

**IG Design Group PLC**  
**(the "Company", the "Group" or "Design Group")**

**Trading Update**

IG Design Group plc, one of the world's leading designers, innovators and manufacturers of celebration, gifting, stationery and creative play products, is pleased to provide an update on the first quarter's trading period ending 30 June 2017.

**Highlights**

- First quarter trading is in line with management expectations with a strong pipeline built in all regions
- Tangible benefits from recent initiatives include:
  - the unification of the Group's three UK businesses under a single leadership team;
  - the synergies resulting from our acquisition of Lang in the USA; and
  - the National all store "roll out" of our single greeting card range with Australia's largest discounter

Group sales during the first quarter, combined with overall customer order levels already received for the balance of the year, give the Directors confidence in the outcome for the full financial year.

**Americas**

Sales volume growth together with product mix is continuing to enhance margins across our broadening customer base. The region has achieved noteworthy momentum in the Creative Play categories.

The investment in state-of-the-art gift wrap converting facilities continues to deliver production efficiencies.

The region is also benefiting from further significant synergies from the Lang acquisition, in line with management's plans.

**UK**

As previously announced, having unified our three UK based businesses under one leadership team we have enhanced our ability to deliver a coordinated offering of product and service solutions to our broad base of customers, whilst retaining product and commercial expertise. Following the reorganisation, the region is trading in line with expectations with synergy benefits flowing through.

Our investment in the manufacturing of not-for-sale-consumables is fully on schedule and on budget. Our order book for these new products is building strongly and our initial shipments are scheduled to take place in the second half of the year.

**Continental Europe**

The region is on course to achieve record sales and production levels across the Group's core gift packaging product categories. The Group's second efficient and environmentally friendly printing press is on schedule and on budget to be installed in time for our main production in FY19.

Additionally, sales of both stationery and gift products are encouraging especially to our existing base of Europe's strongest and growing multiple retail customers.

### **Australia**

The region has seen particularly strong growth in the higher margin independent store sector.

Having won a major new contract for the supply of every day greetings cards with Australia's largest discounter, we are benefitting from the economies of scale that this opportunity presents, particularly leveraging our logistical capability and scale.

### **Paul Fineman, Group CEO, commented:**

*"We are pleased with the progress made in the first quarter, particularly with regard to the various incremental growth initiatives highlighted at the Group's results.*

*Alongside this, our order book is yet again at record levels with strong momentum fueled by excellent product innovation and ever closer relationships across our broad customer base.*

*Organic growth opportunities exist in all regions, and our strong balance sheet is also providing the flexibility to continue to evaluate M&A opportunities."*

**- Ends -**

For further information, please contact:

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