NEWS RELEASE

TURTLE BEACH PAYS OFF REMAINING BALANCES ON TERM LOAN AND SUBORDINATED NOTES

2018-12-19

– Revolver Amended To Give Greater Funds Availability

And Increased Flexibility on Use for Share Repurchases –

San Diego, CA – December 19, 2018 – **Turtle Beach Corporation** (Nasdaq: HEAR), the leading gaming headset and audio accessory brand, has amended its revolving credit agreement with Bank of America (the "BofA Revolver"), and has paid off the remaining balances on both its term loan and subordinated debt, materially delevering the company.

Summary of Changes

· Remaining $12.5 million term loan balance has been repaid;

· Remaining $10.7 million subordinated debt balance has been repaid;

· Long-term obligations, excluding our revolver, have been reduced from $52.6 million at the beginning of the year to zero;

· BofA Revolver has been extended to March 5, 2024;

· Increased advance rates on inventory and accounts receivable will drive greater availability on the revolver;

· Covenants on the revolver have been simplified, and now only require a fixed charge ratio of 1:0x or greater (measured quarterly); and

· Funds from the revolver can be used to repurchase up to $10.0 million of common stock over the term of the agreement without prior lender approval.

“Our sales, profits and cash flow generation have continued to exceed our expectations,” said Juergen Stark, CEO, Turtle Beach Corporation. “Continued outstanding sales and profit momentum, as underscored by our 51% revenue share of the U.S. console headset market in November as per NPD1, has allowed us once again to negotiate better debt terms and to further strengthen our balance sheet. We have eliminated all debt except for the revolver, reduced our annual interest costs by well over $1 million, and secured a revolving facility that gives us greater flexibility to grow our business and drive shareholder value.”

The amended BofA Revolver now has a remaining term of longer than five years, and provides up to $80 million in borrowings. The only covenant on the BofA Revolver is the maintenance of a quarterly fixed charge coverage ratio of 1:0x or higher upon a triggering event.

In addition, the BofA Revolver has higher advance rates on both inventory and accounts receivable, which has the effect of increasing the funds availability, allowing the company to rely solely on the BofA Revolver to support its business. Finally, the new terms allow the company to use the revolver to repurchase up to $10.0 million of its common stock over the term of the BofA Revolver without first securing approval from the lenders, and to repurchase higher amounts with approval, should the company decide to do so in the future.

Upon closing the BofA Revolver, the company repaid in full the remaining $12.5 million on its term loan, and the remaining $10.7 million on its subordinated debt. As a result of these repayments, the company’s only outstanding debt is its asset-backed revolver. “We were delighted to work with Bank of America on these latest moves to strengthen our balance sheet,” said John Hanson, Turtle Beach’s CFO. “Excluding our revolver, our combined long-term obligations at the beginning of 2018 were over $52 million, including term loans, subordinated debt and the Series B preferred stock. We have been able to completely eliminate these obligations through internally generated cash flow, additional borrowings under the BofA Revolver, and the issuance of less than $9.0 million in common stock earlier this year.”

Terms of the new agreements will be detailed in a Form 8-K to be filed by the Company today with the Securities and Exchange Commission.

1Source: The NPD Group/Retail Tracking Service/Video Games/Dollars/U.S/November 2018

About Turtle Beach Corporation

Turtle Beach (www.turtlebeach.com) is a leading gaming accessory brand, offering a wide selection of cutting-edge, award-winning gaming headsets. Whether you're a professional esports athlete, hardcore gamer, casual player, or just starting out, Turtle Beach has the gaming headset to help you truly master your skills. Innovative and advanced technology, amazing high-quality gaming audio, crystal-clear communication, lightweight and comfortable designs, and ease-of-use are just a few features that make Turtle Beach a fan-favorite brand for gamers the world over. Designed for Xbox, PlayStation®, and Nintendo consoles as well as for PC, Mac®, and mobile/tablet devices, owning a Turtle Beach gaming headset gives you the competitive advantage. Hear Everything. Defeat Everyone.™ The company's shares are traded on the Nasdaq Exchange under the symbol: HEAR.

Cautionary Note on Forward-Looking Statements

This press release includes forward-looking information and statements within the meaning of the federal securities laws. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events. Statements containing the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "project", "intend" and similar expressions constitute forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Forward-looking statements are based on management's current belief, as well as assumptions made by, and information currently available to, management.

While the Company believes that its expectations are based upon reasonable assumptions, there can be no

assurances that its goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. Some of these factors include, but are not limited to, risks related to the Company's liquidity, the substantial uncertainties inherent in the acceptance of existing and future products, the difficulty of commercializing and protecting new technology, the impact of competitive products and pricing, general business and economic conditions, risks associated with the expansion of our business including the implementation of any businesses we acquire, our indebtedness, and other factors discussed in our public filings, including the risk factors included in the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q and the Company's other periodic reports. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, the Company is under no obligation to update or revise any forward-looking statement after the date of this release whether as a result of new information, future developments or otherwise.

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