

For immediate release
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International Greetings strengthened by major acquisition

International Greetings PLC ("IG" or "the Group") (AIM : IGR), the leading designer and manufacturer of private label greetings products, wrapping paper and film and television character based licensed stationery, today announces the acquisition of Anker International PLC ("Anker") for a total consideration of up to £35.5 million. Established in 1971, Anker is an international design, import and distribution business with offices and facilities in the United Kingdom, its primary market, and in Hong Kong and Holland. It supplies a wide assortment of greetings, festive, stationery and photographic gift products which both complement and add to the Group's existing ranges.

For the year ended 31 December 2004 Anker's turnover amounted to £39 million, with an adjusted profit before tax* of £4.2 million. Net assets as at 31st December 2004 amounted to £20.4 million, including freehold property with a net book value of £13.2million.

The maximum total consideration for the acquisition is £35.5 million, which comprises £12.5 million payable by the issue of 3,294,242 new IG ordinary shares and £23 million in cash. £12.5 million of the cash consideration is payable on completion, with the balance of up to £10.5 million payable after 12 months, of which £0.5 million is dependent on Anker achieving a certain level of profitability. IG has today applied for the admission of these new ordinary shares to AIM.

Paul Fineman, aged 45, chief executive of Anker, will join the board of International Greetings as an executive director, with immediate effect.

Commenting, Nick Fisher, Joint Chief Executive of International Greetings said:

"The acquisition of Anker is a major step forward for the Group. The transaction further strengthens our international position and is immediately earnings enhancing. We expect to see additional synergy benefits in the future, as we explore many integration opportunities."

"We are also delighted to welcome Paul Fineman to the Board. He brings with him a wealth of experience in Far East trading, which will be a major complement to our long standing manufacturing skills. Paul's contribution to the Group will be invaluable during our next important period of corporate growth."

* profit adjusted to :

- (a) exclude exceptional items,
- (b) normalise on-going director-related remuneration and expenses
- (c) apply accounting policies consistent with IG

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