



December 17th, 2015,
Roseville MN

Dear PHD Customer,

We hope you are having a successful holiday season. We are excited to share some news with you regarding several changes going forward into 2016.

Beginning January 1st, 2016, the games formerly made available through Asmodee Editions, Days of Wonder, and Fantasy Flight Games, will be consolidated into one source: Asmodee North America.

Today, we are issuing new sales terms for Asmodee North America that will take effect on January 1st 2016. In addition to these terms, we will be rolling out a series of new sales policies that will be effective come April 1st 2016.

These new terms and policies have been created with the goal of maintaining a healthy and thriving hobby games industry, and to allow to make additional investments in infrastructure and marketing to help you sell even more products.

Asmodee North America is committed to brick-and-mortar hobby market specialty retailers. We are very hopeful that our upcoming policy changes will balance the existing marketplace to reflect the value of those outlets providing outstanding customer experiences in a physical retail environment, and whom allow for so many gamers to enjoy events, demonstrations, and in-store play.

Please contact your PHD sales representative for more details regarding how these new terms and policies affect you. We look forward to venturing into a prosperous future with you as a valued retail partner.

Best Wishes,

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FOR IMMEDIATE RELEASE

**ASMODOEE NORTH AMERICA ANNOUNCES
BUSINESS AND MARKETPLACE CHANGES
IN THE U.S.A.**



December 17th, 2015

Asmodee North America is excited to announce a number of significant changes to its marketplace terms and structure in the United States.

On January 1st, 2016, all hobby market sales, marketing, and other U.S. business functions for products offered by Asmodee Publishing, Days of Wonder, and Fantasy Flight Games, will be consolidated into Asmodee North America in Roseville, Minnesota.

This exciting event allows Asmodee North America to harness new resources and make investments in marketing and communications that will positively affect both the trade and game consumers. The first major improvement will be the launch of the new Asmodee Publishing website in early 2016.

The creative publishing studios of all three publishers will remain operationally independent from the Asmodee North America business unit.

Asmodee North America will be adjusting its sales terms and consolidating the number of its distribution customers in the continental U.S. to five authorized distributors: ACD Distribution, Alliance Game Distributors, GTS Distribution, Southern Hobby Distribution, and PHD Distribution. Asmodee North America will also sell to retailers who prefer to purchase from it directly. These changes will take effect on January 1st, 2016, and will enable Asmodee North America to more effectively focus its trade marketing and retail initiatives across the U.S.

"The consolidation of the distribution tier is important not only to reward the excellence of these five distributors," said John Grams, SVP of Sales for Asmodee North America "but it is a crucial first step in the channel-based marketplace approach that Asmodee North America will be rolling out during the first quarter of 2016."

Starting April 1st, 2016, authorized distributors of Asmodee North America will be restricted to selling Asmodee North America's products to those specialty retailers that have agreed to Asmodee North America's Specialty Retail Policy. In addition to covering several industry best practices, the policy specifies that participating retailers' channel of sale for Asmodee North America's products, will be restricted to consumer transactions through retailers' physical retail locations. Selling Asmodee North America product via other channels, such as online, will be prohibited by participating retailers.

"The marketplace has long been distorted by providing one-size-fits-all sales terms to every retail account, regardless of its channel of sale", said Christian T. Petersen, incoming CEO of Asmodee North America. "The growth in demand for games over the last decade, in our view, has been fueled not only by fantastic product, but by the support of specialty retailers who incubate personal connections between players, facilitate tournaments and leagues, provide instant product availability, and increasingly provide a 'third place' that is instrumental for so many gamers to enjoy and discover our products. The retailer cost of providing such channel services is significant, and so we're now making policy changes to ensure that the sales terms provided to those retailers, relative to other channels, are positively reflective of the value they add to our distribution chain."

Recognizing that online sales continue to be an important part of the modern marketplace, Asmodee North America will allow select merchants to service the online sales channel under a separate sales policy. Such

select online merchants will either be supplied directly by Asmodee North America, or by appointed distributors acting under Asmodee North America's related policy.

Asmodee North America's new sales policies, including the Specialty Retailer Sales Policy, will take effect on April 1st, 2016.

For additional information related to this announcement, please refer to the Q&A sheet attached hereto.

For sales and business inquiries related to this announcement, please contact Andy Liberko, Hobby Market Sales Manager, at aliberko@asmodeena.com

For marketing and other information, please contact Aaron Elliott, VP of Marketing, at aelliott@asmodeena.com

Asmodee North America is a marketing, sales, and administrative business located in Roseville, Minnesota handling a wealth of amazing products from great publishers such as Asmodee Publishing, Bombyx, Days of Wonder, Fantasy Flight Games, Libellud, Matagot, Repos Productions, and many others. It is proud to represent such famous titles as Spot It!, Ticket to Ride, Seven Wonders, Dixit, Takenoko, and Timeline, as well as licensed titles from world-class entertainment properties such as Star Wars, A Game of Thrones, and Lord of the Rings.

Asmodee North America is part of the global Asmodee Group, who seeks to bring the best games to all corners of the world.





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Q: Explain again what happens on January 1st, 2016 and what happens on April 1st, 2016?

A: On January 1st, 2016, the product lines from Fantasy Flight Games, Asmodee Publishing, and Days of Wonder, will all originate and be marketed by Asmodee North America. On that date, we will be consolidating to five authorized distributors and making changes to our sales terms.

On April 1st, 2016, our new sales policies, including the Specialty Retailer Sales Policy, will take effect.

Q: Why wait until April 1st, 2016 to have the new sales policies take effect?

A: It will take some time for retailers to read and agree to the Specialty Retailer Policy, and for the authorized distributors to properly record which retailers have an active Asmodee North America account number (provided to the retailer upon its acceptance of to the Specialty Retailer Policy, and Asmodee North America accepting its application for an active account number).

Q: What are Asmodee North America products?

A: All products in the catalogs of Asmodee Publishing, Days of Wonder, and Fantasy Flight Games (as well as any other product that Asmodee North America may represent in the future).

Q: What are the details on new Asmodee North America marketplace terms that will take effect on January 1st, 2016?

A: Please request details on our sales terms, including our new pricing structure, by contacting your Asmodee North America sales representative, or your sales representative of an authorized distributor.

Q: How do I become an Asmodee North America Specialty Retailer, and where can I read the new policy and accept it, should I choose to do so?

A: You can read the new Specialty Retailer Sales policy online at www.asmodeeNA.com. Use this same page to accept the policy and submit an application for an Asmodee Specialty Retail account number.

Q: I sell some Asmodee North America products in my store, and some on my website (or through another online marketplace). As an Asmodee Specialty Retailer, will I be able to continue to do all of this?

A: No, as a Specialty Retailer, you are limited to the channel of sale involving resale of Asmodee North America products to end-users only, by transaction in your physical retail stores only.

Q: As a retailer, I have a trade booth at a few consumer conventions. Will I be able to sell Asmodee North America products there?

A: Yes, we consider your physical retail sales at a convention to be an extension of your retail store (assuming you are representing the same legal entity as your retail store).

Q: How will authorized distributors know that I am (or am not) an authorized Asmodee North America Specialty Retailer?

A: After April 1st, on your first order of Asmodee North America product from an authorized distributor, your sales representative will ask for your Asmodee Specialty Retail Account number (this may also be arranged prior to your first order). The distributor will use this number to authenticate your store with Asmodee's online authentication tool. Assuming you are positively authenticated, the distributor thereafter will be able to supply you with our products.

If a Specialty Retail account status has been deactivated, in case of policy violation or for another reason, distributors will be notified that said account is no longer authenticated, and will be unable to supply the deactivated retailer with our products (including outstanding pre-and-back orders).

Q: How will this affect the development of new game products from Asmodee Publishing, Days of Wonder, and Fantasy Flight Games?

A: It will have no effect; the creative studios are independently working on creating amazing new games.

Q: Asmodee recently purchased the “Spot It!” game, how will I be able to get this product?

A: Products from the “Spot it!” line will be available from Asmodee North America later this year, and will be published under the Asmodee Publishing brand.

Q: What happens to a retailer that violates the Specialty Retailer policy?

A: We reserve the right to evaluate each violation on a case-by-case basis, and we will make a decision on how to respond based on severity, intent, scale, repeat behavior, and other factors. Generally speaking, a Specialty Retail account who knowingly violates the Specialty Retail Policy will be deactivated and therefore no longer have access to products from Asmodee North America.

Q: Days of Wonder was exclusive with a distributor in the past, what is the status now?

A: From January 1st, 2016, Days of Wonder products will be available from each of our authorized distributors, or from us directly, supply allowing.

Q: I want to sell products from Asmodee North America online, how do I do this?

A: We will be very selective as to which online merchants will be authorized to sell our products. To qualify as an online merchant, you will need to contribute either significant scale, unique service, or other exceptional differentiation. Most online sales activities, including sales through third party websites, will not be authorized. If you feel that you are uniquely qualified to become an authorized online merchant for Asmodee North America, please contact John Grams, SVP of Sales, jgrams@asmodeena.com with such request.

Q: I sub-distribute products to other businesses, what do I do?

A: Asmodee North America will not authorize sub-distribution of our products, unless by rare and unique exception.

Q: I am a retailer in Canada, how am I affected?

A: These policies currently affect our business in the U.S. Our Canadian operations will continue unaffected until notified otherwise. If in doubt, please contact your Canadian distributor.

