



27 May 2011

Media Release

Funtastic Trading Update

As part of the Company's announcement of its results for the half-year ended 31 January 2011, the Directors noted the difficulty in predicting the second half performance given the challenging prevailing retail conditions. Notwithstanding this, the Directors stated that they were confident that the Group would deliver a stronger result in the second half.

The general retail environment during the third quarter has been far more challenging than Management anticipated, resulting in a reduction in the Group's revenues and earnings during this period. Retailer's appetite for clearance product has been notably suppressed in recent months which has required Management to seek new channels in which to clear its surplus inventory. Consequently, the Directors are of the view that second half earnings will be weaker than the first half.

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For more information on Funtastic visit the web site at www.funtastic.com.au and for comment contact Stewart Downs, Funtastic Limited Ph: 03 85310000.