

Playmates Toys Limited

2014 Interim Results Briefing

29 August 2014



Forward-Looking Statements

This presentation and subsequent discussion may contain forward-looking statements with respect to the financial condition, results of operation and business of Playmates Toys Limited. Such forward-looking statements represent expectations or beliefs concerning future events and involve known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Content

- About Playmates Toys
- Our Mission
- Our Latest Performance
 - State of the Toy Industry
 - Playmates Toys
 - Financial Highlights
- Our Prospects
 - Growth Drivers

About Playmates Toys

- Founded: 1966
- First Group listing: 1984
- HKSE#0869 – Playmates Toys Limited
- A leading manufacturer of promotional toys
- Create, design, market & distribute branded products worldwide
- More information – www.playmatestoys.com

Our Mission

We strive to create superior shareholder value by selectively investing in proprietary and licensed brands and delivering quality, safe, and innovative toys to the consumers while managing costs prudently to maximize operational leverage.

Our Latest Performance



State of the Toy Industry

Operating Environment in 1H 2014:

- Continued economic recovery in the US
- US consumer confidence at highest level since 2008
- NPD reported US retail toy \$ sales up by about *1%
- European retail & distribution activities dampened by Crimean crisis
- Keen competition among action-figure brands tied to major action-adventure movies

* *Source: The NPD Group/Retail Tracking Services*

Playmates Toys

Our 1H 2014 results reflected:

- Strong initial shipments of TMNT movie products intended for retail sales in 2H 2014 may have skewed normal sales seasonality pattern
- Higher tooling and marketing & promotional expenses to launch new product segments
- Expanded distribution territories to cover major markets in Asia
- Normalized tax impact – adjusted effective tax rate: *31.4%

* *Excluding adjustments related to prior year tax provisions & unrecognized deferred tax items.*

Financial Highlights

Income Statement

HK\$ Million	1H 2013	1H 2014	+/-%
Revenue	596.2	835.2	40.1
Gross Profit	373.4	517.5	38.6
Marketing	(105.0)	(152.1)	44.9
Selling & Distribution	(19.5)	(38.6)	97.9
Administration	(48.9)	(59.9)	22.6
Operating Profit	200.0	266.9	33.4
Profit before taxation	195.6	263.9	34.9
Income Tax	15.4	(88.4)	675.4
Net Profit	211.0	175.5	(16.8)
Basic Earnings per Share (HK¢)	18.24	14.93	(18.1)
Interim Dividend per Share (HK¢)	0.00	5.00	-

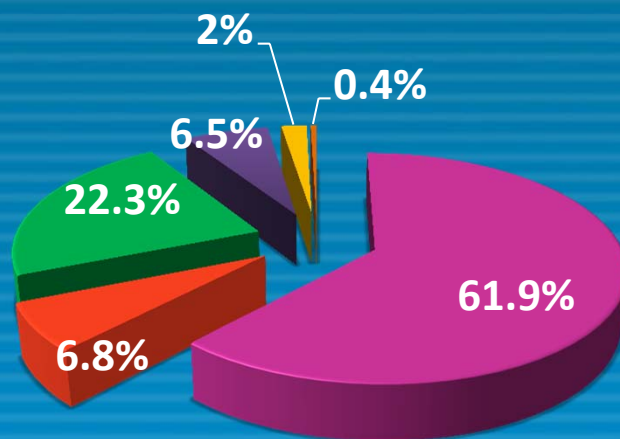
Financial Highlights

Balance Sheet

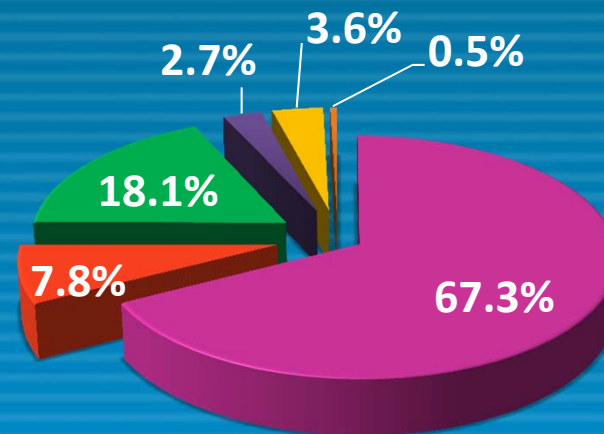
HK\$ Million	30/06/13	30/06/14
Inventories	42.7	77.6
Trade Receivables	192.2	315.8
Cash & Bank Balances	362.0	630.2
Net Current Assets	374.5	737.6
Net Assets	417.9	777.5
Net Asset per Share (HK\$)	0.36	0.65
Gearing Ratio	0.0	0.0
Current Ratio	2.6	3.2

Revenue Breakdown by Regions

1H 2013

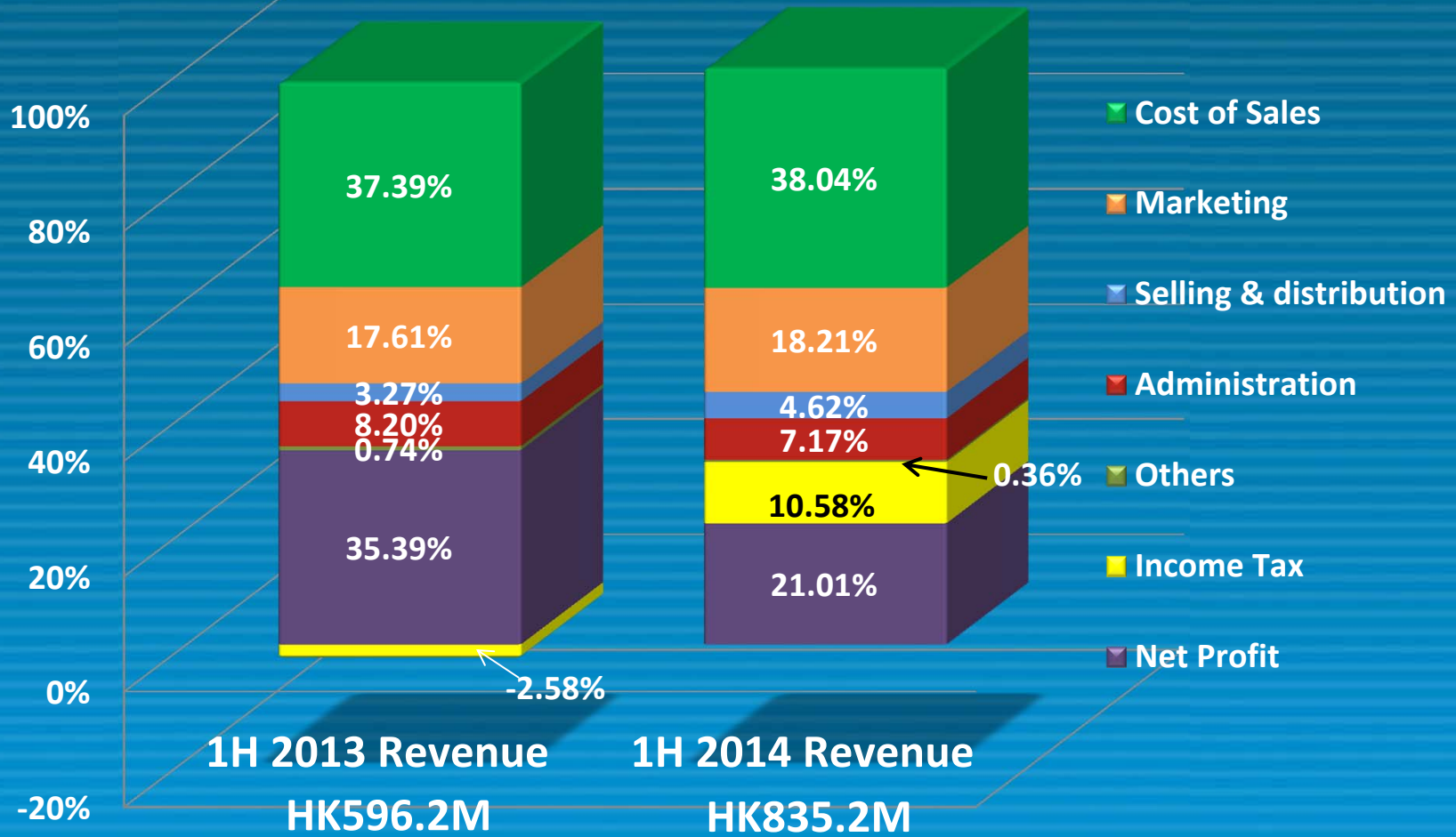


1H 2014



■ U.S.A. ■ Other Americas ■ Europe ■ Australasia ■ Asia ■ Others

Margin Analysis



Our Prospects



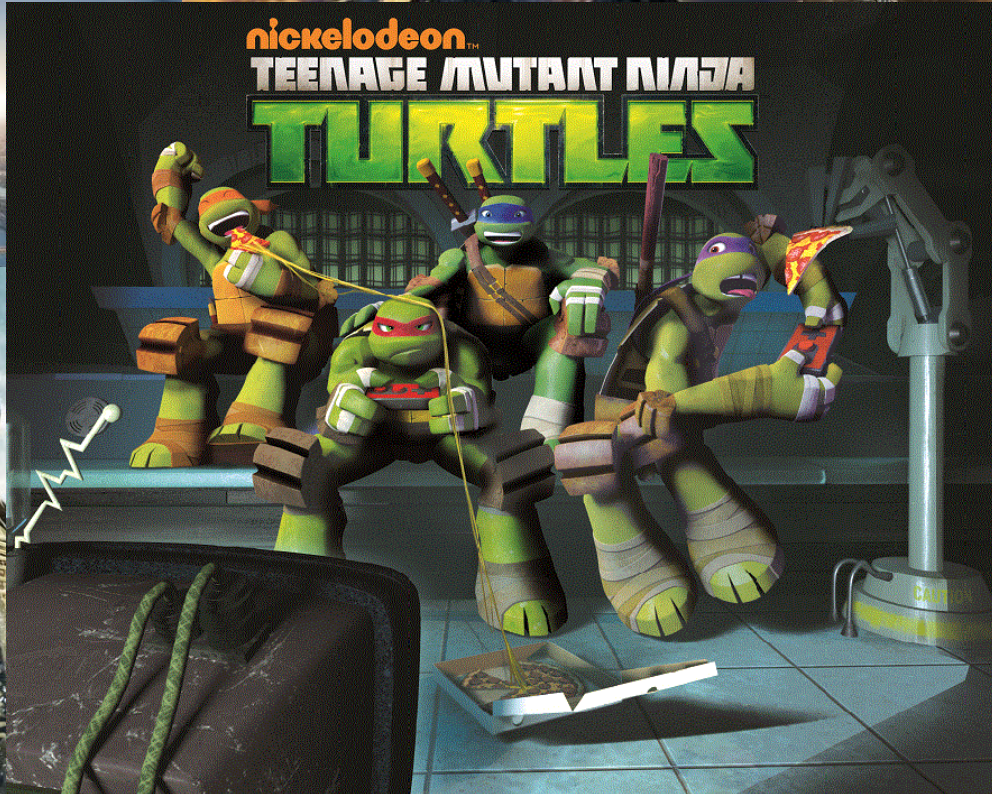
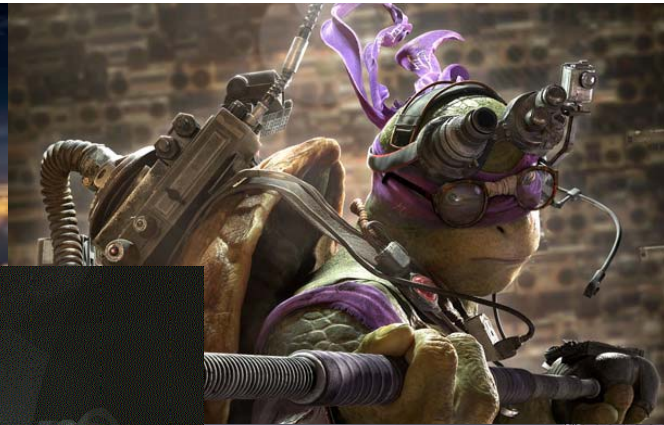
Waterbabies
feels like a real baby!



hearts4heartsgirls.com
Changing the World One  at a Time!

Growth Drivers

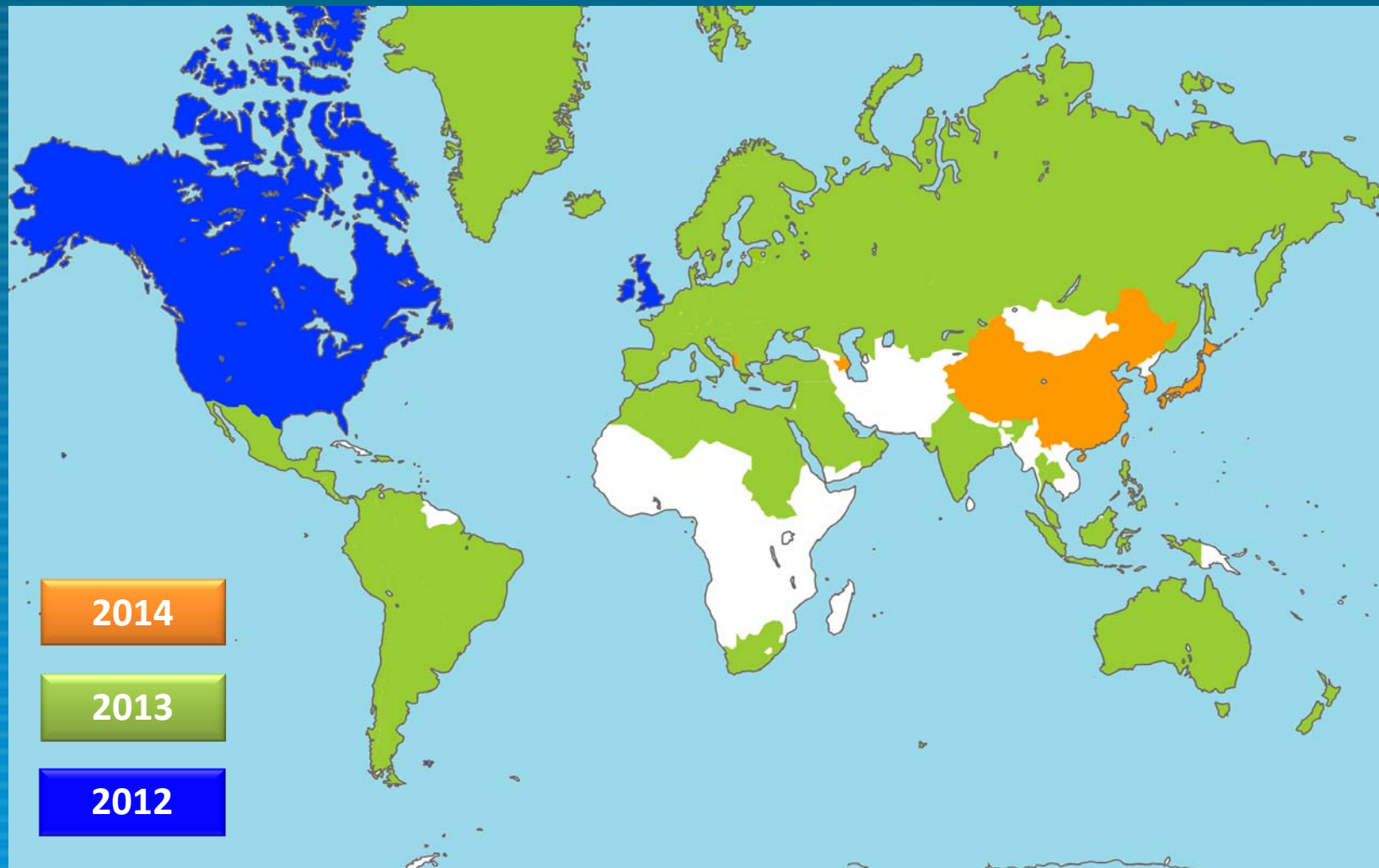
- Strong Viacom entertainment pipeline
- Global distribution coverage
- Strong Playmates product pipeline



Entertainment Pipeline

- Season 2 of Nickelodeon's TMNT TV show maintains top ratings
- Season 3 of TV show to start in Fall 2014
- Season 4 confirmed for 2015
- Paramount's TMNT movie began global rollout in August 2014
- TMNT movie sequel announced for 2016

TMNT Global Distribution Coverage



Global Reach

- TMNT products distribution reached all major markets worldwide
- China launched in 1H 2014 along with regional rollout of TV show; movie release expected late September
- Japan launched in 1H 2014 as show premiered on TV Tokyo; movie release in December

Product Pipeline



Product Pipeline

- Continued refreshment and extension of core product categories
- New TMNT segments to be launched:
 - Half Shell Heroes;
 - Mutations;
 - Die-cast Vehicles, and more...
- Actively pursuing new opportunities



Playmates Toys Limited
Thank You!

TEENAGE MUTANT NINJA
TURTLES



BRAND NEW
SEASON
COMING THIS FALL!

