NEWS RELEASE

Turtle Beach Launches Xbox One Gaming Headsets in China

2014-09-29

SAN DIEGO, CALIFORNIA and SHANGHAI, CHINA – September 29, 2014 – Turtle Beach, the leading audio brand in the video games industry, today announced the XO Four and XO Seven officially-licensed Xbox One gaming headsets are now on sale in China. Turtle Beach is the gaming audio brand of Turtle Beach Corporation (NASDAQ: HEAR).

The Turtle Beach XO Four and XO Seven gaming headsets are being sold individually and in Xbox One accessory bundles. Retail placement for the XO Four and XO Seven includes the official Microsoft online store on Tmall.com. Tmall is a Chinese-language online retailer that sells to consumers in China, Hong Kong, Macau and Taiwan. Hong Kong-based Will Technology is assisting in the supply of the company's XO Four and XO Seven models into the retail channel across China. The launch of the gaming headsets coincides with the launch of the Xbox One console, which debuted in China today, September 29.

"Our software and console licenses and our local distribution partners have Turtle Beach perfectly positioned to benefit from the launch of the Xbox One in China," said Juergen Stark, chief executive officer of Turtle Beach Corporation. "Combined with the rapid growth of multiplayer PC gaming in China, the introduction of console gaming will increase adoption of gaming headsets among Chinese consumers."

China is the World's Largest PC Gaming Market

China is the world's largest PC gaming software market, estimated to be 2.5 times larger than the number two market, the United States. More than 225 million people are estimated to be playing video games in China, and 65 million are considered hard-core gamers. The hard core extends to eSports, which involves professional and amateur video game players competing in tournaments for money. Interest in competitive gaming is so high in

China that Major League Gaming (MLG), the U.S.-based global leader in eSports, has announced plans to build a 15,000 seat MLG Stadium dedicated to eSports on Hengqin Island in Zhuhai, China. Turtle Beach is the official audio partner of MLG.

Turtle Beach will be introducing PC gaming headsets into the market, including the i60 and Heroes of the StormTM models, which have all been certified for distribution in China. Turtle Beach has a multi-year, global licensing agreement with Blizzard Entertainment for the software developer's highly anticipated Heroes of the Storm multiplayer PC game.

DFC International has estimated that the market for PC gaming headsets will reach $55 million in 2014 and expand to $200 million by 2016. The launch of the Xbox One is expected to accelerate growth in the China video game market. Consoles were illegal in China until the government lifted a ban in January, 2014. Microsoft estimates it will sell 200,000 Xbox One consoles in the remaining 14 weeks of 2014. Sony has also announced plans to introduce the PlayStation®4 in China.

Localized Turtle Beach Brand

In concert with the introduction of its officially-licensed Xbox One headsets, Turtle Beach has created a Chinese language version of the Turtle Beach brand and logo. Phonetically pronounced Huan Jing, the Chinese language version of the brand name translates as Fantasy Space.

Turtle Beach to Introduce Interactive Retail Kiosks

Turtle Beach plans to introduce point of sale kiosks at key retailers in China ahead of the Chinese New Year shopping window. The interactive kiosks, which feature digital content from Turtle Beach and industry software partners, allow consumers to trial gaming headsets at the point of sale. The kiosks in China will join Turtle Beach's installed base of kiosks, which has grown from 2,500 worldwide in 2011 to 18,000 by the end of 2014.

"I am very pleased with the launch of the XO FOUR and XO SEVEN in China," said Stark. "China is a market with tremendous potential, and I am confident that the Turtle Beach brand will achieve popularity among Chinese consumers."