



CONCEPT SPORTS LIMITED (CSS)

UPDATE ON FINANCIAL PERFORMANCE/ BUSINESS REVIEW/ APPOINTMENTS

Concept Sports Limited today announced that trading within its Australian business was behind budget for the quarter ended 30 September 2004. Management accounts for this business recorded a operating loss for this period which is was approximately AUD\$325,000 greater than budgeted. The budget was prepared based on the forecast included in its prospectus dated 18 May 2004.

Management is winding up the operations of the Company's Portuguese subsidiary which operated the Euro 2004 licence. Following the failure of major teams to progress to the final stages of the European Championships, it is expected that further losses have been incurred by this subsidiary in the quarter ended 30 September 2004. The determination of the final loss is subject to material adjustments. The amount of these adjustments is uncertain pending, among other matters, final negotiations regarding the quitting of excess inventories and certain other arrangements with suppliers. The Company expects to be in a position to make a disclosure of the final loss by the end of the November 2004.

As announced on 31 August 2004, the Athens Olympics will generate a lower than forecasted result. With no final financial information available from the joint venture at this stage, the Company is unable to provide further information on the result for the Athens Olympics. The Company will announce those results as soon as they become available.

The Company has also received result from it first two America's Cup Regattas where sales exceeded expectations. This licence was obtained subsequent to the issue of the Prospectus.

Subsequent to the completion of the audit of the financial statements of the Company to 30 June 2004, the Directors of Concept Sports Limited commissioned and completed an independent review of the business of the Company. The Directors are committed to acting on recommendations arising from this review.

Concept Sports Limited announces the appointment of Colin Smith as General Manager of its European operations. The consolidation and growth of the European operations are seen by the Directors as being important to future success of the Company. Colin, who is resident in the United Kingdom, has significant international marketing and general business experience, with particular experience in the sporting sphere. Recent appointments have been as Head of Marketing for Euro 2004 SA, Senior Manager Rights Delivery for UEFA, and Manager of Planning & Development Hospitality, for ISL Worldwide, the holder of the marketing rights for the 2002 FIFA World Cup Korea. Colin holds BA (Hons) in International Business.

In addition, Concept Sports Limited announces the appointment of Toby Stebbens as Chief Financial Officer. Toby has accepted an interim appointment with a mandate to undertake a detailed review of the financial management of the Company. Toby's recent positions have been as Director Corporate Finance at Bell Potter Securities, Director Corporate Finance and Director Transaction Services at PricewaterhouseCoopers, and senior manager assurance at Price Waterhouse. Toby is a chartered accountant and holds BSc (Hons) in Mathematics, and Masters degrees in Finance and Law.

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