

29 January 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 125,000 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 28 January 2015 it acquired 25,000 Ordinary Shares through open market purchases, representing approximately 0.12 per cent of the issued share capital of the Company (excluding shares held in Treasury).

The Company also purchased 100,000 Ordinary Shares on 29 January 2015 from Richard King, Executive Chairman. This represents approximately 0.47 per cent. of the Company's issued share capital. Following the share sale Mr King's interest in the Company is 2,318,210 Ordinary Shares representing approximately 10.87 per cent. of the total voting rights of the Company.

The participation by Mr King in the buy-back programme is deemed to be a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies. The Independent Directors of the Company, who are independent of this deemed related party transaction for the purposes of the AIM Rules, having consulted with Charles Stanley Securities (the Company's Nominated Adviser), consider the participation of Mr King in the buy-back programme to be 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 21,324,914 ("Revised Issued Voting Share Capital"). The Company holds 4,019,456 Ordinary Shares in treasury, representing approximately 18.85 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 5,145,500 Ordinary Shares under the authority granted at the Annual General Meeting on 16 January 2015.

The figure of 21,324,914 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.

Enquiries:

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