

6 February 2015

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

Transaction in Own Shares

Character Group (AIM:CCT.L) announces that, in continuing its stated objective to enhance shareholder value, on 4 February 2015 the Company bought back for cancellation 148,391 ordinary shares of 5p each in the capital of the Company ("Ordinary Shares") in the market, at a price of 363.336 pence per Ordinary Share. The Ordinary Shares bought back for cancellation represent approximately 0.69 per cent. of the current issued share capital of the Company (excluding shares held in treasury).

For the purposes of the Financial Services Authority's Disclosure and Transparency Rules, the total number of Ordinary Shares in issue as at the date of this notice (taking into account the Ordinary Shares purchased for cancellation by the Company announced above and excluding Ordinary Shares held in treasury) is 21,206,840 ("Revised Issued Voting Share Capital").

The Company has a total unutilised capacity to buy back up to a further 4,997,109 Ordinary Shares under the authority granted at the Annual General Meeting on 16 January 2015.

Character Group holds 4,019,456 Ordinary Shares in treasury, representing approximately 18.95 per cent. of the Revised Issued Voting Share Capital, which do not carry voting rights.

The figure of 21,206,840 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or change to their interest, in the Company under the Disclosure and Transparency Rules.

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