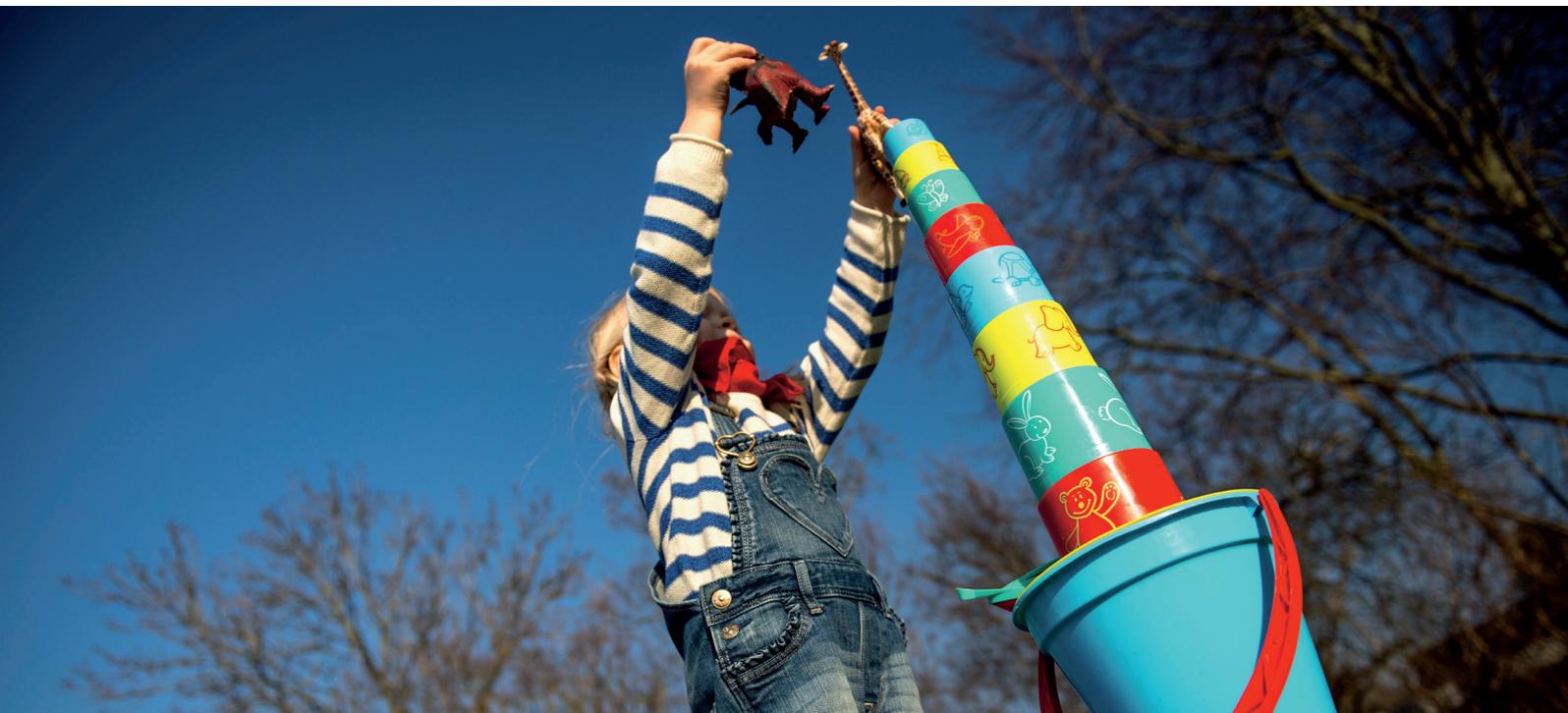


# CONTINUING OUR JOURNEY



**Many of our strategic initiatives are continuously developed as part of our ongoing journey to meet our strategic ambitions. You can find important examples here.**

## Price match and everyday low prices

Price agility is key to success in the highly dynamic retail toy market. This is why we have launched “price match” for all our products above a given price. At the same time, we have implemented an “everyday low prices” initiative, where we have lowered the price of many key products.

## Grand opening of BABIES”R”US

Following the soft launch of the two new BABIES”R”US test stores in Sweden in June 2017, we invited our customers to a grand opening celebration of this new concept in September.

## Organisational changes

In August 2017, we made organisational adjustments to keep our business agile, competitive and efficient. These adjustments regrettably included saying goodbye to a number of employees across office locations. All affected employees have been offered guidance and support in taking the next step in their careers. Employees working in our stores and warehouse have not been affected.

## Continued optimisation of our store network

As part of our store network we expect to open around five new stores this fall, and close three. A number of stores will also be relocated.

## Launch of “Spire” our new concept for own brand products

Based on the success of our own brand products in BR, we have decided to offer them to customers in TOYS”R”US as well. In September 2017, we introduced a new line of own brand products called “Spire”. “Spire” will be sold in BR and TOYS”R”US. It consists both of well-known existing products and some exciting new products.

## One step further in developing our new in-store concept for TOYS”R”US

We have continued to develop the new modern in-store design for our TOYS”R”US stores – for example by improving navigation. We will continue to develop the concept in our test store in Denmark and use what we learn to improve the in-store concept in all our TOYS”R”US stores.

## New service concept for our store employees

We have developed a new service concept to ensure all our customers get the same good service experience whenever they visit our stores – supporting our overall strategic goal to provide world-class shopping experiences that inspire play. This includes equipping our store employees with stronger sales knowledge. All store employees have now been trained in the new service concept and will receive ongoing training to build competences and provide new inspiration.