

12 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 200,000 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 on 11 February 2015 it acquired 100,000 Ordinary Shares through open market purchases, representing approximately 0.48 per cent. of the total voting rights of the Company.

On 11 February 2015, the Company also purchased 100,000 Ordinary Shares from Cedarberg Investments Limited ("Cedarberg"), a company in which Richard King (Executive Chairman) has a beneficial interest. This represents approximately 0.48 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 20,802,140 ("Revised Issued Voting Share Capital"). The Company holds 4,019,456 Ordinary Shares in treasury, representing approximately 19.32 per cent. of the Revised Issued Voting Share Capital, which do not carry voting rights.

Following the above mentioned share dealing and the purchase of Ordinary Shares, the interests of the Directors in the Revised Issued Voting Share Capital are as follows:

Director	Number of Ordinary Shares held by Directors following notified dealing	approx. % of Revised Issued Voting Share Capital
Richard King ¹	2,068,210	9.94%
Kiran Shah ²	4,117,001	19.79%
Jonathan Diver ³	1,206,003	5.80%
Joseph Kissane	500,000	2.40%
Michael Hyde	200,000	1.01%

Orbis Pension Trustees Limited ⁴	285,000	1.37%
David Harris	44,097	0.21%
Lord Birdwood	8,750	0.04%

Notes:

1. included in the interests of R. King are his interests in 1,385,428 Ordinary Shares held by Cedarberg Investments Limited.
2. included in the interests of K.P. Shah are the interests of Sarissa Holdings Limited in 3,830,000 Ordinary Shares.
3. included in the interests of J.J. Diver are 551,867 Ordinary Shares held by Mr Diver's personal pension scheme;
4. Orbis Pension Trustees Limited is the trustee of the Company's Employee Share Ownership Trust. Each of R. King, K.P. Shah, J.J.P. Kissane, J.J. Diver and M.S.Hyde is deemed to be interested in such Ordinary Shares by virtue of being within the class of beneficiaries defined by such trust.

The Company has a total unutilised capacity to buy back up to a further 4,592,409 Ordinary Shares under the authority granted at the Annual General Meeting on 16 January 2015.

The figure of 20,802,140 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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