

9 February 2015

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

**Director's share dealing
Transaction in Own Shares**

Character Group (AIM:CCT.L) announces that the Company has bought back for cancellation 204,700 ordinary shares of 5p each in the capital of the Company ("Ordinary Shares") in the market, at a price of 365p pence per ordinary share.

The Company is continuing its programme of buying back shares for cancellation and announces that through open market purchases on 5 February 2015 it acquired 25,000 Ordinary Shares and on 6 February 2015 a further 29,700, which together represent approximately 0.26 per cent. of the total voting rights of the Company.

On 6 February 2015, the Company also purchased 150,000 Ordinary Shares from Cedarberg Investments Limited ("Cedarberg"), a company in which Richard King (Executive Chairman) has a beneficial interest. This represents approximately 0.71 per cent. of the total voting rights of the Company. Following this share dealing, Mr King's interest in the Company is 2,168,210 Ordinary Shares, representing approximately 10.32 per cent. of the total voting rights of the Company.

The participation by Cedarberg in the buy-back programme is deemed to be a related party transaction in relation to Mr King for the purposes of Rule 13 of the AIM Rules for Companies. The Directors, with the exception of Richard King who is involved in the share buy back transaction and is therefore a related party for the purposes of the AIM Rules, consider, having consulted with the Company's nominated adviser Charles Stanley Securities that the terms of share buy back are fair and reasonable insofar as the Company's shareholders are concerned.

For the purposes of the Financial Conduct Authority's Disclosure and Transparency Rules, the total number of Ordinary Shares in issue as at the date of this announcement (taking into account the Ordinary Shares purchased for cancellation by the Company announced above and excluding Ordinary Shares held in Treasury) is 21,002,140 ("Revised Issued Voting Share Capital"). The Company holds 4,019,456 Ordinary Shares in treasury, representing approximately 19.14 per cent. of the Revised Issued Voting Share Capital, which do not carry voting rights.

The Company has a total unutilised capacity to buy back up to a further 4,792,409 Ordinary Shares under the authority granted at the Annual General Meeting on 16 January 2015.

The figure of 21,002,140 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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Ticker: AIM: CCT