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PRESS RELEASE

Accell Group achieves profit growth of 17% in 2008

Heerenveen, 27 February 2009 - Accell Group N.V. has realised a further growth in turnover and profits in 2008. Due to strong sales of bicycles, a better product mix and the acquisition of Ghost, turnover increased by 13% to € 538.0 million (2007: € 476.1 million), of which 8% was organic growth. Net profit rose by 17% to € 28.6 million (2007: € 24.4 million[1]). This translates into a 14% increase in earnings per share to € 2.95 (2007: € 2.60[1]).

René Takens, Chairman of the Executive Board of Accell Group, said: "*In 2008, our profits increased by 17%. This is at the upper end of our earlier forecast of approximately 15%, largely because of a good fourth quarter. The rise in turnover for 2008 was 13%, of which 8% was organic. A significant part of the increase in turnover was realised in the second half of 2008, when organic growth was more than 11%. In addition, we were able to achieve a significant relative reduction in our working capital. The social and demographic trends from which Accell Group benefits continue undiminished in our markets. Increasing awareness of health, the environment, the ageing population and mobility means that for more and more people cycling has become an integral part of their daily life. Moreover, cycling is a relatively affordable alternative for other forms of mobility. Cycling will increase in popularity, and this is correlated to bicycle sales. We also see this reflected in our order portfolio for the new cycling season, which is at a higher level than last year. Based on the sustainable trends and the current order portfolio we now expect a further increase of turnover and results in 2009, barring further economic developments and unforeseen circumstances.*"

Earnings per share and dividend

Earnings per share from ordinary operations, based on the average number of shares outstanding, amounted to € 2.95 in 2008. This is an increase of 14% compared to the earnings per share in 2007 (€ 2.60[1]).

The shareholders will be asked to approve a dividend of € 1.42 per share (2007: € 1.25), payable in cash or shares at the recipient's discretion. The payout ratio therefore works out at 48.1% (2007: 48.1%), keeping it in line with the dividend policy and unchanged compared to previous years. Based on the closing price in 2008 (€ 18.00) the dividend yield is 8%.

Key developments in 2008

The year 2008 continued to be successful for Accell Group's market and brand strategy. Turnover rose by 13% to € 538.0 million and demand for bicycles in 2008 was good. The electric bicycle was particularly popular, seeing an increase in the number of bicycles sold of 40%. Other innovative bicycles in the trekking and ATB segment also sold well. A downturn could be felt in fitness equipment. Turnover of parts and accessories was positively affected by a higher demand for maintenance, in cases where the bicycle was not yet in need of replacement and no new bicycle was bought.

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1 Excluding the 2007 provision for the possible Netherlands Competition Authority (NMa) fine.

Turnover specification
(x € million)

Geographical		*Per product group*	
The Netherlands	235.4	Bicycles	404.2
Germany	124.6	Parts and accessories	93.9
France	52.2	Fitness	39.9
Other EU countries	78.7		
Other countries	47.1		
Total	**538.0**	**Total**	**538.0**

Bicycles / bicycle parts & accessories

In the bicycles / bicycle parts & accessories segment, turnover increased by 16% to € 498.6 million (2007: € 431.5 million). This increase was driven above all by the continuing strong demand for innovative and electric bicycles and sales growth in the Netherlands and Germany. In addition, during the first quarter of 2008 Ghost was acquired, an international top brand with high-quality mountain bikes and racing bicycles. In addition, a significant increase in sales of parts was realised.

The number of bicycles sold increased to 974,000 (2007: 943,000) and the average price of all bicycles sold rose to € 415 (2007: € 367) due to changes in the sales mix. The acquisition of Ghost, through which Accell operates at the top end of the market, and the growth in sales of electric bicycles have had a significant effect on the rise in the average price. The total number of bicycles sold increased due to higher sales of electric bicycles and a higher number of bicycles sold in Germany (partly through the acquisition of Ghost). Sales fell in France due to the halt in production and deliveries to hypermarchés. The segment result from ordinary operations rose by € 10 million to € 58.6 million (2007: € 48.6 million). Approximately 60% of this rise was achieved through organic growth.

Once again, 2008 was a good year for the Dutch bicycle brands Batavus, Koga and Sparta. Sales of electric bicycles and bicycles for special target groups developed well, both in the Netherlands and abroad. During the coming season, stronger motors and more technologies for electric bicycles will be applied to allow the company to also deliver at other price levels. The more powerful motors provide better pedalling support during uphill cycling, which is a major advantage, particularly also outside the Netherlands.

Turnover of the integrated Winora and Hercules brands in Germany rose last year. Higher sales of bicycles of the Hai and Ghost sports range and in the standard ranges of Winora and Hercules have contributed to this growth in turnover. The increase in sales of bicycle parts and accessories in Germany was once again strong. An investment in the warehouse at Winora has further improved the efficiency of the logistical handling of parts sold, which can also further increase turnover. There is increasing interest in the German market for sports bicycles. The recently acquired Ghost brand forms an excellent addition in this segment. In addition, the bicycle is generating a lot of interest as a possible solution to mobility problems and environmental issues (CO_2 reduction).

In France, Accell Group once again had an excellent year with its international top brand Lapierre. Growth in turnover was supported by both the domestic market as well as growth in exports. Whereas last year bicycles were still being delivered to the hypermarchés, in 2008 Mercier only worked on the assembly of bicycles for Lapierre and the city bicycle projects of JCDecaux. Bicycles for new projects of JCDecaux were delivered to a number of cities including Luxembourg, Nancy and Nantes. In addition, bicycles were repaired and parts delivered for the Vélib' project in Paris.

Exports of mainly sports bicycles to Spain, Austria and Switzerland increased. In Scandinavia (Tunturi) and Belgium (Brasseur) turnover increased.

Due to the impact of the financial developments in North America, turnover growth of Seattle Bike Supply (SBS) was less than expected for both bicycles and parts. The distribution of Lapierre through SBS's dealer network in North America continues to grow. In North America as well, there is increasing interest in bicycles as a cheap and healthy alternative to other forms of mobility for short distances.

Fitness

Turnover in the fitness segment decreased to € 39.9 million last year (2007: € 45.0 million), representing 7% of the total turnover of Accell Group. The final quarter was especially weak because of the rapid deterioration of the economic conditions, with sales experiencing a decline particularly in the UK and countries outside Europe. The operational segment result for fitness fell to -/- € 0.7 million in 2008 (2007: € 0.8 million), excluding restructuring costs and goodwill impairment. The results in fitness have been affected by the lower turnover and by special offer sales at the end of the year. Negative currency effects of approximately € 1.6 million also affected the decline in turnover. In 2008, approximately € 1.0 million was recorded as restructuring charges. Because of the disappointing turnover and results, the goodwill (€ 2.3 million) was written off at the expense of the 2008 result.

The last financial year saw major interventions in the organisation. Production was cut back in Estonia and purchasing is now fully concentrated in Asia. At the same time the R&D and purchasing activities in Finland were terminated, and were centralised at the head office in the Netherlands. The sales offices and warehouses in Germany, Switzerland and Austria were closed and stock management was transferred to the local distributors. These markets are now managed centrally from the Netherlands. In total, around 25 jobs were made redundant in this process. Apart from the head office in the Netherlands (Almere), the fitness division currently still has sales outlets, including warehouses, in Finland, the United Kingdom and North America. A number of distributors are supplied directly from production locations.

In the short term the main effect of these measures will be a reduction of the working capital requirement of the fitness division (currently approximately € 25 million) for the group as a whole. Further measures will be taken for 2009 to improve both turnover and result. In the medium term, all strategic options will be considered.

Key financial developments in 2008

In total, the turnover rose by 13% to € 538.0 million in 2008. The increase, 8% of which was organic, was driven in part by the sustained demand for electric bicycles. The remainder of turnover growth (5%) can be attributed the acquisition of Ghost which was consolidated as of 1 March 2008.

The added value (net turnover minus costs of material and inbound transport costs) as a percentage of turnover amounted to 37.0% (2007: 37.7%). This slight decrease was mainly due to an increase in outsourcing and higher transport costs. The absolute added value rose by 10% to € 199.0 million (2007: € 179.5 million). Since prices are agreed for the season with most suppliers, the impact of price rises and falls of raw materials and parts over the course of the season is modest.

The operating costs fell as a percentage of turnover to 28% (2007: 29.4%). This fall was both the consequence of relatively lower personnel costs and relatively lower other operating costs. Marketing costs were between 3% and 4% of turnover in 2008, just as in 2007. The operating result before depreciation and amortisation (EBITDA) rose by 22% to € 55.3 million (2007: € 45.3 million). Including goodwill impairment of the fitness division, the operating result (EBIT) came in at € 46.2 million (2007: € 39.6 million). In percent of turnover (operating margin) the operating result rose to 8.6% (2007: 8.3%).

Interest costs increased by 6% due to use of capital and the financing of the Ghost acquisition. Taxes rose 23% to € 11.8 million. The average tax rate excluding goodwill impairment decreased to 27.7% (2007: 28.3%).

The increase of 17% in net profit has been calculated on the basis of the net profit from ordinary operations in 2007 and therefore excludes the provision for the Netherlands Competition Authority (NMa) fine of € 4.6 million. The organic growth of net profit amounts to approximately 8%.

A number of publications is based on the net profit of 2007 including the provision for the Netherlands Competition Authority (NMa). Including this provision, the increase in net profit in 2008 amounted to 44% and earnings per share rose 40% (€ 2.95 compared with € 2.11).

The balance sheet total rose to € 335.4 million (2007: € 277.6 million) through growth in operations and the acquisition of Ghost. The total working capital was € 158.2 million (2007: € 152.5 million). Relative to turnover, working capital came in at 29.4% (2007: 32%). The impact of acquisitions in this was € 12.54 million. Inventories increased organically by 5%, while organic turnover growth was 8%. Receivables showed a limited increase compared to the financial year 2007. Trade creditors increased strongly due to longer payment terms and higher inventory in transit. Working capital excluding the consolidation of acquisitions in absolute terms decreased.

Due to the acquisition and the development of working capital, capital employed increased to € 263.1 million. The return on capital employed at year-end came in at 17.5% (2007: 17.7%). Shareholders' equity at year-end amounted to € 132.1 million (2007: € 107.1 million)

Solvency at the end of the financial year was 39.4% (2007: 38.6%). The total of loans and bank credit amounted to € 99.6 million (2007: € 99.8 million). The Net Debt/EBITDA financing ratio improved to 1.80 (2007: 2.20) and consequently remained well below the 3-3.5 range which is included in the credit agreements.

The operational cash flow before working capital was € 39.4 million (2007: € 31.0 million). The cash flow from operating activities rose to € 42.8 million (2007: € 4.6 million). This larger operating cash flow can for a major part be explained by the decrease of working capital excluding consolidation of acquisitions (as a percentage of turnover from 32% to 29.4%).

Outlook

The social and demographic trends in terms of health, environment, ageing and mobility will continue to form a stable basis for the Accell Group business model over the coming years. What helps in this regard is that the vast majority of Accell Group's activities are aimed at those countries where cycling already has an above-average degree of penetration and evokes association with these trends. These are countries in which high-quality bicycles have acquired a relatively solid place in society and where bicycles are widely used in daily life. In these countries the bicycle will quickly be seen as a healthy, sustainable and above all cheap alternative to other forms of mobility, even in weaker economic times.

More and more national and regional governments are expected to develop initiatives to promote bicycle use in the coming years, for instance as a means of improving the accessibility of city centres, of reducing CO_2 emissions and of promoting health. More older people will want to use the bicycle recreationally, and at the same time the use of the bicycle instead of the car provides for a simple and clear cost-saving measure. In particular, as the economic downturn takes hold, the bicycle will be used even more often, for example in commuting to work or (sporty) relaxation.

The Netherlands has for many years been a nation of cyclists par excellence, but it is now increasingly being seen by other countries as leading the way and setting the trend when it comes to cycling and bicycle use. This presents opportunities for further international growth of Accell Group. In many countries, there is growing demand for electric bicycles, for example. This demand is being met with more powerful motors and new technologies, because of which a wider range of models can be offered.

To maintain its response to the above-mentioned structural trends, Accell Group will continue to pursue the present brand and marketing strategy to supply innovative bicycle and fitness products that appeal to consumers. Supporting the brands, intensive cooperation with the specialist trade and targeted marketing remain important underlying principles in this regard in 2009. Precisely at a time when consumers are keeping a closer eye on their disposable income, demonstrating the added value in quality and service is important in appealing to consumers. To this end, Accell Group will also be focusing more on the healthy and sustainable nature of its products in its marketing and communication in 2009.

Expectation

Accell Group firmly believes that there will be more cycling in 2009 and the years beyond. In these uncertain economic times, it is however difficult to predict the direct relation between bicycle use and bicycle sales. On the other hand, sustainable trends will keep stimulating bicycle sales.

The order portfolio for the coming cycling season is currently better filled than last year. Based on the above-mentioned trends and the current order portfolio, Accell Group now expects a further increase in turnover and result in 2009, barring further economic developments and unforeseen circumstances.

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Profile Accell Group

Accell Group is an international group of companies active in the design, development, production, marketing and sale of innovative and high-quality bicycles, bicycle parts and accessories and fitness equipment. Accell Group's brands have recognisable added value for consumers, the long tradition in their respective markets often playing an important part. With familiar brand names such as Batavus, Bremshey, Ghost, Hai, Hercules, Koga-Miyata, Lapierre, Loekie, Redline, Sparta, Staiger, Tunturi, Winora and XLC the companies have strong positions in the middle and higher segments of the market. Sales to consumers mainly takes place through the specialist trade.

Accell Group has production sites in the Netherlands, Germany, France and Hungary. Its core markets are the Netherlands (44% of turnover), Germany (23%) and France (10%). Other EU countries, such as Belgium, Denmark, Finland, Austria, Spain and the United Kingdom, account for 15%. The remaining 8% of turnover comes from countries outside the EU, such as Switzerland, the United States and Canada.

Accell Group is market leader in Europe in the bicycle market and is at the top end of the market for 'home use' fitness equipment. Its turnover came to € 538.0 million in 2008 and its net profit € 28.6 million. Accell Group shares are traded on Euronext Amsterdam.

For further information:

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Press conference:

Today, 27 February 2009 - Okura Hotel, Amsterdam (Ballroom I), reception: 9.30 am; start 10.00 am

Analysts meeting

Today, 27 February 2009 - Okura Hotel, Amsterdam (Ballroom I), reception: 12.00 noon; start 12.30 pm

Annexes

- Summary consolidated profit and loss account as at 31-12-2008 and data per share
- Summary consolidated balance sheet as at 31-12-2008
- Summary cash flow statement as at 31-12-2008
- Summary statement of changes in equity as at 31-12-2008
- Explanatory notes

CONDENSED CONSOLIDATED PROFIT AND LOSS STATEMENT
(amounts in € thousands)

	2008	2007
Net turnover	**538,035**	**476,073**
Cost of raw materials and auxiliary materials	(339,005)	(296,531)
Staff costs	(71,540)	(67,473)
Depreciations	(6,881)	(5,782)
Goodwill impairment	(2,306)	-
Other operating costs	(72,147)	(66,721)
	(491,879)	(436,507)
Operating profit	**46,156**	**39,566**
Result of participations	178	72
Financial income and expenses	(5,953)	(5,593)
Pre-tax profit	**40,381**	**34,045**
Taxes	(11,814)	(9,621)
Net profit before provision NMa fine	**28,576**	**24,424**
Provision NMa fine	-	(4,610)
Net profit	**28,567**	**19,814**

Earnings per share [1)]
(amounts in €)

Earnings per share	2.95	2.60
Number of outstanding shares on at year-end	9,778,172	9,492,950
Weighted average number of outstanding shares	9,671,409	9,406,740

1) Earnings per share are calculated based upon weighted average number of outstanding shares and the net profit excluding the provision for the possible NMa fine made in 2007..

CONDENSED CONSOLIDATED BALANCE SHEET (before profit allocation)
(amounts in € thousands)

	31 December 2008	**31 December 2007**
ASSETS		
Fixed assets		
Tangible fixed assets	61,329	54,882
Intangible fixed assets	39,611	13,254
Financial fixed assets	9,539	9,847
Current assets		
Inventories	136,050	119,247
Receivables	88,891	80,401
TOTAL	**335,420**	**277,631**

LIABILITIES		
Group equity	132,123	107,081
Provisions	31,291	16,947
Long-term debts	65,716	49,898
Bank credit	33,926	49,897
Other short-term debts	72,364	53,808
TOTAL	**335,420**	**277,631**

CONDENSED CASH FLOW STATEMENT
(amounts in € thousands)

		2008		2007
Cash flow from operations				
Operating profit	46,156		34,956	
Result of participations	178		72	
Paid and received interest	(6,024)		(5,287)	
Paid corporate tax	(11,132)		(9,649)	
Depreciations	6,881		5,782	
Goodwill impairment	2,306		-	
Share-based payments	234		140	
Movement in provisions	590		4,938	
Cash flow from operations before working capital		**39,189**		**30,952**
Movement in working capital		3,621		(26,391)
Net cash flow from operations		**42,810**		**4.561**
Cash flow from investment activities				
Movement in tangible fixed assets	(7,370)		(10,064)	
Movement in intangible fixed assets	(2,937)		(31)	
Movement in financial fixed assets	248		155	
Acquisitions subsidiary companies	(20,179)		(4,575)	
Net cash flow from investment activities		**(30,238)**		**(14.515)**
Cash flow from financing activities				
Movement in bank loans and bank credit	(7,525)		13,416	
Dividends	(4,557)		(3,744)	
Share- and option-based payments	-		425	
Net cash flow from financing activities		**(12,082)**		**10.097**
Net cash flow		**490**		**143**
Effect of currency exchange liquid assets		(58)		(53)
Movement liquid assets		**432**		**90**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(amounts in € thousands)

	2008	**2007**
Balance on 31 December previous year	**107,081**	**91,918**
Dividends	(4,557)	(3,744)
Options scheme	234	565
Other movements	798	(1,472)
Net profit current year	28,567	19,814
Balance on 31 December current year	**132,123**	**107,081**

EXPLANATORY NOTES

Principles of valuation and the determination of results

Accell Group N.V.'s annual accounts for the year 2008 contain an overview of the applied principles for financial reporting. The principles laid out in this overview are in accordance with the standards laid down by the International Accounting Standards Board (IASB) and approved by the European Commission, as applicable on 31 December 2008. The principles have been applied consistently to the periods presented in this press release.

Application of new and amended IFRS

Accell Group N.V. has applied all the new and amended standards and interpretations applicable to the year under review, which have been laid down by the IASB and approved by the European Commission and which were in force for the period beginning 1 January 2008. The application of the new and amended standards did not result in any change in the reporting standards of Accell Group N.V. in the year 2008. Accell Group N.V. has decided not to apply any new or amended standards which came into force after 31 December 2008 prior to that date.

Presentation changes

The 2008 annual accounts include one presentation change, which has no effect on the capital or the result. The comparable figures for 2007 have been amended in accordance with IAS 8. The presentation change relates to the cash flow statement, wherein the non-realised currency exchange effects are directly corrected in each line.

The presentation change has lead to changes in the comparable (2007) figures in the cash flow statement:

		Old 2007		**New 2007**
		(€ * 1,000)		(€ * 1,000)
Cash flow from operations before working capital		30,872		30,952
Net cash flow from operations		5,870		4,561
Net cash flow from investment activities		(4,043)		(14,515)
Net cash flow from financing activities		8,263		10,097
Net cash flow		90		143
Effect of currency exchange liquid assets		0		(53)

Other

This condensed release has been approved by the Supervisory Board of Accell Group N.V. on 26 February 2009. This condensed release has not been audited. For the insight required to arrive at a responsible opinion concerning the financial position and the results of Accell Group N.V., this press release should be read in combination with the annual accounts.

Accell Group N.V. will publish its 2008 annual report no later than on 31 March 2009. The 2008 annual accounts will be submitted to the general meeting of shareholders for adoption on 23 April 2009.

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