

## Genius Brands International Expands Into \$38 Billion Mobile App Market Through Agreements With Industry Leaders

Focus on Fast-Growing Educational App Market; eLearning is Estimated at \$16.6 Billion for 2012 and Growing at 33% Per Year

SAN DIEGO, July 16, 2012 (GLOBE NEWSWIRE) -- On the heels of announcing the launch of a new line of educational mobile apps for children that run on Microsoft Corp.'s Windows Phone® operating system through its <u>partnership with Nokia Corporation</u> (NYSE:NOK), Genius Brands International, Inc. (OTCQB:GNUS), is leveraging its brand name recognition, intellectual property, and core skills in creating top selling edutainment content into the growing, multi-billion dollar children's mobile app market.

Through agreements with Microsoft and Nokia, Genius Brands is scheduled to launch two Baby Genius® apps this summer, Rexi the Dinosaur and Bubbles the Bear, for preschool aged children. These apps are the first two in the Genius Brands' Ready, Play, Learn™ line of educational apps being developed to prepare young children for preschool and kindergarten. The next educational apps in the series are scheduled to launch in the 4<sup>th</sup> quarter of 2012.

According to a report published by The Joan Ganz Cooney Center at Sesame Workshop titled, "iLearn II, An Analysis of the Education Category of Apple's App Store" over 80% of the top selling paid apps in the education category of the iTunes Store target children, with 72% aimed at preschool and elementary aged children. The report indicates that apps for toddlers and preschoolers is the most prominent age category representing 58% and experiencing the fastest growth at 23% per year. 60% of the top 25 selling apps target toddlers and preschool children. The report states, "The fact that apps targeting children are so prominent amongst the top-25 list reinforces strong demand for educational apps for children."

GSV Advisors' EDU Education Sector Factbook 2012 states that eLearning for K-12 is a \$16.6 billion market in 2012 and growing at 33% per year to \$69 billion by 2017. According to Forrester Research the app market will grow to \$38 billion by 2015.

"Genius Brands has invested time, funds and focus in the development of children's edutainment programs and quality branding. We have built tremendous brand recognition for Baby Genius® through the engaging, entertaining and educational content we've created in our DVDs, CDs, books and toys. Today, we are extremely excited to leverage these assets onto digital platforms including mobile apps which address multibillion dollar markets. Having

our content featured as recommended apps by Nokia for its Windows® phone is a significant achievement reinforcing the value of our brands," stated Klaus Moeller, Genius Brands' Chairman and CEO

"The potential for our brand on these digital platforms may well eclipse the markets we've traditionally addressed. While our current licensing agreements are the result of the brand equity we've built to date, we believe that the broader, global distribution of Baby Genius® mobile apps will further strengthen our licensing business."

Genius Brands has several licensing deals for its Baby Genius® brand including a toy line scheduled to launch in August of 2012 with JAKKS Pacific and a sunglass line with Sunscape slated for the 2012 holiday season. Baby Genius® books are part of each Kids Meal for children under the age of three at 6,500 Wendy's® restaurants. Baby Genius® products have gained growing awareness and recognition by generating an estimated 30 million impressions on Groupon where the Company's DVDs and CDs have been selling over the past year.

The Baby Genius® brand was recognized by 70% of moms in the U.S., according to a study conducted in 2009 by a third party commissioned by Genius Brands. "With the growing visibility that our Baby Genius® brand has built in the past year, through Groupon, Wendy's®, and being the #1 children's video on demand on Comcast and Cox cable with one million downloads per month, we believe that an even greater percentage of moms recognize Baby Genius® today," added Moeller.

With an immediate focus on Baby Genius® and Little Genius® mobile apps, Genius Brands is also planning e-learning programs on other digital platforms for a range of age categories and subject matters including English as a second language, which the Company believes will bring the Genius brand to millions of young language learners around the world.

## About Genius Brands

Genius Brands International, Inc. is the developer and marketer of entertainment products including the award winning Baby Genius® line of music and education-based products and characters. The Company is developing and marketing a growing line of Genius branded products that entertain and educate the whole family. Baby Genius® awards include: Mom's Choice Award, The National Parenting Center Seal of Approval, *The Toy Insider* Best Toddler Toys, Dr. Toy 100 Best Children's Products, NAPPA Honors Award, iParenting Excellent Product Award, Creative Child Preferred Choice Award, Latino DVD Awards, iParenting Media Award, Film Advisory Board Award of Excellence, Kids First! Quality Children's Media Endorsement, *Parents Magazine* 2002 "Video of the Year," and Best "Under 3" QSR Program 2004/2005 from *Restaurant Magazine*. Baby Genius® products are available at most major retailers and have international exposure in over 40 countries. For brand information please visit <a href="https://ir.stockpr.com/babygenius/overview">www.babygenius.com</a>. For Company information please visit <a href="https://ir.stockpr.com/babygenius/overview">https://ir.stockpr.com/babygenius/overview</a>.

The Genius Brands International, Inc. logo is available at <a href="https://www.globenewswire.com/newsroom/prs/?pkgid=11441">https://www.globenewswire.com/newsroom/prs/?pkgid=11441</a>

Forward-looking statements

This release contains forward-looking statements made by or on behalf of Genius Brands International Inc. All statements that address operating performance that the Company expects will occur in the future, including statements relating to operating results for fiscal 2012 and beyond, revenue growth, future profitability or statements expressing general optimism about future operating results, are forward-looking statements. These forwardlooking statements are based on management's current views and we cannot assure that anticipated results will be achieved. These statements are subject to numerous risks and uncertainties, including, among other things, uncertainties relating to the Company's success in judging consumer preferences, financing the Company's operations, entering into strategic partnerships, engaging management, seasonal and period-to-period fluctuations in sales, failure to increase market share or sales, inability to service outstanding debt obligations, dependence on a limited number of customers, increased production costs or delays in production of new products, intense competition within the industry, inability to protect intellectual property in the international market for our products, changes in market condition and other risks and uncertainties indicated from time to time in our filings with the U.S. Securities and Exchange Commission (SEC) available via the SEC's website at www.sec.gov. Readers are cautioned not to place undue reliance on forward-looking statements and are encouraged to consider the risk factors that could affect actual results. The Company disclaims any intent to update forward-looking statements.

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