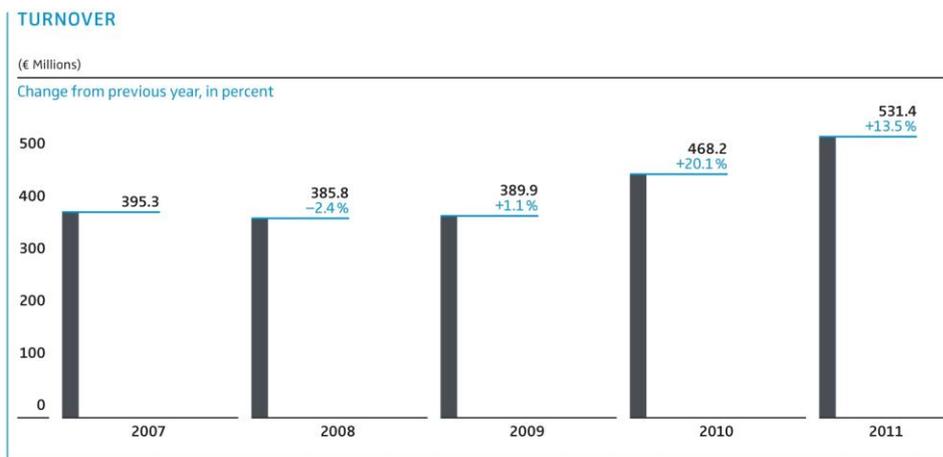


Successful company restructure:
Sennheiser enjoys strong turnover and profit growth in 2011
Premium branding and customer focus support business development across all sales regions

Wedemark, 20th June 2012 – Sennheiser electronic GmbH & Co. KG presents its accounts for the financial year 2011. Compared to the previous year the audio specialist has achieved a strong increase in turnover and profit. With a growth rate of 13.5 percent, the group turnover increased significantly from 468.2 million Euros in 2010 to 531.4 million Euros. After-tax profits rose by 93 percent in the same period from 23.6 to 45.7 million Euros. “We are very proud of this result which was achieved across all markets and all product groups”, explains Volker Bartels, Speaker of the Executive Management Board. “This increase in turnover is the direct result of a clear focus within our business divisions together with careful cost management. In particular, the extraordinarily positive turnover results in our EMEA and Asia regions have more than compensated for the exchange rate challenges faced by the Dollar region.”

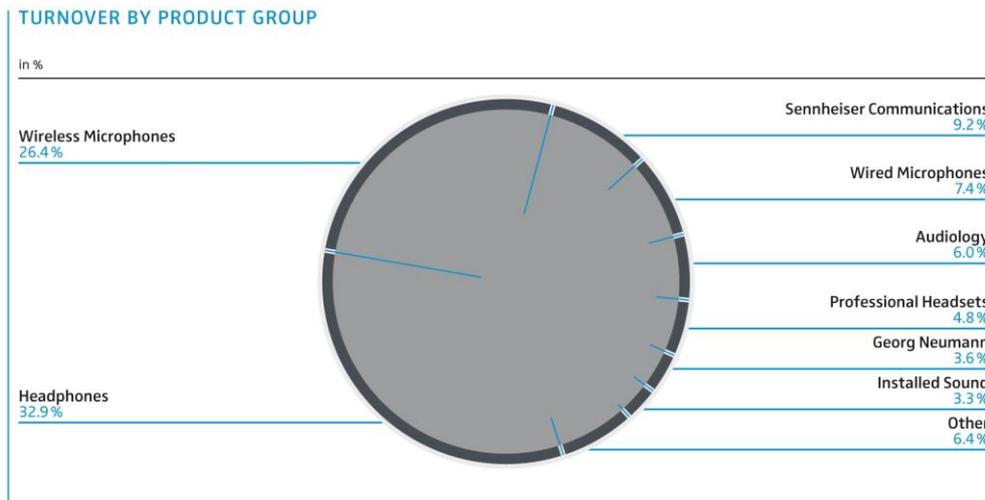

Worldwide positive sales trends; also Europe continues to grow

As in previous years, the EMEA region remains the company’s strongest market. Sennheiser recorded overall constant growth in the EMEA region of 14.8 percent and achieved an overall turnover of 324.8 million Euro. 88.7 millions of this were achieved in Germany which brings Germany’s share of total turnover to 16.7 percent. Positive contribution came from Northern Europe which achieved a growth of 22 percent and Eastern Europe where turnover increased by 52 percent compared with 2010. The APAC region also grew significantly above-average: There turnover grew from 59.7 million to 73 million Euros; an increase of 22.3 percent. In the Americas region Sennheiser maintained continuous growth of 6.4 percent despite the

exchange rate trend throughout 2011. Overall the export quota of the company was 83.3 percent in 2011.

Headsets and microphones biggest growth drivers

The biggest share of the group’s turnover, with 32.9 percent, continues to be the headphones business. This is followed by wireless microphones (26.4 percent), Sennheiser Communications products (9.2 percent) and wired microphones (7.4 percent). Audiology products contributed 6 percent and the share of Georg Neumann studio microphones and monitor speakers stood at 3.6 percent. The Installed Sound product group achieved 3.3 percent of the total turnover.



Headphones: Sennheiser remains Europe’s market leader

The reason behind the positive development of the headphone business is the continuing trend towards large lifestyle headsets. “Despite intensified competition from the US, Sennheiser holds onto its top position as market leader with a market share of 21 percent in Europe and a recorded stable growth of 12 percent in 2011 as well as in 2010”, explains Volker Bartels. High-performance, top-end products for clearly-defined applications such as the CXC 700 travel headset or the HD 239 street headset contribute to this development. Sennheiser also set new standards in wireless audio transmission with the RS 220 digital wireless headphones. Also this year the company launches innovative high-end products. “In terms of headphones we are adding the HD 700 and the IE 800 to our existing HD 800 and RS 220 portfolio to reinforce our claim of ‘Perfection in sound’”, outlines Volker Bartels. “The new Amperior is also an innovative headset for the lifestyle-conscious target group – currently the strongest-growing market segment.”

Communications products enjoying strong growth

With 30 percent growth, the highly successful Sennheiser Communications division is also benefitting from innovative developments. Last year the Bluetooth headset portfolio has been strengthened with the introduction of the award-winning VMX 200. The launch of the X 320 headset for the Xbox® developed together with professional video and computer gamers also set trends. Special Microsoft Lync certified variants in 2011 added to the DECT Wireless DW Office series which was launched in 2010. "The partnership with Microsoft is very important for us and opens up new channels and business opportunities for Sennheiser", explains Volker Bartels.

New products stimulate the Professional Business division

As in the previous year; additional offering for the professional user was rewarded by increased growth in 2011. New recording products; such as the MK4 large-diaphragm microphone plus the expansion of the successful evolution-wireless product family within the wireless transmission segment; generated growth within the professional audio market. The same goes for the two new shotgun microphones – the MKH 8060 and 8070, whose natural sound makes them ideal for sports transmission and film production. Compared to 2010, Sennheiser achieved an average overall growth of 20 percent in 2011 with the professional headsets and wireless microphones product ranges. For the aviation market Sennheiser launched the S1 Digital; a new pilot headset with fully-adaptive digital noise compensation. Additional development was put into the Installed Sound product range. The ADN discussion and conference system was expanded and enhanced with important functionalities. The product now can be used to set up large events to include up to 400 participants with the capability to record the conference directly onto electronic storage media.

Investment in innovation and employees

Research and development (R&D) continued to be important investment fields for Sennheiser in 2011. Spending on R&D remained high at 6% of turnover in order to secure the innovative strength for the company. Sennheiser will also continue to invest in employees. Around 60 new openings are planned for 2012; mainly in technical roles. The company employs a total of 2,183 staff at present with 1,177 of these based in Germany.

Outlook 2012: Securing long-term growth

Last year the Sennheiser Group restructured its organisation into "Consumer Electronics", "Professional Systems" and "Integrated Systems" divisions in order to service its various customer groups with more focus and more efficiently. Volker Bartels is optimistic about the company's continued development: "We expect that the restructuring which was completed in 2011 will continue to add to our success and that focussing on our different customer

groups will be sustainably strengthened. This will contribute to continued positive turnover and profit development.”

The Sennheiser Group, with its headquarters in Wedemark near Hanover, Germany, is one of the world's leading manufacturers of microphones, headphones and wireless transmission systems. In 2011 the family company, which was founded in 1945, achieved a turnover of around 531 million euros. Sennheiser employs more than 2,100 people worldwide, and has manufacturing plants in Germany, Ireland and the USA. The company is represented worldwide by subsidiaries in France, Great Britain, Belgium, the Netherlands, Germany, Denmark (Nordic), Russia, Hong Kong, India, Singapore, Japan, China, Canada, Mexico and the USA, as well as by long-term trading partners in many other countries. Also part of the Sennheiser Group are Georg Neumann GmbH, Berlin (studio microphones and monitor loudspeakers), and the joint venture Sennheiser Communications A/S (headsets for PCs, offices and call centres).

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