

For immediate release
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International Greetings snaps up Alligator Books

International Greetings PLC ("International Greetings" or "the Group") (AIM: IGR), the leading designer and manufacturer of private label greetings products, wrapping paper, Christmas crackers and film and television character based licensed stationery, today announces the acquisition of Alligator Books Limited, a publisher and distributor of children's books and stationery.

An initial consideration of £2.5 million is payable, of which £2.25 million will be paid in cash and £250,000 paid by the issue of 62,703 new ordinary shares. Further payments may become payable, depending on the level of profitability for the year ended 31 March 2007, these payments being a mixture of cash and shares. Alligator Books' founders and current management team will remain in place after the acquisition.

Alligator Books creates and publishes children's licensed and generic products. They distribute an extensive range of fiction and non-fiction books ranging from much-loved children's classics such as Noddy, Thomas the Tank Engine and Postman Pat, to characters from TV shows such as Scooby Doo, together with a selection of generic reference, colouring, activity and early learning books. Alligator recently acquired the children's book division of Chrysalis, which includes the world-wide publishing rights for 80 non-fiction illustrated reference books. Alligator Books' turnover and profit before tax for the 12 months to 30 April 2005 were £5.5 million and £440,000 respectively.

Application for the admission of the new ordinary shares to AIM has been made and it is expected that this will be effective on or around 12 April 2006. The new ordinary shares will rank pari passu in all respects with the Company's existing ordinary shares.

Joint Chief Executive, Nick Fisher, commented: "This bolt-on deal not only met all our acquisition criteria, particularly from a product and licensed character perspective, but has also introduced us into the mainstream book publishing sector via the lucrative children's category. Being part of the IG group of companies will ensure that Alligator is in a position to develop its business rapidly both in the UK and in the global market place".

"Our strategy of acquiring this type of business is helping to counter the slowdown in the UK retail sector and reinforces our commitment to developing new product categories in the UK, whilst also providing a further platform for overseas development."

"This deal is a great start to our new financial year, and our ever increasing spread of activities gives us confidence for the future"

For further information, please contact:

Nick Fisher, International Greetings

Tel. 01707 630630

Richard Sunderland/ Rachel Drysdale,
Tavistock Communications

Tel. 020 7920 3150