

[For immediate release]



PLAYMATES TOYS ANNOUNCED 2013 ANNUAL RESULTS

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Highlights

	For the year ended 31 December		
	2013 HK\$'000	2012 HK\$'000	% change
Turnover	1,658,527	371,615	+346%
Gross profit	1,041,734	224,044	+365%
Operating profit	546,542	52,217	+947%
Profit attributable to shareholders	533,374	43,395	+1129%
	<i>HK cents</i>	<i>HK cents</i>	
Basic earnings per share	45.73	3.87	
	HK\$	HK\$	
Full year cash dividends per share	0.15	nil	

- **Teenage Mutant Ninja Turtles (“TMNT”)** become the top selling brand in the action figure category in US as well as in the leading markets in Europe and Australasia
- Distribution of Turtles toys has already reached over 70 countries, including all key markets in the Americas, Europe and Australasia.
- Momentum remained strong with consistent positive growth trends reported in both show rankings and market shares
- Enter major Asian markets, namely China and Japan in 2014
- Management expect strong entertainment, new market penetration and an expanded product line will drive further growth and good performance in 2014

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(March 26, 2014 – Hong Kong) – **Playmates Toys Limited** (“Playmates Toys” or “the Group”, HKEx Stock Code: 869) announced today its results for the year ended 31 December 2013. The Group worldwide turnover for the year ended 31 December 2013 was HK\$1,659 million (2012: HK\$372 million), an increase of 346.3% compared to the prior year. The Group reported an operating profit of HK\$547 million (2012: HK\$52 million). Net profit attributable to shareholders was HK\$533 million (2012: HK\$43 million) and basic earnings per share was HK Cents 45.73 (2012: HK Cents 3.87). The Board declared an interim dividend of HK\$0.05 per share and recommended a special dividend of HK\$ 0.10 per share to be approved at the next AGM, making full year cash dividends of HK\$ 0.15 per share for the year (2012: nil).

Gross profit ratio on toy sales was 62.8% (2012: 60.3%). The increase in gross profit ratio was attributable to more efficient utilization of investments in product design, development and tooling at higher sales volume, partially offset by a higher portion of sales to markets with lower gross margin structure. Recurring operating expenses were higher than last year by 188.2%, reflecting increases in selling and distribution, marketing and administrative expenses to support the significantly higher sales volume.

Group chairman Mr. Thomas Chan commented: “2013 was the first full year of the re-launched **Teenage Mutant Ninja Turtles** program. The Nickelodeon TMNT TV series continued to be a top rated show in the US as well as in the leading markets in Europe and Australasia, driving our Turtles toys to become the top selling brand in the action figure category in those markets. As the year came to an end, momentum remained strong with consistent positive growth trends reported in both show rankings and our market shares.

“At the end of last year, distribution of our Turtles toys has already reached over 70 countries including all key markets in the Americas, Europe and Australasia. In 2014, we will enter the major Asian markets, namely China and Japan. We are also expanding the range of our TMNT product line to broaden the consumer base and capture incremental retail shelf presence.”

Mr. Chan continued, “Barring unforeseen material adverse circumstances, we expect that strong entertainment, new market penetration and an expanded product line will drive further growth and good performance in 2014.”

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