



HANUNG TOYS & TEXTILES LTD.

Manufacturers & Exporters of Stuffed Toys & Home Furnishings

Govt. Recognised Export House

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Ref: HTTL/AKG/LETTERS

March 8th, 2011

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E),
Mumbai-400 051

Sub: Acquiring of a controlling stake in Cody Direct Corp.
(Company Scrip Code # "HANUNG")

Dear Sir,

We wish to inform all our stakeholders that the company has acquired a controlling stake in M/s Cody Direct Corp., a company incorporated under the US laws.

Cody Direct is an 18 years Home Furnishing "Marketing and Distribution" company based out of New York with showroom at Fifth Avenue, New York, NY

The acquisition completely synergizes with Hanung's business and its growth strategies. Hanung has long desired to enter the U.S. market in an aggressive and cutting edge manner. We believe that the acquisition of Cody Direct, coupled with Hanung's strengths as a manufacturer, would prove to be the right combination for strong growth in this marketplace. It would enable the Company to service its North American customers directly and improve its EBIDTA margins.

The business of Cody Direct shall be handled by Mr Vincent DeRosa who has been appointed as its President. Mr. DeRosa will be responsible for all sales and marketing for Cody Direct. An industry veteran with an experience of more than 35 years, Mr. DeRosa has previously held senior management positions in leading Home Furnishing companies in US.

This is for your information Pl..

Thanking You,

Yours Faithfully,
For Hanung Toys and Textiles Limited

(Anju Bansal)
Director