



**AT THE COMPANY**

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**FOR IMMEDIATE RELEASE**

**RUSS BERRIE AND COMPANY, INC. ANNOUNCES  
RECEIPT OF UNSOLICITED PRELIMINARY INDICATION OF INTEREST**

**Oakland, N.J. — June 6, 2007** — Russ Berrie and Company, Inc. (NYSE: RUS) announced today that it had received an unsolicited non-binding proposal to acquire the Company at a purchase price of \$18 per share. The Board of Directors of the Company is fully committed to the maximization of shareholder value; however, the Board has determined that this proposal undervalues the Company, and does not provide a sufficient basis for further consideration.

Prior to receiving this unsolicited proposal, the Company had begun to explore the possible sale of its gift division and has received indications of interest from several prospective acquirers. During this process, the performance of the division has continued to improve.

The Company has hired Sagent Advisors to explore all strategic alternatives, including: selling a division, selling the Company in its entirety or identifying candidates for potential acquisitions, although the Company is unable to determine at this time whether any transaction will occur.

**About Russ Berrie and Company, Inc.**

Russ Berrie and Company, Inc., a leader in the infant and juvenile and gift industries, and its wholly-owned subsidiaries, designs, develops and distributes a variety of innovative gift, infant and juvenile products to specialty and mass market retailers worldwide. Known for its teddy bears and other plush animals, the Company's gift and infant and juvenile lines are comprised of a diverse range of everyday, seasonal and occasion-themed products that help people celebrate the milestones in their lives. Founded in 1963 by the late Russell Berrie from a rented garage in New Jersey, today the Company operates offices, showrooms and distribution centers all over the world and trades on the NYSE under the symbol RUS.

*Note: This press release contains certain forward-looking statements. Additional written and oral forward-looking statements may be made by the Company from time to time in Securities and Exchange Commission (SEC) filings and otherwise. The Private Securities Litigation Reform Act of 1995 provides a safe-harbor for forward-looking statements. These statements may be identified by the use of forward-looking words or phrases including, but not limited to, "anticipate", "believe", "expect", "project", "intend", "may", "planned", "potential", "should", "will" or "would". The Company cautions readers that results predicted by forward-looking statements, including, without limitation, those relating to the Company's future business prospects, revenues, working capital, liquidity, capital needs, interest costs and income are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Specific risks and uncertainties include, but are not limited to those set forth under Item 1A, "Risk Factors", of the Company's most recent Annual Report on Form 10-K filed with the SEC. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.*