

18 April 2016

International Greetings PLC (the "Group")

Trading Update

International Greetings Plc, one of the world's leading designers, manufacturers, importers and distributors of gift packaging and greetings, stationery and creative play products, is pleased to announce a trading update, in relation to the 12 months ended 31 March 2016.

Highlights

- Financial performance is ahead of expectations, resulting in a further year of double digit earnings per share growth
- Operational cashflow and debt reduction continues to reduce leverage significantly ahead of expectations. Property held available for sale at Aberbargoed in Wales was sold with proceeds of £1.45m received on 31 March 2016
- The strength of our performance and resultant cash generation underpins the payment of a final dividend for FY16 ahead of market expectations. The Company intends to pay a final dividend of 1.75p, resulting in an overall full year dividend of 2.5p (FY15: 1.0p)

The Group is delighted to confirm that all regions have delivered year on year growth and an overall outcome ahead of market expectations.

In the UK and China, record sales combined with an excellent manufacturing performance has delivered profitability ahead of forecast.

In Continental Europe, sales growth and effective management of mix have successfully mitigated anticipated foreign exchange transaction headwinds.

Trading in the second half of the year in Australia has resulted in significantly enhanced overall total profitability.

In the USA, the commercial, operational and financial performance of our business has been extremely encouraging. This has included the successful implementation of phase 2 of our programme of fast payback investment in manufacturing. This investment will accelerate and enhance our capability to profitably grow our share in the world's single largest market.

Commenting on the year's performance, Paul Fineman, Group CEO, said:

"It is especially pleasing that we can report profits growth throughout all regions of the Group.

This is a particularly exciting stage of our development in which we remain well positioned for organic growth and continue to seek compelling acquisition opportunities. Our culture of continuous improvement and our focus on creating commercially successful designs and products delivers a winning combination for our customers and trading partners.

We are delighted to be meeting our core objectives of growth in underlying EPS and dividends whilst reducing average leverage all ahead of schedule."

- Ends -

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