

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report: April 11, 2016
(Date of earliest event reported)

Turtle Beach Corporation

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

001-35465
(Commission File
Number)

27-2767540
(I.R.S. Employer
Identification Number)

12220 Scripps Summit Drive, Suite 100
San Diego, California 92131
(Address of principal executive offices)

(888) 496-8001
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure*Investor Presentation*

Certain information concerning our HyperSound business can be currently accessed on our website, <http://corp.turtlebeach.com/investor-relations> under the heading “Investor Presentations.” Representatives of the Company expect to use this presentation, in whole or in part, and possibly with modifications, periodically in connection with conferences and presentations to investors, analysts and others. Portions of the presentation are attached hereto as Exhibit 99.2.

The information in this report is being furnished pursuant to Item 7.01 and shall not be deemed to be “filed” for purposes of Section 17 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Item 8.01 Other Events

On April 11, 2016, we issued a press release announcing preliminary data from our latest clinical study with respect to our HyperSound technology. A copy of the press release is filed as Exhibit 99.1 to this report.

Item 9.01 — Financial Statements and Exhibits**(d) Exhibits**

Exhibit No.	Description
99.1	Press Release of the Company, dated April 11, 2016.
99.2	Turtle Beach Corporation Investor Presentation

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TURTLE BEACH CORPORATION

Date: April 11, 2016

By: _____

/S/ JUERGEN STARK

Juergen Stark
Chief Executive Officer and President

FOR IMMEDIATE RELEASE

Preliminary Data From Turtle Beach's Latest Clinical Study Suggests *HyperSound Clear* has Potential to Alleviate Tinnitus**Company to Showcase Prototype Tinnitus Add-on Feature for
HyperSound Clear 500P at AudiologyNOW! 2016 Convention and Expo**

San Diego, CA - April 11, 2016 - Tinnitus is a serious and widespread hearing health problem, and preliminary data from the latest clinical study by Turtle Beach Corporation (NASDAQ: [HEAR](#)), a leading audio technology company for over 40 years, suggests that the Company's revolutionary *HyperSound Clear*[™] 500P directed audio system may have the potential to help people living with this condition. Commonly known as "ringing in the ears," Tinnitus is the perception of sound when no actual external noise is present, and there is currently no cure for most types of Tinnitus. Additionally, the American Tinnitus Association¹ states, "Millions of Americans experience Tinnitus, often to a debilitating degree, making it one of the most common health conditions in the country. The U.S. Centers for Disease Control estimates that 15% of the general public - over 50 million Americans - experience some form of Tinnitus, with approximately 20 million struggling with chronic Tinnitus, and two million living with extreme and debilitating cases."

"When we initially discovered *HyperSound*'s ability to help people struggling to hear the television we knew we had something huge, something important, and we jumped at it full force to develop our first consumer facing product to help this audience of millions of people around the world," said Rodney Schutt, SVP and General Manager for the *HyperSound* business at Turtle Beach. "Now, having just launched the *HyperSound Clear 500P* a few months ago, we find ourselves in a similar position regarding Tinnitus. Through our commitment to research and developing progressive clinical capabilities for how *HyperSound*[®] technology can help people living with hearing issues, our latest research suggests we may be able to improve the quality of life for people living with Tinnitus. This is another significant milestone and achievement for the technology, and for helping to alleviate this condition that affects so many people."

Late last year, Turtle Beach launched the *HyperSound Clear 500P*, the Company's revolutionary directed audio system for the home that's been shown to significantly improve sound clarity and speech intelligibility in individuals with hearing loss². *HyperSound* technology is a fundamentally new approach to sound delivery that generates a directional, narrow beam of audio in the air that can be pointed to a very specific location. Similar to how a flashlight directs a beam of light, the *HyperSound Clear 500P* directs a beam of audio to targeted listeners, delivering an immersive, 3D audio experience. Turtle Beach's *HyperSound Clear 500P* helps people hear and understand the television more clearly, once again allowing them to enjoy home entertainment with family and friends while watching their favorite shows, listening to music or playing video games while hearing crisp, clear audio.

With the *HyperSound Clear 500P* now in the market, Turtle Beach continues to iterate and move *HyperSound* directed audio technology forward. The Company's recent clinical study was conducted to assess whether *HyperSound*'s higher-frequency directed audio using ultrasound technology, has the potential to reduce Tinnitus, with promising initial results.

"Our latest study included 11 adult patients with chronic Tinnitus who we had listen to a selection of customized acoustic stimuli through *HyperSound*'s work-in-progress Tinnitus application," said Dr. Ritvik Mehta, Founder and Medical Director of the California Hearing & Balance Center. "While sitting in the *HyperSound Clear 500P*'s directed audio beam, subjects in the study experienced impressive reductions in

Tinnitus loudness and annoyance. As a hearing healthcare doctor, this early data is very exciting because *HyperSound* technology now also may have the potential to help people manage chronic Tinnitus without wearing any type of headset, offering a future sleeping solution for many Tinnitus patients suffering from insomnia. Again, these are early findings and there's certainly more research and product development to be done, but even preliminarily, this is great news for the hearing healthcare market.”

To further research and test their latest Tinnitus findings, Turtle Beach will show a prototype version of its new Tinnitus add-on feature for the *HyperSound Clear 500P* at this year's AudiologyNOW! Convention and Expo in order to garner additional feedback. The convention takes place Wednesday, April 13-16 at The Phoenix Convention Center in Phoenix, Arizona and the *HyperSound* team will be at booth #1159, located at the opposite end of the Main Entrance, by the Concessions area between Hall 4 and Hall 5.

To learn more about *HyperSound* technology and the *HyperSound Clear 500P*, please visit the official website at <http://hypersoundhearing.com>. Also, a *HyperSound* presentation has been made available on the investor relations section of Turtle Beach's website at <http://corp.turtlebeach.com/investor-relations>.

About Turtle Beach Corporation

Turtle Beach Corporation (www.turtlebeachcorp.com) designs innovative audio products for the consumer, commercial and healthcare markets. Under the Turtle Beach brand (www.turtlebeach.com), the Company markets a wide selection of quality gaming headsets catering to a variety of gamers' needs and budgets, for use with video game consoles, including officially-licensed headsets for the Xbox One and PlayStation®4, as well as for personal computers and mobile/tablet devices. Under the HyperSound brand (www.hypersound.com), the Company markets pioneering directed audio solutions that have applications in digital signage and kiosks, consumer electronics and healthcare.

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, including those regarding the intended use of proceeds from the Offering and concurrent private placement, may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events. Forward looking statements are based on management's 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 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 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 publicly update or revise any forward-looking statement after the date of this release whether as a result of new information, future developments or otherwise.

¹ Source: American Tinnitus Association website. Retrieved from <https://www.ata.org/understanding-facts>.

²Mehta, R., Mattson, S., & Seitzman, R., Kappus, B. (2015, August). Speech recognition in the sound field: directed audio vs. conventional speakers. Audiology Online, Article 14901. Retrieved from <http://www.audiologyonline.com>. Dr. Mehta and Dr. Mattson are paid consultants of Turtle Beach.

###

For Media/PR Information, Contact:

MacLean Marshall

PR/Communications Director

Turtle Beach Corp.

858.914.5093

maclean.marshall@turtlebeach.com

For Investor Information, Contact:

Cody Slach

Investor Relations

Liolios

949.574.3860

HEAR@liolios.com



TURTLE BEACH
CORPORATION
NASDAQ: HEAR



HYPERSOUND

Breakthrough in Audio Technology

HyperSound Overview
April 2016



Important Cautions Regarding Forward Looking Statements

This presentation includes “forward-looking statements” within the meaning of the federal securities laws. These forward-looking statements are statements that are not historical facts including statements about our beliefs and expectations and statements containing the words “may,” “could,” “would,” “should,” “believe,” “expect,” “anticipate,” “plan,” “estimate,” “target,” “project,” “intend,” “foresee,” and similar expressions. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein. A discussion of some of these risks and uncertainties that could cause Turtle Beach Corporation’s results to differ materially from those described in the forward-looking statements include, for example, statements regarding benefits of the recently completed merger, integration plans, expected synergies, market opportunities, future products and anticipated future financial and operating performance and results, including estimates for growth, and the other factors discussed in our public filings, including the section entitled “Risk Factors” in Turtle Beach’s most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q and other periodic reports filed with the SEC and available on the SEC’s website, www.sec.gov. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Turtle Beach Corporation undertakes no obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this presentation. This presentation also contains trademarks and trade names that are property of their respective owners.

- ▶ *HyperSound* is a breakthrough audio technology that enables directed sound
- ▶ Addressable markets include healthcare, commercial, consumer and licensing
- ▶ Launched first HyperSound Hearing Healthcare Product - **HyperSound Clear™ 500P** - into the **\$5 billion** hearing care market in Q4-15
- ▶ HyperSound products and technology are covered by numerous patents
- ▶ HyperSound is a brand of **Turtle Beach Corporation**, a leading innovative audio technology company



HYPER SOUND



New Sound Delivery Mechanism

- Thin panels generate ultrasound beam
- Audio is injected into the ultrasound beam
- Sound is created in the air along the beam
- Fundamentally new and different approach to audio



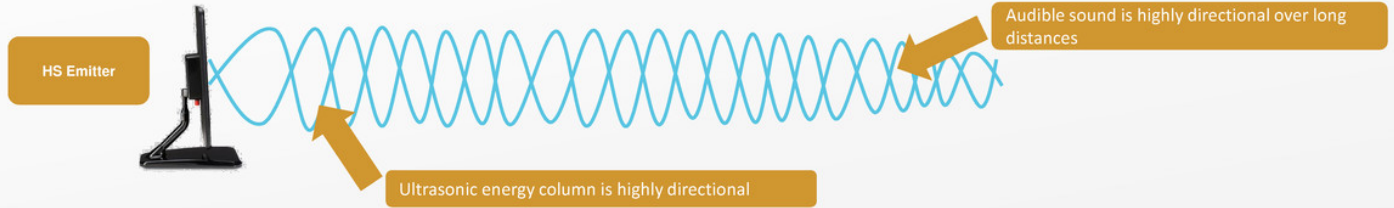
Multiple, Unique Benefits

- Highly controlled direction of sound
- Full 3D surround sound with 2 emitters (vs. 5 or 7 speakers)
- Significantly higher level of clarity of audio to the listener

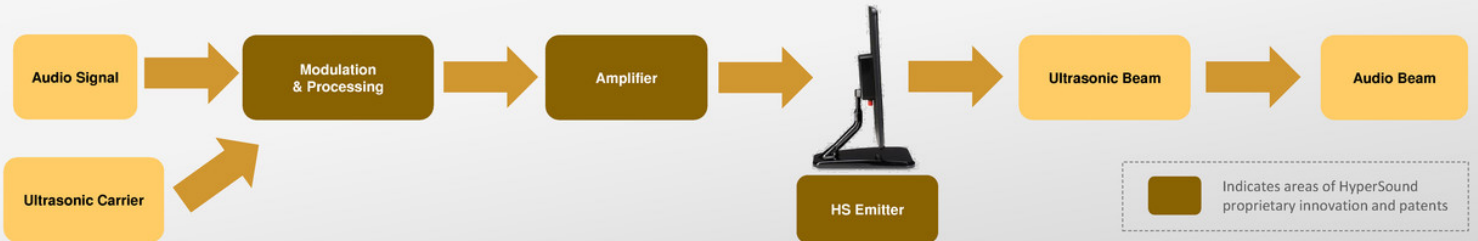


How HyperSound Creates a Beam of Audio?

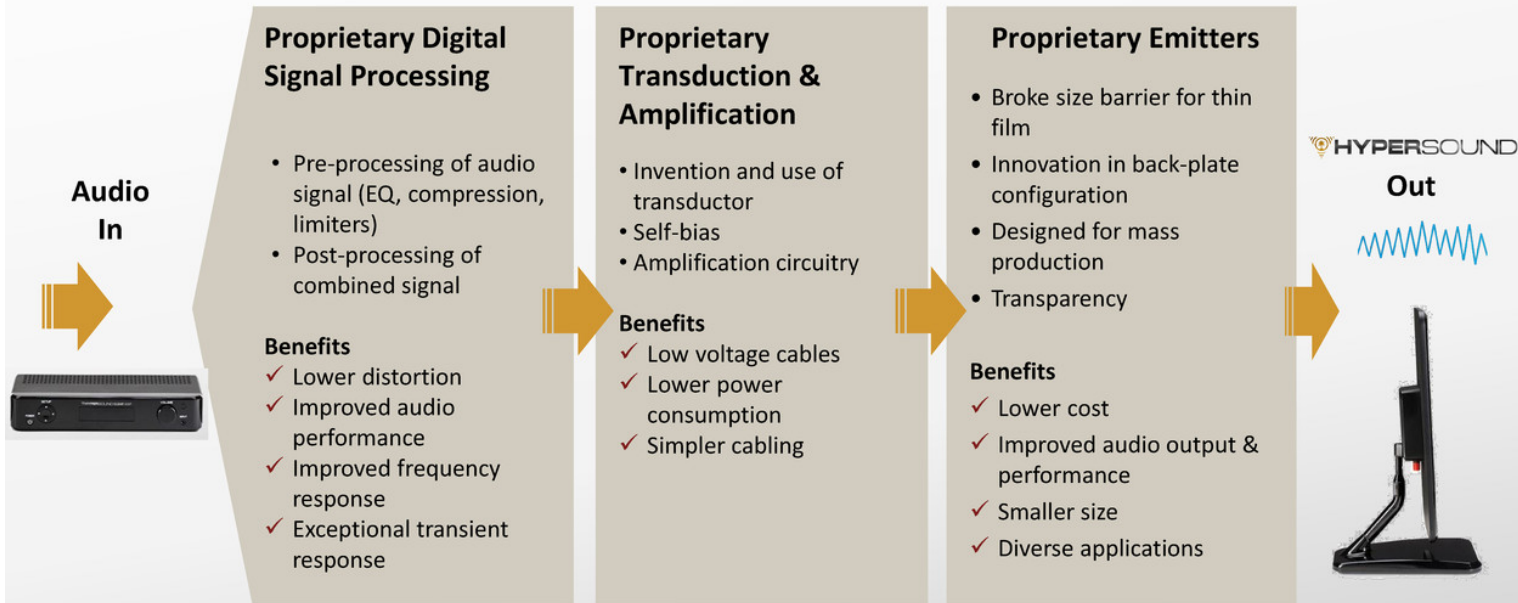
HyperSound technology generates an ultrasonic beam that is highly directional and converts to audible sound in the air. This sound is directional over longer distances than traditional loudspeakers.



- ▶ First, an audio signal is processed and modulated onto an ultrasonic carrier, amplified, and then sent to the HyperSound emitter. At this point, the emitted ultrasonic wave is inaudible.
- ▶ As the ultrasonic wave is emitted into the air, the ultrasonic signal is demodulated as a result of the parametric array effect and becomes audible.
- ▶ This demodulated audio wave retains the directivity of the ultrasonic wave, thus producing an audio beam (audio within the audible frequency range).

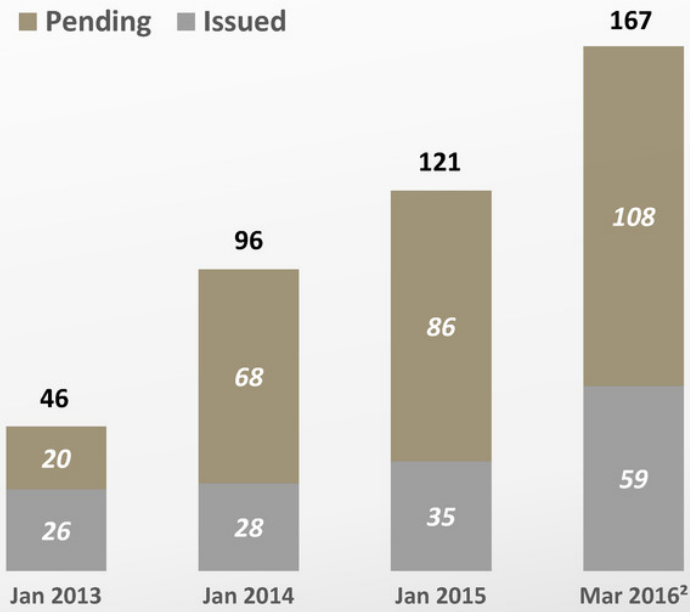


Three Key Areas of Innovation & Proprietary Technology Power our HyperSound Audio System



Strong & Rapidly Growing Patent Portfolio¹

■ Pending ■ Issued



1) Includes headset patents as well.
2) As of March 31, 2016.

- ▶ **HyperSound innovations:**
 - ▶ Emitter construction
 - ▶ Ultrasound and emitter electronics
 - ▶ Digital signal processing techniques
- ▶ **Headset innovations:**
 - ▶ Audio processing
 - ▶ Gaming specific features

Market	Strategy	Status / Plan
Healthcare	Leverage the improved sound clarity and speech intelligibility HyperSound Clear 500P delivers to sell living room audio add-on for people with hearing loss selling into \$5B hearing market	<ul style="list-style-type: none"> • FDA clearance of HyperSound Clear 500P, clinical testing demonstrating benefit • Product completed after two years of development and launched mid Q4-15 • Many of largest players in hearing market are channel partners • Product now in initial months of sales through hearing aid channels • Development work ongoing in multiple other potential hearing areas
Commercial	Enables retailers and retail display manufacturers to add focused zone of audio to large array of retail displays (22M digital displays, 17M retail kiosks, 3M interactive displays)	<ul style="list-style-type: none"> • 1st-gen product done and selling since 2011 • Commercial solution deployed in 900+ Best Buy stores (Activision retail display) • Multiple pilots in progress and growing pipeline of opportunities • Secondary focus to healthcare above • Continue product improvement and add new SKUs
Consumer	Utilize the 3D nature of HyperSound to create individual surround sound experience with two emitters	<ul style="list-style-type: none"> • Initial consumer testing done with positive results • Preliminary products in concept stage • Initiate more formal product development in 2017
Licensing	Leverage broad applications of HyperSound into external, licensed markets	<ul style="list-style-type: none"> • Opportunities in automotive, government and commercial audio • Multiple research activities underway with promising early results • Initiate more focused pursuit in 2017

- ▶ **Hire Leader:** Former president/CEO of two large hearing aid companies hired in 2014 to lead HyperSound
- ▶ **Get Clearance for Medical Device:** FDA 510(k) clearance in Feb 2014 allows us to market the product “to improve clarity and comprehension of sounds with or without use of hearing aids”
- ▶ **Commercialize Product:** Two years of product development on HyperSound Clear 500P completed with shipments started late Oct 2015
- ▶ **Sell As Hearing Product:** Now sold through Hearing Health Care professionals for MSRP of \$1,675 and programmable for specific user’s hearing profile
- ▶ **Set-up Sales Channel:** Signed channel relationships giving us access to 5,600+ prospective hearing health offices and retail locations in the U.S. – representing ~45% of total distribution points
- ▶ **Scale Manufacturing:** Partnered with leading electronics manufacturer Foxconn and producing in Mexico



HyperSound Clear 500P – Entering a \$5 Billion Hearing Health Market

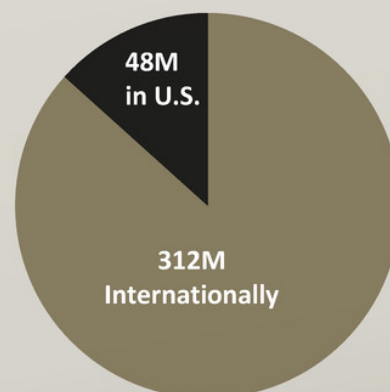
- ▶ Global hearing health market size estimated at \$5B¹
- ▶ 35-40% of people 65+ suffer from hearing loss¹
- ▶ ~13M hearing aids are sold annually¹
- ▶ Potential **complementary and incremental revenue stream** for audiologists given low conversion rates on hearing aids
 - ▶ ~4% in ages 50-59²
 - ▶ ~7% in ages 60-69
 - ▶ ~17% in ages 70-79
 - ▶ ~22% in ages 80+²
- ▶ Two successful patient preference studies of HyperSound Clear 500P completed³
 - ▶ 79% said HyperSound Clear 500P improved their ability to hear and understand speech
 - ▶ 69% said they would either maybe, probably or definitely purchase

1) Johns Hopkins School of Medicine, Nov 2011. World Health Organization, 2013.

2) The Hearing Review, Tech Topic, Oct 2015.

3) Patient Preferences of 58 adult participants after two minute demonstration of HyperSound Clear 500P at conclusion of their audiologist appointment for a Directed Audio Solution, Hearing Review, 2015.

360 Million or 5% of the World's Population Suffer from Hearing Loss¹



HyperSound Clear 500P improves the listening experience and speech intelligibility for individuals with hearing loss

Large Unmet Need For Better TV Solution

360
MILLION

Hearing loss sufferers worldwide (48M U.S.)¹

80%

Want to hear the TV better² and TV represents over 50% of leisure time for ages 55 and up³

**75%-
80%**

Don't use hearing aids⁴

5-7
YEARS

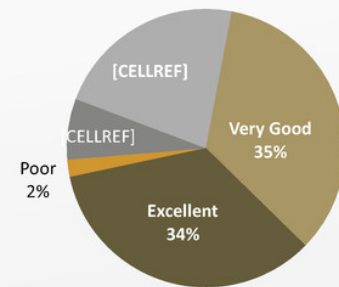
Typical delay between initial hearing care office visit & first hearing aid purchase⁵



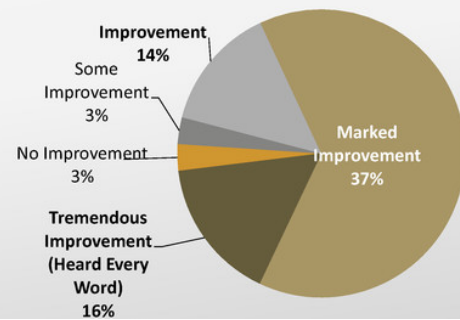
- 1) Wallhagen, MI & Pettengill, E. (2008): Hearing impairment; significant but under-assessed in primary care settings. J Gerontol Nurs. 34: 36-42.
- 2) Lin, F. et al (2011) Hearing loss prevalence in the United States. Arch Intern Med. 171.
- 3) Bureau of Labor Statistics, 2015. Data measures an average day.
- 4) Kochkin, S (2012) MarkeTrak VIII: The Key Influencing Factors in Hearing Aid Purchase Intent. Hearing Review. 3, 12-20.
- 5) Nash, SD et al (2013). Unmet hearing health care needs: The Beaver Dam Offspring study. American Journal of Public Health. 103, 6, 1134-1139.

- ▶ **Study:** Surveyed 58 adults exposed to two minute demonstration of HyperSound Clear 500P at the conclusion of their audiologist appointment
- ▶ **Results:**
 - ▶ 69% rated the audio experience as “very good” or “excellent”
 - ▶ 79% said HyperSound Clear improved their ability to hear and understand speech
 - ▶ 69% said they would either maybe, probably or definitely purchase
- ▶ **Our conclusion:** HyperSound Clear 500P may have substantial value for consumers with hearing loss and provides clinicians with another intervention option for patients with hearing loss (especially with poor attach rates of hearing aids)

How do you rate your listening experience with HyperSound?



Does HyperSound improve your speech recognition ability?



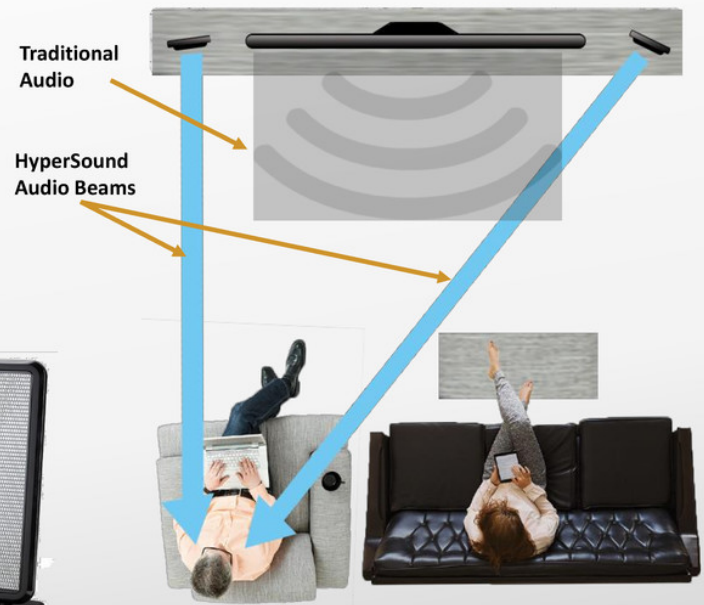
HyperSound Clear 500P Home Audio System

HyperSound Clear 500P TV audio solution **improves the listening experience and speech intelligibility** for individuals with hearing loss

- ▶ Connects to existing living room TV or audio system
- ▶ Targets single listener with HyperSound beam
- ▶ Normal audio keeps running for other listeners
- ▶ Programmable by a hearing healthcare provider
- ▶ Controlled through a remote



How HyperSound Clear 500P Works



HyperSound Clear 500P Consumer Benefits

- ▶ **No need to wear headphones:** Crystal clear sound beamed directly to the listener
- ▶ **Everyone benefits:** Improved sound clarity and speech intelligibility for targeted listener while everyone else hears normal TV volumes
- ▶ **Easy-to-use:** Simple set-up and compatible with most existing TV speakers, sound bars and surround sound systems
- ▶ **Individualized experience:** Programmable by a hearing healthcare professional to match a hearing profile and preferences
- ▶ **Proprietary voice optimization feature:** When watching Dolby Surround Sound TV programs and movies
- ▶ **Overall enhanced home listening experience:** Improves quality of life and enjoyment of family and friends

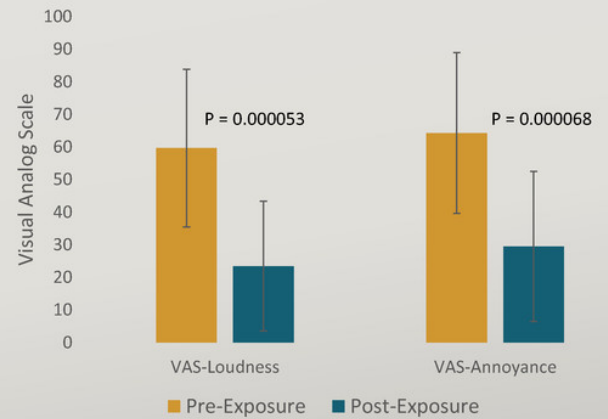


- ▶ Tinnitus is the perception of sound where there is no sound, resulting in ringing, buzzing or other annoying sounds
- ▶ 20M people in the U.S. experience burdensome, chronic tinnitus; 2M have extreme, debilitating cases¹
- ▶ Tinnitus sufferers can purchase special, expensive audio devices which reduce or “mask” the audio with limited effectiveness
- ▶ Initial results from first clinical study showed impressive reductions in tinnitus loudness and annoyance
- ▶ We plan to seek FDA clearance to market this potential application and are exploring adding tinnitus masking as an add-on feature to HyperSound CLEAR 500P
- ▶ Our current HyperSound CLEAR channel (hearing healthcare providers) also provide tinnitus treatments, making this a strong potential fit from a product and channel standpoint

1) <https://www.ata.org/understanding-facts>.


















Preliminary Clinical Results

- ▶ 11 adults with chronic tinnitus tested
- ▶ Initial results below indicate impressive reductions and suggest that directed HyperSound audio may be able to help people manage chronic tinnitus















- **61% reduction in perceived tinnitus loudness**
- **54% reduction in tinnitus annoyance**

U.S. Hearing Health Market Structure & Channel Approach

Retail Channel	Market Size (est.)	Channel Landscape	✓ = Signed deals
Independent & Buying Groups	8,000 POS (Points of Sale) 1.2M Units ¹	 ✓  ✓  ✓  ✓  ✓  ✓  ✓	<ul style="list-style-type: none"> • Initial channel focus for HyperSound Clear represents ~90%+ of the points of sale • We've already signed ~45% of overall points of sale
Retail Store Front	4,000 POS 750K Units ¹	 ✓  ✓  ✓  ✓  ✓  ✓	
Veterans Admin.	800 POS 725K Units ¹	 Department of Veterans Affairs	
Direct to Consumer	300 POS 450K Units ¹	 ✓  ✓  ✓	1) Approximate units of hearing aids sold via this channel.

European Market Structure & Channel Approach

Retail Channel	Market Size	Channel Landscape	<p style="text-align: center;">Launched in Europe late Q1-16</p>
<p style="text-align: center;">Independent & Buying Groups</p>	<p style="text-align: center;">9,500 Points of Sale (POS) 1.5M Units¹</p>	   <p style="text-align: center;">GRAND AUDITION</p>   <p style="text-align: center;">Hören schafft Freu(n)de.</p>	
<p style="text-align: center;">Retail Store Front</p>	<p style="text-align: center;">8,500 POS 1.65m Units¹</p>	     	
<p style="text-align: center;">NHS (UK)</p>	<p style="text-align: center;">1.2M Units¹</p>		

¹) Approximate units of hearing aids sold via this channel

HyperSound Clear 500P's Value Proposition to Hearing Healthcare Providers

- ▶ Simple demo process and customer messaging with demo systems and kiosks
- ▶ Improve patient experience in order to grow patient traffic, referrals and hearing aid volume
- ▶ Potentially shorten 5-7 year decision to purchase (sell more hearing aids)
- ▶ Help build patient trust and strengthen relationships
- ▶ New revenue streams
 - ▶ Attracts new people into their office (non-hearing aid wearers)
 - ▶ Baby boomer access
 - ▶ Perfect for database marketing opportunity to upsell existing hearing aid owners who still struggle with TV solutions
 - ▶ Grow “tested loss not sold” revenue (database and new patients)



- ▶ Secured channel relationships with 5,600+ hearing health offices and retail locations in the U.S. (~45% of **total distribution points**) and several large European players
- ▶ First months of launch will focus on **small subset of 5,600 offices** as we integrate channel and consumer feedback, refine the channel approach and increase supply
- ▶ During first half 2016, we expect to increase manufacturing output and the number of hearing healthcare partner locations that carry HyperSound Clear 500P
- ▶ Europe launched Feb 2016 and represents slightly larger market to U.S. with more retail oriented hearing aid channel

We're Partnered with ~45% of the Hearing Health Locations Across the U.S.



HyperSound Clear 500P Initial User Feedback

★★★★★ (4.6/5) **Improvement in Speech Clarity**

★★★★★ (4.7/5) **Ease of Use**

★★★★★ (4.7/5) **Overall Satisfaction**

90% Of owners surveyed report an *improved or significantly improved* TV viewing experience¹

90% Of these same owners would recommend to a friend¹

"The system is very easy to use and has improved speech clarity. I am satisfied with the purchase."

"I can hear the TV more clearly and would definitely recommend this product to a friend."

"If you turn the speakers off, you notice how much of an improvement it was making."

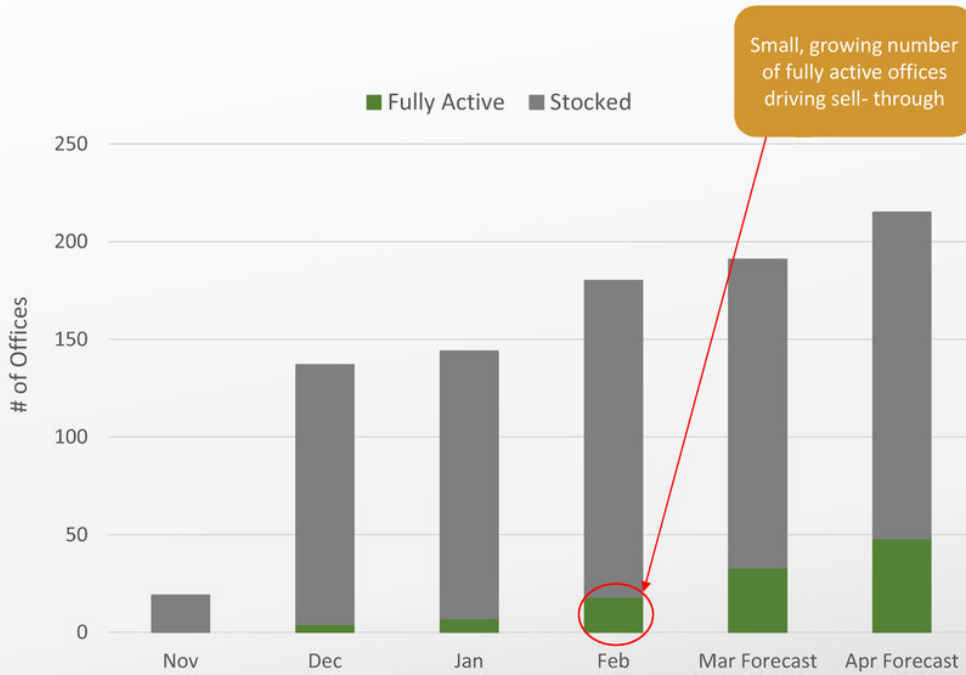
"Very satisfied. Good product."

"HyperSound should be used by everyone and not just for people with hearing needs. Everyone loves it!"

Source: HyperSound Clear 500P customer survey, Mar 2016 (survey of 10 HyperSound Clear 500P owners).



HyperSound Clear 500P Initial Feedback



- ▶ We are in early stage of rollout to hearing healthcare offices, pursuing careful approach to ensure success
- ▶ Offices require training and multiple visits to become “fully active” (which has taken more time than expected, slowing ramp)
- ▶ Fully active, productive offices have experienced sales conversion rates of 20+% during product demonstration events
- ▶ Product survey results from initial set of consumer users are very positive (4.6+ star ratings)¹

1) Company conducted initial sample phone survey of 10 consumer purchasers and may not be indicative of each listener's experience.

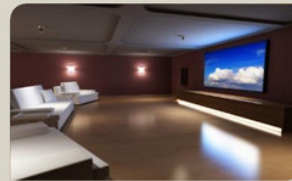
Commercial

- ▶ **Pre-defined sound zones** for in-store promotional, informational, beaconing and way-finding messages
 - ▶ Deployed in Nov 2014 to ~1,000 Best Buy stores in Activision Call of Duty® retail displays
- ▶ HyperSound/Kiosk pairing has shown a **28% sales increase** in a retail environment¹
- ▶ Audio for **interactive kiosks and displays**
 - ▶ 20M digital signs currently in North America²
 - ▶ 34M ATMs, vending machines and self-services kiosks in N. America by 2015³
 - ▶ 2.5M self-service kiosks in 2015²



Consumer & Licensing

- ▶ Immersive, directed 3D audio presents **consumer opportunities** for:
 - ▶ Home theater systems and sound bars
 - ▶ Desktop and gaming speakers
 - ▶ Other potential consumer audio opportunities
- ▶ Potential **licensing market opportunities** include:
 - ▶ Automotive and other transportation markets
 - ▶ Government and military applicants
 - ▶ Displays and televisions



1) POPAI | HyperSound In-Store Research Report, Jun. 2015.
2) BUNN Research, Jan. 2014.
3) *Self-Service Markets: ATMs, Kiosks, Vending Machines*, BCC Research, Mar. 2011.

▶ Partnerships with six major retail display manufacturers:

- ▶ WestRock
- ▶ POP Displays
- ▶ Hughes Network Systems
- ▶ Four Winds Interactive
- ▶ 22 Miles Wayfinding
- ▶ Inception Visual

▶ Strong pipeline of projects and proposals:

- ▶ Grocery and Check-Out and Isle Marketing
- ▶ Virtual Teller Applications
- ▶ Banking Privacy and Messaging
- ▶ Airport Wayfinding
- ▶ Theme Park Usage



POP AI HyperSound Commercial Pro Audio: Case Study



In June of 2015, POP AI UK & Ireland evaluated the impact of HyperSound on shopper buying habits

In-Store Situation

- ▶ Shoppers conduct their shopping on “auto pilot,” relying on in-store cues to trigger “manual control”
- ▶ The check-out is a significant opportunity for display
- ▶ Shoppers are more interested in checking their phone than observing the purchase opportunities around them

Question

- ▶ Can sound be deployed in a practical and effective way to deliver value to brands and retailers alike?

Research Methodology

- ▶ Two retail stores operating under the SPAR brand (a Dutch multinational retail chain)
- ▶ HyperSound was installed and competed with a wide range of ambient noise, including road and traffic noise and in-store radio
- ▶ HyperSound was working without the support of any other POS, media or product placement
- ▶ POPAI tested based on following areas
 - ▶ Video analysis of shopper behavior
 - ▶ Analysis of EPOS sales from test stores vs. control store panel
 - ▶ Shopper response
 - ▶ Staff response

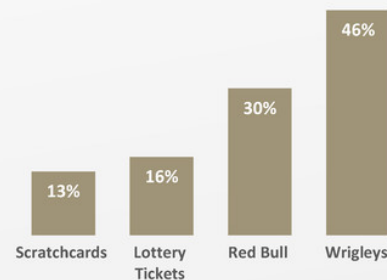
The Results/Conclusion

- ▶ HyperSound had a remarkable impact on sales -- growth of up to 46%
- ▶ Engagement with the messaging was very high and overall shopper awareness of the messaging was recorded at 50%
- ▶ HyperSound audio was proven to be successful with a broad range of consumers ranging from 18 to over 65 years old

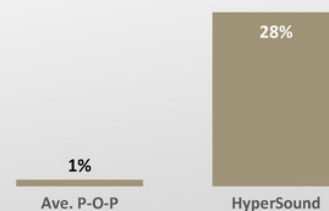
Summary

- ▶ From the results obtained, we believe there is clear evidence that the HyperSound solution will prove a valuable addition to the retailers by engaging customers, shaking them out of their subconscious state while shopping, and encouraging increased up take of the relevant brands.

Sales Increase by Brand



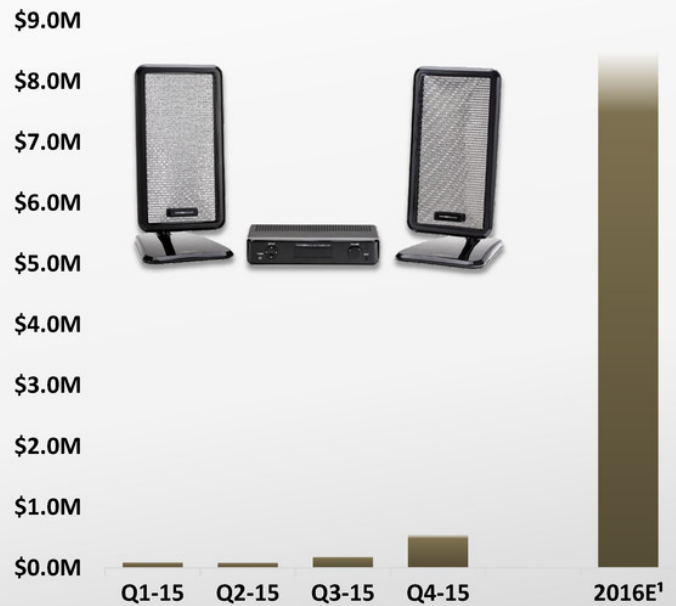
GDES Performance



Key Takeaways

- ▶ HyperSound is a disruptive innovation in audio technology
- ▶ Recent launch of HyperSound Clear 500P into the \$5 billion hearing health category represents a major growth opportunity
- ▶ Viability in commercial markets demonstrated by national retail chain rollout, with further opportunities in consumer markets and licensing agreements
- ▶ Patent portfolio creates competitive barriers to entry
- ▶ Favorable financial profile with target gross margins over 50%

HyperSound Revenues Beginning to Ramp



1) Guidance reiterated March 24, 2016.

Investor Relations:

Cody Slach

Liolios

949.574.3860

HEAR@Liolios.com

Media Contact:

Maclean Marshall

Turtle Beach Corporation

858.914.5093

Maclean.Marshall@turtlebeach.com

COMPANY WEBSITES

www.turtlebeachcorp.com

www.turtlebeach.com

www.hypersound.com

