

[For immediate release]



PLAYMATES TOYS ANNOUNCED 2013 INTERIM RESULTS

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Highlights

	2013	2012
For the six months ended 30 June	HK\$'000	HK\$'000
Revenue	596,185	24,461
Gross profit	373,438	7,944
Operating profit/(loss)	200,036	(33,202)
Profit/(Loss) before income tax	195,647	(40,525)
Profit/(Loss) attributable to equity holders of the Company	211,011	(40,630)
	HK cents	HK cents
Earnings/(Loss) per share		
- Basic	18.24	(3.71)
- Diluted	18.02	(3.71)

- Continued strong sales of *Teenage Mutant Ninja Turtles* ("TMNT") products driven by sustained popularity of top-rated Nickelodeon's TV show
- In the USA *TMNT* maintained number one brand position in Action Figure category with top selling products in all key segments
- Internationally *TMNT* toys reached over 60 territories with top show ratings and sales rankings in many major markets
- Higher profit margin driven by higher sales volume
- Management confident that second half 2013 programs will stay on course

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(August 27, 2013 – Hong Kong) – **Playmates Toys Limited** (“Playmates Toys” or “the Company”, HKEx Stock Code: 869) announced today its interim results for the six months ended 30 June 2013. Consolidated group worldwide sales during the first half of 2013 were HK\$596.2 million, an increase of 2,337.3% over the same period last year. Gross profit ratio was 62.6% (2012 interim: 32.5%). The Company reported net profit attributed to shareholders of HK\$211 million (2012 interim: net loss HK\$40.6 million). Basic earnings per share was HK¢18.24 (2012 interim: basic loss per share HK¢ 3.71). The Board did not recommend an interim dividend payment (2012 interim dividend: nil) but was confident the full year results would support a dividend distribution.

According to the Company, sales comparison with the same period last year primarily reflected the continued strong sales during the period of **TMNT** products which were only launched in late June in 2012 and significant expansion in the distribution territories. Improvement in gross profit ratio reflected more efficient utilization at higher sales volume of investments in development and tooling of new products.

Group Chairman Mr. Thomas Chan commented: “Despite higher marketing and other operating expenses to support the increased sales volume, Playmates Toys was able to report a net profit for the period compared to a loss in the same period last year as a result of significantly higher turnover and gross profit ratio.

“Businesses of our two doll brands, **Hearts For Hearts Girls** and **Waterbabies**, remained steady whereas **TMNT** continued to perform well at retail and maintained its position as the number one action figure brand in the US. Internationally, **TMNT** had launched in over 60 territories and experienced rapid successes in show rating and toy sales in major markets including the UK, Australia, Germany, France, Italy and Spain, as well as Russia and other emerging markets in Europe.”

“The momentum is expected to continue during the peak selling season in the second half of the year as more new products are introduced. The 2014 lineup, with major new product segments and dedicated items tied to the Paramount movie, was enthusiastically received at trade previews. As the TV series continues to roll out across the world, distribution of our toys will be further expanded to cover more territories.”

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Mr. Chan concluded, "We are confident that our programs during the peak selling season in the second half of 2013 will stay on course and we expect that sales of *TMNT* products, driven by sustained popularity of the Nickelodeon TV show and introduction of innovative new products, will continue to be strong."

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