

4 July 2003

**Murgitroyd Group PLC ('the Company')**  
**Further re Acquisition of Cabinet Bonneau EURL ("Cabinet Bonneau")**

The Company is pleased to announce that, further to the announcement made on 8 May 2003, the acquisition of the trade and assets of Cabinet Bonneau has now been completed following the conclusion of due diligence. Principally for tax reasons, the consideration for the acquisition was increased from that detailed in the announcement of 8 May from Euro125,000 to Euro255,000. As part of the change in the structure of the consideration, Mr Bonneau will now be paid a lower salary for his agreed two year post acquisition employment period. As a result of these changes, the overall net cash outflow effect on the Company over the two year period will be marginally reduced from that negotiated in the original Heads of Terms.

The acquisition is not a substantial transaction in terms of the Rules of the Alternative Investment Market of the London Stock Exchange.

Ian Murgitroyd, Chairman, stated:

"We believe that this acquisition is a clear step forward in the pursuit of our pan European policy."

Enquiries:

Alasdair Robinson , Noble & Company Limited, 0131 225 9677