CONEBI Confederation of the European Bicycle Industry

EUROPEAN BICYCLE MARKET

2017 edition

Industry & Market Profile

(2016 statistics)

CONTENTS

FOREWORD

This document is the eight edition of the European Bicycle Industry & Market Profile (BIMP), an economic study carried out by the **Confederation of the European Bicycle Industry CONEBI** (former Colibi-Coliped). The document is based on figures provided by our member associations and data kindly put at our disposal by non-member countries. The data of the import figures are retrieved from Eurostat, the statistical office of the European Union. Data are regularly updated.

It gives an overview of the European Bicycle Industry's activities (production and employment), relevant market data (sales and imports), and highlights the activities implemented at national level to promote Cycling and Bicycles/Pedal-Assist Electric Bicycles sales.

We wish to extend our sincere thanks to our member associations, various industry representatives and the European Bicycle Manufacturers' Association (EBMA) for their valuable and much appreciated contribution in the compilation of this work.

CONEBI vzw
Boulevard de la Woluwe 46 b16
B – 1200 Brussels
Belgium
Tel.: +32 – (0)2 304 48 87
Fax: +32 – (0)2 762 81 71
E-mail: manuel.marsilio@conebi.eu
laura.devocht@conebi.eu
Web: www.conebi.eu

BACKGROUND

CONEBI is the Confederation of the European Bicycle Industry. Its members are the national Bicycle Industry Associations in 15 different countries: Austria, Belgium, Bulgaria, Germany, Great Britain, Finland, France, Hungary, Italy, The Netherlands, Poland, Portugal, Spain, Sweden and Turkey.

CONEBI combines the efforts that have been efficiently put by COLIPED and COLIBI all over the past decades in order to have maximum strength in representing its members' interests at European level: the new association will keep on maintaining regular contacts with European policy makers and Authorities, as well as with other associations that pursue common objectives, the European standardization body CEN, Industry and mobility experts, and the international press.

CONEBI's aim is the growth of the Bicycle, EPAC and P&A Industries and of the Cycling Culture in Europe.

CONEBI advocates for:
- a better recognition of (potential of) Bicycles, Pedal-Assist Electric Cycles and Cycling in European policies and for the implementation of the EU Cycling Strategy by the European policy makers;
- a raised awareness among the EU Institutions of the multiple and valuable benefits deriving from the EU Cycling Economy and, more specifically, from the EU Bicycle Industry (Bicycle, Pedal-Assist Electric Cycles and Parts & Accessories Industries)
- a better and easier access to European funding and financial means for Cycling-related projects as well as the introduction of effective criteria that serve sustainability in the allocation of European funding;
- fair trade and the fight against unfair practices in view of safeguarding the European Bicycle Industry
- an increased cycle usage throughout the EU and beyond

CONEBI fully supports the European (EN) safety standards for bicycles and it takes part officially in the consultations of the Working Group on Motorcycles organised by the European Commission – DG Growth. CONEBI has the status of Observer at the WP.29 meetings of the UNECE – United Nations Economic Commission for Europe in Geneva.

The activities promoted by the Confederation of the European Bicycle Industry go also beyond the European borders: for the past 25 years the joint European CONEBI booth (previously the COLIPED booth) has brought the leading representatives of the European Bicycle Industry to the Taipei Cycle Show (Taiwan).

For more information please visit the new **CONEBI** website at www.conebi.eu

THE EUROPEAN BICYCLE INDUSTRY

Almost 20.000.000 bicycles and EPACs are sold annually across Europe, out of which around 13.000.000 are produced in EU: the European Bicycle Industry generates directly and indirectly more than 90.000 jobs in the Union market over 800 SMEs.

On average, European citizens own more bicycles than any other means of transport.
Via their national associations, ***all major players on the European bicycle market*** are represented within CONEBI.
The bicycle is:

- the most environmentally friendly, energy efficient and sustainable means of mobility;
- the cheapest means of mobility (no ownership- motorway or registration taxes, no insurances, no driving license or parking costs and no high service maintenance costs);
- the most healthy and social means of mobility;
- the most time-saving and silent mode in urban areas;
- the most accessible mode of transport;
- simply the best mobility mode in urban areas.

E-Mobility

The e-mobility revolution in the next 10 years should be a "bottom-up" process, focusing first on EPACs (Electric Power-Assisted Cycles) which already developed well in the past decade. Next should be the more powerful two-wheelers such as e-bikes, e-mopeds and e-scooters and only later attention should go to electric cars.

In fact, the technology of aluminium alloys and carbon composites, as well as the ever lighter and more powerful batteries that we have been developing in the EPAC industry in the last decade, will undeniably be a source of inspiration for the e-moped and even for the e-cars industry.

The global shift towards a low-carbon economy has started. To ensure Europe stays competitive and able to respond to the increasing mobility needs of people and goods, the Commission's low-emission mobility strategy sets guiding principles to Member States to prepare for the future. The Bicycle Industry underlines that, in order to respect the Paris Agreement, greenhouse gas emissions from transport will need to be near zero by mid-century and points out that emissions of air pollutants from transport need to be drastically reduced to meet the WHO public health guidelines; in this framework more attention should be given to Cycling as one of the most feasible and immediate solutions against pollution.

Contribution to the European Union's ambitious goals

The EU bicycle & EPAC industry has a very important role to play in Europe's ambition to seriously cut C02 emissions and contributes to policies regarding public health, environment and transport. Being the largest employer in Europe in the Green Industries, we will do our utmost to continuously stress this role.

Moreover, the EU Bicycle Industry is committed to work as well towards the future of Bicycles and Pedal-Assist Electric Bicycles in the context of Intelligent Transport Systems, Connectivity and Access to Data. The automotive sector has been working already on those topics and the Bicycle Industry deems it is extremely important to be involved in these discussions, which will bring the transformation of bicycles & e-bikes into Smartbikes, for a much safer Cycling environment for Cyclists: indeed Cyclists and Motorcyclists are among the most at-risk road users, and we know that the Smartbikes of the future will have to communicate with Motorcycles, Cars, Buses, Trucks and any other road vehicle.

"CONEBI represents the European bicycle Industry. As I stated in the previous reports, the EU bicycle industry is characterised by its modern automation, its use of high-tech materials such as carbon fibres, special alloys and very light metals. Without any doubt, the high quality of the EU produced bicycles stimulates cycle usage and enhances the whole cycling movement and Cycling Culture in Europe.

For our customers, it is important that the production of mainly medium to high-end bicycles is realised near the European home market. Deliveries can then be more flexible as the produced series can be smaller and lead times can be shorter. Our bicycle industry is spread over the whole EU territory, with 800 small and medium-sized bicycle companies. Thanks to the regionalism of our 'green' industry, C02 emissions caused by the transport of the bicycles are reduced to almost zero!

Bicycles are also used for recreation at all ages. Whether it iss on the playground, in the mountains, or on the road, riding a bicycle is fun and keeps you fit.

The EU bicycle industry is seen as the best and most innovative in the world. By continuously striving to improve the quality of our products, by R&D and by making further investments, this image can only be strengthened".

René Takens – CONEBI President

Biking is not only 100 percent CO2 free, but it is also an important factor for the health and recreation of the user. The role as an efficient transport vehicle especially in congested areas and cities becomes more and more important.

With the new market segment E-Bike, respectively Pedelec, the bicycle has become an interesting solution to pollution in congested areas and cities.

High quality and safety standards of European made pedelecs, bikes and bike components guarantee an unproblematic use without any hassle. European Research and Development in the bike sector, especially in the E-Bike sector, create a lot of innovations and also jobs. Thanks to the production close to the user, also the CO2 balance is very favourable, as the influence of congestions due to long transportation of imported parts is very limited.

Over 90.000 people are working in the EU bicycle industry, one of the most environmentally-friendly industries of Europe.

Biking is healthy, biking is cool, biking is fun!

Erhard Büchel - CONEBI Vice President

The bicycle industry has re-invented its core business for the challenges of the 21th century. New materials, new products, new technical standards have been created and are being developed continuously. Bicycle industry means high technology materials and the development of new products, such as the e-bike, that are changing life and the way of transport of people throughout the world. Bicycles mean better commuting time in urban areas, a better way of life, less CO2 impact and a positive impact on tourism.

Investing in cycling means higher job creation than most of the comparable industries. CONEBI is supporting these ambitious tasks in order to let the European industry grow and reach its challenging targets.

Massimo Panzeri - CONEBI Vice President

"The development of both the European and national regulatory frameworks can and must keep up with the speed of innovation in our industry.

The EU Industry has not only greatly contributed to the concept of Electric-Power Assisted Cycles and worked together with the European Institutions for the development of the highest safety requirements in the Type Approval Regulation, but is now working with dedication as well towards the smartbikes of the future: every rider will be soon connected with the digital infrastructure and the other road users, which will translate in more safety and more integration in the Mobility as a Service-city plans. The Industry welcomes the work of the European Commission on Cooperative Intelligent Transport Systems and is eager to be part of those discussions for the future.

I assume these will not be the last examples, as the speed of innovation increases, with many interesting breakthroughs underway, but these are examples of the importance of the work of CONEBI to act and react on new developments."

Sacha Boedijn - CONEBI Treasurer

THE CONEBI MEMBERS

Austria
FFÖ
Wiedner Hauptstrasse 63
Postfach 337
A – 1045 Wien

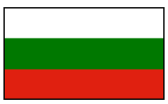
Tel. +43 - 1 50 105 4805
Fax +43 - 1 50 105 289

E-mail: fahrzeuge@wko.at
Web: www.wko.at/fahrzeuge

Belgium
AGORIA
Diamant Building
Bd A. Reyers 80
B – 1030 Brussels

Tel. +32 – (0)2 706 79 69
Fax +32 – (0)2 706 79 76

E-mail: ben.vanroose@agoria.be
Web: www.agoria.be



Bulgaria
ABPB
jk Hipodruma, bl.120 Entr.V apt.74
BG – 1612 Sofia

Tel. +359 - 889-459-536

E-mail: gensec@abpb.bg
Web: www.abpb-bg.com

Germany
Z.I.V.
Königsteiner Strasse 20A
D – 65812 Bad Soden/Ts.

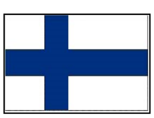
Tel. +49 - (0)6196-5077 0
Fax +49 - (0)6196-5077 20

E-mail: neuberger@ziv-zweirad.de
Web: www.ziv-zweirad.de

Great Britain
BAGB
PO Box 1250
GB – Castle Camps, Cambridge, CB21 4XX

Tel. +44-2476-55 38 38
Fax +44-2476-22 83 66

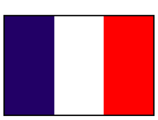
E-mail: office@ba-gb.com
Web: www.ba-gb.com



Finland
Technology Industries of Finland
Vehicle Manuf. Branch Group /
Bicycle Manufacturers' Section
Etelaranta 10, POB 10
FIN – 00131 Helsinki

Tel. +358-919 231
Fax +358 962 44 62

E-mail: heikki.karsimus@techind.fi
Web: www.techind.fi



France
Union Sport & Cycle
3 rue Jules Guesde
F – 92300 Levallois Perret

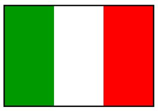
Tel. +33-6 11 16 23 98
Fax +33-1 47 31 56 32

E-mail: francois.lombard@unionsportcycle.com
Web: www.unionsportcycle.com

Hungary
MKKSZ
P/a Accell Hunland Kft.
Parkoló tér 1.
HU - 5091 Tószeg

Tel. +36 - 56 586 505
Fax +36 - 56 586 484

E-mail: Z.Steurer@accell-group.com
Web: www.mkksz.org



Italy
ANCMA
Via A. Da Recanate 1
I – 20124 Milan

Tel. +39 – 02 677 35 11
Fax +39 – 02 6698 20 72

E-mail: nigrelli@ancma.it
Web: www.ancma.it

Poland
Polskie Stowarzyszenie Rowerowe
ul. Rydygiera 8, bud. 20B/224
PL - 01-793 Warszawa

Tel. +48 – (0)43 843 42 93
Fax +48 – (0)43 843 42 93

E-mail: m.pytko@psronline.pl
Web: www.polskiestowarzyszenierowerowe.pl

Portugal
ABIMOTA
Borralha, Apartado 299
3754-909 Águeda

Tel. +351 – 234 612 640
Fax +351 – 234 602 018

E-mail: geral@abimota.pt
Web: www.abimota.org

The Netherlands
RAI-Vereniging
Postbus 74800
NL – 1070 DM Amsterdam

Tel. +31 - (0)20-504 49 49
Fax +31 - (0)20-504 49 98

E-mail: s.boedijn@raivereniging.nl
Web: www.raivereniging.nl

Spain
AMBE
C/ Tales de Mileto 2
E – 28860 Alcala de Henares - Madrid

Tel. +34 - 655 824 085

E-mail: carlos@asociacionambe.es
Web: www.asociacionambe.es

Sweden
Cykelbranschen
Klara Norra Kyrkogata 31 / Box 22307
SE - 104 22 Stockholm

Tel. +46-8 508 938 21

E-mail: joakim.stenberg@branschkansliet.se
Web: http://www.cykelbranschen.se/

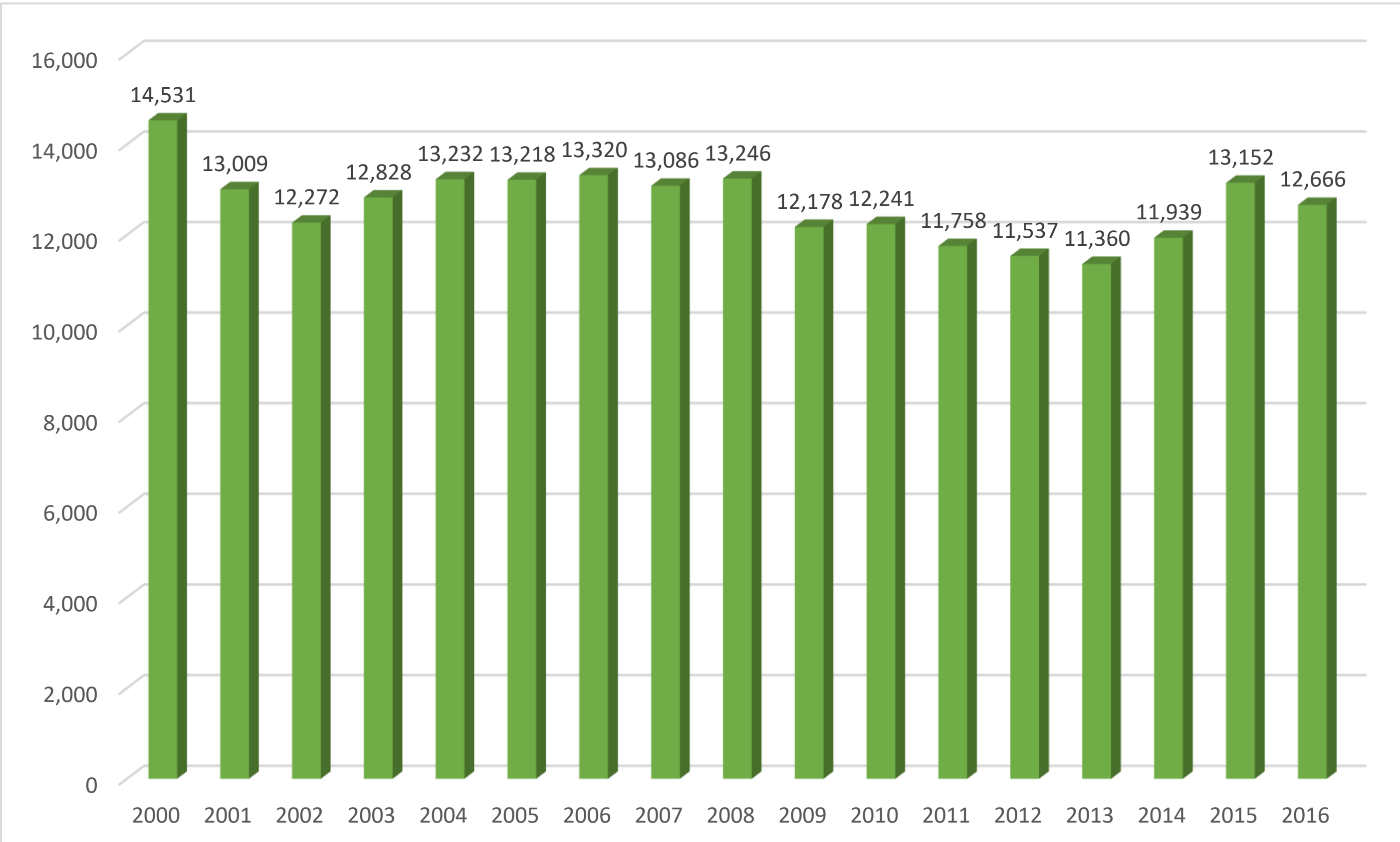
Turkey
BISED
Hocapasa cad.Demirci is hanı no:28
kat.5 /30
TR - 34110 Eminönü / Istanbul

Tel. +90-236-213 0045
Fax + 90-236-213 0050

E-mail: umit.ozgul@umitbisiklet.com.tr
Web: www.bised.org.tr

EUROPEAN BICYCLE PRODUCTION

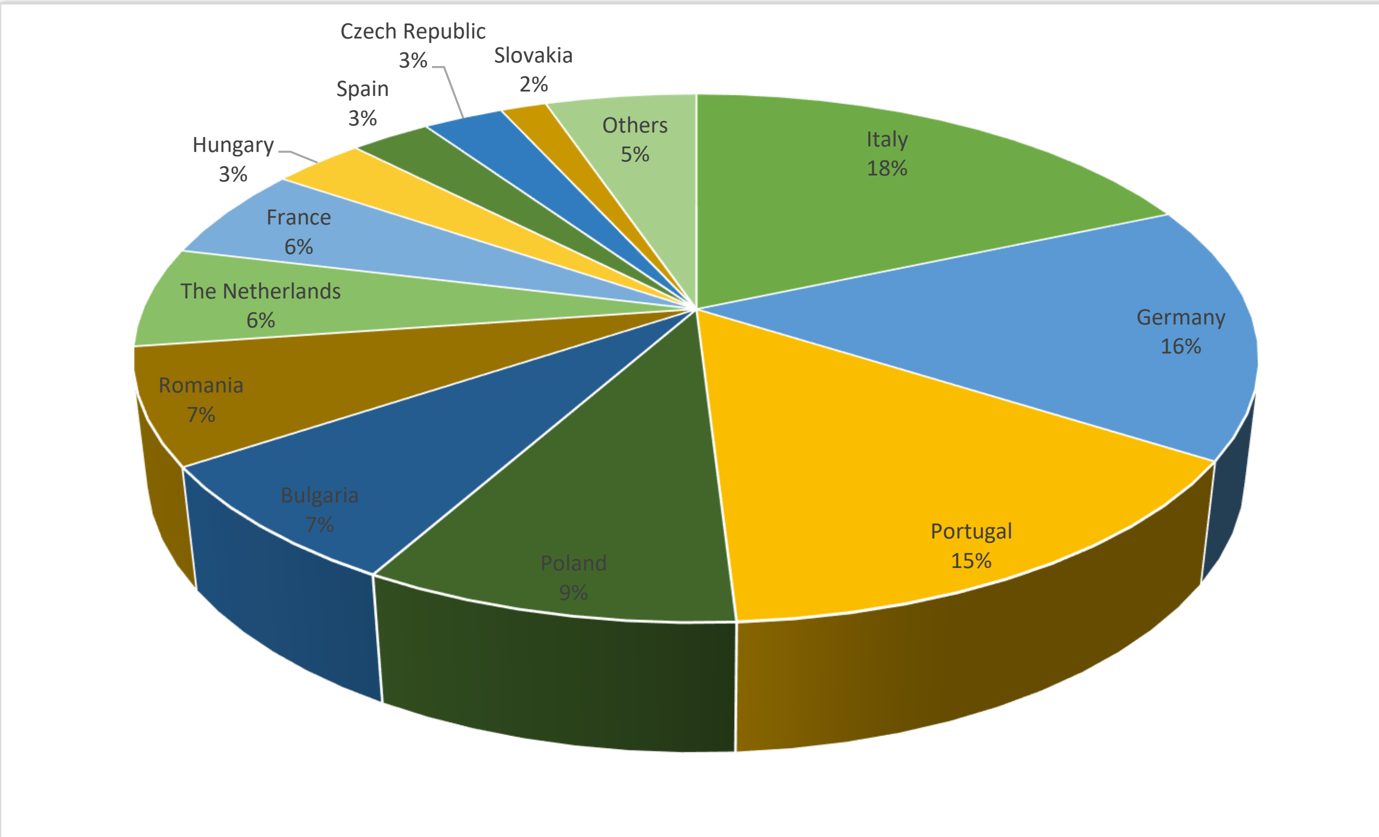
EUROPEAN BICYCLE PRODUCTION[1] (EU 28)
(1,000 units) 2000 – 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	14 531	13 009	12 272	12 828	13 232	13 218	13 320	13 086	13 246	12 178	12 241	11 758	11 537	11 360	11 939	13 152	12 666
Evolution year/year-1 (%)		-10,47	-5,67	4,53	3,15	-0,11	0,77	-1,76	1,22	-8,06	0,52	-3,95	-1,88	-1,53	5,10	10,16	-3,70

[1] Data including EPAC Production

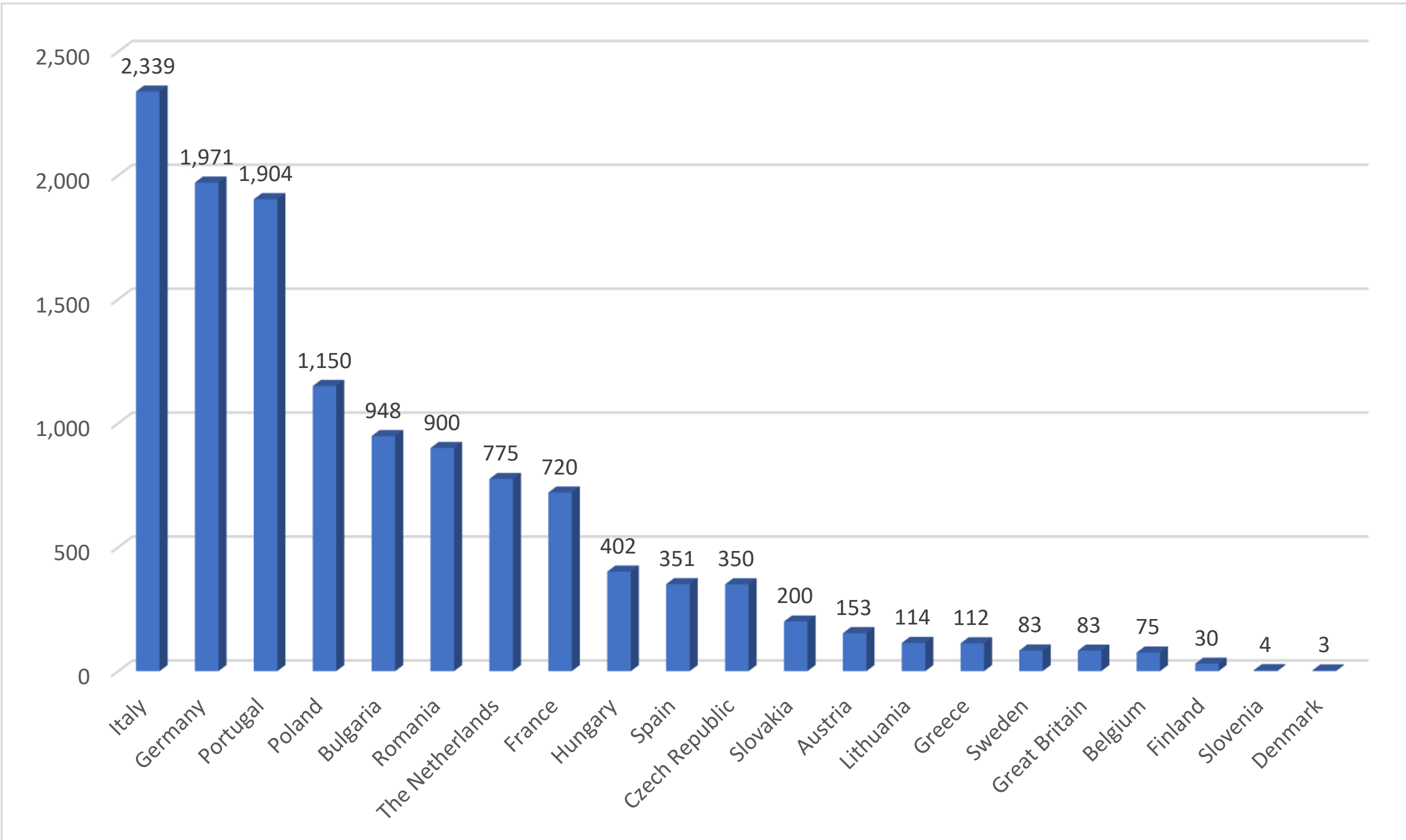
2016 EUROPEAN BICYCLE PRODUCTION[2] (EU 28) COUNTRY SHARE (1,000 units)



Country	Italy	Germany	Portugal	Poland	Bulgaria	Romania	The Netherlands	France	Hungary	Spain	Czech Republic	Slovakia	Austria	Lithuania	Greece	Sweden	Great Britain	Belgium	Finland	Slovenia	Denmark	Croatia	Cyprus	Estonia	Ireland	Latvia	Luxembourg	Malta	EU 28
Bicycle Production (x 1,000)	2 339	1 971	1 904	1 150	948	900	775	720	402	351	350	200	153	114	112	83	83	75	30	4	3	0	0	0	0	0	0	0	12 666
Country share %	18	16	15	9	7	7	6	6	3	3	3	2	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	-

[2] Data including EPAC Production

2016 EUROPEAN BICYCLE PRODUCTION[3] (EU 28) COUNTRY RANKING (1,000 units)



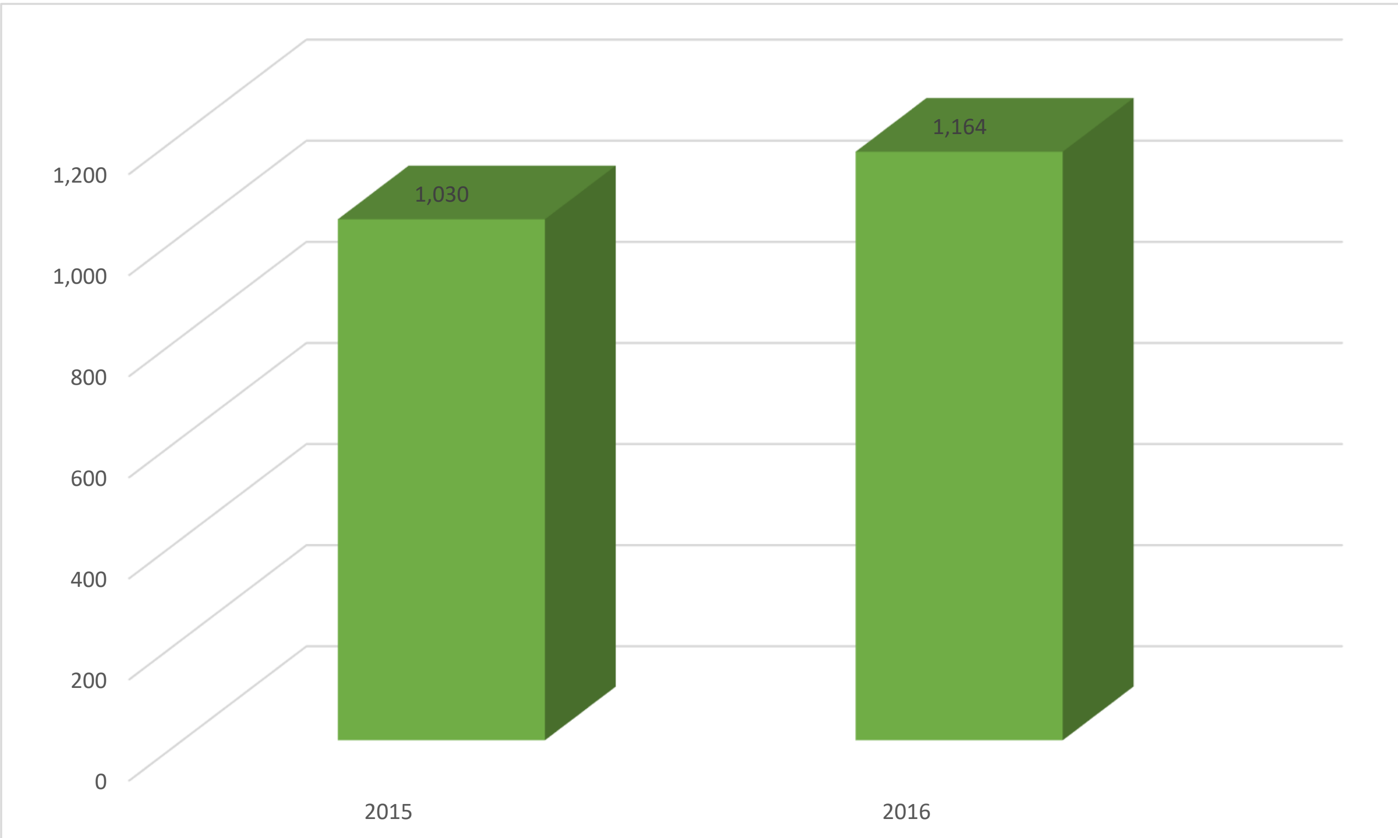
Country	Italy	Germany	Portugal	Poland	Bulgaria	Romania	The Netherlands	France	Hungary	Spain	Czech Republic	Slovakia	Austria	Lithuania	Greece	Sweden	Great Britain	Belgium	Finland	Slovenia	Denmark	Croatia	Cyprus	Estonia	Ireland	Latvia	Luxembourg	Malta	EU 28
Bicycle Production (x 1,000)	2 339	1 971	1 904	1 150	948	900	775	720	402	351	350	200	153	114	112	83	83	75	30	4	3	0	0	0	0	0	0	0	12 666
Ranking	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16	17	18	19	20	21	21	21	21	21	21	21	

[3] Data including EPAC Production

EUROPEAN EPAC[4] PRODUCTION

[4] EPAC = Electrically Power-Assisted Cycle

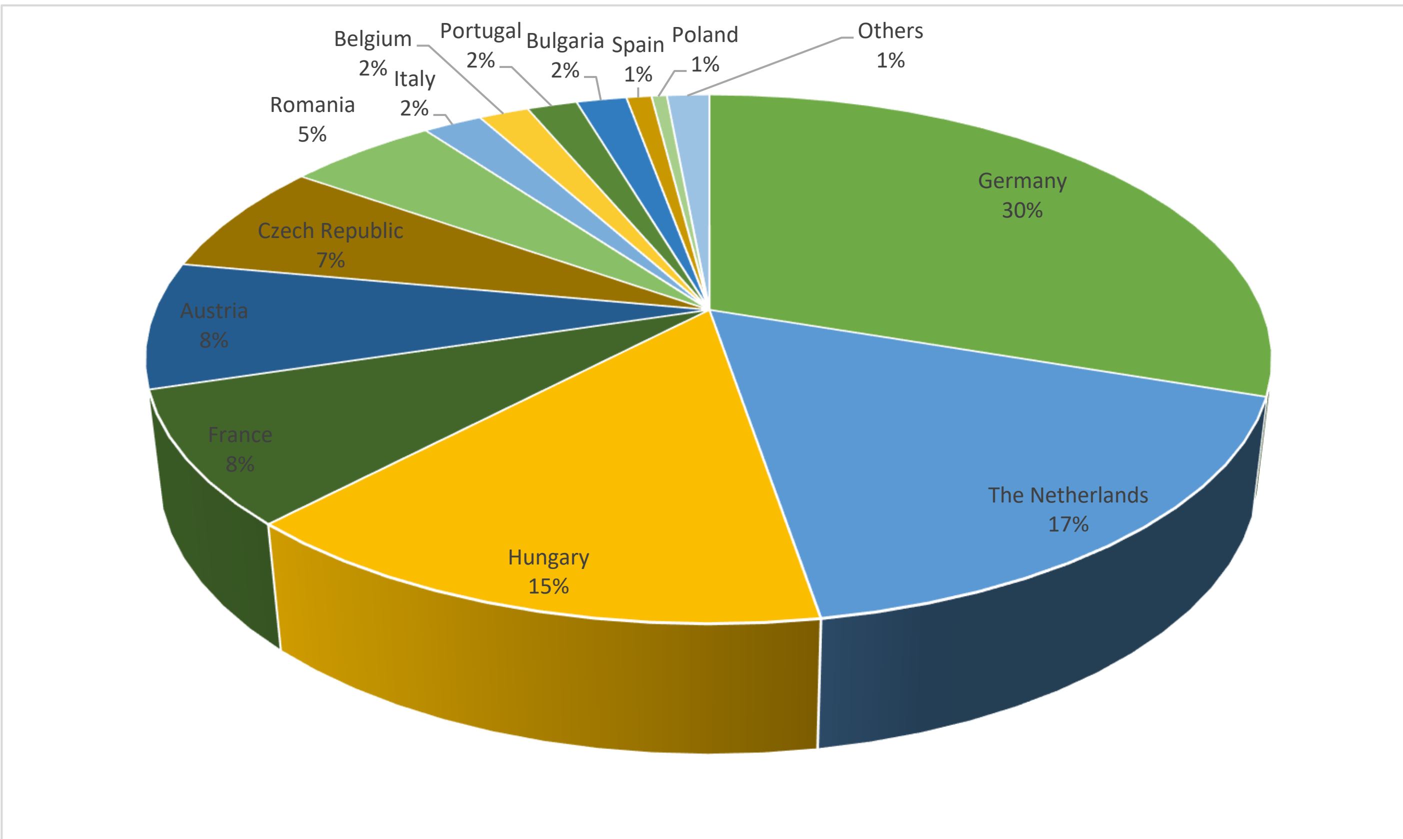
EUROPEAN EPAC PRODUCTION[5] (EU 28) (1,000 units) 2015 – 2016



Year	2015	2016
EPAC Production (x 1,000)	1 030	1 164
Evolution (%)		12,98

[5] EPAC = Electrically Power-Assisted Cycle

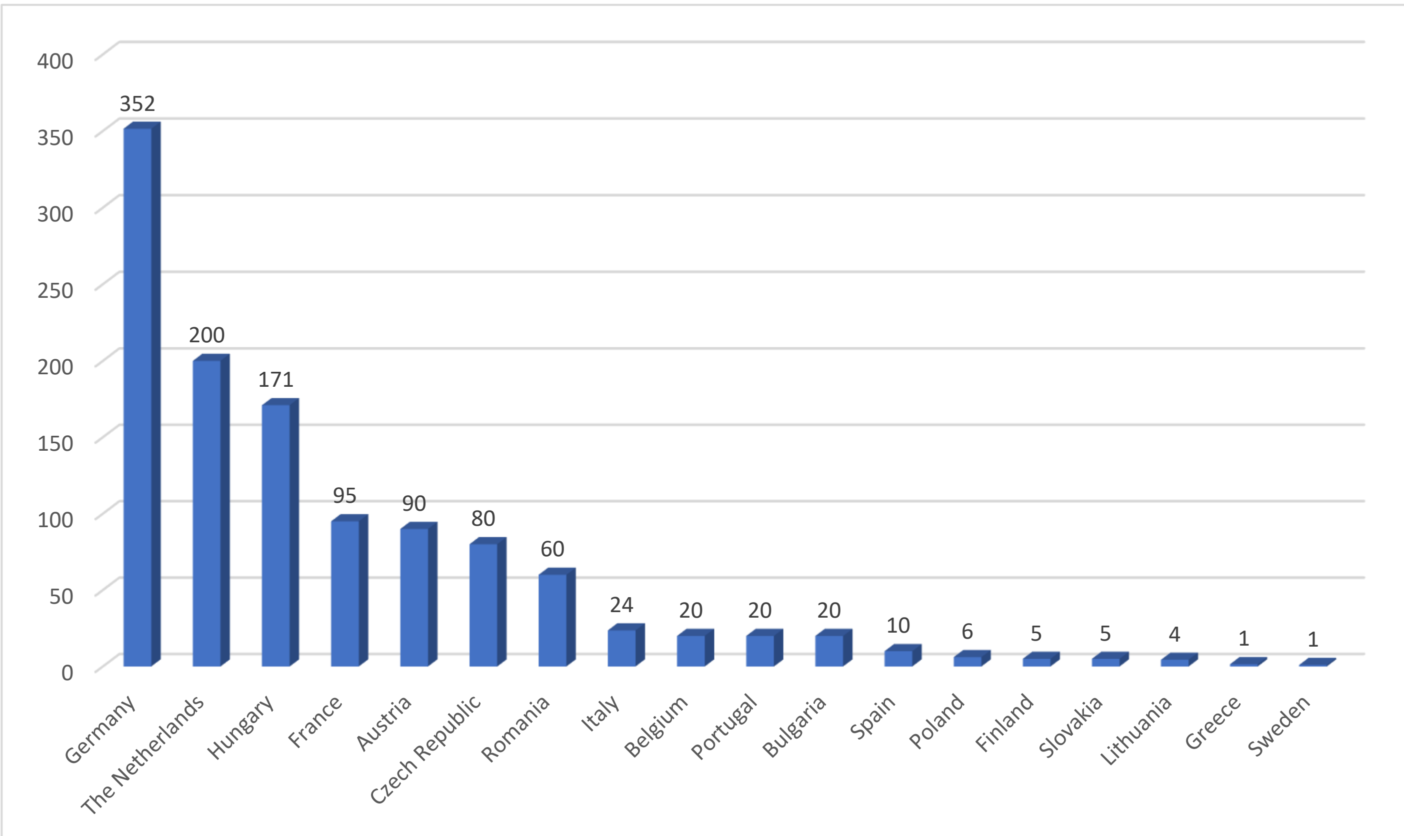
2016 EUROPEAN EPAC PRODUCTION[6] (EU 28) COUNTRY SHARE (1,000 units)



Country	Germany	The Netherlands	Hungary	France	Austria	Czech Republic	Romania	Italy	Belgium	Portugal	Bulgaria	Spain	Poland	Finland	Slovakia	Lithuania	Greece	Sweden	Great Britain	Croatia	Cyprus	Denmark	Estonia	Ireland	Latvia	Luxembourg	Malta	Slovenia	EU 28
EPAC Production (x 1,000)	352	200	171	95	90	80	60	24	20	20	20	10	6	5	5	4	1	1	0	0	0	0	0	0	0	0	0	0	1 164
Country share (%)	30	17	15	8	8	7	5	2	2	2	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

[6] EPAC = Electrically Power-Assisted Cycle

2016 EUROPEAN EPAC PRODUCTION[7] (EU 28) COUNTRY RANKING (1,000 units)

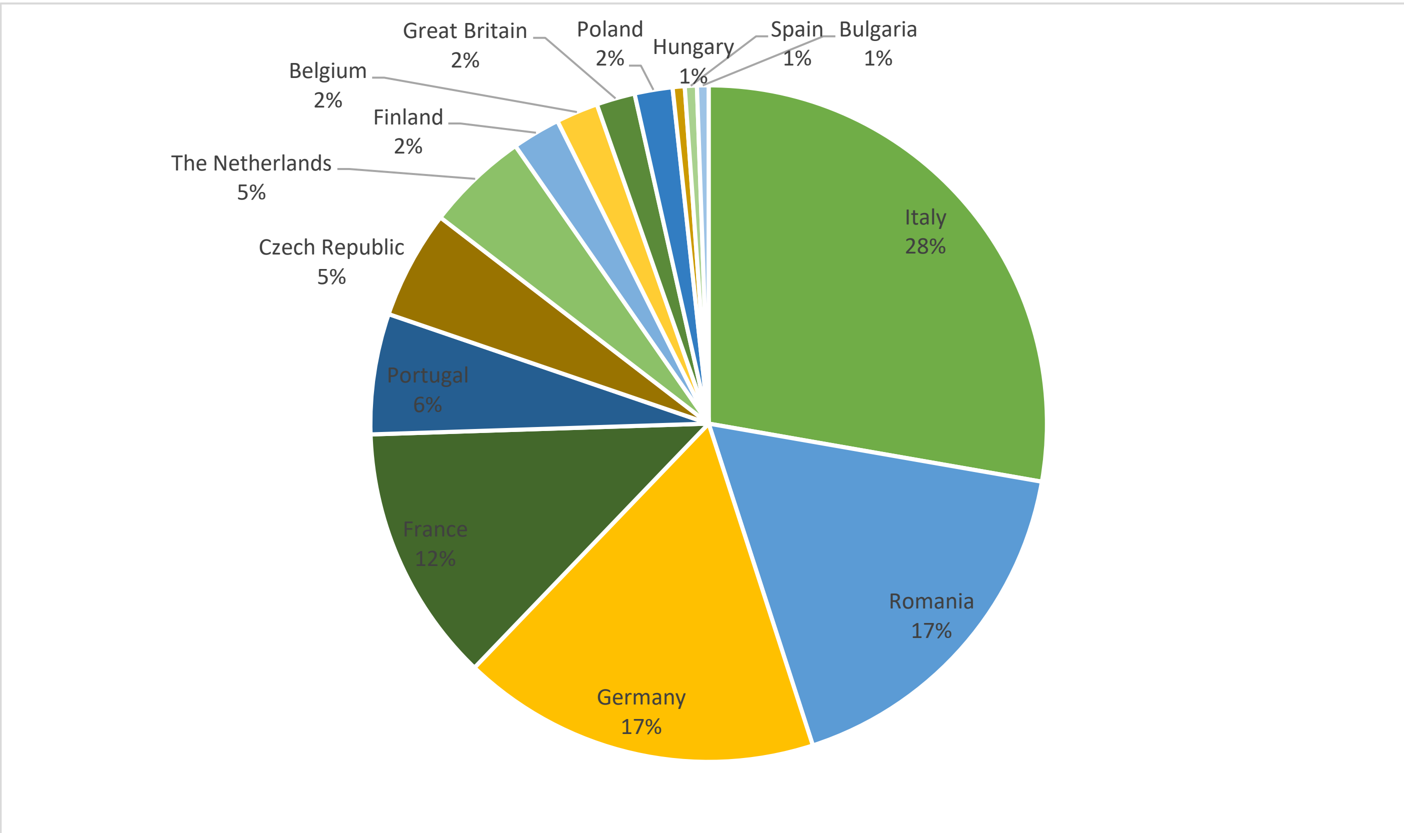


Country	Germany	The Netherlands	Hungary	France	Austria	Czech Republic	Romania	Italy	Belgium	Portugal	Bulgaria	Spain	Poland	Finland	Slovakia	Lithuania	Greece	Sweden	Great Britain	Croatia	Cyprus	Denmark	Estonia	Ireland	Latvia	Luxembourg	Malta	Slovenia	EU 28
EPAC Production (x 1,000)	352	200	171	95	90	80	60	24	20	20	20	10	6	5	5	4	1	1	0	0	0	0	0	0	0	0	0	0	1 164
Country share (%)	1	2	3	4	5	6	7	8	9	9	10	11	12	13	13	14	15	16	17	18	18	18	18	18	18	18	18	18	

[7] EPAC = Electrically Power-Assisted Cycle

EUROPEAN BICYCLE PARTS AND ACCESSORIES PRODUCTION

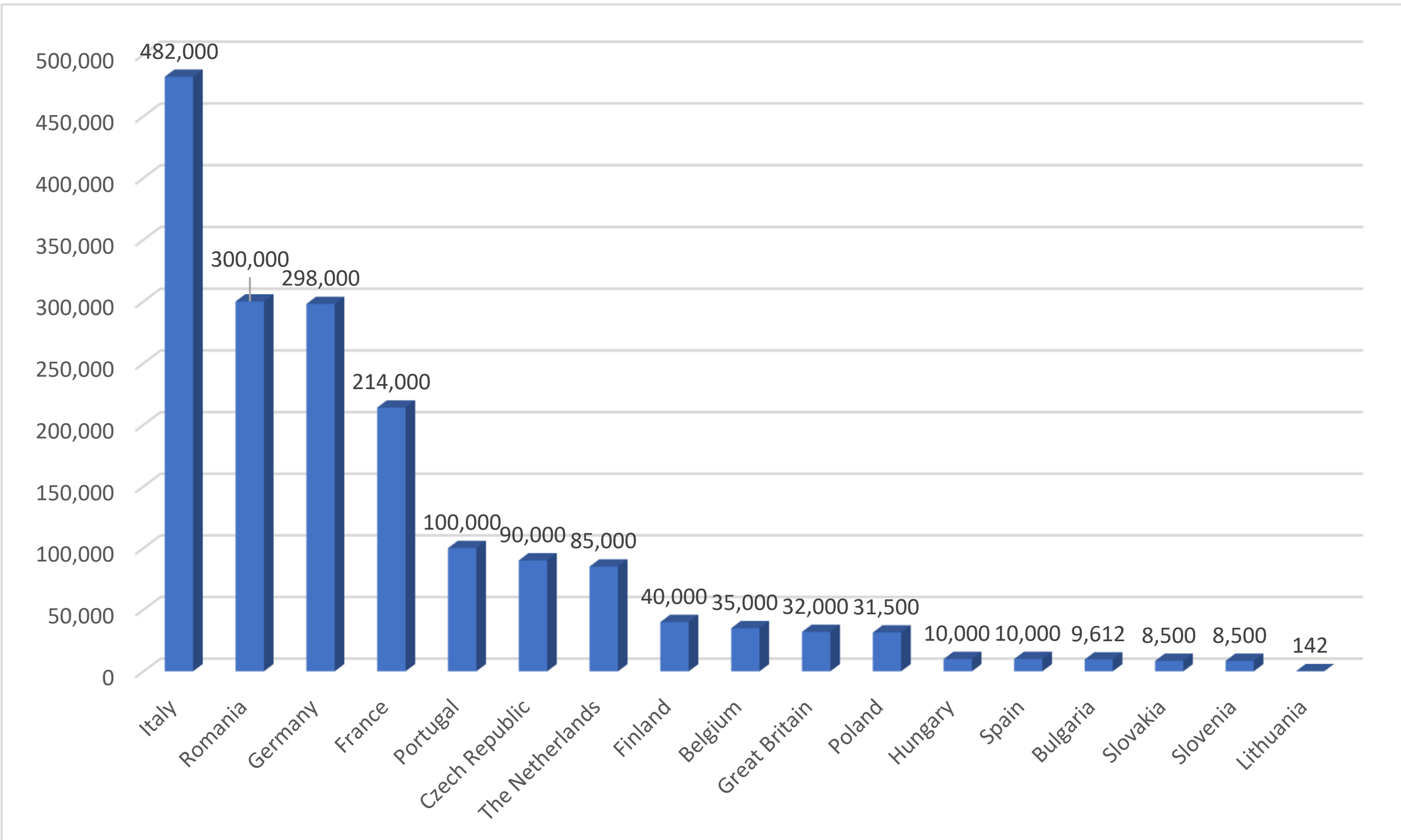
2016 EUROPEAN BICYCLE PARTS & ACCESSORIES PRODUCTION (EU 28) COUNTRY SHARE (M€[8])



Country	Italy	Romania	Germany	France	Portugal	Czech Republic	The Netherlands	Finland	Belgium	Great Britain	Poland	Hungary	Spain	Bulgaria	Slovakia	Slovenia	Lithuania	Austria	Croatia	Cyprus	Denmark	Estonia	Greece	Ireland	Latvia	Luxembourg	Malta	Sweden	EU 28
P & A Production (M€)	482 000	300 000	298 000	214 000	100 000	90 000	85 000	40 000	35 000	32 000	31 500	10 000	10 000	9 612	8 500	8 500	142	0	0	0	0	0	0	0	0	0	0	0	1 754 254
Country Share %	27	17	17	12	6	5	5	2	2	2	2	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

[8] Values excluding VAT

2016 EUROPEAN BICYCLE PARTS & ACCESSORIES PRODUCTION (EU 28) COUNTRY RANKING (M€[9])

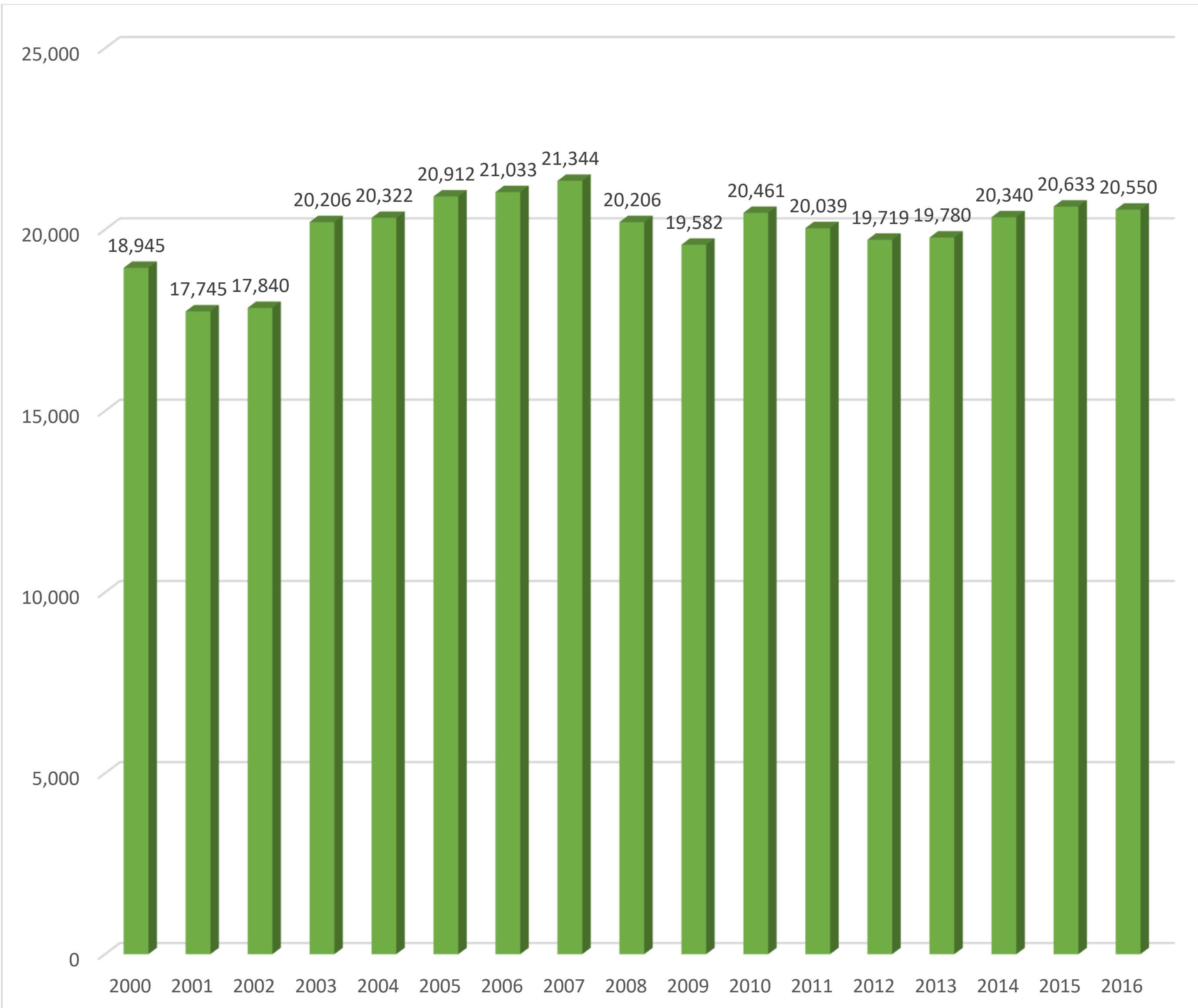


Country	Italy	Romania	Germany	France	Portugal	Czech Republic	The Netherlands	Finland	Belgium	Great Britain	Poland	Hungary	Spain	Bulgaria	Slovakia	Slovenia	Lithuania	Austria	Croatia	Cyprus	Denmark	Estonia	Greece	Ireland	Latvia	Luxembourg	Malta	Sweden	EU 28
P & A Production (M€)	482 000	300 000	298 000	214 000	100 000	90 000	85 000	40 000	35 000	32 000	31 500	10 000	10 000	9 612	8 500	8 500	142	0	0	0	0	0	0	0	0	0	0	0	1 754 254
Country Share %	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18	18	18	18	18	18	18	18	18	18	

[9] Values excluding VAT

EUROPEAN BICYCLE AND EPAC SALES

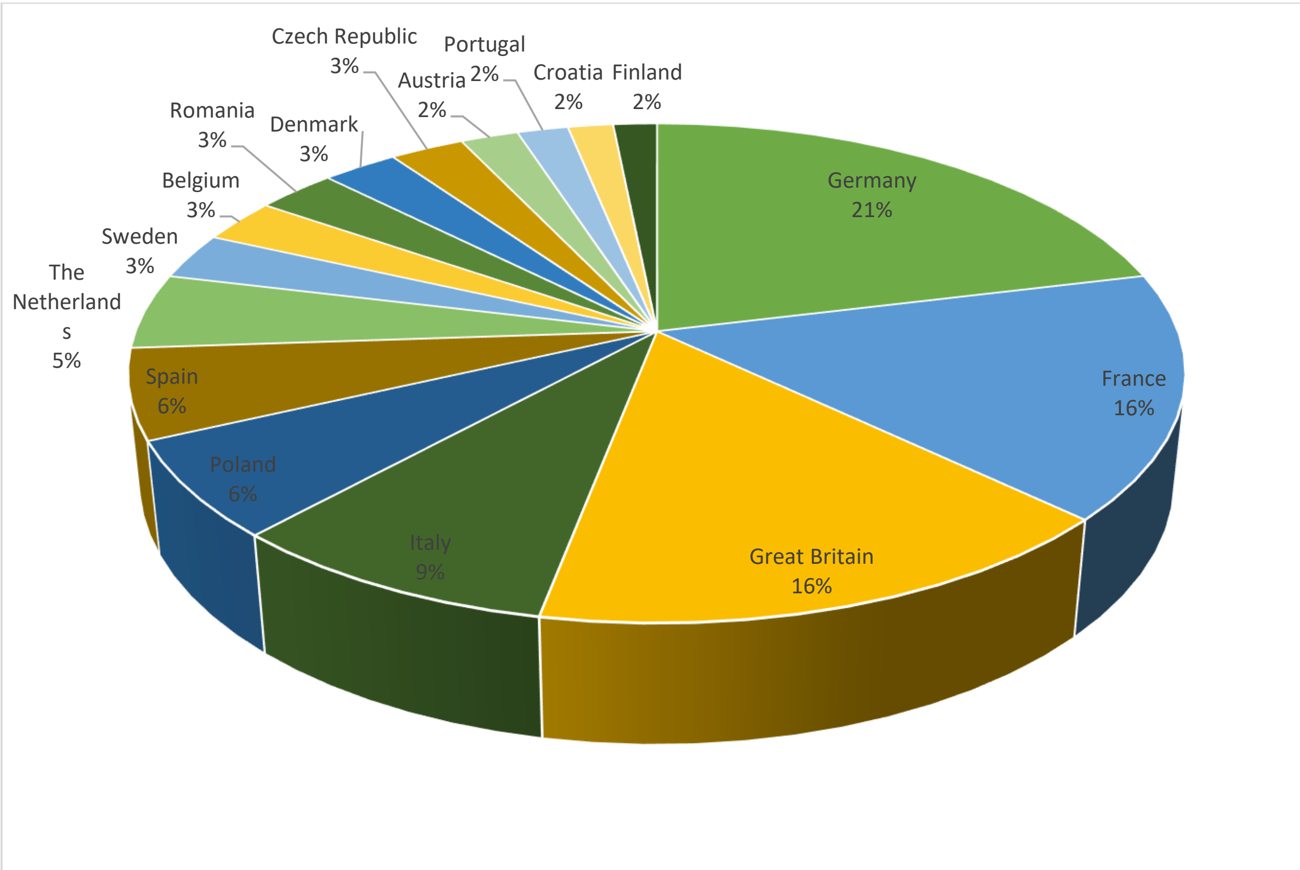
EUROPEAN BICYCLE AND EPAC SALES[10] (EU 28) (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle and E-Bike Sales (x 1,000)	18,945	17,745	17,840	20,206	20,322	20,912	21,033	21,344	20,206	19,582	20,461	20,039	19,719	19,780	20,340	20,633	20,550
Evolution (%)		-6.33	0.54	13.26	0.57	2.90	0.58	1.48	-5.33	-3.09	4.49	-2.06	-1.60	0.31	2.83	1.44	-0.40

[10] Sales = Sales to consumers including VAT ; Data including EPAC sales

2016 EUROPEAN BICYCLE AND EPAC SALES[11] (EU 28) COUNTRY SHARE (1,000 units)

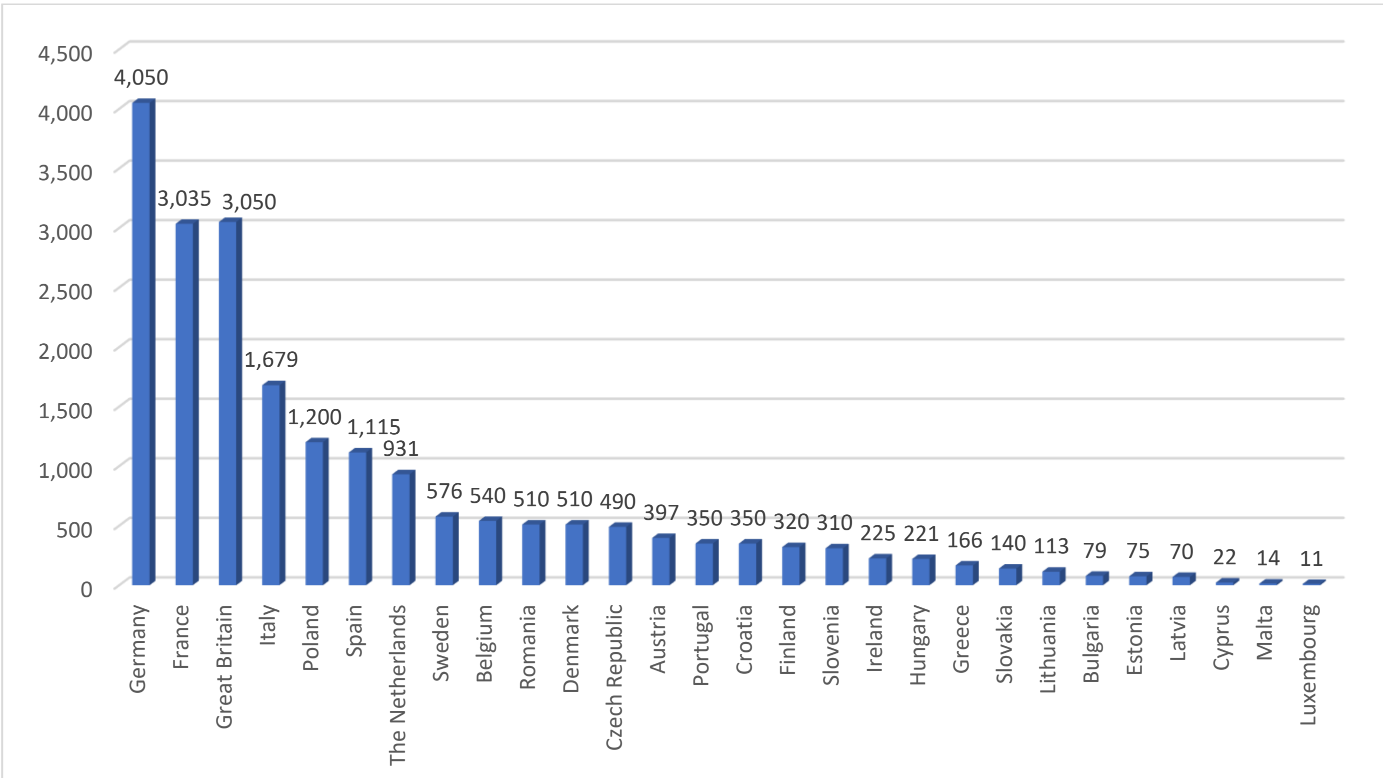


Country	Germany	France	Great Britain	Italy	Poland	Spain	The Netherlands	Sweden	Belgium	Romania	Denmark	Czech Republic	Austria	Portugal	Croatia	Finland	Slovenia	Ireland	Hungary	Greece	Slovakia	Lithuania	Bulgaria	Estonia	Latvia	Cyprus	Malta	Luxembourg	EU 28
Bicycle and E-Bike Sales (x 1,000)	4,050	3,035	3,050	1,679	1,200	1,115	931	576	540	510	510	490	397	350	350	320	310	225	221	166	140	113	79	75	70	22	14	11	20,550
Country share (%)	20	15	15	8	6	5	5	3	3	3	3	2	2	2	2	1	1	1	1	1	1	1	0	0	0	0	0	0	

Please note, that the sale figures marked in blue are taken directly from CONEBI's member associations, in the other countries we used estimates from industry experts.

[11] Sales = Sales to consumers including VAT ; Data including EPAC sales

2016 EUROPEAN BICYCLE AND EPAC SALES[12] (EU 28) COUNTRY RANKING (1,000 units)

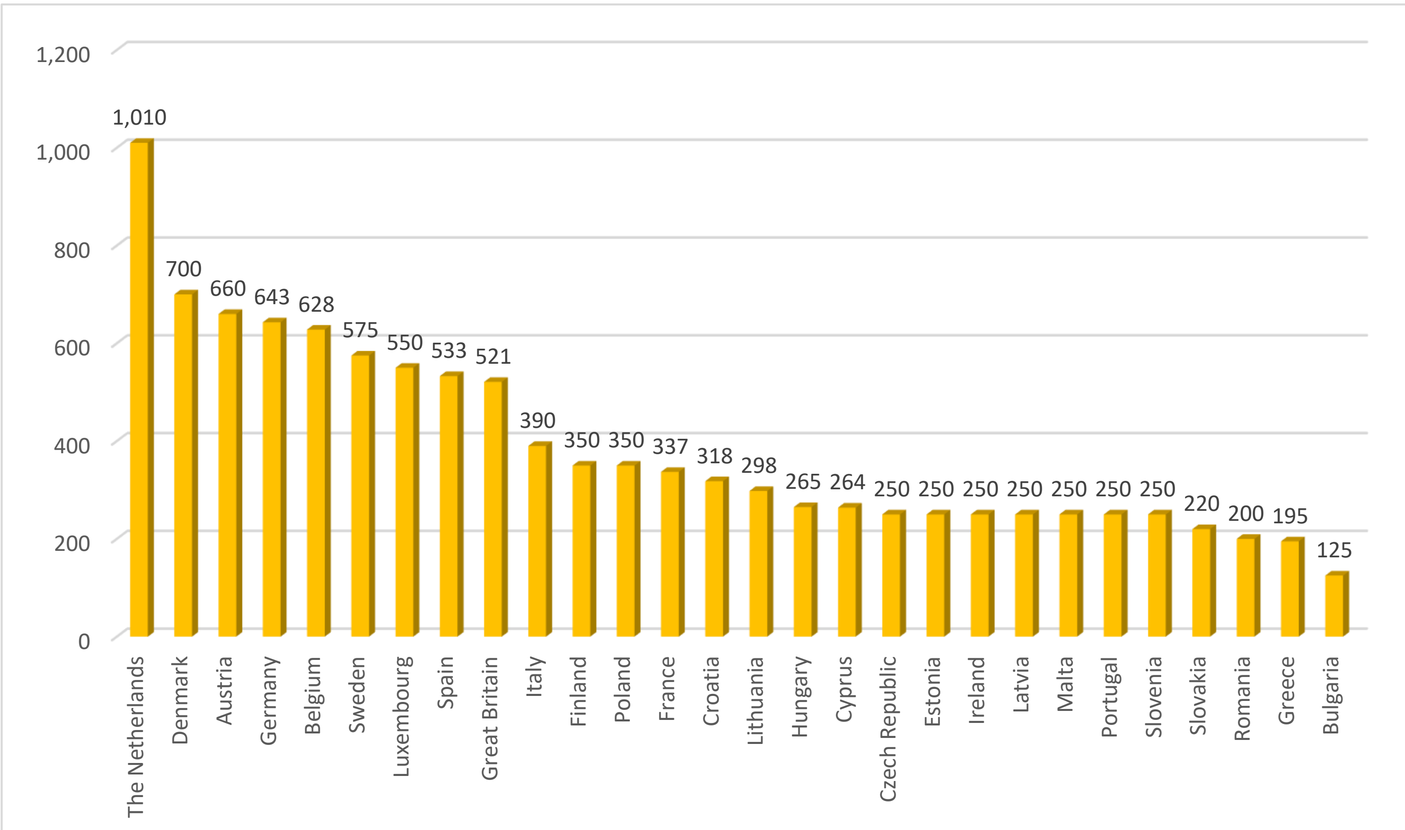


Country	Germany	France	Great Britain	Italy	Poland	Spain	The Netherlands	Sweden	Belgium	Romania	Denmark	Czech Republic	Austria	Portugal	Croatia	Finland	Slovenia	Ireland	Hungary	Greece	Slovakia	Lithuania	Bulgaria	Estonia	Latvia	Cyprus	Malta	Luxembourg	EU 28
Bicycle and E-Bike Sales (x 1,000)	4,050	3,035	3,050	1,679	1,200	1,115	931	576	540	510	510	490	397	350	350	320	310	225	221	166	140	113	79	75	70	22	14	11	20,550
Country share (%)	20	15	15	8	6	5	5	3	3	3	3	2	2	2	2	1	1	1	1	1	1	1	0	0	0	0	0	0	

Please note, that the sale figures marked in blue are taken directly from CONEBI's member associations, in the other countries we used estimates from industry experts.

[12] Sales = Sales to consumers including VAT ; Data including EPAC sales

2016 EUROPEAN BICYCLE AND EPAC SALES (EU 28) AVERAGE PRICE/COUNTRY[13] (€)



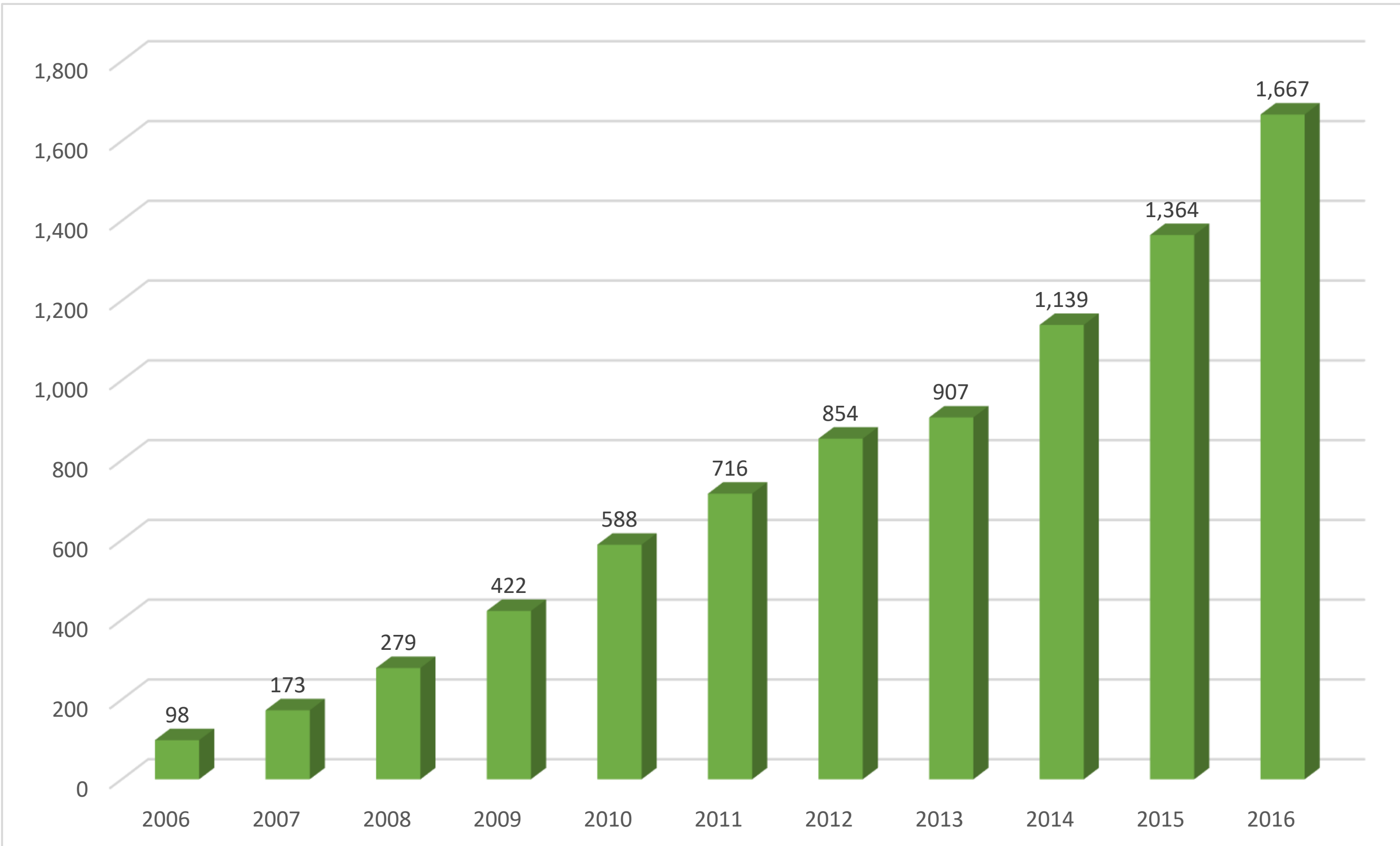
Country	**The Netherlands**	**Denmark**	**Austria**	**Germany**	**Belgium**	**Sweden**	**Luxembourg**	**Spain**	**Great Britain**	**Italy**	**Finland**	**Poland**	**France**	**Croatia**	**Lithuania**	**Hungary**	**Cyprus**	**Czech Republic**	**Estonia**	**Ireland**	**Latvia**	**Malta**	**Portugal**	**Slovenia**	**Slovakia**	**Romania**	**Greece**	**Bulgaria**	**EU 28**
Average price (€)	1 010	700	660	643	628	575	550	533	521	390	350	350	337	318	298	265	264	250	250	250	250	250	250	250	220	200	195	125	389
Ranking	1	2	3	4	5	6	7	8	9	10	11	11	12	13	14	15	16	17	17	17	17	17	17	17	17	18	19	20	

[13] Average prices include VAT ; Data including EPAC sales

EUROPEAN EPAC[14] SALES

[14] EPAC = Electrically Power-Assisted Cycle

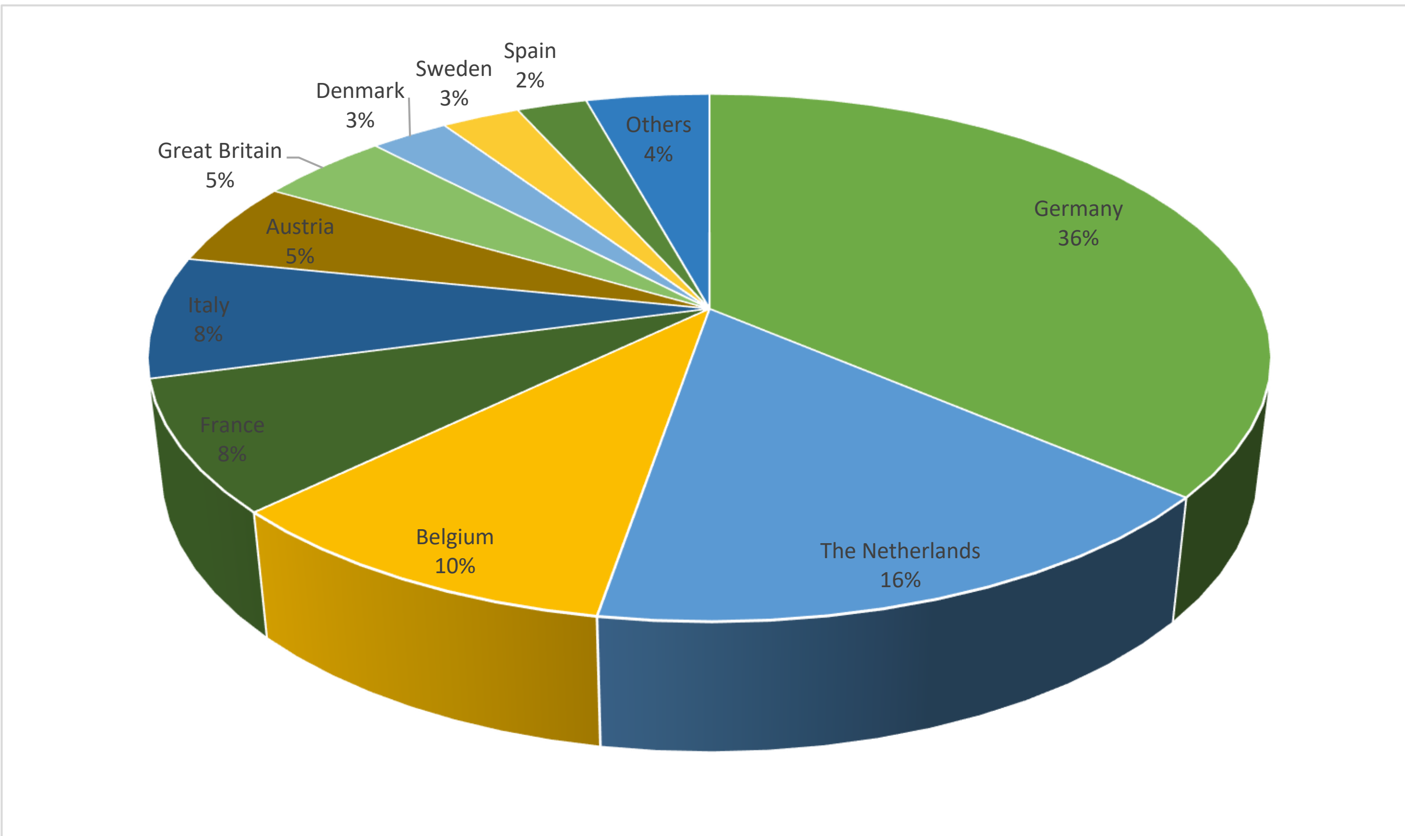
EUROPEAN EPAC SALES[15] (EU 28) (1,000 units) 2009 – 2016



Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EPAC Sales (x 1,000)	98	173	279	422	588	716	854	907	1 139	1 364	1 667
Evolution (%)		76,53	61,27	51,25	39,34	21,77	19,27	6,21	25,58	19,78	22,15

[15] EPAC = Electrically Power-Assisted Cycle; Sales = Sales to consumers including VAT

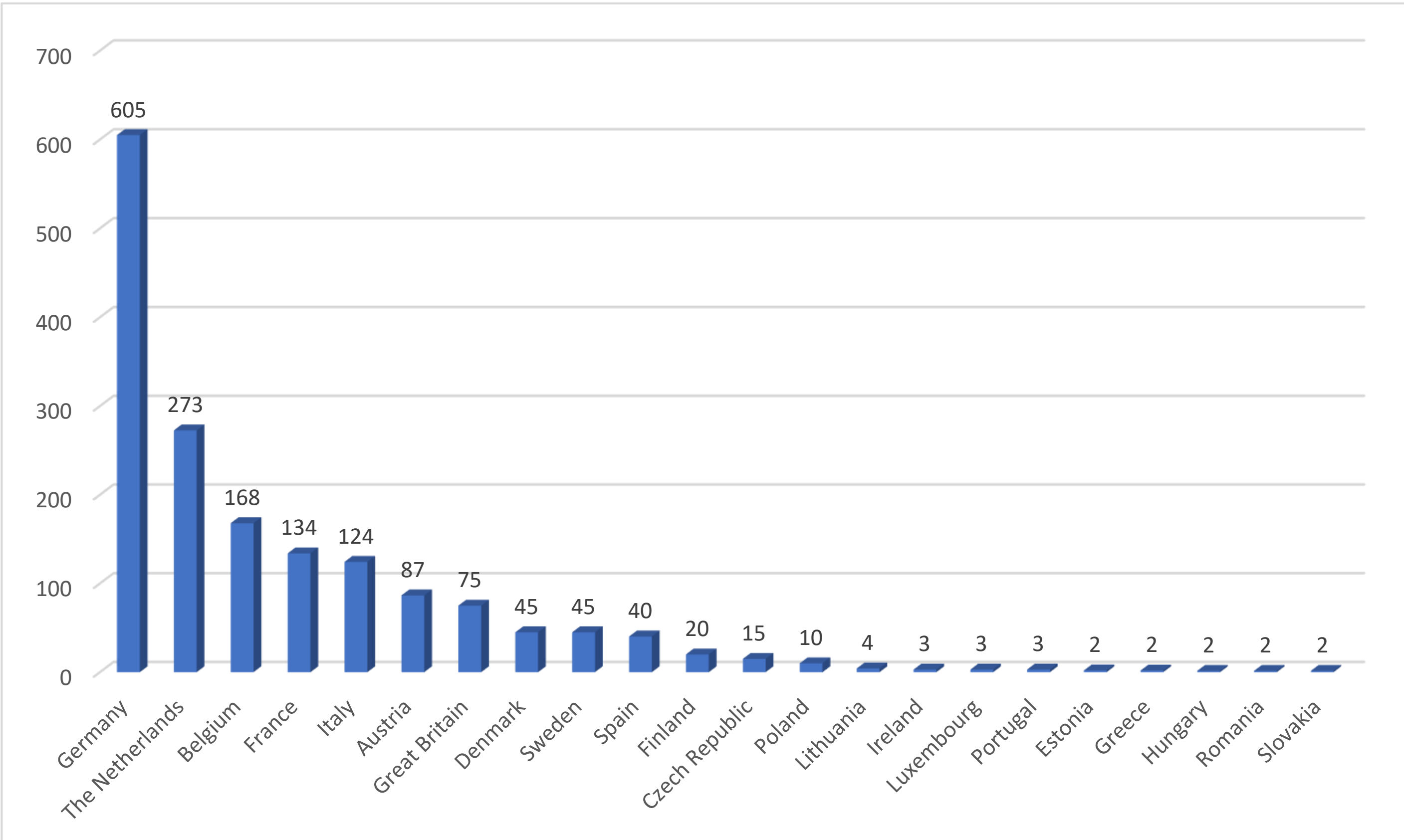
2016 EUROPEAN EPAC SALES[16] (EU 28) (1,000 units)



Country	Germany	The Netherlands	Belgium	France	Italy	Austria	Great Britain	Denmark	Sweden	Spain	Finland	Czech Republic	Poland	Lithuania	Ireland	Luxembourg	Portugal	Estonia	Greece	Hungary	Romania	Slovakia	Croatia	Latvia	Slovenia	Cyprus	Malta	Bulgaria	EU 28
EPAC Sales (x 1,000)	605	273	168	134	124	87	75	45	45	40	20	15	10	4	3	3	3	2	2	2	2	2	1	1	1	1	1	0	1 667
Country share (%)	36	16	10	8	7	5	5	3	3	2	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

[16] EPAC = Electrically Power-Assisted Cycle; Sales = Sales to consumers including VAT

2016 EUROPEAN EPAC SALES[17] (EU 28) COUNTRY RANKING (1,000 units)

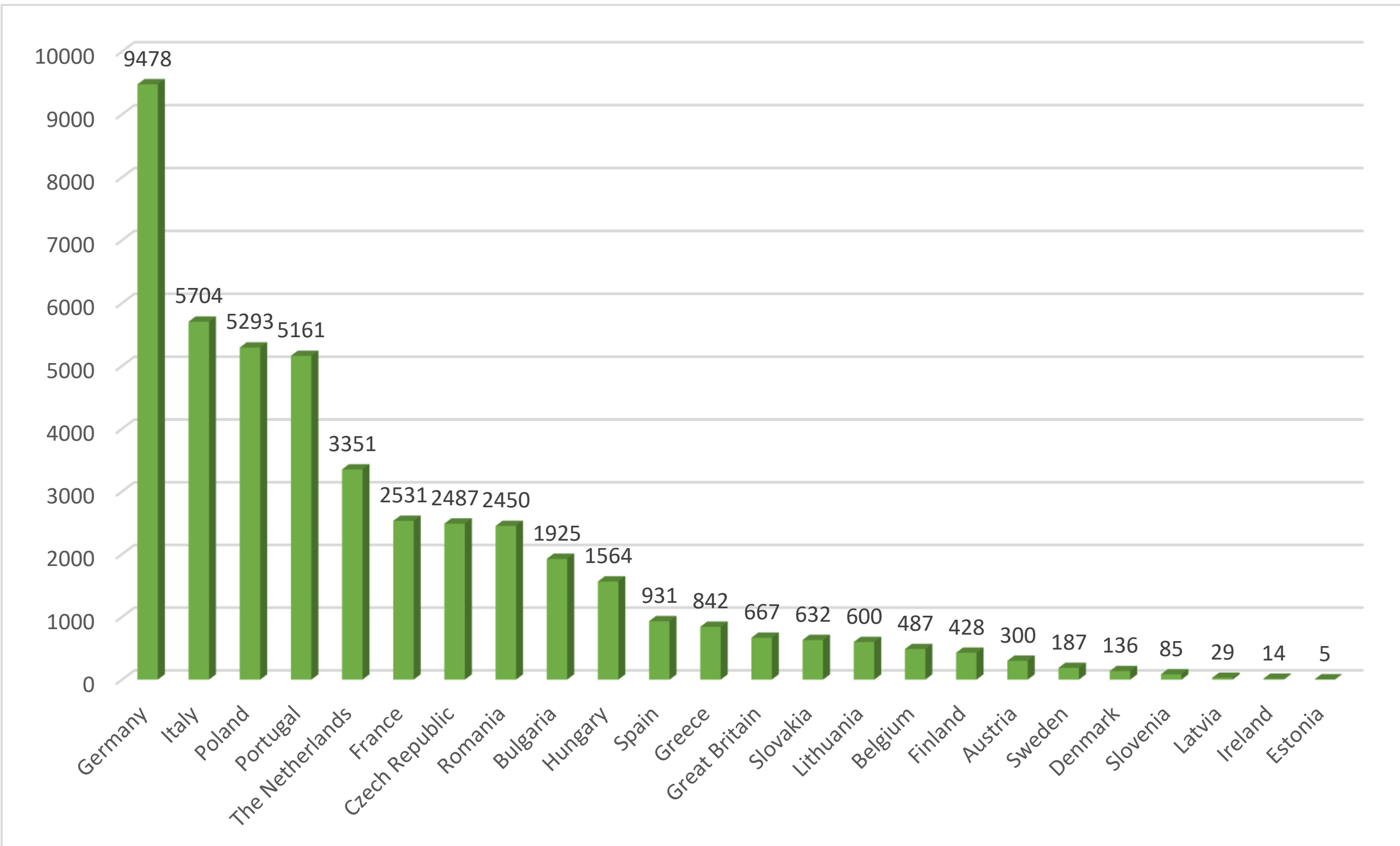


Country	Germany	The Netherlands	Belgium	France	Italy	Austria	Great Britain	Denmark	Sweden	Spain	Finland	Czech Republic	Poland	Lithuania	Ireland	Luxembourg	Portugal	Estonia	Greece	Hungary	Romania	Slovakia	Croatia	Latvia	Slovenia	Cyprus	Malta	Bulgaria	EU 28
EPAC Sales (x 1,000)	605	273	168	134	124	87	75	45	45	40	20	15	10	4	3	3	3	2	2	2	2	2	1	1	1	1	1	0	1 667
Country share (%)	1	2	3	4	5	6	7	8	8	9	10	11	12	13	14	14	14	15	15	15	15	15	16	16	16	16	16	16	

[17] EPAC = Electrically Power-Assisted Cycle; Sales = Sales to consumers including VAT

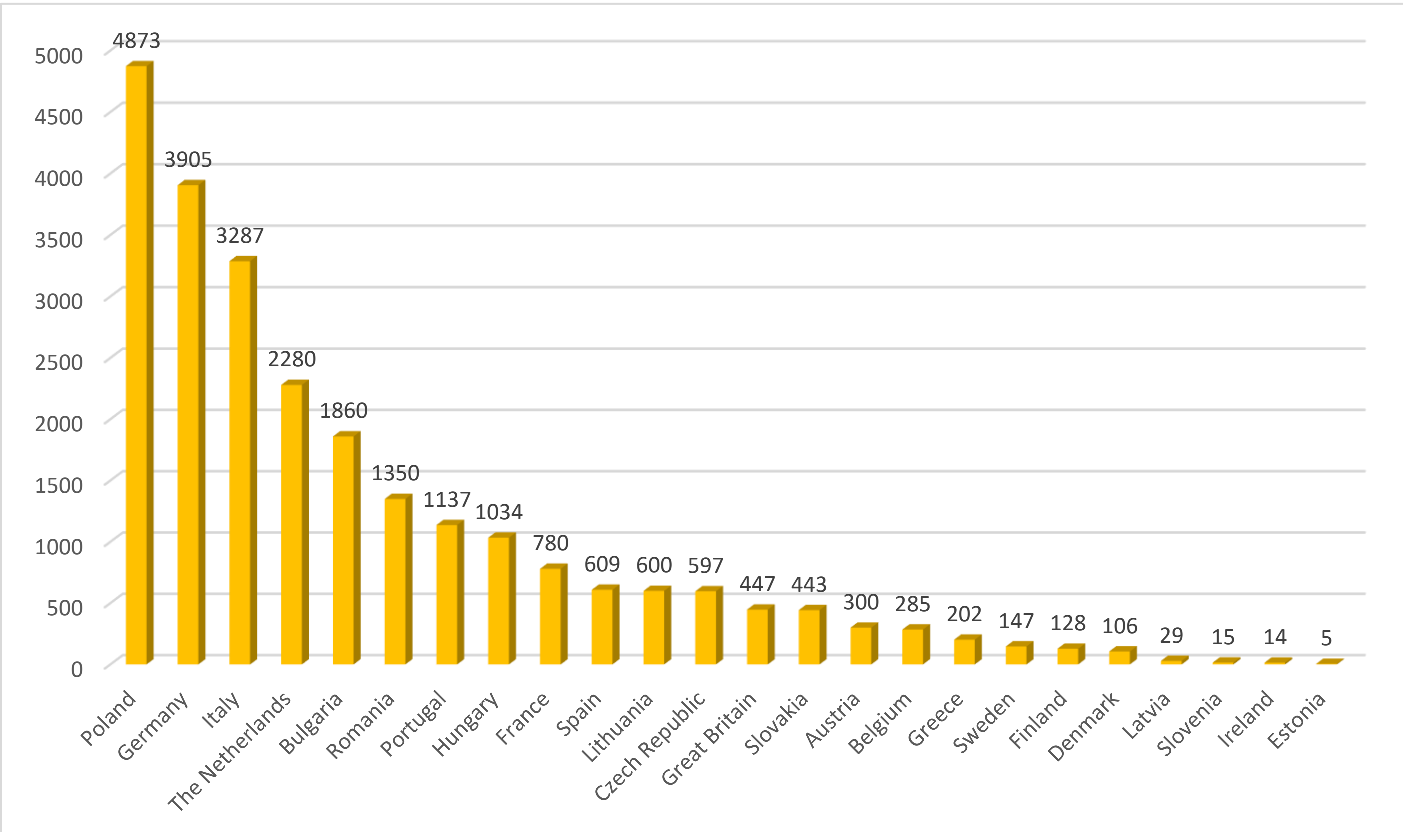
2016 EUROPEAN BICYCLE INDUSTRY EMPLOYMENT

2016 EMPLOYMENT IN THE EUROPEAN BICYCLE AND BICYCLE PARTS & ACCESSORIES INDUSTRIES (EU28)



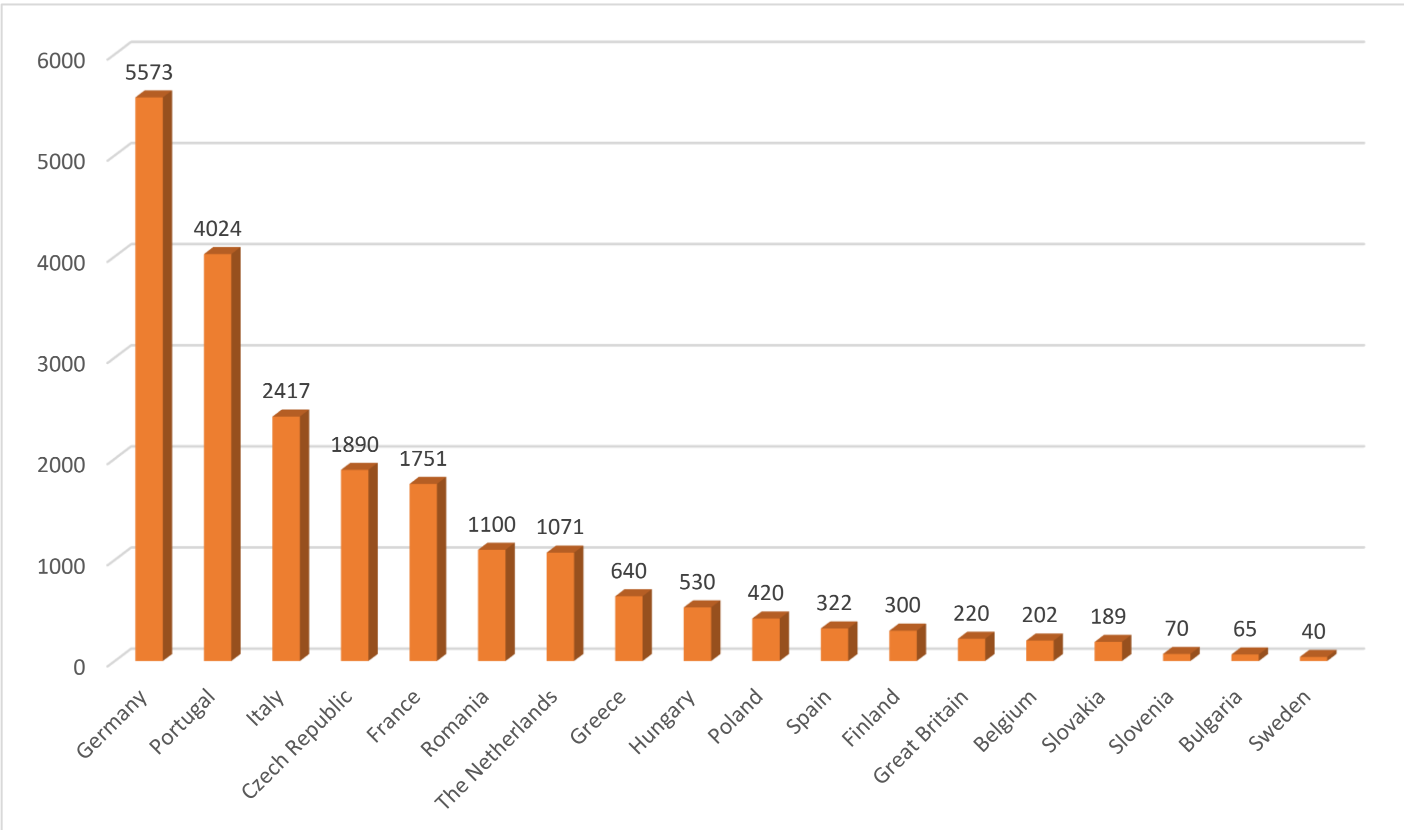
Country	Germany	Italy	Poland	Portugal	The Netherlands	France	Czech Republic	Romania	Bulgaria	Hungary	Spain	Greece	Great Britain	Slovakia	Lithuania	Belgium	Finland	Austria	Sweden	Denmark	Slovenia	Latvia	Ireland	Estonia	Croatia	Cyprus	Luxembourg	Malta	EU 28
Bicycle Employment	3 905	3 287	4 873	1 137	2 280	780	597	1 350	1 860	1 034	609	202	447	443	600	285	128	300	147	106	15	29	14	5	0	0	0	0	24 433
Parts & Accessories Employment	5 573	2 417	420	4 024	1 071	1 751	1 890	1 100	65	530	322	640	220	189	0	202	300	0	40	30	70	0	0	0	0	0	0	0	20 854
Total	9 478	5 704	5 293	5 161	3 351	2 531	2 487	2 450	1 925	1 564	931	842	667	632	600	487	428	300	187	136	85	29	14	5	0	0	0	0	45 287
Ranking	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	25	25	25	

2016 EUROPEAN BICYCLE INDUSTRY EMPLOYMENT (EU 28)



Country	Poland	Germany	Italy	The Netherlands	Bulgaria	Romania	Portugal	Hungary	France	Spain	Lithuania	Czech Republic	Great Britain	Slovakia	Austria	Belgium	Greece	Sweden	Finland	Denmark	Latvia	Slovenia	Ireland	Estonia	Croatia	Cyprus	Luxembourg	Malta	EU 28
Bicycle Employment	4 873	3 905	3 287	2 280	1 860	1 350	1 137	1 034	780	609	600	597	447	443	300	285	202	147	128	106	29	15	14	5	0	0	0	0	24 433
Ranking	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	25	25	25	

2016 EUROPEAN BICYCLE PARTS AND ACCESSORIES INDUSTRY EMPLOYMENT (EU 28)

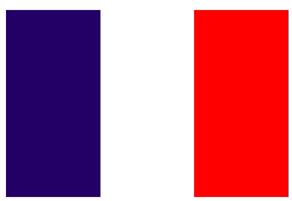


Country	Germany	Portugal	Italy	Czech Republic	France	Romania	The Netherlands	Greece	Hungary	Poland	Spain	Finland	Great Britain	Belgium	Slovakia	Slovenia	Bulgaria	Sweden	Denmark	Austria	Croatia	Cyprus	Estonia	Latvia	Lithuania	Luxembourg	Malta	Ireland	EU 28
Parts & Accessories Employment	5 573	4 024	2 417	1 890	1 751	1 100	1 071	640	530	420	322	300	220	202	189	70	65	40	30	0	0	0	0	0	0	0	0	0	20 854
Ranking	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	20	20	20	20	20	20	20	20	

FRANCE/GERMANY/GREAT BRITAIN/ ITALY/THE NETHERLANDS/BULGARIA/SPAIN

Summary Markets

FRANCE



SUMMARY FRANCE
French Cycle Market: a new year of growth with more than 3 million units sold

The French cycle market continues to grow continuously since 2014. Thus, in 2016, the symbolic level of 3 million bicycles sold (+ 1.3% vs 2015) was exceeded with a turnover of 1.023 billion euros, increasing by 6.4% compared to 2015.

At the same time, the sales of parts and accessories reached 772 million euros (+ 5.9%). By adding cycles, parts and accessories, the global French cycle amounts to 1.795 billion euros in 2016, increasing by 6% compared to 2015.

Since 2014, French customers focus on quality and innovation. The average price has been continuously increasing and reached € 337 in 2016 (€ 307 in 2014, € 321 in 2015).

New record for EPAC

The main trends for 2016 :

1) Increasing mobility and sport bikes :

- EPAC sales reach clearly the most important growth with more than 130,000 units sold in 2016 (+33%) and an even better performance of electric MTBs, for which sales increased by 72% to 15,000 units. Overall, all categories of mobility bikes (Electric, folding, etc.) are on the rise.

> Sales of EPACs should continue to grow in 2017 thanks to the introduction of a national financial support mechanism. One month after the launch of this measure, 15,000 applications have been registered by the agency in charge of this support.

- Overall, MTB remains the leading market and continues to grow with 926,000 units sold (+ 7%).
- Sales of racing bikes declined but continued to increase in value.

2) Children and BMX cycles declining

- The negative trend already observed in 2015 on bicycles and MTB for children is confirmed, decreasing by -4% and -1% respectively.
- BMX sales : important decrease by -14%.

Contrasting results for distribution network

Concerning distribution network the trend registered in 2015 is confirmed : with the exception of supermarkets, all distribution channels benefit from the expansion of the French cycle market.

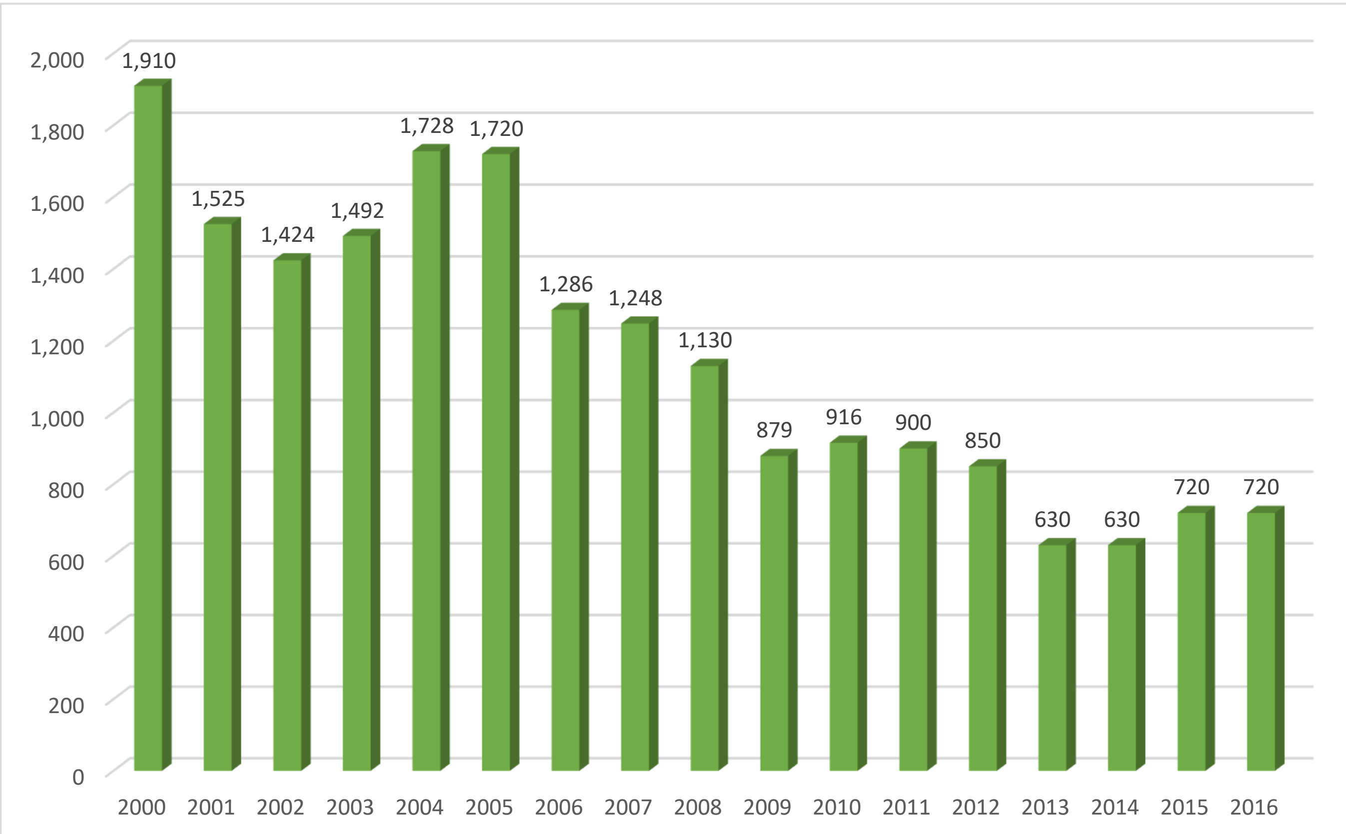
- The specialised bicycle dealers confirm their leading position with 49% of the market share in value and a turnover increasing by 2%.
- Sport chains remained the biggest network in terms of volume, and benefit from the growth of the sports market (+ 3% in 2016). The EPAC effect is important for this channel, with a global turnover increasing by 11% (+ 4% in volume).
- Supermarkets continue to decrease (-3% bicycles sold in 2016).
- Internet network continue to perform with an estimated growth around + 10%.

Key Figures – 2016 French Bicycle Market
• **Global market turnover: € 1.795 billion** • **Bicycle Sales : 3 034 500 units** • **Average price: € 337**

Products	€ Millions	Evolution
Bicycles	1023	+6,4%
Components+Accessories	772	+6%
Total	1795	+6,2%

Distribution network (Cycles + P&A)	€ Millions	Evolution
Specialised dealers	762,4	+3%
Sport chains	626	+8%
Supermarket	116,2	+2%
Internet	292	+10%

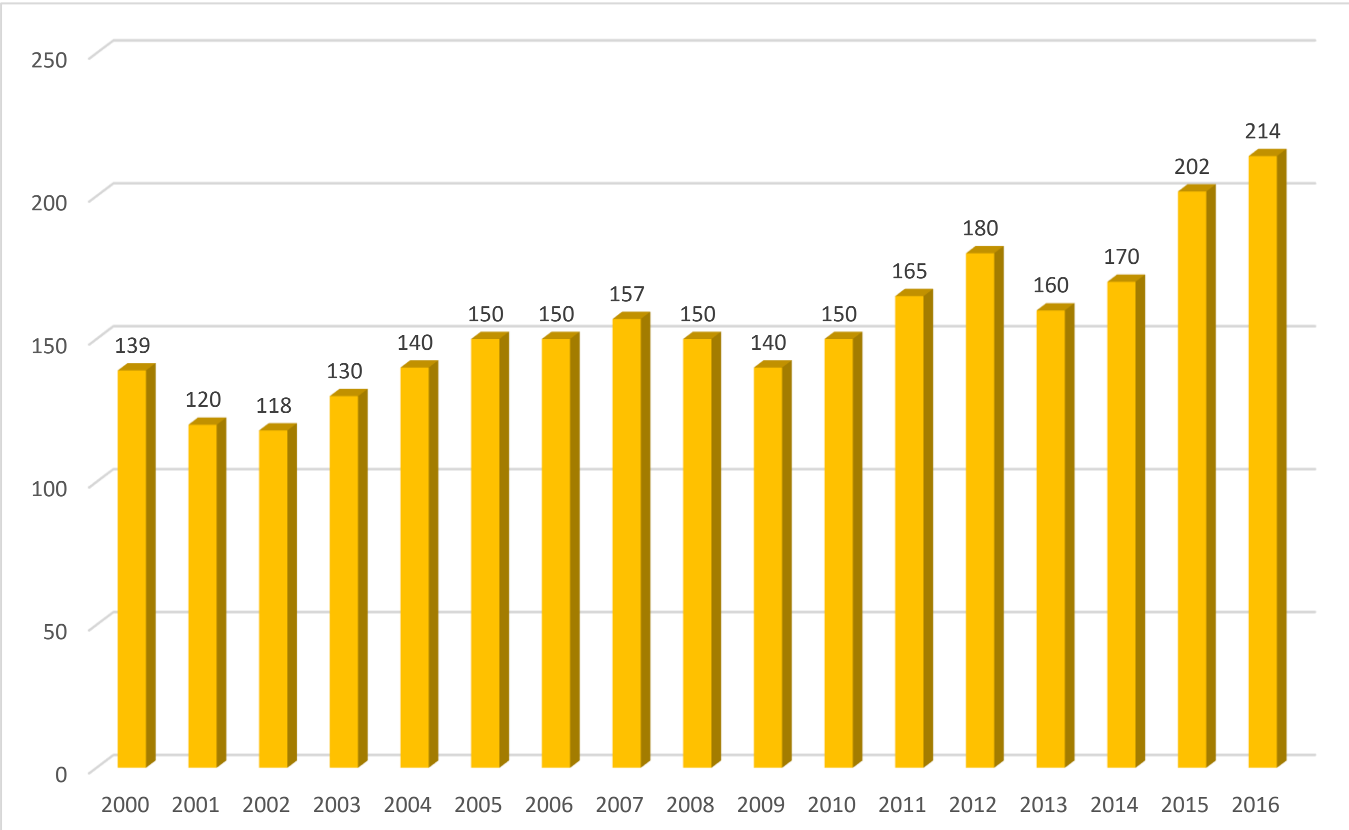
FRANCE - BICYCLE PRODUCTION[18]
(1,000 units) 2000 – 2016



Year	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Bicycle Production (x 1,000)	1 910	1 525	1 424	1 492	1 728	1 720	1 286	1 248	1 130	879	916	900	850	630	630	720	720
Evolution year/year-1 (%)		-20,16	-6,62	4,78	15,82	-0,46	-25,23	-2,95	-9,46	-22,21	4,21	-1,75	-5,56	-25,88	0,00	14,29	0,00

[18] Data including EPAC Production

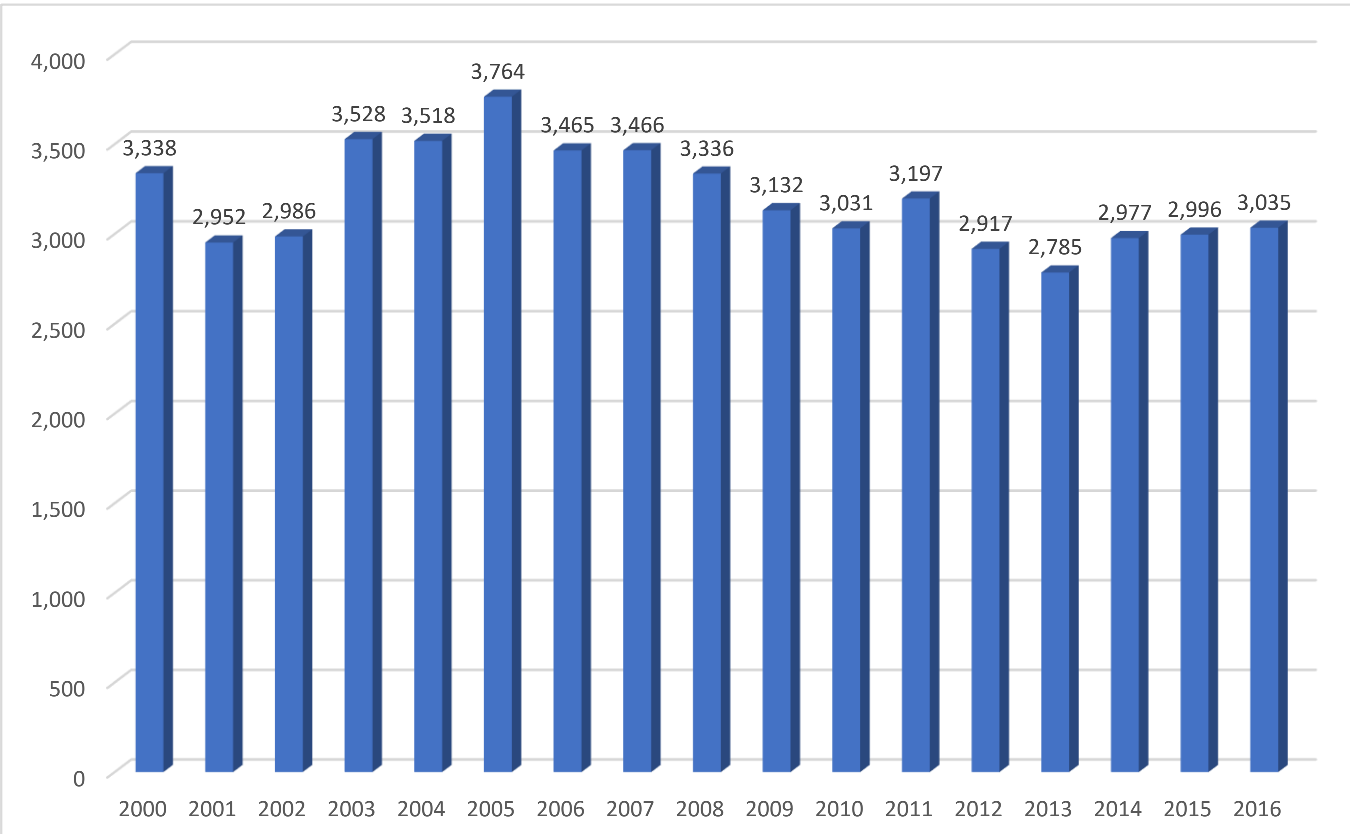
FRANCE - PARTS & ACCESSORIES PRODUCTION[19] (M€) 2000 – 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
P & A Production (M€)	139	120	118	130	140	150	150	157	150	140	150	165	180	160	170	202	214
Evolution year/year-1 (%)		-13,67	-1,67	10,17	7,69	7,14	0,00	4,67	-4,46	-6,67	7,14	10,00	9,09	-11,11	6,25	18,59	6,15

[19] Values excluding VAT

FRANCE – BICYCLE SALES[20] (1,000 units) 2000 – 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	3 338	2 952	2 986	3 528	3 518	3 764	3 465	3 466	3 336	3 132	3 031	3 197	2 917	2 785	2 977	2 996	3 035
Evolution year/year-1 (%)		-11,56	1,15	18,15	-0,28	6,99	-7,94	0,03	-3,75	-6,12	-3,22	5,48	-8,76	-4,53	6,89	0,64	1,29

[20] Sales = Sales to consumers including VAT ; Data including EPAC sales

GERMANY

SUMMARY GERMANY
Difficult year for the German Bicycle Industry, while constant growth in e-bike sector

The future belongs to the bicycle. New technologies and digital innovations are the guarantees for attractive products making the bicycle and e-bike safer, smarter and more comfortable. That is why the bicycle and bicycle use have been enjoying a veritable boom in Germany for a few years. Therefore, the German bicycle industry has recorded high demand and solid sales numbers thanks to the enthusiasm for the bicycle and the good weather conditions in 2014 and 2015.

However, 2016 was a rather difficult year for the German manufacturers of bicycles, components, equipment and e-bikes. Pretty cold and rainy weather during the first half-year of 2016 inhibited the desire for cycling among the Germans. Even though there was wonderful cycling weather during the second half of 2016 until October, the rather weak first half-year could not be compensated anymore.

In 2016, 4.05 million bicycles and e-bikes were sold, which represents a decline of 6.9% in comparison to the year before. The revenue could be boosted to 2.6 billion euro, which is an increase of about 7%. The total turnover of the German bicycle, equipment and component industry is estimated at 5.2 billion euro. This increase in turnover is mainly due to the growth of e-bike sales as well as the trend for more high-quality equipment of bicycles which led to an increase of the average sales price per bike, including e-bikes, of 643,- euro (+15%) through all distribution channels.

Especially the e-bike has been a true pleasure for the industry and the consumers since many years. And in the year 2016, the expectations were once more outnumbered. 605.000 e-bikes were sold through the several distribution channels in the last year. This represents an increase of 13% in comparison to 2015. Thus, the market share of e-bikes of the entire bicycle market increased to 15%. Therefore, a market share of 18-20% seems realistic at the medium-term. In the long term, the ZIV expects a market share of e-bikes of up to 30% of the bicycle market.

There are several reasons for the continuing e-bike boom: The diversity in models and product categories has become huge. But also, modern design, further developments in drive and battery technology as well as new business models, such as bike leasing or cargobikes, make the e-bike very attractive for consumers and companies. Therefore, the target group is becoming younger, too. And one thing is sure: Once you have cycled with an e-bike, you will certainly not want to miss this feeling any time soon.

Since the German bicycle industry is well-known for its high-quality products, e-bikes “made in Germany” keep on being a huge export success. In 2016, the export increased by 66% up to 233.000 units.

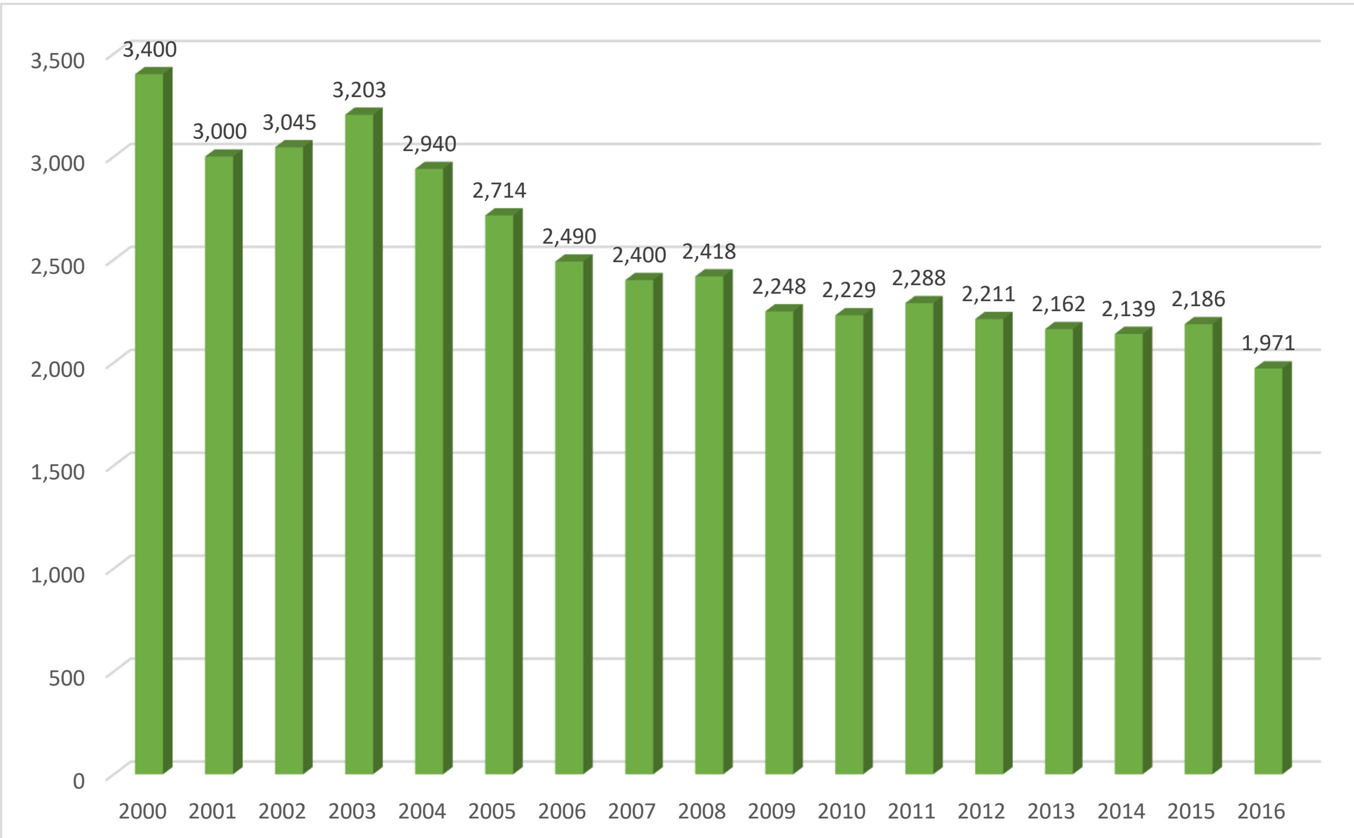
According to estimations of the ZIV, the total stock of bicycles, including e-bikes, has changed due to the growth of the last year. Meanwhile, there are about 73 million vehicles on German roads. The share of e-bikes is estimated at 3 million vehicles.

Regarding the allocation of model groups, a slight decline has been recorded in the category of city/urban, trekking and youth bikes as well as MTB. While all other categories remained stable, Dutch bikes, touring bikes and others (such as cargobikes, recumbent bikes, single speed bikes) have slightly increased.

For the first, the ZIV was able to disclose e-bikes into its sub-model groups. Thus, the categories of e-city/e-urban bikes represent a share of 45%, e-trekking bikes 35.5%, e-MTB 15%, e-cargobikes 2.5%, speed pedelecs 1% and all others 1% of the total e-bike market.

Also, the results of the component and equipment manufacturers have developed proportionally to the numbers of the vehicle industry.

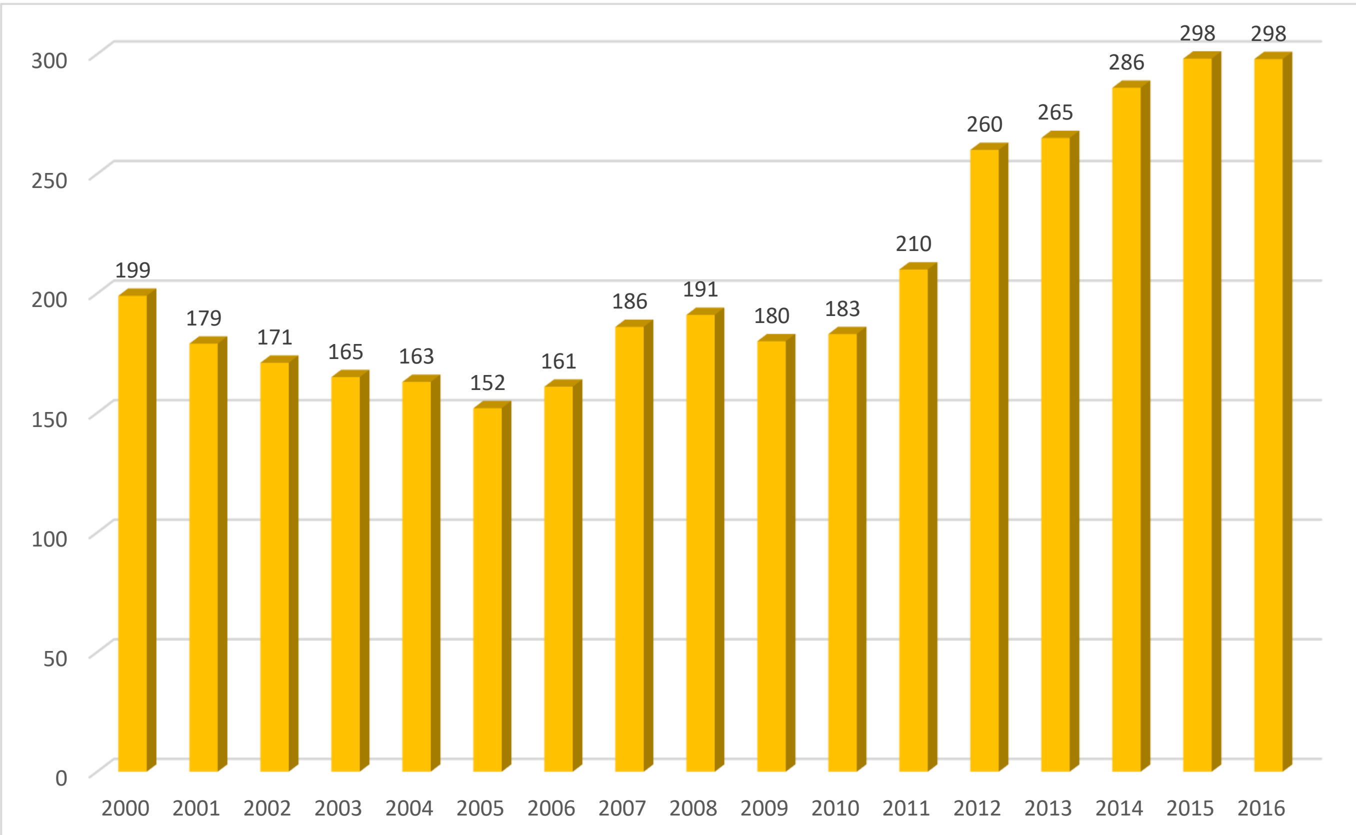
GERMANY - BICYCLE PRODUCTION[21]
(1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	3 400	3 000	3 045	3 203	2 940	2 714	2 490	2 400	2 418	2 248	2 229	2 288	2 211	2 162	2 139	2 186	1 971
Evolution year/year-1 (%)		-11,76	1,50	5,19	-8,21	-7,69	-8,25	-3,61	0,75	-7,03	-0,85	1,78	-0,81	-5,51	-3,26	2,20	-9,84

[21] Data including EPAC Production

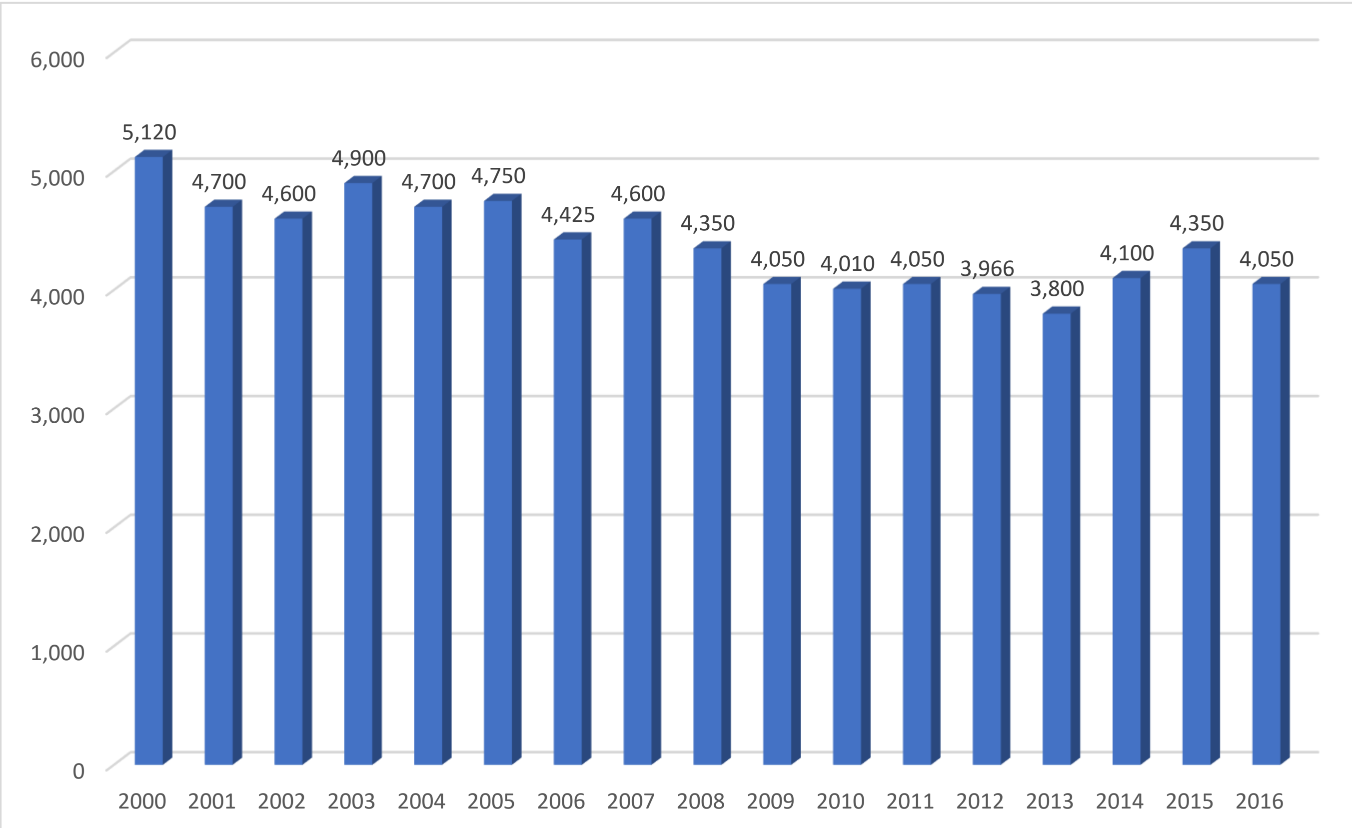
GERMANY - PARTS & ACCESSORIES PRODUCTION[22] (M€) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
P & A Production (M€)	199	179	171	165	163	152	161	186	191	180	183	210	260	265	286	298	298
Evolution year/year-1 (%)		-10,05	-4,47	-3,51	-1,21	-6,75	5,92	15,53	2,69	-5,76	1,67	14,75	23,81	1,92	7,92	4,27	-0,07

22 Values excluding VAT

GERMANY - BICYCLE SALES[23] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	5 120	4 700	4 600	4 900	4 700	4 750	4 425	4 600	4 350	4 050	4 010	4 050	3 966	3 800	4 100	4 350	4 050
Evolution year/year-1 (%)		-8,20	-2,13	6,52	-4,08	1,06	-6,84	3,95	-5,43	-6,90	-0,99	1,00	-2,07	-4,19	7,89	6,10	-6,90

[23] Sales = Sales to consumers including VAT ; Data including EPAC sales

GREAT BRITAIN

SUMMARY GREAT BRITAIN
UK BICYCLE PRODUCTION AND SALES – 2016

The UK manufactures only a small quantity of bicycles - about 80,000 pa. The largest manufacturer is Brompton, with folding bikes. Also notable are Pashley, who produce 'classic' models, adaptive and cargo bikes. Pashley's production may rise in future years as they are contracted to produce a new generation of public hire bikes for London.

In 2016, UK production has increased somewhat with Brompton operating from a new, larger facility, and also with the start of production (assembly) of Frog Bikes children's bikes in a new factory in Wales.
The U.K. market is otherwise principally supplied with bicycles imported from the Far East: principally Vietnam, Cambodia, Thailand, China, Philippines, Sri Lanka, India.

The U.K. has no quantified source of information on annual retail sales of bikes, parts, accessories or clothing, either in terms of units or value.

The unit figures in this report are therefore estimates, based on the official import statistics published by Her Majesty's Revenue and Customs (HMRC). This data gives the total number of units and their £sterling value at the port of entry. It is not broken down by type of bicycle.

Until 2016, on this basis the UK market was estimated to be rather stable in terms of retail sales over the past six years, despite a continuing increase in everyday commuter cycling in London. The market previously fluctuated between about 3.35 million units and 3.6 million units, assuming that the retail sales accurately tracked import data. A small decline in 2015 was put down to natural variability, but 2016 followed this up with a very significant decrease, with import figures falling to 2.8 million, around 20% down on the recent five-year average. No single cause for this has been identified; possibilities include a correction for over-supply in previous years, substitution of sales of children's bikes by in-fashion scooters, and Brexit concerns.

For retail values, in previous years only industry estimates were available. In 2016, however, the Bicycle Association commissioned research which provides figures for average retail values based on data from national consumer surveys. Combined with unit data from imports, this provides a more accurate basis for total bicycle sales values.

- For this reason, the bicycle sales value figure provided for 2016 is not directly comparable with previous years.
- It is estimated that bicycle sales account for only about 50% of the total retail value of the U.K. cycle market. A further 50% is derived from sales of parts & accessories including tyres, clothing, and from repairs and maintenance.
- The UK employment figures for 2016 (considering employees involved in production only) have been compiled using a more comprehensive survey of producers than was previously available, and so these figures are also not directly comparable with previous years.
- Our economic analysis suggests that the total number of employees in the UK cycle industry is roughly 25,000, split approximately equally between bicycles and parts/accessories (insofar as such a distinction is meaningful).

These new methodologies will continue to be used for future annual data.

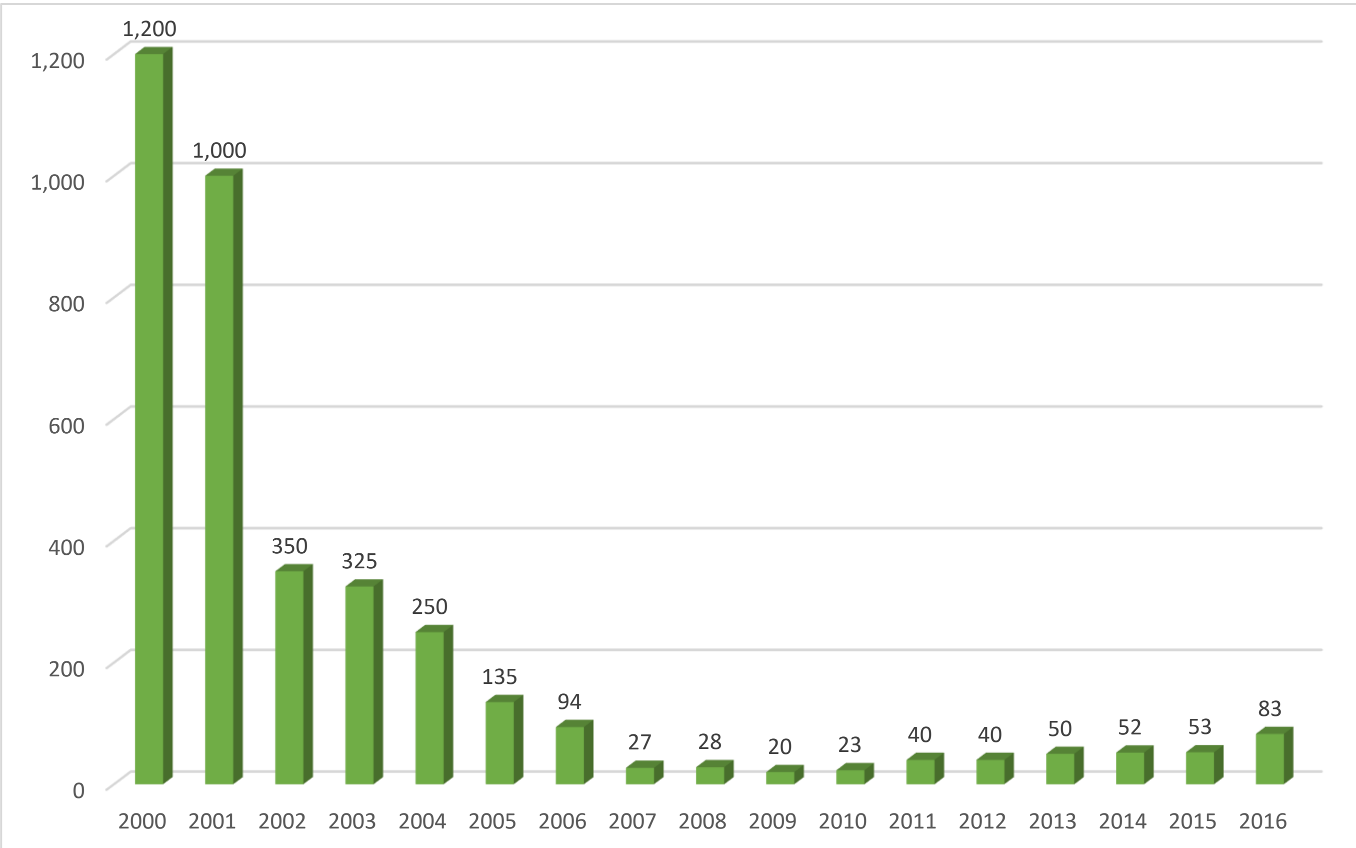
Informal industry estimates of the split between types of bicycle are:

- Childrens': 30%
- MTB: 30%
- Road: 10%
- Classic/Hybrid:26%
- Folding/ Other: 4%

About 150,000 bikes for commuting are sold annually under a Government scheme which allows employees to obtain a bicycle with about 40% discount, through the "Cycle to Work" programme.

The market for electrically assisted pedal cycles (EAPCs) is growing rapidly, but is still small at ca. 75,000 units. HMRC figures do not accord with industry estimates here, especially the anomalously high figures recorded for late 2015/early 2016. Up until December 2016 these are regarded as incorrect/ mis-categorised, however coding changes by HMRC which came into effect in January 2017 is likely to make 2017 figures much more reliable.

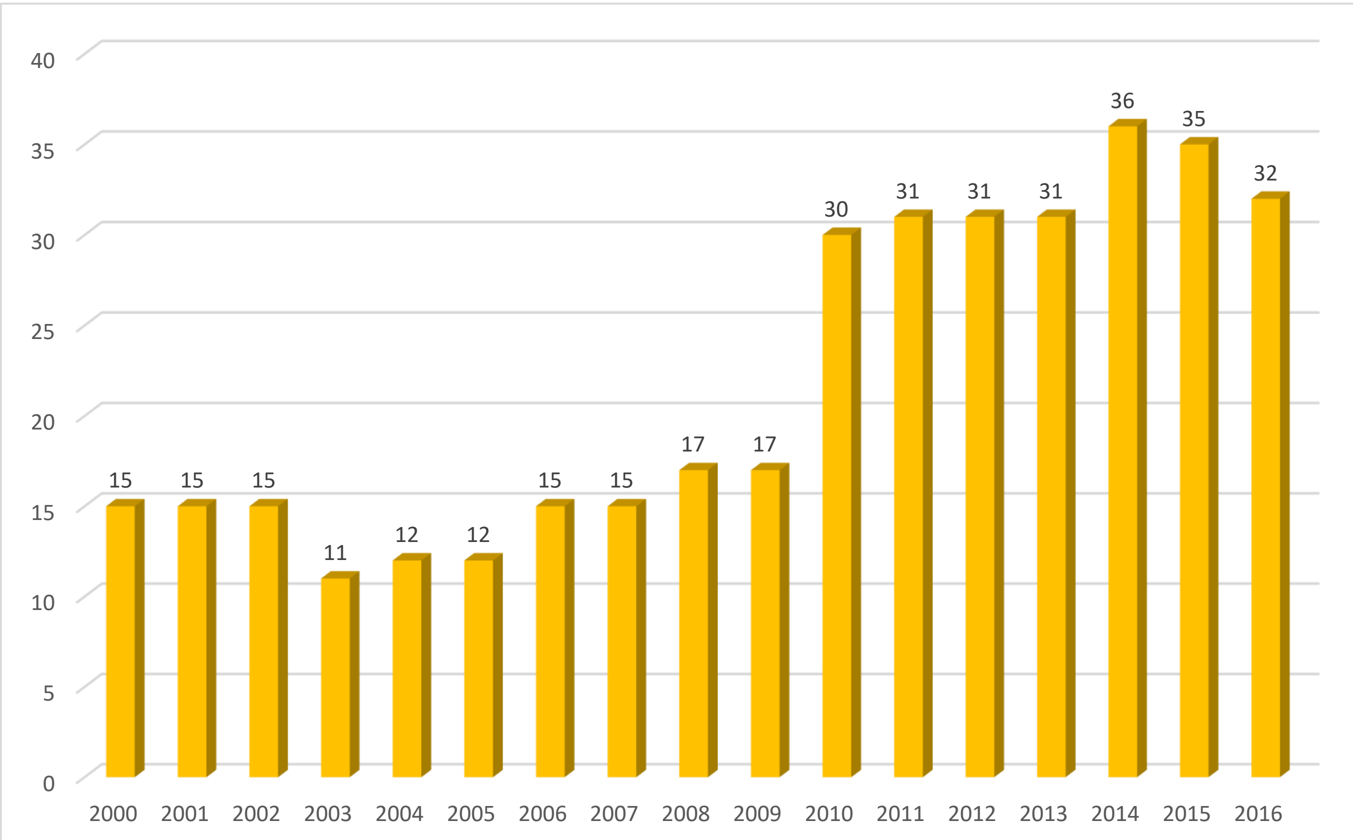
GREAT BRITAIN - BICYCLE PRODUCTION[24] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	1 200	1 000	350	325	250	135	94	27	28	20	23	40	40	50	52	53	83
Evolution year/year-1 (%)		-16,67	-65,00	-7,14	-23,08	-46,00	-30,37	-71,28	3,70	-28,57	15,00	73,91	0,00	25,00	4,00	0,96	57,56

[24] Data including EPAC Production

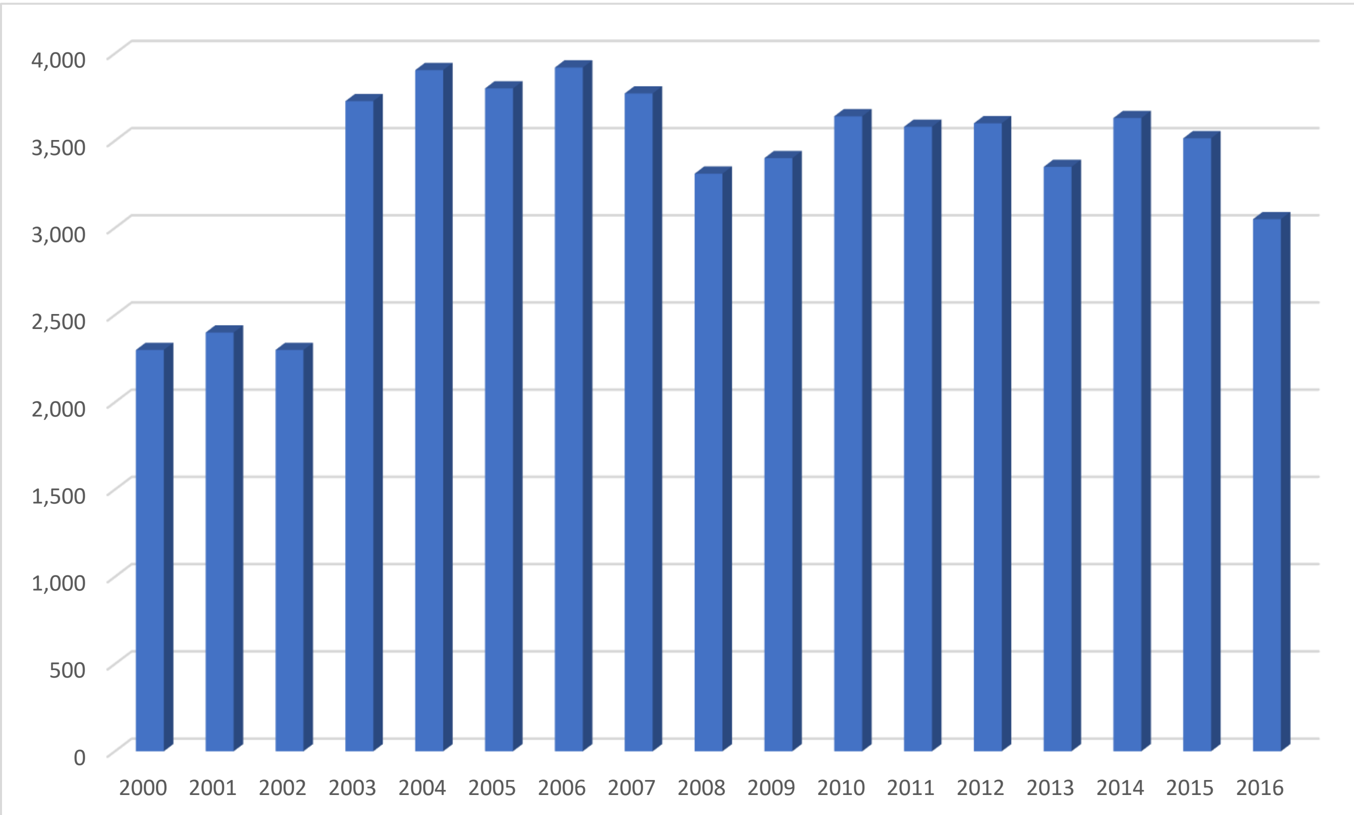
GREAT BRITAIN - PARTS & ACCESSORIES PRODUCTION[25] (M€) 2000 – 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
P & A Production (M€)	15	15	15	11	12	12	15	15	17	17	30	31	31	31	36	35	32
Evolution year/year-1 (%)		0,00	0,00	-26,67	9,09	0,00	25,00	0,00	13,33	0,00	76,47	3,33	0,00	0,00	16,13	-2,78	-8,57

[25] Values excluding VAT

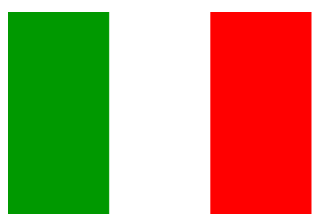
GREAT BRITAIN - BICYCLE SALES[26] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	2 300	2 400	2 300	3 727	3 905	3 800	3 920	3 771	3 311	3 400	3 640	3 580	3 600	3 350	3 630	3 514	3 050
Evolution year/year-1 (%)		4,35	-4,17	62,04	4,78	-2,69	3,16	-3,80	-12,20	2,69	7,06	-1,65	0,56	-6,94	8,36	-3,20	-13,20

[26] Sales = Sales to consumers including VAT ; Data including EPAC sales

ITALY



SUMMARY ITALY
2016 – BOOM OF E-BIKE

The Italian Bicycle Market data for 2016, both traditional and pedal-assisted, shows a similar trend to what is happening in the rest of Europe.

Bicycle data is contracted but E-Bike is growing strongly

From this year, even in Italy, the market data for e-bikes shows a very "European" trend, 124,400 bicycles + 120% compared to 2015.

It is a figure of internal market availability that we have calculated as a result of bicycles produced by adding the number of imported bicycles less those produced for export.

It is the second parameter, the one about the imports, that explains the growth of e-bike sales in 2016 and which reveals that 2017 will only see a bigger growth.

In the 4th quarter of 2016, a number of electric bikes (40,800) were imported, which was almost equal to the number of the first nine months (60,000) in 2016.

Traditional bicycles have dropped by -2.6%

E-bikes are mostly sold by specialized dealers. The large distribution is not ready yetfor the vehicle and after sales service.

The Italian e-bike production has also increased: from 16,600 in 2015 to 23,600 vehicles in 2016. There is also a whole chain of ‘Made in Italy’ vehicles, both as assembly and above all as construction of engines and electrical and electronic components.

Different factories are the realities that produce e-bike systems and will make their voices heard in 2017. There are good results for the export of e-bike, which increased from 3,400 bikes in 2015 to 8,000 in 2016.

These data give us the concrete hope of seeing an electric "Made in Italy" production on the whole chain.

The reason of this European success is in the aesthetic of these vehicles, which are very similar to traditional bicycles due to the small size of engine and battery and their integration with bicycle frames. The speed of these vehicles (25Km / h) is a good compromise for moving in urban traffic, especially in the most congested traffic areas where the speed differential with cars and motorbikes is reduced to a certain degree, making promiscuous traffic safer.

In addition, sophisticated power delivery levels (250Watts) allow the consumer to choose how much effort one can make and this allows one to use more and more the bike in mountainous areas. The E-Mountain Bike is now the undisputed leader in the market.

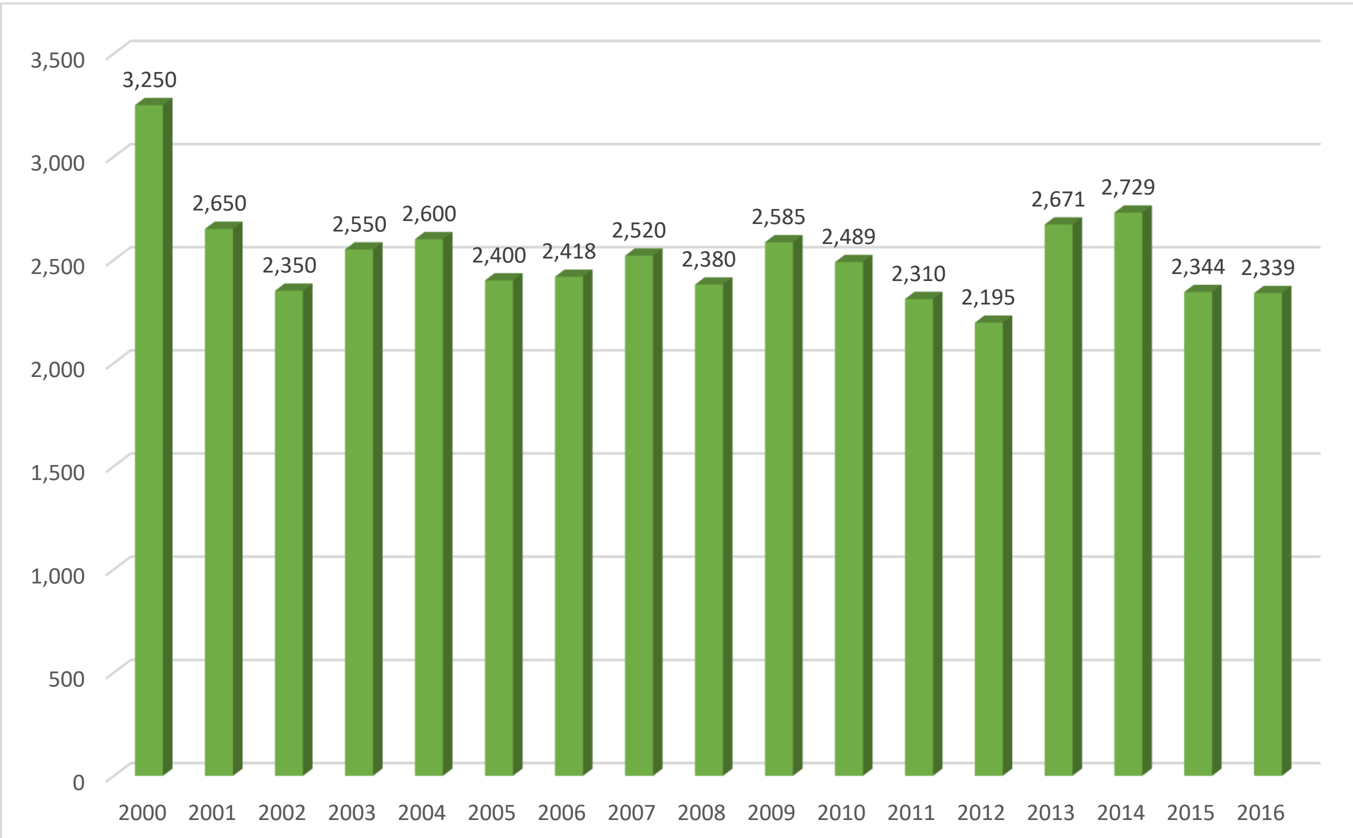
Finally, there is also an advantage over theft. If we remember to remove the computer that manages the electronics, the bike becomes unusable, and if we take off the battery, it is foolish to steal it because of the few hundred euros price of an after-market battery.

The decline in the sale of traditional bicycles, as a consequence, marks the decline in the data of bicycle components which suffer, especially in exports, this decline in the international market. Therefore, exports thus fell in value in line with European market figures.

Thanks to the e-bike effect, we see increases in value both on import and on the export of complete bicycles. In contrast, the export values of traditional bicycles remain the same as in the previous year.

The Italian Trade Balance of our export is active at 66 million euros.

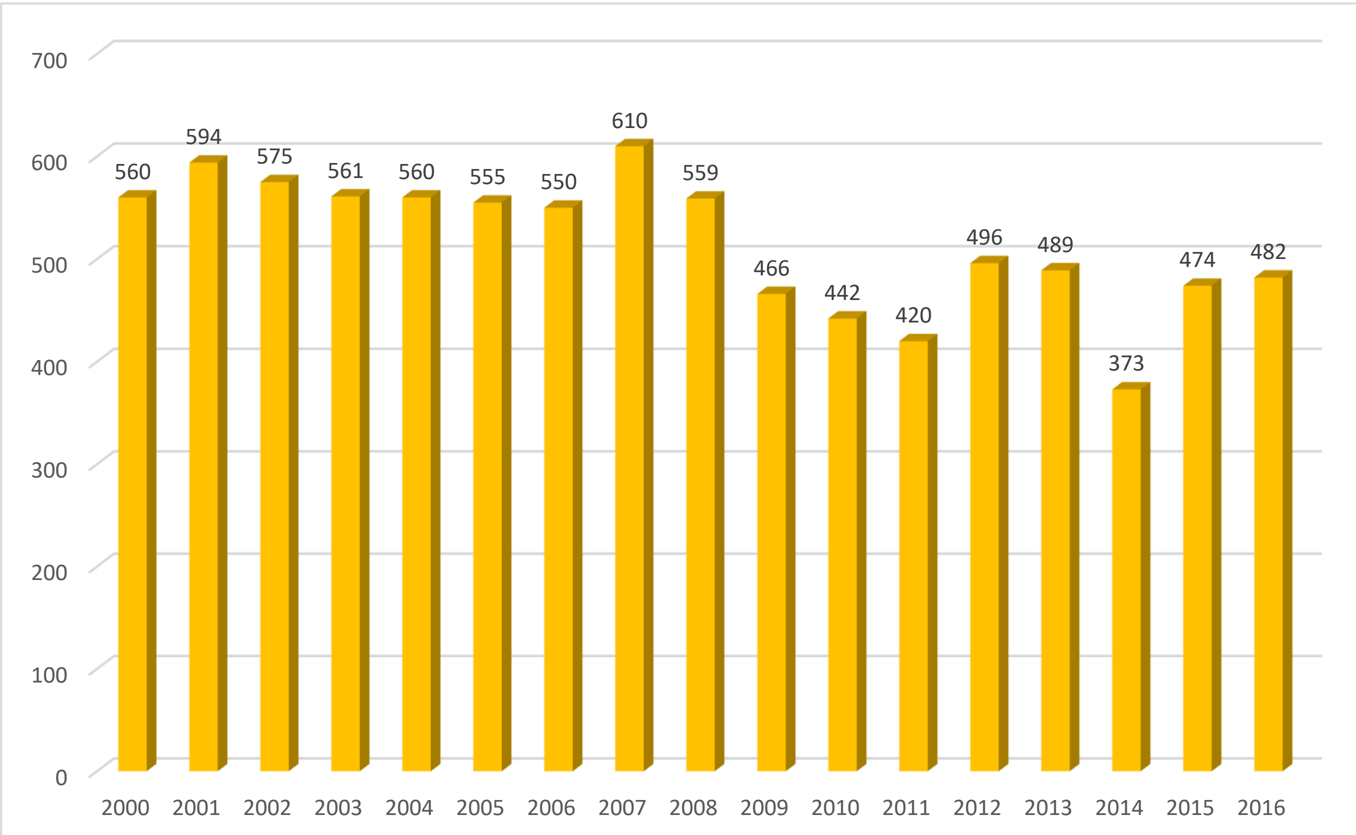
ITALY - BICYCLE PRODUCTION[27] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	3 250	2 650	2 350	2 550	2 600	2 400	2 418	2 520	2 380	2 585	2 489	2 310	2 195	2 671	2 729	2 344	2 339
Evolution year/year-1 (%)		-18,46	-11,32	8,51	1,96	-7,69	0,75	4,22	-5,56	8,61	-3,71	-7,19	-4,98	21,69	2,17	-14,11	-0,23

[27] Data including EPAC Production

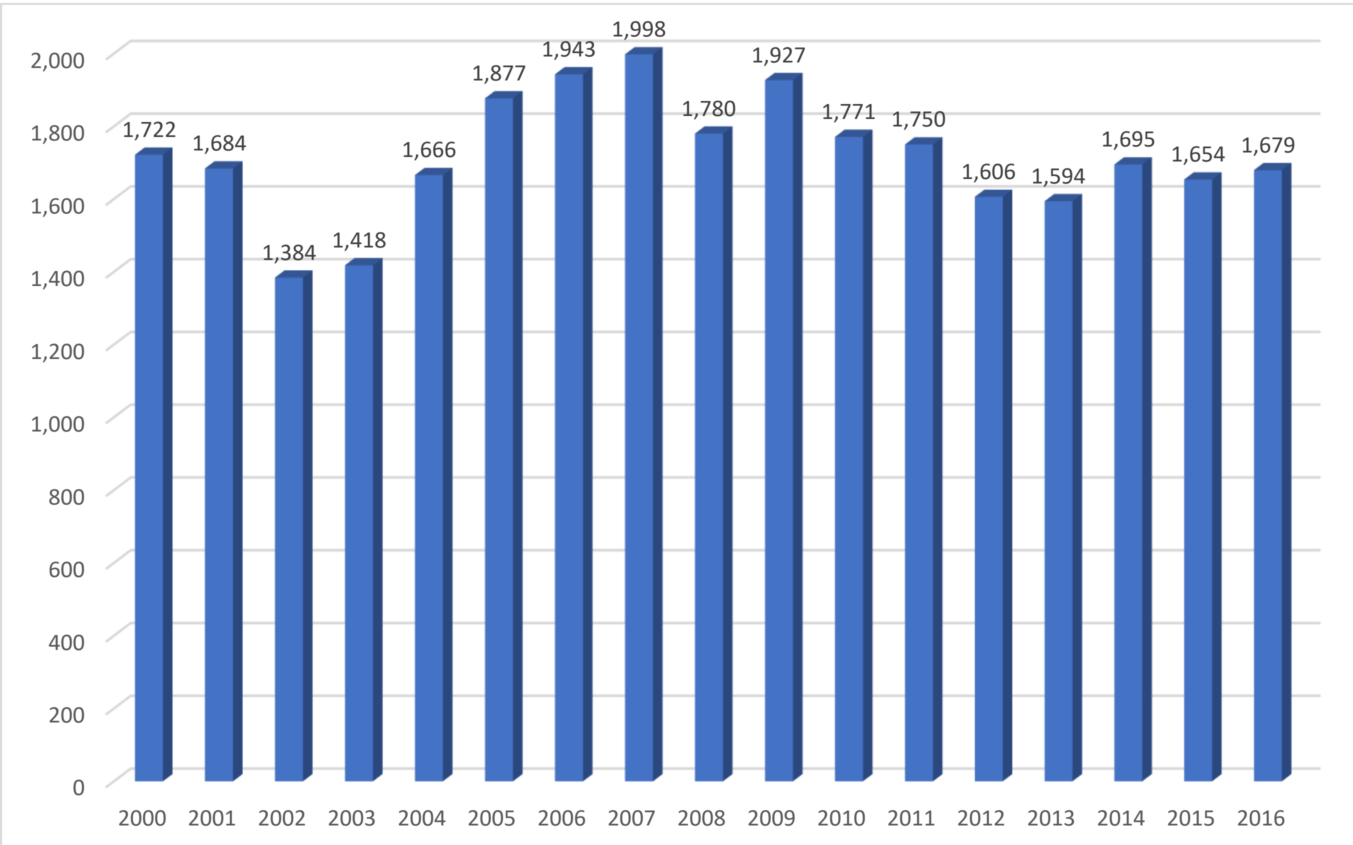
ITALY - PARTS & ACCESSORIES PRODUCTION[28] (M€) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
P & A Production (M€)	560	594	575	561	560	555	550	610	559	466	442	420	496	489	373	474	482
Evolution year/year-1 (%)		6,07	-3,20	-2,43	-0,18	-0,89	-0,90	10,91	-8,36	-16,64	-5,15	-4,98	18,10	-1,41	-23,72	27,08	1,69

[28] Values excluding VAT

ITALY - BICYCLE SALES[29]
(1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	1 722	1 684	1 384	1 418	1 666	1 877	1 943	1 998	1 780	1 927	1 771	1 750	1 606	1 594	1 695	1 654	1 679
Evolution year/year-1 (%)		-2,21	-17,81	2,46	17,49	12,67	3,52	2,83	-10,91	8,26	-8,10	-1,19	-8,23	-0,75	6,34	-2,44	1,55

[29] Sales = Sales to consumers including VAT ; Data including EPAC sales

The NETHERLANDS

SUMMARY THE NETHERLANDS
E-BIKES PROVIDE RECORD SALES IN 2016, DESPITE LOW SELLING

For the fourth year in a row, the revenue from the sale of new bikes increased in 2016. This means a new record and is shown by figures from RAI Association, BOVAG and research firm GfK.

Especially sales of the popular e-bikes had an important impact on sales. For the first time, the average selling price of a new bike exceeded 1,000 euros. Despite sales growth, RAI Association and BOVAG also see a concern. The total number of bicycles sold dropped to an absolute low since 1987.

In 2016, total sales for the cycling industry amounted for 937 million euros. This is an increase of 4.2 percent compared with 2015. In total, 928,000 new bikes left the store. This is a decline of 5.7 percent compared with the year before (983,000 units). In the last 30 years, not once there have been so few bicycles sold. By comparison, in 2007 this number was still 1.4 million units. Since then, sales have fallen every year.

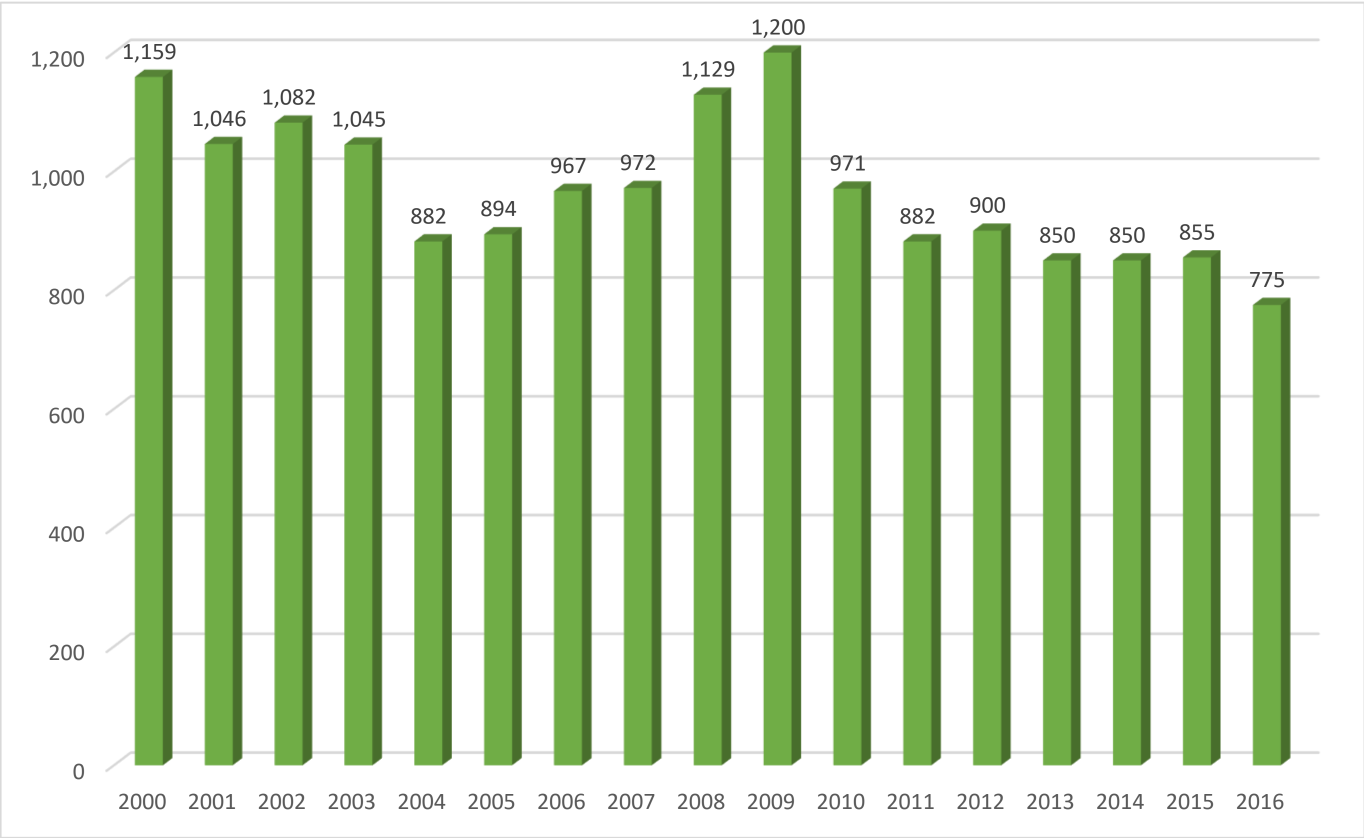
Popular e-bike

The record in terms of turnover is mainly due to the popular e-bike. In 2016 the sales amounted for 271,000 units. This is almost the same level of 2015, when 276,000 e-bikes were sold. Almost 30 percent of all new bikes were electric last year and the e-bike generated a turnover of over 534 million euros; almost 57 percent of the total revenue.

Stimulate cycling to work

According to RAI Association, the bicycle is an essential link in current and future accessibility of cities and also contributes to the health of our society and the quality of the environment. With the disappearance of stimulating tax measures for cycling to work, the use of the bicycle for working traffic is not sufficiently encouraged. The e-bike is however ideally suited for bridging longer distances and deployed for traveling to work. RAI Association therefore calls for a next parliament to stimulate the (business) use of the bicycle with attractive fiscal regulations.

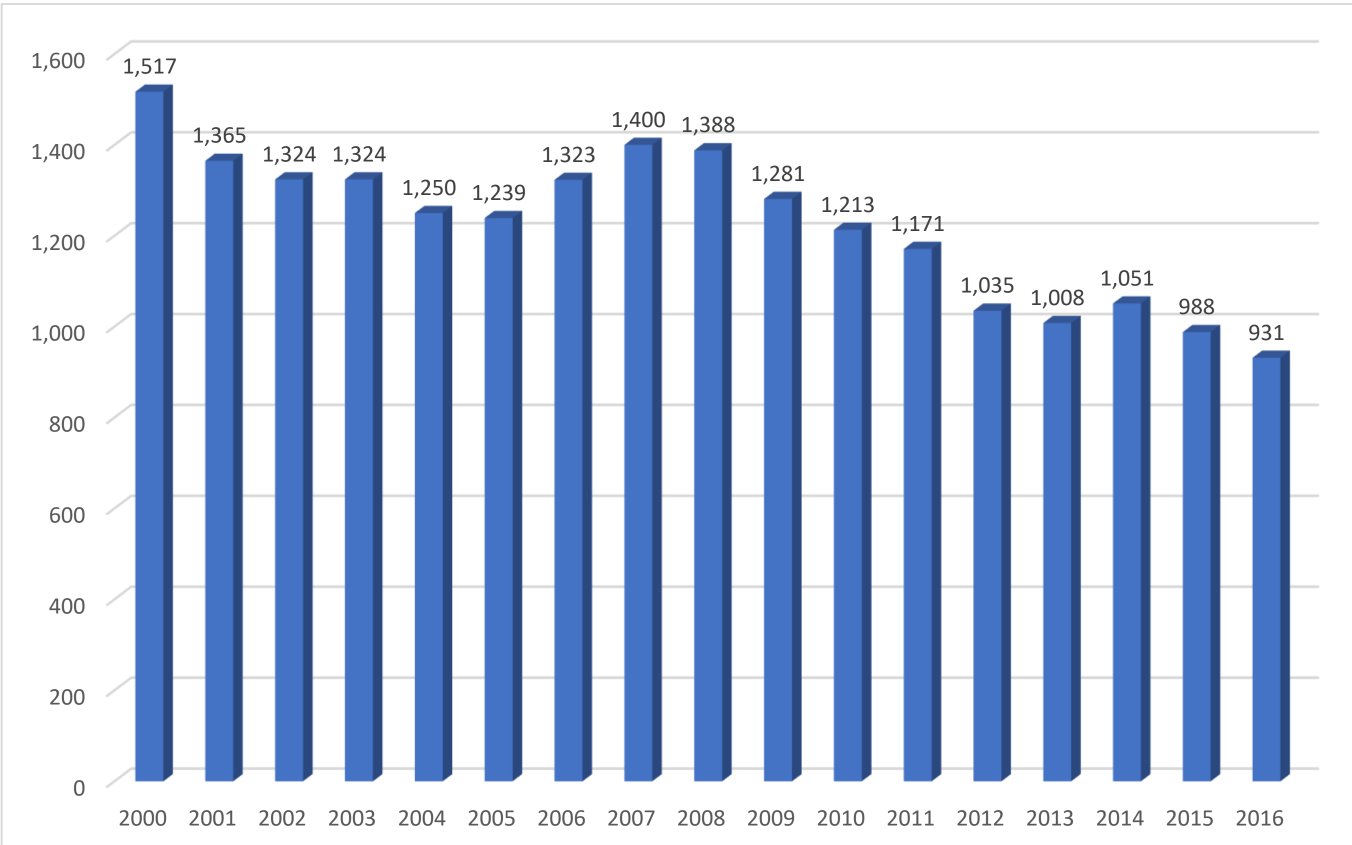
THE NETHERLANDS - BICYCLE PRODUCTION[30] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	1 159	1 046	1 082	1 045	882	894	967	972	1 129	1 200	971	882	900	850	850	855	775
Evolution year/year-1 (%)		-9,75	3,44	-3,42	-15,60	1,36	8,17	0,52	16,15	6,29	-19,08	-9,17	2,04	-5,56	0,00	0,59	-9,36

30 Data including EPAC Production

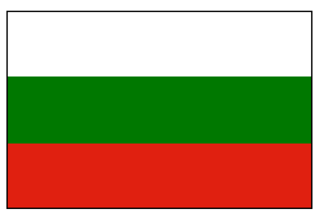
THE NETHERLANDS - BICYCLE SALES[31] (1,000 units) 2000 - 2016



Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	1 517	1 365	1 324	1 324	1 250	1 239	1 323	1 400	1 388	1 281	1 213	1 171	1 035	1 008	1 051	988	931
Evolution year/year-1 (%)		-10,02	-3,00	0,00	-5,59	-0,88	6,78	5,82	-0,86	-7,71	-5,31	-3,46	-11,61	-2,61	4,27	-6,00	-5,71

[31] Sales = Sales to consumers including VAT ; Data including EPAC sales

BULGARIA



SUMMARY BULGARIA
BICYCLE PROMOTION IN BULGARIA IN 2016

ABPB presents three examples of member company’s activities - Maxcom, Leader 96 and Velomania:

Two parallel bike manifestations in Sofia and Plovdiv

On 10th of April 2016, in city of Plovdiv and Sofia, two parallel bike manifestations took place, which was official launching of the third edition of the campaign "I ride a bike, follow me!". The initiative was organised by „Max Europe” Ltd ЕООД and is aiming at encouraging and promoting cycling as a way of life and means of transport. In Plovidiv, event was co-organised with Plovdiv municipality and more than 1000 citizens participated, led by Bulgarian Minister of Sport – Mr. Krassen Kralev, Mayor Ivan Totev and two-times Olympic champion Nikolay Bukhalov. In Sofia, the initiative was supported by Sofia municipality, Dutch embassy and more than 500 amateur cyclists.

22 cycles test rides

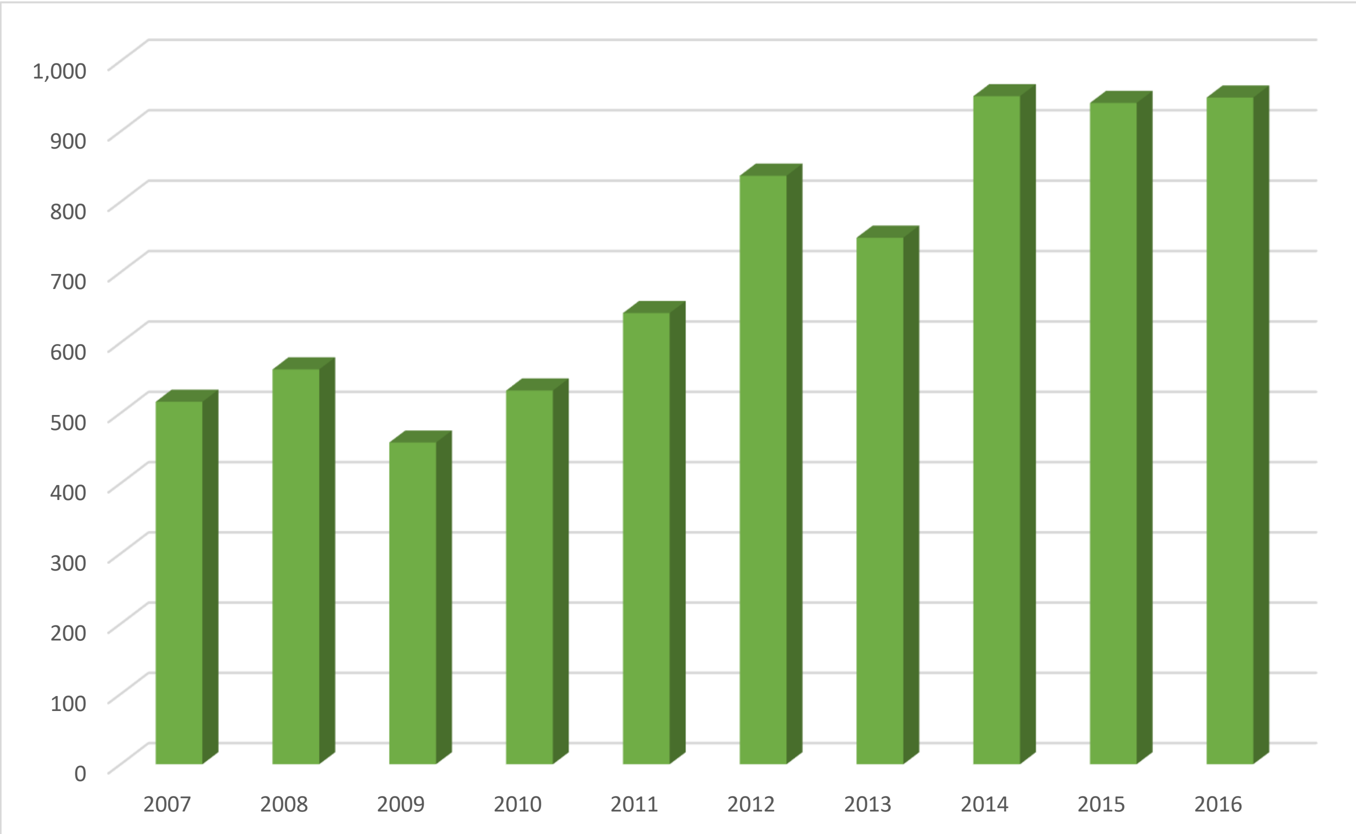
22 events – cyclists test rides took place during the active season of 2016. They are part of company city cycling promotion campaign and are focused on to enable more people to experience and try out different bikes in real terms, and thus to experience real pleasure and excitement of cycling.

Leader Open

Leader 96 Ltd– member of ABPB organised 4-th traditional amateur tennis tournament Leader Open in city of Plovdiv, Bulgaria. The even took place 22.10.2016 and 23.10.2016 with participants from Bulgaria and Greece.

The winners in singles and doubles were awarded with Leader bicycles. The general manager of Leader 96 handed in personally the bikes for 1-st, 2-nd, 3-rd places in singles and 1-st and 2-nd in doubles. He also stated that next year more prizes and surprises are to be expected.

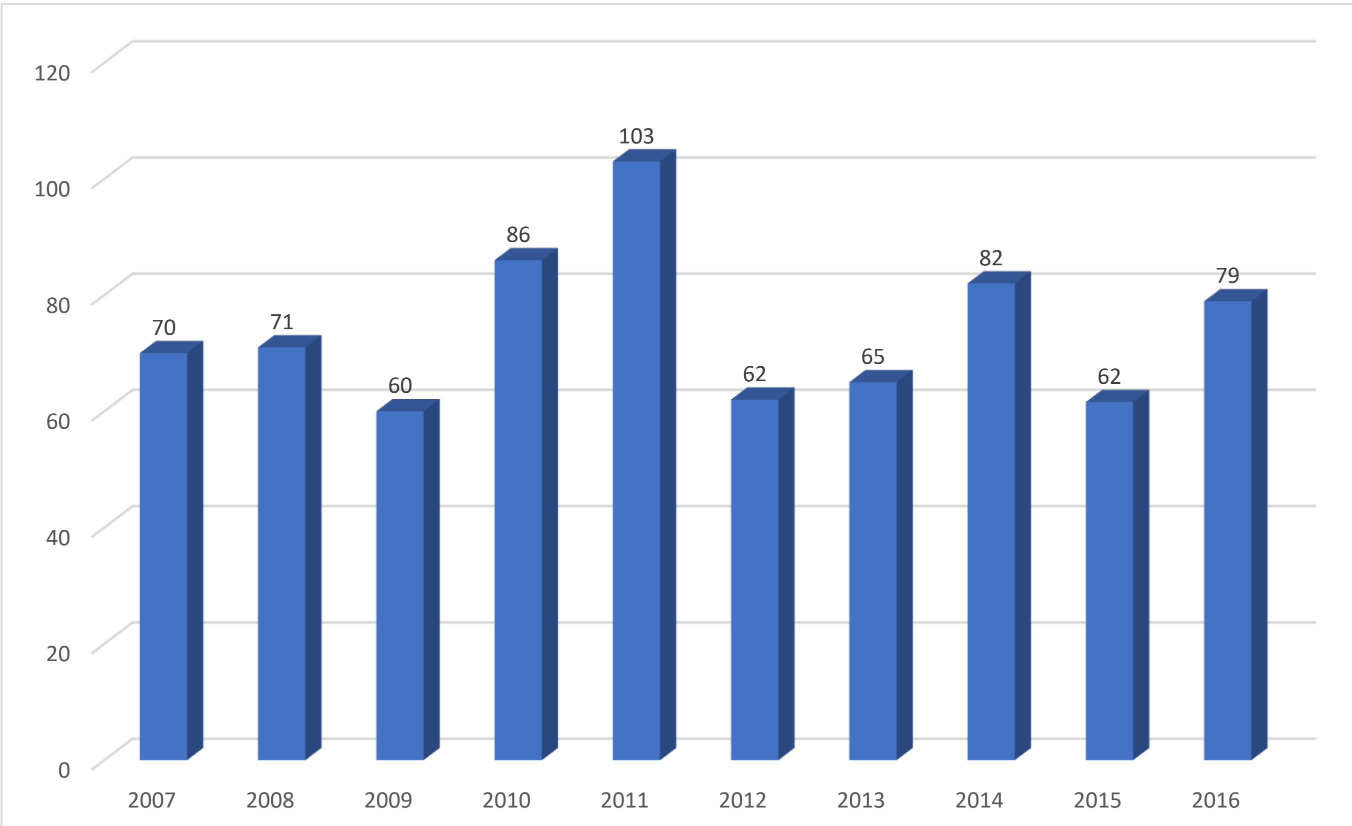
BULGARIA - BICYCLE PRODUCTION[32]
(1,000 units) 2007 - 2016



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	516	562	458	532	642	837	749	950	940	948
Evolution year/year-1 (%)	-	8,91	-11,24	16,16	20,68	30,37	-10,51	26,84	-1,02	0,81

[32] Data including EPAC Production

BULGARIA - BICYCLE SALES[33]
(1,000 units) 2007 - 2016



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	70	71	60	86	103	62	65	82	62	79
Evolution year/year-1 (%)	-	1,43	-15,49	43,33	19,77	-39,81	4,84	26,15	-24,90	28,19

33

SPAIN

SUMMARY SPAIN
SPANISH BICYCLE MARKET 2016

After several years with sales units growing more than 5% each year, the Spanish bicycle market has stagnated and in 2016 the bicycles sold have grown just 1%.
Nevertheless, the sales have grown 5.28% in value due to the increase of average price in almost all bicycle categories.

It is indeed more interesting if we look into the sales figures in units per bicycle categories because while Road (+20%) and Ebikes (+64%) have grown hugely in units sold, the two main Spanish Market categories (Mountainbike -4% and Kids -0.4%) have declined.

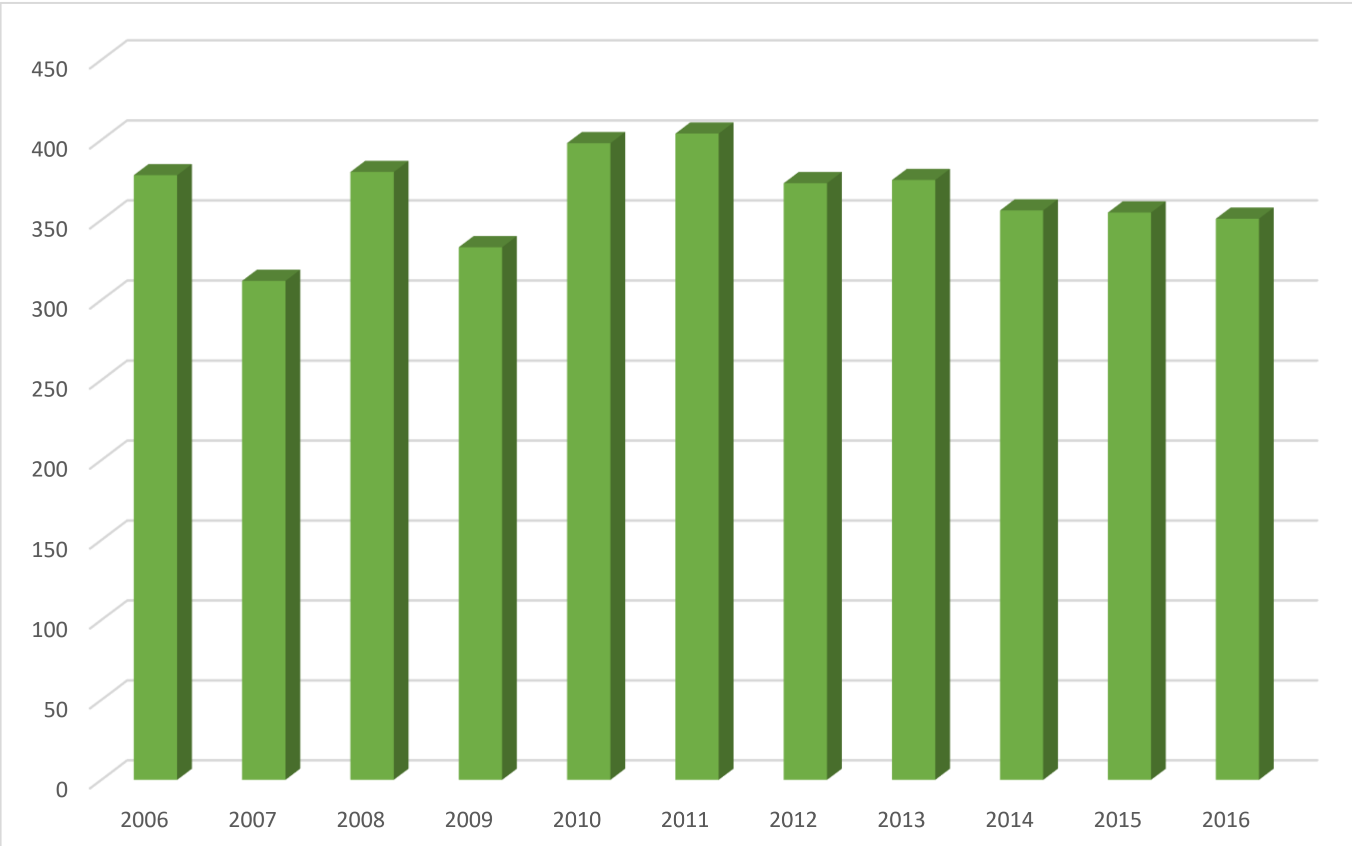
It seems mountainbike riders have assimilated the wheel size changes and now they are stopping to buy new bicycles while new riders are coming into the mountainbike from the ebikes hand where the sales are growing sharply.

Urban bikes sales are still slowly growing with 5% in 2016 because Spain is not adopting enough urban cycling promotional measures over and above cities like Barcelona, Seville or Vitoria.

On the other hand, we can see how Specialty Bicycle Retailers (79%) are gaining market share with respect Hypermarkets (9%) and Multi-sports chains (12%).

From the supply side, we can check how it’s still growing in both suppliers (+16%) and retailers (+3%) number of businesses what is producing a good effect in the employment market where 2,000 people have started to work in bicycle related Companies and Shops.

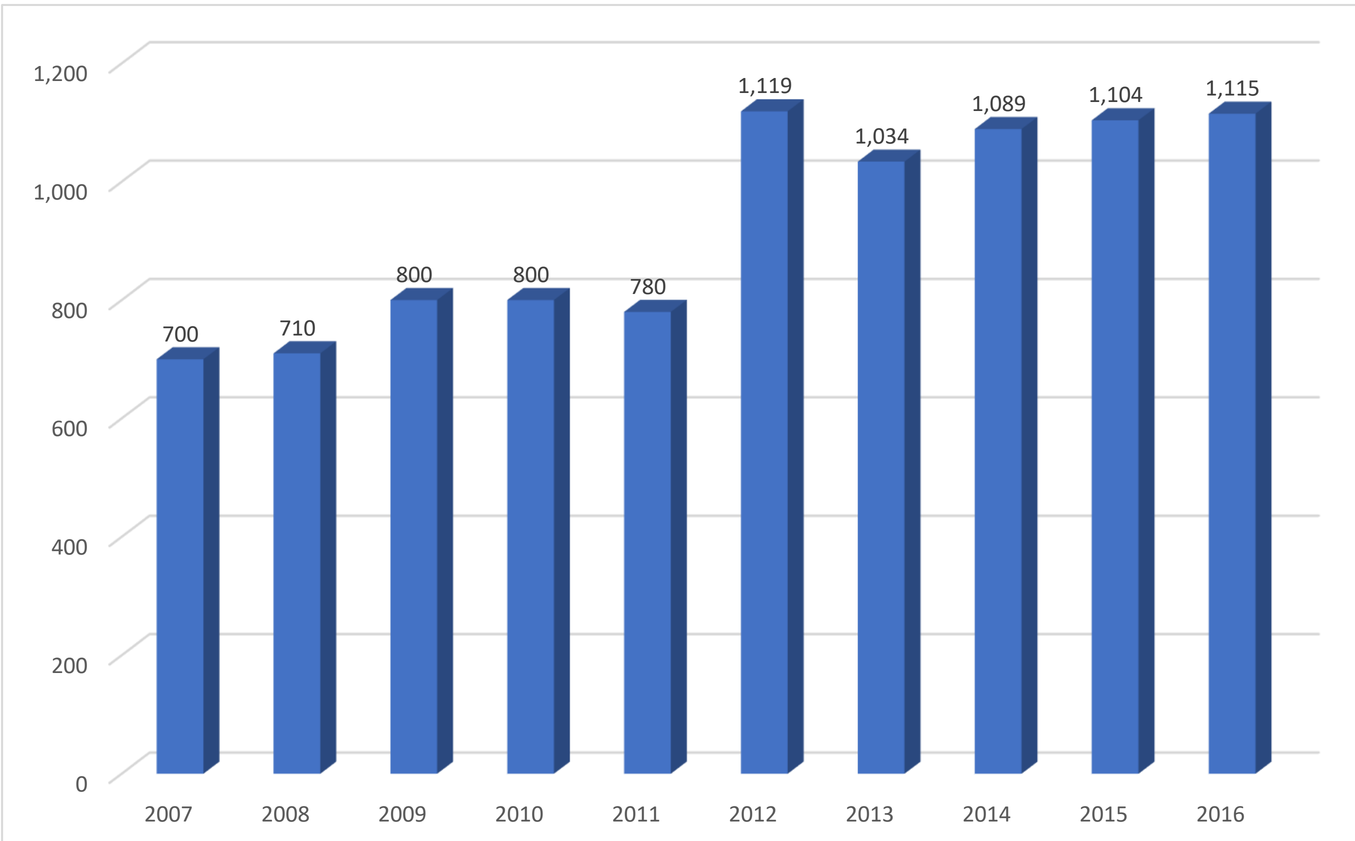
SPAIN - BICYCLE PRODUCTION[34]
(1,000 units) 2006 - 2016



Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Production (x 1,000)	378	312	380	333	398	404	373	375	356	355	351
Evolution year/year-1 (%)		-17,46	21,79	-12,37	19,52	1,51	-7,67	0,54	-5,07	-0,37	-1,09

[34] Data including EPAC Production

SPAIN - BICYCLE SALES[35] (1,000 units) 2007 - 2016



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bicycle Sales (x 1,000)	700	710	800	800	780	1 119	1 034	1 089	1 104	1 115
Evolution year/year-1 (%)	-	1,43	12,68	0,00	-2,50	43,46	-7,60	5,32	1,36	1,01

[35] Sales = Sales to consumers including VAT ; Data including EPAC sales

GREECE

SUMMARY GREECE
GREEK BICYCLE MARKET 2016

Calendar year 2016 has been one more difficult season for the bicycle market in Greece. The downward trend in sold units and their value continued.

The winners were local producers with more than 60% of the units sold, specialist dealer shops with almost 80% of the turnover created, and children along with mountain bicycles with a combined market share of more than 75%.

The EPAC market is still struggling to make a jump start, fighting between questionable quality of friendly priced product and higher than can be afforded retail price of reliable quality product. It will take some more years to achieve the milestone of 10,000 units in annual sales.

Children bikes are the only growing category, but with a continuously diminishing retail price. This product category has partially shifted back to the specialist dealer shops, because sport chains and hypermarkets find it increasingly hard to create a sustainable and profitable bicycle project.

Parts & accessories are also not in a good mood sales wise. Consumers focus on the absolutely necessary and study the entry level selections only. This is the category with the strongest internet sales, due to limited cash flow and the resulting lack of product variety on the bicycle shops side.

Bicycle commuters have established their existence, but get less. Lousy infrastructure, total absence of government stimulation and a rather increased threat from traffic, do the job. Bike sharing schemes still spread though, thanks to the global visibility of big installations like NY, London and Paris. The weakest link in that chain remains service and maintenance, after the installation and the first contracted period of use.

Cyprus has experienced in 2016 an ordinary season. Strong rental business for almost 9 months, mild winter offering the opportunity for pro teams training and cycling holidays break, and a rather healthy average retail price of more than 250 euros. Bicycle specialist shops easily dominate sales in the market, sometimes performing the role of the web shopper on behalf of consumers. Economy is back on track, capital controls are over and consumer confidence builds up again.

The outlook for 2017 is negative for the Greek market and stable or slightly positive for the Cypriot market, reflecting the economy status of each country.

SWEDEN

SUMMARY SWEDEN
BICYCLE SALES BIT DOWN IN SWEDEN, BUT CONTINUED INCREASE IN E-BIKE SALES

A cold and chilly start to the preseason usually never be good for bicycle sales. But the hot and rain-free late summer has helped to boost sales. Swedish krona has been relatively stable against the dollar and euro this year. With an increase in sales of more expensive bikes and continue increasing the E-bike sales so the Swedish market quite happy.

For 2015/2016 estimates the Swedish bicycle industry the market volume to 576,000 units, down from 2014/2015 when market estimated 598,000 units.

Total imports of bicycles, including e-bikes, between January and August fell to 455,796 units, compared to 492,820 units in 2015. Exports, mainly to neighboring Nordic countries fell to 61,695 units compared to 92,907 in 2015.

Trends

The Swedish bicycle market is still dominated by city- and standard bicycles with internal hub gears and coaster brakes, although their popularity is decreasing and hybrid- and mountain bike sales continue to increase. Fitness cycling are still a growing trend. Bigger triatlon race help the sell of high-end bikes. The two major cycling races,Vätternrundan in June, mainly for road bikes and MTB-Vasan in August are both still growing. MTB-Vasan now has several days of competitions, just like Vätternrundan which have competions over several weekend. Market is still dominated by MTB with 27 and 29-inch wheels, and the demand for high-end MTB bikes with 26-inch wheels continue to decline.

The bicycle shops that focus more on the mountain and racing bikes experiencing the season very well and some of them have also taken part of E-bike demand. They are satisfied and smaller bicycle shops feel of a small decline.

Swedish MTB rider Jenny Rissveds surprisingly won an Olympic gold in Brazil in 2016, with a very well-executed race. Swedish bicycle clubs already noticing increased interest for MTB cycling and Sweden will increase the sales of mountain bikes in the fall and spring of 2017.

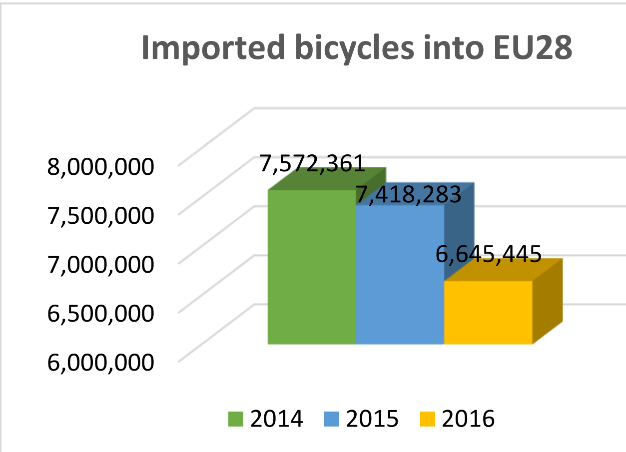
With the report in several television programs and newspaper articles in daily newspapers have E-bike good advertising, and sales continue to grow strongly. Swedish bicycle industry (formerly FOG) estimates sales of around 45,000 e-bikes, up 34% compared to 2015. Import statistics from January to August shows an import of 41,783 electric bicycles, more than the entire year 2015 (40,767 cycles) Exports same period was 4,735 cycles. The local production of E-bikes is around 1,800 units. For the coming season will also Cycleurope spend part of the production of E-bikes to Varberg. Production in Sweden for E-bike will increases more when Ecoride increases production with Walleräng in Gothenburg, Skeppshultcykeln and Monark Exercise in Vansbro. Almost all bicycle importers has now E-bike in their bicycle line.

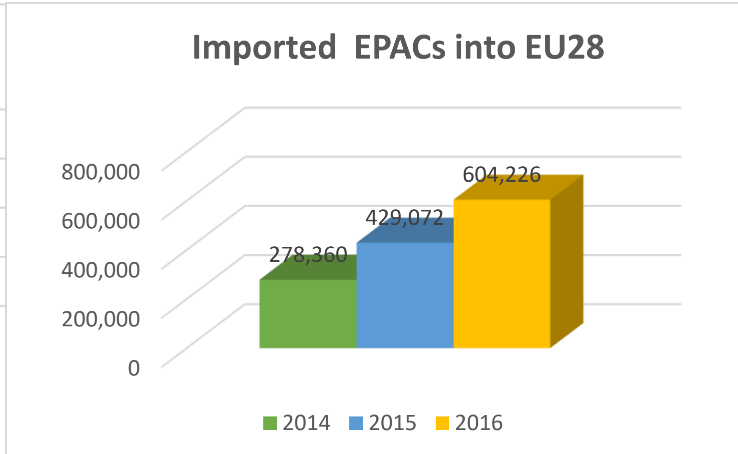
IBDs still has a market share of 45- 50%. Their main competitors are sporting goods chains such TeamSportia, Intersport and XXL, while the largest sporting goods chain Stadium just has a small market share. TeamSportia acquired by Finnish SGN Group cooperating with Tvåhjulsmästarna, are trade chain with 45 bike shops in Sweden. Bicycle Partners, with 35 bicycle dealer has previously been associated with the chain. Even Sportringen now belongs to the same group as TeamSportia. XXL continues to grow and now operates 20 large stores in Sweden with high turnover. XXL is also aggressive on the Swedish market. French Decathlon still runs just a department store in Stockholm area.

In the mass market, Biltema dominates with an estimated market share of 18-20%. Jula is also focus more on bicycle sales and increase while COOP is going back in Sweden. Internet sales, mainly for high-end road bikes and mountain bikes, are continued to grow.

IMPORTS BICYCLES AND EPACS TO EU28
2014-2015-2016

IMPORTS BICYCLES AND EPACS INTO EU28
2014-2015-2016

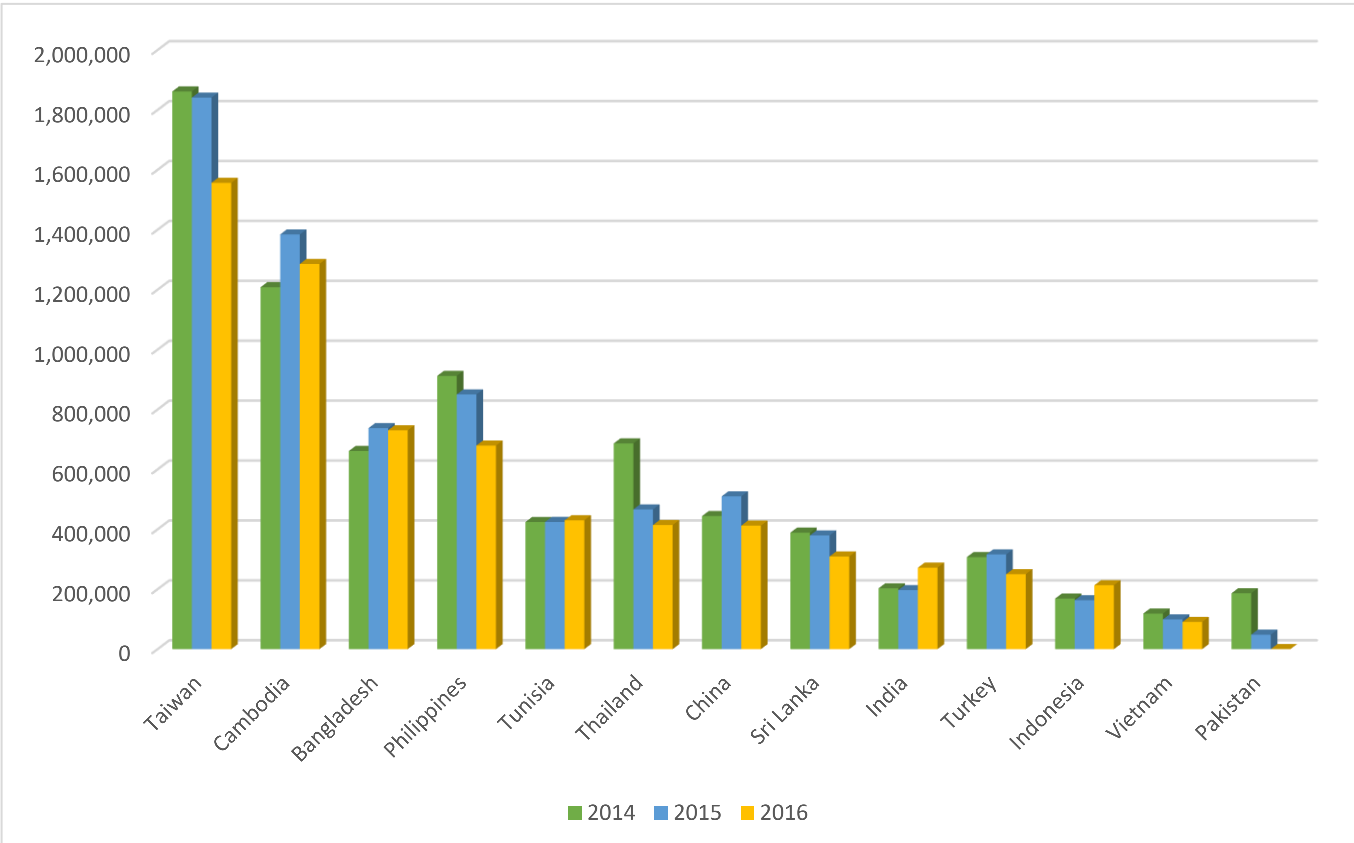




	Imports Bicycles[36] to EU28 in units[37]	Imports EPACs[38] to EU28 in units[39]
2014	7 572 361	278 360
2015	7 418 283	429 072
2016	6 645 445	604 226

[36] Source: Eurostat, code 87120030
[37] Bicycles imported from 13 countries: Bangladesh, Cambodia, PR China, India, Indonesia, Pakistan, Philippines, Sri Lanka, Taiwan, Thailand, Tunisia, Turkey and Vietnam
[38] Source: Eurostat, code 87119010 for Vietnam and Taiwan, Chinese export data for PR China
[39] E-Bikes imported from 3 countries: PR China, Vietnam and Taiwan

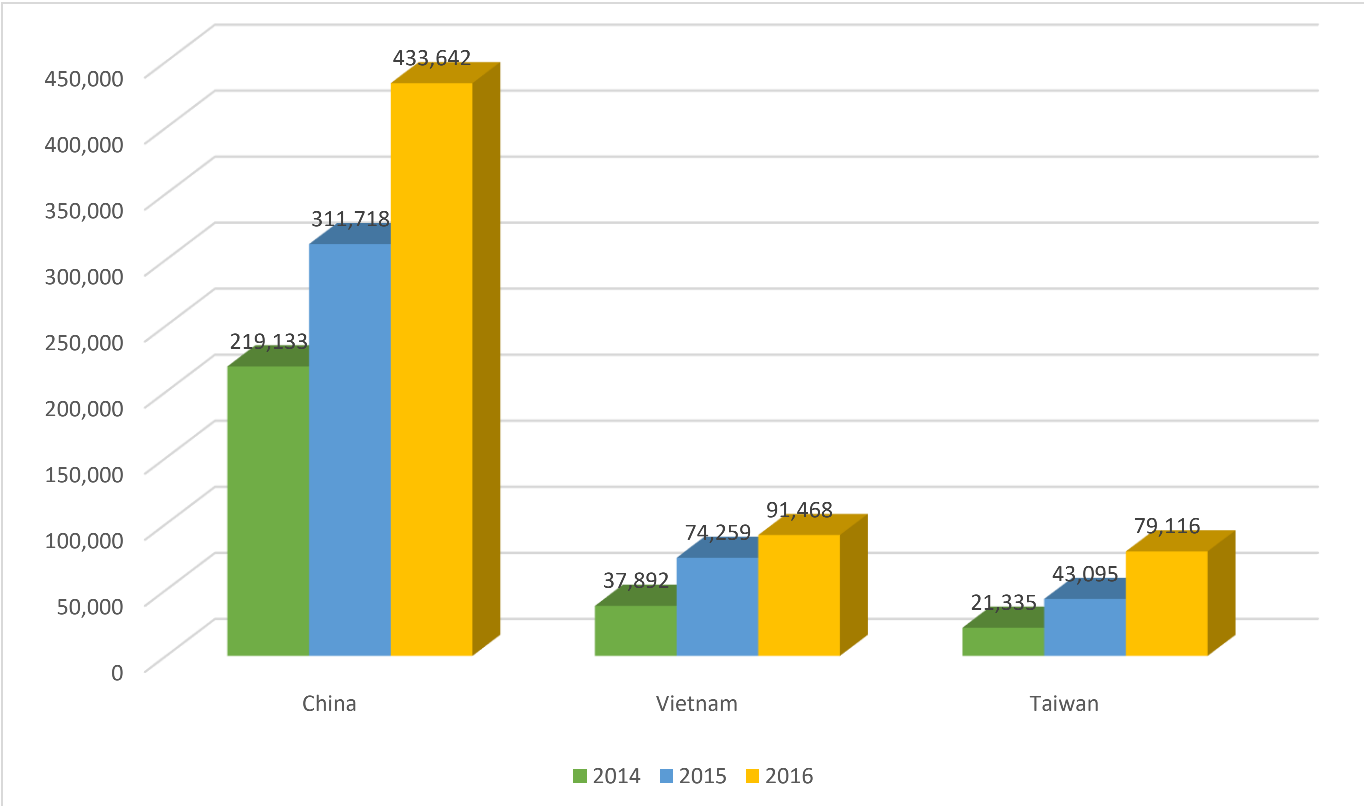
IMPORTS BICYCLES INTO EU28[40]
2014 – 2015 - 2016



	Taiwan	Cambodia	Bangladesh	Philippines	Tunisia	Thailand	China	Sri Lanka	India	Turkey	Indonesia	Vietnam	Pakistan	TOTAL
2014	1 861 679	1 208 399	661 468	912 196	424 239	686 817	444 290	388 861	202 974	307 238	168 843	118 768	186 589	7 572 361
2015	1 841 181	1 384 283	737 897	850 388	424 486	466 479	510 073	379 442	197 061	316 146	163 257	99 403	48 187	7 418 283
2016	1 556 690	1 285 889	730 558	679 558	430 148	414 360	412 307	309 264	272 017	250 170	213 263	90 919	302	6 645 445

[40] Source: Eurostat, code 87120030

IMPORTS EPACs INTO EU28[41]
2014 – 2015 - 2016



	China	Vietnam	Taiwan	TOTAL
2014	219 133	37 892	21 335	278 360
2015	311 718	74 259	43 095	429 072
2016	433 642	91 468	79 116	604 226

[41] Source: Eurostat, code 87119010 for Vietnam and Taiwan, Chinese export data for PR China