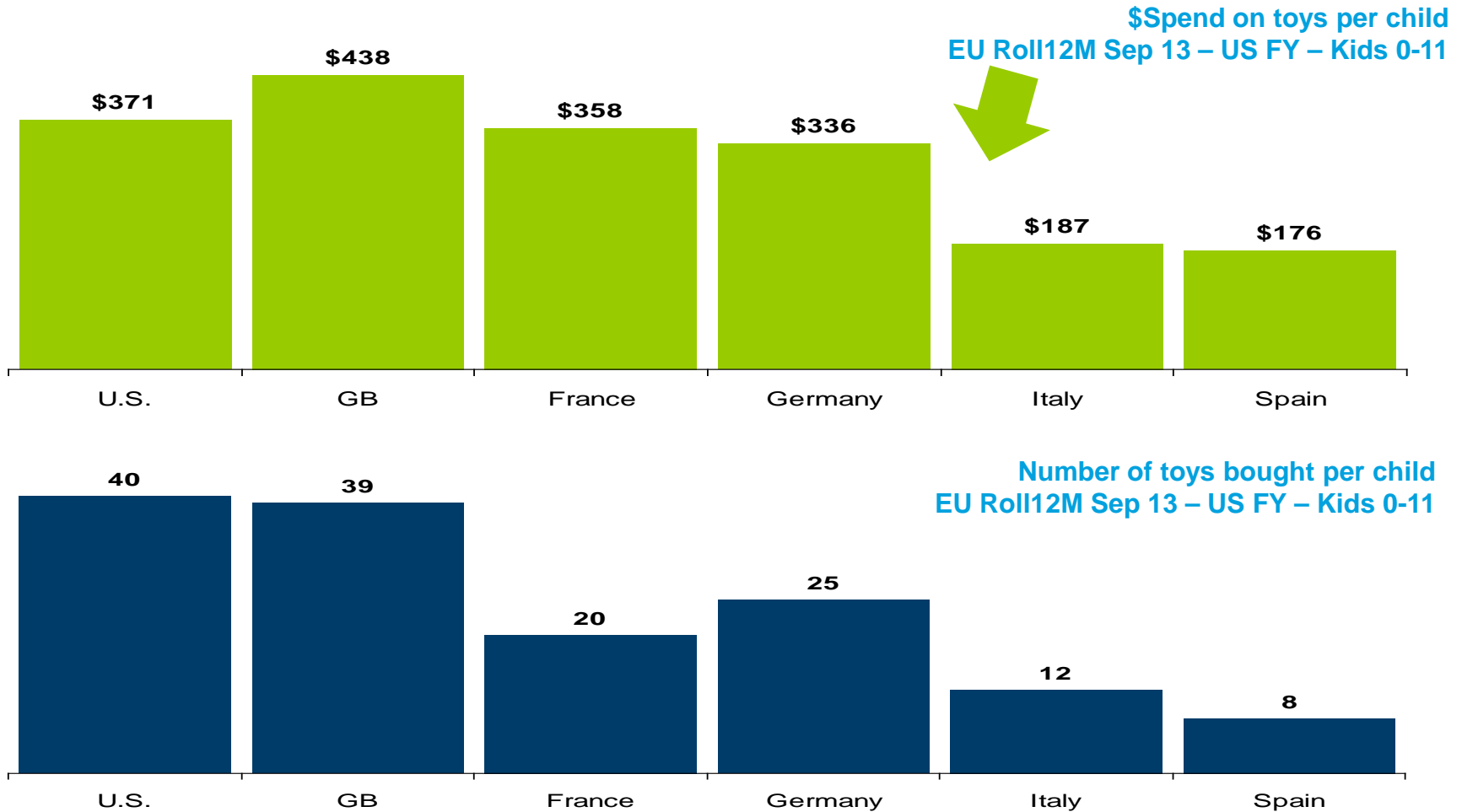
Total Toy Industry Growth /Decline by Country (Ranked by Market Size)



U.S. Data reflects 52 weeks 2013 (1/6/13–1/4/14)

Source: The NPD Group; Consumer for US, UK, SP, DE, FR, IT - POS Tracking Service; Exchange rate €1 = \$ 1.25 – Annual 2013 v 12

Urban Russians Would Spend Approx. \$300 Per Annum Per Kid



Source: The NPD Group /Consumer Tracking Service and Russia Online Study 2013



Industry Growth

Total U.S. Market (All channels)



1) Excludes Mobile Phones

2) Cell/Smart phones (no accessories)


3) Point of Sale data (Note - Jan '13 is a 5 week month)


4) Includes Commercial channel

5) Including Digital & PC Games via *Games Market Dynamics: US*

6) Prestige & Mid-tier retailers

Note: 12 months ending 2013 includes 53 weeks

 y/y % change

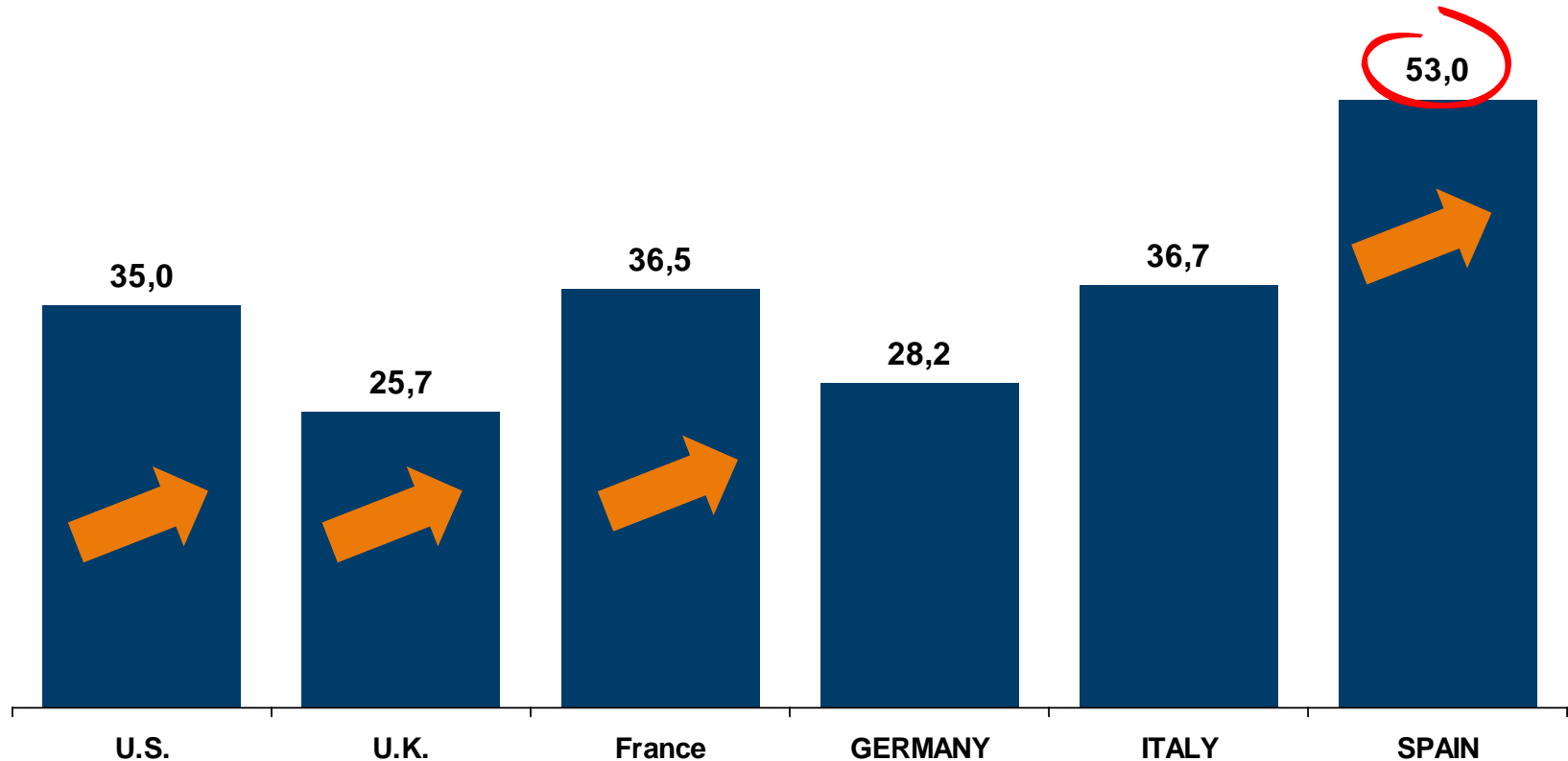
 Dollars — 12me Dec '13 (proj.)

Source: The NPD Group/Consumer Tracking Service, 12me December 2013
 Last updated: February 17, 2014

TOTAL: \$994.5B (+1.8%)

December's Weight Increased In 4 Countries

Last 5 Weeks To Christmas Week 's % Of Annual Sales By Country 2013



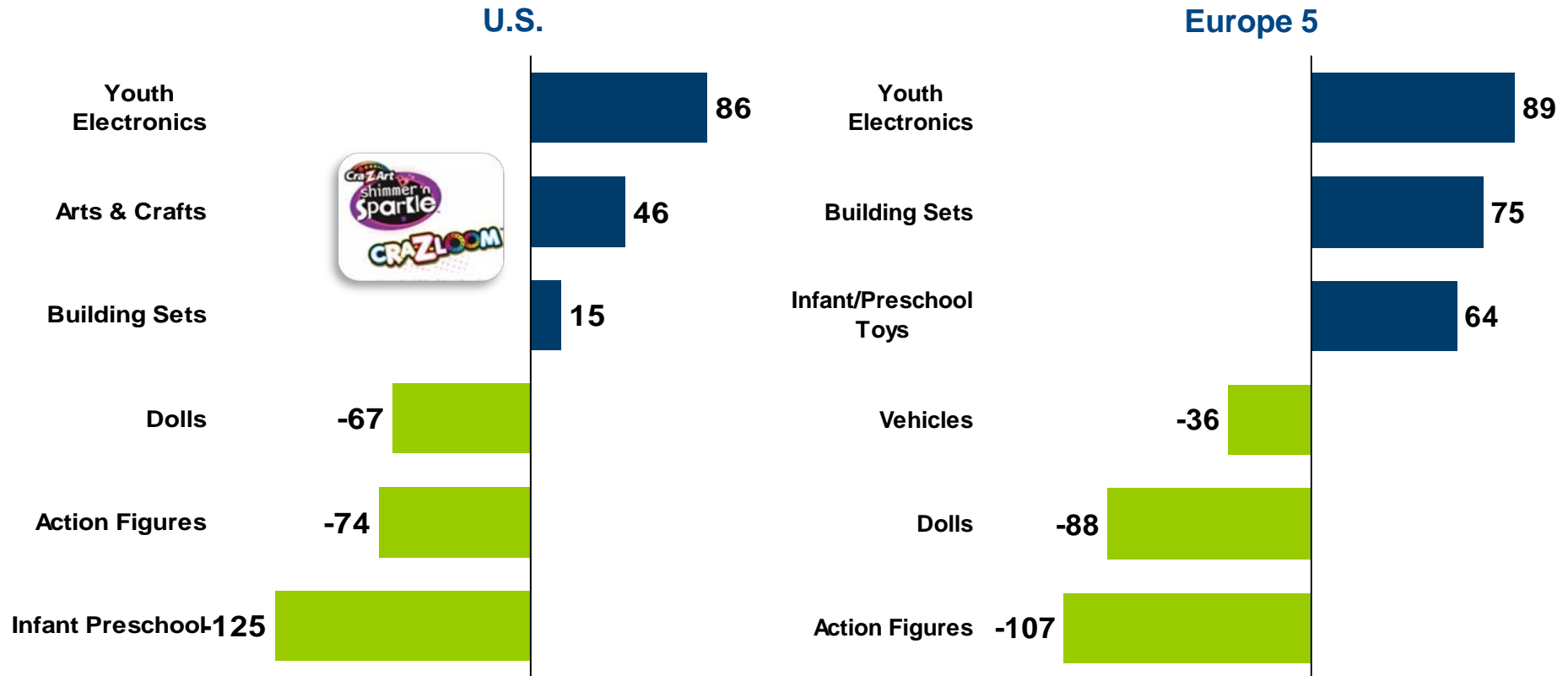
Source: NPD Group | Retail Tracking Service

* Spain includes 6 weeks and Epiphany

2013 Global Review for ICTI

Tech & Building Sets Drive Growth

Supercategory change – US v Euro 5 (ranked by contribution in \$m)
FY 2013 v 12



Source: NPD Group | Retail Tracking Service

2013 Global Review for ICTI

Youth Electronics Top The Charts

Top item for FY 2013 in value by country



#1 item in
Europe 5 in 2013



Source: NPD Group | Retail Tracking Service

2013 Global Review for ICTI

How Is Modern Retailing Shaping Up?

It's a Mobile world

**Christmas has gone
all Social**

**We can't resist a
gadget**

Shoppers are savvier

**Crazy for Click &
Collect**

**Shoppers like discount
buys and premium ranges**

**We are 'all' buying
Online**

Source: The Guardian – January 2014

2013 Global Review for ICTI

Thank you for coming to NPD's 2013 Review of the Global Toy Market



**TOY TRENDS
REVIEW**