



Designers, developers and international distributor of toys, games and giftware

Friday, 22 January 2016

The Character Group plc
("Company" "Group" or "Character")

Trading update

The Character Group plc, which holds its Annual General Meeting today, publishes the following update ahead of the Meeting:-

Trading update

As we highlighted in our Chairman's letter to shareholders accompanying our preliminary results in December, we continue to develop our strong and diverse portfolio of 'in-demand' products. This, in conjunction with our strong financial position, continues to underpin our corporate profile and reputation within the industry as one of the UK's leading toy companies.

We are delighted to report that Character continues to perform well, with solid Christmas period sales across all major lines at consumer level. To date, sales in the current financial year are up approximately 6% over the same period last year. We fully expect our underlying performance to deliver another year of solid progress and, we remain on track to meet current market expectations for the year ending 31 August 2016.

The ongoing performance of our established cornerstone brands, which includes *Peppa Pig, Minecraft, Fireman Sam, Teksta, Little Live Pets, and Scooby Doo*, continues to be very encouraging. We are also delighted to add to these a number of new introductions that will be coming to market over the 2016 calendar year. This includes our new range based on the iconic *Teletubbies* characters which has been launched this month. Overall, early reaction to the new ranges has been enthusiastic and, on this basis, we are confident that the new season's offering will deliver in terms of demand and sales at consumer level across both our UK and international markets.

Once again, as part of our domestic and international marketing programmes, Character will be exhibiting at The London Toy Fair 2016, which is being held at Kensington Olympia and starts on Sunday, 24 January. Over the three-day Expo, we will officially unveil to the trade our new season's portfolio. <http://www.btha.co.uk/toy-fair/2016>.

Following this trading update, we are also announcing this morning a number of appointments and changes to the Character Group Board which will take effect from 1 February 2016. This recognises the strength of our management team and ensures that the Group has the appropriate structure and management necessary to continue our development and growth.

In summary, the Directors remain confident about the future and look forward to providing a further trading update in April, when the half-year financial results for the period ending 29 February 2016 are released.

Enquiries:

The Character Group plc

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FTSE sector: leisure:

FTSE AIM All-share: symbol: CCT.L:

Market cap: £100 million

Copies of this statement can be viewed at www.thecharacter.com.

Product ranges can be viewed at www.character-online.co.uk.

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