

For immediate release
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Record preliminary results - Management signal confidence with 13% dividend increase

International Greetings plc (AIM: IGR), the leading designer and manufacturer of private label greetings products and film and television character based licensed stationery, announces today its preliminary results for the year ended 31st March 2004.

Financial highlights

Turnover up 11% to £126.7m (2003: £113.7m) and profit before tax up 3% to £11.2m (2003: £10.9m)

Turnover, excluding Hoomark, increased 10% to £124.6m (2003: £113.7m)

Adjusted profit before tax*, excluding Hoomark, increased 14% to £12.7m (2003: £11.1m)

Adjusted EPS*, excluding Hoomark, increased 15% to 21.6p (2003: 18.8p)

Final dividend of 5p per share (2003: 4.45p) increases full year dividend 13% to 6.5p per share (2003: 5.75p)

Hoomark trading since acquisition (loss before tax of £0.6m) in-line with expectations US division performed well with operating profit (in \$US) rising 14% to \$2m.

* figure excludes goodwill amortisation of £233,000 (2003 : £175,000) and exceptional item of £684,000 (2003 : nil).

Operational highlights

Strong organic growth and platforms created for further growth through acquisitions Acquisition of leading Dutch gift wrap business, Hoomark, strengthens the Group's position in Europe

Licensing agreements secured for summer blockbusters including Harry Potter and the Prisoner of Azkaban, Shrek 2 and Thunderbirds

Increased production and sourcing from the Far East

New licensed Christmas decorations product range launched which is already contributing sales to the Group.

Post year-end event

Acquisition of Krakajack, a cracker manufacturer, for a consideration of approximately £900,000, providing entry in to in the important Irish and catering markets.

Commenting, Nick Fisher, CEO of International Greetings said:

" This strong set of results demonstrates International Greetings' focus on and ability to deliver growth, both organically and through acquisition. We are encouraged by the performance of our US division and by progress being made in the Far East, as well as looking forward to receiving a full year's contribution from Hoomark. As ever, our licensed products sold well and we anticipate a strong performance from both Shrek 2 and Thunderbirds, with further demand at Christmas, coinciding with DVD releases. We are confident about the year ahead, as evidenced by the improved dividend, and look forward to delivering further shareholder value."

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