

16 October 2018

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 gift packaging, greetings, stationery, creative play products and giftware, announces a trading update for the first half of the financial year, which covers the period to 30 September 2018.

The Group is pleased to announce a very positive performance over the first six months ending 30 September 2018, with reported overall revenue and margin, including the recent acquisition of Impact Innovations Inc. ('Impact'), significantly up on the previous year, with growth across all regions.

Furthermore, following the successful £50 million equity placing announced in August 2018 and the completion of the acquisition of Impact on 31 August 2018, Impact has delivered a strong post acquisition performance in September 2018. The integration of Impact and our US based business, IG Design Group Americas is already underway and progressing well with synergies on track to be delivered on time or earlier.

Other highlights from across the Group also include:

- the new state-of-the art printing press in our gift wrap manufacturing operation in Holland, which was installed in March 2018, is now fully operational and supporting record levels of production volume and improved efficiencies
- the acquisition in January 2018 of Biscay Greetings Pty Ltd in Australia is now fully integrated, with targeted synergies already beginning to deliver enhanced performance
- the new enterprise IT system in the USA has gone live on time and is now being run in parallel with the existing IT platform to ensure the processes are running smoothly and accurately
- the new revenue initiative in our factory in Wales to manufacture and sell premium paper bags continues to deliver increased volumes with a strong pipeline of new customers to come

The Group will deliver record first half revenues with all regions on track to achieve year on year revenue and profit growth in the full year. We are therefore pleased to confirm the Group's forecast full year diluted earnings per share¹ performance is in line with management expectations, delivering strong year-on-year growth. We also continue to see good cash conversion across the Group and expect average leverage for FY19 to be 1.3 times Underlying EBITDA.

Paul Fineman, Chief Executive said:

'We are delighted with a very strong performance during the first half of the year and with good forward visibility of our order book we have strong momentum going into the second half of the year. We look forward to a full year of record revenues and profits.

We are especially encouraged with the strong performance of Impact and have 'hit the ground running' with progress already made to deliver operational and commercial synergies.

We look forward to sharing a detailed overview of our first half results on 27th November.'

1 – Diluted Earnings per Share is calculated before exceptional items and LTIP

- Ends -

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Notes to Editors

IG Design Group plc, the largest consumer gift packaging business in the world, is a designer, innovator and manufacturer of products that help people celebrate life's special occasions. Design Group works with more than 10,000 customers in over 80 countries throughout the UK, Europe, Australia, Asia and the Americas. Its products are found in over 200,000 retail outlets, including several of the world's biggest retailers, for example Walmart, Tesco, Amazon, Carrefour and Aldi. Its brand, Tom Smith, also holds the Royal Warrant for the supply of Christmas crackers and Christmas wrapping paper to the Royal family.

Design Group is a diverse business operating across multiple regions, categories, seasons and brands. Its four core categories are: Celebrations, Stationery and Creative Play, Gifting, and Not-for-resale paper bags. It offers customers a full end-to-end service from design through to distribution, offering both branded and bespoke products from the value-focused through to the higher-margin ends of the market. The recently completed acquisition of Impact Innovations Inc. has significantly increased the scale of the Group and added to the Celebrations category with seasonal home décor product range providing a further opportunity for growth.

The Company was admitted to the Alternative Investment Market of the London Stock Exchange in 1995 under the name 'International Greetings plc' and rebranded to IG Design Group plc in 2016. For further information please visit www.thedesigngroup.com