

OUR 2020 STRATEGY

Our 2020 ambition is to develop and grow our company to maintain our position as the undisputed no. 1 toy retailer in the Nordic region, committed to delivering value to customers and consumers while achieving sustainable and profitable growth.

We have defined three strategic objectives to ensure we achieve this goal: differentiating our retail chains and expanding our store network, developing a customer-centric approach and strengthening our online position. A number of strategic initiatives support these objectives. All TOP-TOY employees are involved in the implementation of our strategy and are regularly updated on our progress.

OUR STRATEGIC OBJECTIVES



Differentiating our retail chains and expanding our store network



Developing a customer-centric approach



Strengthening our online position

Examples of our strategic progress in 2015/2016

- We finalised the implementation of the new BR store design, which aims to improve our customers' shopping experience. More than 210 stores in our Nordic markets now enjoy the new, modern look.
- We have expanded our own brand product lines, BR Wood and BR Bath, with 22 new products. In September 2015, we launched a new creative own brand product line. These product lines help to differentiate BR from TOYS"R"US and other toy stores.
- We are working on detailed strategies for each of our product categories to ensure our product offerings meet customer demands. This has led to the introduction of new product categories. For example, we have introduced children's books to our product assortment in BR Sweden following their successful introduction in Denmark.

- We have further optimised our store network to bring our stores closer to customers. In 2015/2016, the network increased with 12 more stores, as we opened 24 new stores and closed 12.
- We have optimised our click and collect service by introducing click and collect express in Denmark, Norway, Sweden and Finland. Customers using click and collect express can order their products online and collect them just three hours later in any of our BR or TOYS"R"US stores.

Examples of initiatives that will support our strategy in the future

- We will continue to work on the BR concept and on ensuring that TOYS"R"US stands out as the one-stop destination with everything for children.

- We will implement a new global ERP system. The system is scheduled to go live in spring 2017. The system will enable us to collect better data about customer purchasing behaviour, equipping us to create a more tailor-made experience for the individual shopper.
- We will continue to strengthen and digitalise Club BR so members have more reasons to visit our BR stores all year round.
- We will enhance our online shopper experience across both banners and all markets by strengthening our online platforms to ensure they utilise commercial activities across all channels and meet consumer expectations.
- We will continue to expand our store network.