

2 February 2010

**Murgitroyd Group PLC ("Murgitroyd" or "the Group")
Unaudited Interim Results for the six months ended 30 November 2009**

Murgitroyd (AIM:MUR), the European Patent and Trade Mark Attorney, is pleased to announce its unaudited interim results for the six months ended 30 November 2009 during which the Group has continued to make progress and perform in line with market and management expectations.

Highlights

- Revenue of £14.3 million (2008: £14.2 million)
- Gross profit of £8.9 million (2008: £9.1 million)
- Profit before tax unchanged at £1.7 million
- Basic EPS of 13.9p (2008: 14.1p)
- Unchanged proposed interim dividend of 3p per share (2008: 3p per share)
- New Nordic office established in Helsinki, Finland
- US operations expanded
- Qualified Attorney numbers up from 65 to 68 year-on-year

Ian Murgitroyd, Group Chairman, commented:

"I am pleased to report that Murgitroyd has performed in line with expectations and as indicated at the time of our preliminary results in September 2009. We have continued to grow activity in a challenging economic environment. We have also established a new office in Finland to represent clients' interests in the Nordic countries directly and expanded our US operation, both of which are a reflection of our ongoing investment in expansion.

We have renewed our facilities with Clydesdale Bank without increased borrowing costs. We will continue to evaluate suitable acquisition opportunities that are immediately earnings enhancing and complementary to the Group's existing offering. Although confidence in an improving global economy remains fragile, the Board believes that Murgitroyd remains well positioned to take advantage of the opportunities in the market."

For further information, please contact:

Keith Young, Murgitroyd Group PLC	07802 951913
David Ovens, Noble & Company Limited	0131 225 9677
Nadja Vetter/Catherine Maitland, Cardew Group	020 7930 0777

Notes to Editors

Murgitroyd Group PLC, the holding company of Murgitroyd & Company Limited ("Murgitroyd & Company"), a European Patent and Trade Mark Attorney practice, was floated on AIM on 30 November 2001. The practice has European offices in Aberdeen, Belfast, Dublin, Edinburgh, Glasgow, Helsinki, London, Milan, Muenster, Munich, Newcastle, Nice and York, and an office in Raleigh, North Carolina. Murgitroyd Group PLC specialises in the provision of Intellectual Property services, including filing, prosecuting, litigating, licensing, assigning and renewing Patents, Trade Marks and Designs, advising on Copyright and generally assisting clients with the management of their Intellectual Property. Patent services span the major sectors of the global economy including engineering, electronics, chemistry and biotechnology with clients ranging from large multi-national corporations to individual inventors and both in-house and external Patent Attorneys. The practice services major Trade Mark clients from the personal care, clothing, food and drinks, tobacco, pharmaceuticals, chemicals and oil industries together with service sector, sport and entertainment and retail industry clients. Trade Mark services are also provided to other private practice Trade Mark Attorneys.

Murgitroyd Group PLC ("the Group") Chairman's Statement

Financial and operating review

For the six months ended 30 November 2009, Group revenue increased by just under 1% to £14.3 million (2008: £14.2 million). Gross profit was £8.9 million (2008: £9.1 million) reflecting increased activity offset by the expected tightening of margins. The Group continues to win new business, including business won through formal invitation to tender processes, albeit under price pressure. Profit before tax is unchanged year on year at £1.7 million. Basic earnings per share were 13.9p during the period (2008: 14.1p). Gross margin for the Group was 62.5% (2008: 64.1%), exactly in line with expectations, and continuing to reflect pricing pressure in the current economic climate.

Interest charges for the six months under review were substantially lower than in the comparative period last year amounting to £98,000 (2008: £262,000), as the Group benefited from lower rates and keenly priced bank facilities. Foreign exchange gains were stable at £118,000 (2008: £121,000), as the Group continued to successfully manage its exposure to foreign exchange movements.

The Group operated thirteen offices in eight countries during the period and has recruited the first staff for a new office in Finland to represent clients' interests in the Nordic countries directly. Murgitroyd & Company will formally start doing business from its fourteenth office, in Helsinki, Finland, in March this year. Currently the Helsinki staff are working out of existing offices pending the official opening in March. The growth and development of the Group's network of offices continues, and during the period new staff were also added to the office in Raleigh, North Carolina, reflecting the Group's continued commitment to the important North American market.

Murgitroyd continues to look for, and evaluate, suitable acquisition opportunities. As I have stated previously, strict assessment criteria remain paramount and we will only consider acquisitions that will be immediately earnings enhancing and complementary to the Group's existing offering as well as providing long term additional fee earning capacity.

Banking

The Group completed its annual review of facilities with Clydesdale Bank as at 30 November 2009. The renewed overdraft facilities remain priced at LIBOR plus 2%, additional to the existing Term Loan debt, which is primarily priced at LIBOR plus 1%. The total outstanding Term Loan debt as at 30 November 2009 amounted to £6.3 million (31 May 2009: £6.8 million). The Group has continued to operate comfortably within its trading and cash flow banking covenants, the latter having been, pleasingly, relaxed as part of the recent renewal of facilities. The Board believes the Group's bank facilities remain competitively priced in the current economic environment, and are sufficient for its current purposes.

The market

The European Patent Office ("EPO") has not yet published the statistics for 2009. In 2008 the EPO reported a year on year increase of just under 2% in the number of European Patents filed, while the Community Trade Mark ("CTM") Office's 2009 statistics showed new CTM filings were just 1% lower year on year. These statistics are used as benchmarks for the number of new filings for Intellectual Property Rights and are considered good indicators of current market conditions.

People

At 30 November 2009 there were 68 qualified Attorneys working for Murgitroyd (30 November 2008: 65). The total number of employees as at 30 November 2009 was 222 (30 November 2008: 226).

I would like to take this opportunity to thank all our staff for their continued hard work and commitment to the Group.

Share price

During the period, the middle market share price fluctuated between 225p and 298p. The current middle market price is 275p.

Dividend

The Board is proposing an unchanged interim dividend of 3p per share (2008: 3p). The Board also intends, subject to trading results, economic outlook and the availability of distributable reserves, to recommend a final dividend.

Outlook

Despite a continuing challenging economic background, Murgitroyd has produced its ninth consecutive year of growth since flotation, reflecting the strength of its brand and people. Trading in the first six months of the current financial year has been as expected, with the Group continuing to invest in business development activities to support organic growth, and in geographical expansion to consolidate its position as a leading pan-European Attorney practice.

The Group will continue to pursue its strategy of growing both organically and, where appropriate, through selective acquisitions.

Ian G Murgitroyd
Chairman

2 February 2010

This interim announcement was approved by the Board of Directors on 2 February 2010.

MURGITROYD GROUP PLC**Unaudited Condensed Consolidated Income Statement
For the six months ended 30 November 2009**

	Six months ended 30 November 2009 £'000	Six months ended 30 November 2008 £'000	Year ended 31 May 2009 £'000
Revenue	14,286	14,214	28,904
Cost of sales	(5,359)	(5,099)	(10,503)
Gross profit	8,927	9,115	18,401
Administrative expenses (including property revaluation deficit of £355,000 in year ended 31 May 2009)	(7,153)	(7,153)	(14,907)
Operating profit before property revaluation deficit	1,774	1,962	3,849
Property revaluation deficit	-	-	(355)
Operating profit	1,774	1,962	3,494
Financial income	2	3	9
Financial expense	(98)	(262)	(411)
Profit before income tax	1,678	1,703	3,092
Income tax	(500)	(512)	(1,040)
Profit for the period attributable to equity holders of the parent	1,178	1,191	2,052
Earnings per share			
Basic	13.88p	14.07p	24.23p
Diluted	13.62p	13.84p	23.75p

MURGITROYD GROUP PLC**Unaudited Condensed Consolidated Balance Sheet
At 30 November 2009**

	30 November 2009 £'000	30 November 2008 £'000	31 May 2009 £'000
Assets			
Non-current assets			
Property, plant and equipment	1,859	2,430	1,921
Intangible assets	14,815	14,193	14,806
Deferred tax asset	-	-	-
Total non-current assets	16,674	16,623	16,727
Current assets			
Work in progress	563	509	479
Trade and other receivables	11,007	9,816	10,156
Cash and cash equivalents	2,268	938	2,143
Total current assets	13,838	11,263	12,778
Total assets	30,512	27,886	29,505
Current liabilities			
Bank overdraft	(1,801)	(728)	(1,386)
Other interest-bearing loans and borrowings	(1,719)	(1,568)	(1,699)
Trade and other payables	(5,467)	(5,030)	(5,178)
Tax payable	(278)	(460)	(135)
Total current liabilities	(9,265)	(7,786)	(8,398)
Non-current liabilities			
Other interest-bearing loans and borrowings	(5,539)	(5,636)	(6,057)
Other payables	-	-	-
Provisions for liabilities	(41)	(65)	(45)
Deferred tax liabilities	(16)	(37)	(19)
Total non-current liabilities	(5,596)	(5,738)	(6,121)
Total liabilities	(14,861)	(13,524)	(14,519)
Net assets	15,651	14,362	14,986
Equity			
Share capital	849	848	848
Share premium	2,570	2,557	2,557
Merger reserve	6,436	6,436	6,436
Revaluation reserve	-	34	-
Retained earnings	5,796	4,487	5,145
Total equity attributable to equity holders of the parent	15,651	14,362	14,986

MURGITROYD GROUP PLC

Unaudited Condensed Consolidated Statement of Cash Flows For the six months ended 30 November 2009

	Six months ended 30 November 2009 £'000	Six months ended 30 November 2008 £'000	Year ended 31 May 2009 £'000
Cash flows from operating activities			
Profit for the period	1,178	1,191	2,052
<i>Adjustments for:</i>			
Depreciation	115	135	261
Amortisation	-	7	7
Gain on disposal of property, plant and equipment	-	-	1
Provisions	(4)	-	(39)
Property revaluation deficit	-	-	355
Financing costs	96	259	402
Equity settled share-based payment expense	22	-	27
Income tax expense	500	512	1,040
	1,907	2,104	4,106
Increase in trade and other receivables	(851)	(409)	(432)
(Increase)/decrease in work in progress	(84)	91	125
(Decrease)/increase in trade and other payables	(255)	541	525
	717	2,327	4,324
Interest paid	(90)	(220)	(329)
Interest received	2	3	9
Income tax paid	(357)	(293)	(1,107)
Net cash from operating activities	272	1,817	2,897
Cash flows from investing activities			
Acquisition of property, plant and equipment	(53)	(66)	(85)
Proceeds from disposal of property, plant and equipment	-	-	-
Acquisition of subsidiary, net of cash acquired	(9)	(271)	(961)
Net cash used in investing activities	(62)	(337)	(1,046)
Cash flows from financing activities			
Proceeds from exercise of share options	14	91	91
Loans received	-	300	1,531
Repayment of borrowings	(514)	(686)	(1,486)
Payment of finance lease liabilities	-	-	-
Dividends paid	-	(551)	(806)
Net cash used in financing activities	(500)	(846)	(670)
Net (decrease)/increase in cash and cash equivalents	(290)	634	1,181
Cash and cash equivalents at start of period	757	(424)	(424)
Cash and cash equivalents at period end	467	210	757

MURGITROYD GROUP PLC

Unaudited Consolidated Statement of Changes in Equity For the six months ended 30 November 2009

	Six months ended 30 November 2009 £'000	Six months ended 30 November 2008 £'000	Year ended 31 May 2009 £'000
Opening total equity	14,986	13,713	13,713
Total comprehensive income and expense for the period - profit for the period	1,178	1,191	2,052
Dividends	(552)	(551)	(806)
Share based payments	22	-	27
Deferred tax on share options	3	(82)	(57)
Share options exercised	14	91	91
Revaluation in period	-	-	(47)
Deferred tax on revaluation in period	-	-	13
Closing total equity	15,651	14,362	14,986

NOTES:

1 Basis of preparation

Murgitroyd Group PLC ("the Group") is a company domiciled in the United Kingdom. The consolidated interim financial statements of the Group for the six months ended 30 November 2009 comprise the Murgitroyd Group PLC and its subsidiaries (together referred to as "the Group").

The interim statement is prepared applying the recognition and measurement requirements of Adopted International Financial Reporting Standards ("IFRSs as adopted by the EU"). The Group has elected not to prepare the interim statement in accordance with IAS 34 as adopted by the EU.

The interim statement does not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the Group as at and for the year ended 31 May 2009 which were prepared in accordance with IFRS as adopted by the EU.

The preparation of the interim statement requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results differ from these estimates. The accounting policies applied by the Group in this interim statement are the same as those applied in its financial statements as at and for the year ended 31 May 2009 except for the impact of the adoption of IAS 1 (revised) "Presentation of Financial Statements". The revised standard has resulted in a number of changes in presentation and disclosure, most significantly the introduction of the Consolidated Statement of Changes in Equity as a primary statement. It has no impact on the reported results or financial position of the Group.

The comparative figures for the financial year ended 31 May 2009 are not the Group's statutory accounts for that financial year. Those accounts have been reported on by the Group's auditors and delivered to the registrar of companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The interim statement was approved by the Board of Directors on 2 February 2010.

2 Taxation

A charge for taxation has been included at the effective rate likely to be applied to the UK result for the full year to 31 May 2010. Deferred tax is recognised at 28%.

3 Earnings per share

The earnings per share of Murgitroyd Group PLC are calculated by reference to the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during each period, as follows:

	Six months ended 30 November 2009 £'000	Six months ended 30 November 2008 £'000	Year ended 31 May 2009 £'000
Profit for the period attributable to equity holders of the parent	1,178	1,191	2,052
Basic weighted average number of shares	8,484,612	8,458,102	8,470,636
Diluted weighted average number of shares	8,646,595	8,601,305	8,643,807
Basic earnings per share	13.88p	14.07p	24.23p
Diluted earnings per share	13.62p	13.84p	23.75p

4 Dividend

The Directors propose to pay an interim dividend of 3p per share (2008: 3p). In addition the Directors intend, subject to trading results, economic outlook and the availability of distributable reserves, to recommend a final dividend to shareholders in respect of the financial year ending 31 May 2010.

Copies of this announcement and the full interim statement will be available, free of charge for a period of one month, from the Group's Nominated Adviser:

Noble & Company Limited 76 George Street Edinburgh EH2 3BU	Noble & Company Limited 120 Old Broad Street London EC2N 1AR
--	--



KPMG Audit Plc

191 West George Street
Glasgow
G2 2LJ
United Kingdom

Independent review report to Murgitroyd Group PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly report for the six months ended 30 November 2009 which comprises the Condensed Consolidated Income Statement, Condensed Consolidated Balance Sheet, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and the related explanatory notes. We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the AIM Rules.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly report has been prepared in accordance with the recognition and measurement requirements of IFRSs as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 30 November 2009 is not prepared, in all material respects, in accordance with the recognition and measurement requirements of IFRSs as adopted by the EU and the AIM Rules.

P Galloway
for and on behalf of KPMG Audit Plc
Chartered Accountants

2 February 2010