

For immediate release
13th December 2006

International growth continues to strengthen performance

International Greetings PLC ("International Greetings" or "the Group") (AIM: IGR), the global designer and manufacturer of greetings products, film and television character based licensed stationery, books and gifts, today announces interim results for the six months ended 30 September 2006.

Financial Highlights:

Turnover for the period was £85.1m (2005: £83.8m)

Operating profit of £6.2m (2005: £6.5m**)

Interest payable during the period increased to £1m (2005: £0.7m)

Profit before tax of £5.2m (2005: £5.8m**)

Adjusted *profit before tax amounted to £6.2m (2005: £6.5m**)

Basic earnings per share for the period were 8.2p (2005: 9.3p**)

Adjusted *earnings per share were 10.1p (2005: 10.6p**)

Interim dividend increased 12.5% to 2.25p per share reflecting the Board's continued confidence in the Group.

Operational Highlights

Acquisitions of Alligator Books and the remaining 50% shareholding in the Group's Dutch joint venture, Anchor International, performing well and providing strong potential for future growth

Continued growth in European sales underlined by 20% increase at Hoomark

Focus on developing business in the mass market retail sector in Europe following the integration of Anchor International

Full season of manufacturing in China with all orders on time and within budget

New distribution channel planned for the US, offering a complete range of greetings and stationery products to mid-size retail groups

Licensed range of Christmas products launched for the recently released Warner Bros film "Happy Feet"

Licences signed for "The Simpsons Movie", "Spider-Man 3", "Shrek 3" and "Pirates of the Caribbean 3".

* figure excludes amortisation of goodwill of £669,000 (6 months to 30 September 2005: £520,000, 12 months to 31 March 2006: £1,031,000), exceptional item of £304,000 (6 months to 30 September 2005: £121,000, 12 months to 31 March 2006: £3,310,000) and profit on disposal of fixed assets of £nil (6 months to 30 September 2005: £nil, 12 months to 31 March 2006: £1,838,000).

** figure restated following adoption of FRS20 (Share based payments)

Commenting on the results, Nick Fisher, Joint Chief Executive said: "Whilst we operate in the highly competitive UK retail sector and are not immune to its challenges, we have completed the majority of this season's deliveries to our customers.

Internationally, we have achieved our targets both in terms of increased sales and new market opportunities in Europe and the US, and believe we have put in place a strong foundation for future growth.

"As the only listed company in our sector in Europe, we have reinforced our position as an industry consolidator and we continue to identify suitable acquisitions in all our geographic areas of operation. This is an important part of our future growth strategy."

For further information, please contact:

Nick Fisher, International Greetings

Tel. 01707 630630

Richard Sunderland/ Rachel Drysdale,
Tavistock Communications

Tel. 020 7920 3150

Graeme Cull, Arden Partners

Tel. 0201 423 8960