31 January 2012

Murgitroyd Group PLC ("Murgitroyd" or "the Group")
Unaudited Interim Results for the six months ended 30 November 2011

Murgitroyd (AIM: MUR), the European Patent and Trade Mark Attorney group, is pleased to announce its unaudited interim results for the six months ended 30 November 2011.

Highlights

- Good growth for the eleventh consecutive interim period
- Revenue up 13% to £18.0 million (six months to 30 November 2010: £16.0 million)
- Profit before income tax, up 23% to £2.21 million (six months to 30 November 2010: £1.79 million) following a particularly strong second quarter
- Interim basic EPS of 17.32p (six months ended 30 November 2010: 14.43p)
- Proposed interim dividend of 3.5p per share (30 November 2010: 3.5p per share)
- Continuing evolution of operations and sales mix, and investment in business development fuelling organic growth. Good growth in business generated from the US and in the Group's IP Portal service
- Further expansion of German presence and continued investment in increasing staff numbers

Ian Murgitroyd, Group Chairman, commented:

"I am pleased to report that Murgitroyd has continued to deliver growth, with an increase in turnover and profitability for the eleventh consecutive interim period. We are confident in Murgitroyd's ability to progress despite the macro-economic factors at large, but for the same reason we remain cautious. Alongside cost management, direct business development and client servicing remain key priorities for the Group going forward."

For further information, please contact:

Keith Young, Murgitroyd Group PLC	07802 951913
Sandy Fraser, Brewin Dolphin Limited (NOMAD)	0845 213 2072
Nadja Vetter/Emma Crawshaw/Sophie Leigh-Pemberton, 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, Munich, Newcastle, Nice and York, and Sales Offices in Durham, North Carolina, San Francisco, California and Tokyo, Japan. 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
Chairman's Statement

Financial and operating review

For the six months ended 30 November 2011, Group revenue increased by 13% to a new high of £18.0 million (six months ended 30 November 2010: £16.0 million) reflecting increased activity levels and new client wins. The results justify our continued investment in business development and fee earning capacity throughout the economic downturn. Profit before income tax increased by 23% to £2.21 million (six months ended 30 November 2010: £1.79 million) following a particularly strong second quarter and reflecting tight control of costs. Basic earnings per share were 17.32p for the period (six months ended 30 November 2010: 14.43p).

Gross profit was up 8% at £10.4 million (six months ended 30 November 2010: £9.6 million), with the gross margin percentage falling to 57.7% (six months ended 30 November 2010: 60.1%), reflecting ongoing market pricing pressures. Operating profit rose by 21% to £2.27 million (six months ended 30 November 2010: £1.87 million). Interest charges for the six months under review were down by 28% compared to the same period last year amounting to £58,000 (six months ended 30 November 2010: £80,000), as debt was paid down and interest rates remained at historically low levels.

The Group benefits from competitively priced banking facilities and continues to trade comfortably within its trading and cash flow banking covenants. Against the continuing macro-economic uncertainty, management recognises the importance of maintaining tight cost controls. This has been successfully achieved during the period, notably in relation to staff costs. The period also saw a continuation in the transition to greater use of specialist paralegal and formalities staff as fee earners. This assisted in the reduction of the cost of sales attached to particular types of work and in the winning of new business. We pride ourselves in providing our clients with a robust service at competitive prices.

The Group operated fifteen offices in eight countries worldwide during the period and we continue to develop this worldwide network. We have expanded our presence in Munich where the Group's head of professional practice (an experienced European Patent practitioner and a former European Patent Office Examiner) is now based alongside two German Attorneys.

Take up of the IP Portal service showed strong growth during the period and we saw an increase in business generated from the US where the Group's new business development office in San Francisco was open throughout the period after opening in May 2011.

The market

Statistics available from the European Community Trade Mark Office, based in Alicante, show a record high number of Trade Mark applications in 2011, up over 7% on the number of applications in 2010, a year that had seen the previous record high number of filings.

The European Patent Office ("EPO") published its preliminary filing statistics for 2011 on 17 January 2012. These reported an annual increase of 3% in Patent filings to a new record of 243,000 applications. Of these, 62% came from applicants based outside Europe, with 24% and 19% of filings coming from the US and Japan respectively.

Both the European Community Trade Mark Office's and the EPO's 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

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

At 30 November 2011 the Group employed 244 staff (30 November 2010: 231).

The second half of the current financial year will see the launch of an innovative internship programme by Murgitroyd. This programme will provide a year of structured work experience and training for up to six graduates and will provide an opportunity of remaining with the Group on a training contract thereafter.

Share price

During the period, the middle market share price fluctuated between 292p and 340p. The current middle market price is 327.5p.

Dividend

The Board is proposing an interim dividend of 3.5p per share (30 November 2010: 3.5p) that will be paid on 9 March 2012 to shareholders on the register at 10 February 2012 and will have an ex-dividend date of 8 February 2012. The Board also intends, subject to trading results, economic outlook and the availability of distributable reserves, to recommend a final dividend.

Outlook

Despite being confident in the Group's ability to progress and drive organic growth, in the face of the wider macro-economic environment we remain cautious in our outlook. Consequently, cost control will be a key focus for the Board going forward as we continue to mitigate inflationary pressures and foreign exchange volatility.

Maximising the funds available to invest in direct business development and client management initiatives remains a priority for the Group as we pursue growth opportunities. The Board will also consider acquisition opportunities as they arise but these will only be considered if they are complementary to the Group's existing offering, are immediately earnings enhancing, and meet our strict assessment criteria.

This good set of results is further evidence of the Group's ability to generate organic growth despite challenging market conditions. The Board remains confident that Murgitroyd can continue on this trajectory to deliver long term growth and value to shareholders.

Ian G Murgitroyd
Chairman

30 January 2012

This interim announcement was approved by the Board of Directors on 30 January 2012.

MURGITROYD GROUP PLC

Unaudited Condensed Consolidated Income Statement
For the six months ended 30 November 2011

	Six months ended 30 November 2011 £'000	Six months ended 30 November 2010 £'000	Year ended 31 May 2011 £'000
Revenue	**18,005**	15,965	33,218
Cost of sales	**(7,614)**	(6,366)	(13,307)
Gross profit	**10,391**	9,599	19,911
Administrative expenses (including property revaluation uplift of £55,000 in year ended 31 May 2011)	**(8,126)**	(7,729)	(15,727)
Operating profit before property revaluation uplift	**2,265**	1,870	4,129
Property revaluation uplift	**-**	-	55
Operating profit	**2,265**	1,870	4,184
Financial income	**2**	2	3
Financial expense	**(58)**	(80)	(145)
Profit before income tax	**2,209**	1,792	4,042
Income tax	**(729)**	(564)	(1,389)
Profit for the period attributable to equity holders of the parent	**1,480**	1,228	2,653
Earnings per share			
Basic	**17.32p**	14.43p	31.12p
Diluted	**16.88p**	14.13p	30.41p

MURGITROYD GROUP PLC

Unaudited Condensed Consolidated Balance Sheet
At 30 November 2011

	30 November 2011 £'000	30 November 2010 £'000	31 May 2011 £'000
Assets			
Non-current assets			
Property, plant and equipment	**2,153**	1,960	2,155
Intangible assets	**14,828**	14,824	14,829
Deferred tax asset	**67**	-	67
Total non-current assets	**17,048**	16,784	17,051
Current assets			
Work in progress	**478**	660	745
Trade and other receivables	**13,416**	11,347	12,572
Cash and cash equivalents	**815**	1,572	1,252
Total current assets	**14,709**	13,579	14,569
Total assets	**31,757**	30,363	31,620
Current liabilities			
Bank overdraft	**(373)**	(732)	(521)
Other interest-bearing loans and borrowings	**(1,193)**	(1,797)	(1,190)
Trade and other payables	**(6,389)**	(5,400)	(6,420)
Tax payable	**(400)**	(271)	(370)
Total current liabilities	**(8,355)**	(8,200)	(8,501)
Non-current liabilities			
Other interest-bearing loans and borrowings	**(3,501)**	(4,402)	(4,098)
Provisions for liabilities	**(55)**	(60)	(65)
Deferred tax liabilities	**-**	(9)	-
Total non-current liabilities	**(3,556)**	(4,471)	(4,163)
Total liabilities	**(11,911)**	(12,671)	(12,664)
Net assets	**19,846**	17,692	18,956
Equity			
Share capital	**854**	853	854
Share premium	**2,646**	2,629	2,646
Merger reserve	**6,436**	6,436	6,436
Retained earnings	**9,910**	7,774	9,020
Total equity attributable to equity holders of the parent	**19,846**	17,692	18,956

MURGITROYD GROUP PLC

Unaudited Condensed Consolidated Statement of Cash Flows
For the six months ended 30 November 2011

	Six months ended 30 November 2011 £'000	Six months ended 30 November 2010 £'000	Year ended 31 May 2011 £'000
Cash flows from operating activities			
Profit for the period	**1,480**	1,228	2,653
Adjustments for:			
Depreciation	**113**	103	216
Amortisation	**1**	-	-
Gain on disposal of property, plant and equipment	**-**	-	-
Provision for "Onerous Lease"	**-**	(7)	(7)
Provision for leasehold property dilapidations	**-**	15	20
Property revaluation surplus	**-**	-	(55)
Financing costs	**56**	78	142
Equity settled share-based payment expense	**29**	41	81
Income tax expense	**729**	564	1,389
	2,408	2,022	4,439
Increase in trade and other receivables	**(844)**	(567)	(1,792)
Decrease/(increase) in work in progress	**267**	(42)	(127)
(Decrease)/increase in trade and other payables	**(31)**	(352)	840
Decrease in provision for liabilities	**(10)**	-	-
	1,790	1,061	3,360
Interest paid	**(59)**	(75)	(138)
Interest received	**2**	2	3
Income tax paid	**(699)**	(434)	(1,156)
Net cash from operating activities	**1,034**	554	2,069
Cash flows from investing activities			
Acquisition of property, plant and equipment	**(111)**	(122)	(379)
Proceeds from disposal of property, plant and equipment	**-**	-	-
Acquisition of subsidiary, net of cash acquired	**-**	(4)	(656)
Net cash used in investing activities	**(111)**	(126)	(1,035)
Cash flows from financing activities			
Proceeds from exercise of share options	**-**	50	68
Loans received	**-**	-	300
Repayment of borrowings	**(593)**	(554)	(1,118)
Dividends paid	**(619)**	-	(469)
Net cash used in financing activities	**(1,212)**	(504)	(1,219)
Net decrease in cash and cash equivalents	**(289)**	(76)	(185)
Cash and cash equivalents at start of period	**731**	916	916
Cash and cash equivalents at period end	**442**	840	731

MURGITROYD GROUP PLC

Unaudited Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 November 2011

	Six months ended 30 November 2011 £'000	Six months ended 30 November 2010 £'000	Year ended 31 May 2011 £'000
Opening total equity	**18,956**	16,543	16,543
Profit for the period	**1,480**	1,228	2,653
Dividends	**(619)**	(170)	(469)
Share based payments	**29**	41	81
Deferred tax on share options	**-**	-	80
Share options exercised	**-**	50	68
Closing total equity	**19,846**	17,692	18,956

NOTES:

1 Basis of preparation

Murgitroyd Group PLC ("the Group") is a company domiciled in the United Kingdom. The condensed consolidated interim financial statements of the Group for the six months ended 30 November 2011 comprise those of Murgitroyd Group PLC and its subsidiaries (together referred to as "the Group").

The interim statement is prepared applying the recognition and measurement requirements of 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 2011 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 2011. The following standards and amendments to existing standards and interpretations were effective for the first time in the financial period commencing on 1 June 2011 but did not have a material impact on the condensed interim statement of the Group.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments provides guidance on accounting for debt for equity swaps.

Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards provides relief to a first-time adopter from providing comparative information for the disclosures required by *Improving Disclosures about Financial Instruments – Amendments to IFRS 7* (Amendments to IFRS 7) that was issued in March 2009.

Improvements to IFRSs 2010 incorporates a number of non urgent amendments to IFRSs. The Group does not expect the impact of the amendments to be significant.

IAS 24 Related Party Disclosures (revised 2009) amends the definition of a related party and modifies certain related party disclosure requirements for government related bodies.

Amendment to IFRIC 14: IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction removes unintended consequences arising from the treatment of prepayments when there is a minimum funding requirement (MFR). The amendment results in prepayments of contributions in certain circumstances being recognised as an asset rather than an expense.

The comparative figures for the financial year ended 31 May 2011 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 30 January 2012.

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 2012. Deferred tax is recognised at 25%.

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 2011 £'000	Six months ended 30 November 2010 £'000	Year ended 31 May 2011 £'000
Profit for the period attributable to equity holders of the parent	1,480	1,228	2,653
Basic weighted average number of shares	8,540,563	8,511,752	8,524,337
Diluted weighted average number of shares	8,765,890	8,688,616	8,724,131
Basic earnings per share	17.32p	14.43p	31.12p
Diluted earnings per share	16.88p	14.13p	30.41p

4 Dividend

The Directors propose to pay an interim dividend of 3.5p per share (2010: 3.5p) on 9 March 2012 to shareholders on the register at 10 February 2012 that will have an ex-dividend date of 8 February 2012. 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 2012.

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:

Brewin Dolphin 12 Smithfield Street London EC1A 9BD	Brewin Dolphin 7 Drumsheugh Gardens Edinburgh EH3 7QH

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 2011 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Statement of Cash Flows, the Condensed 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 2011 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.

B Marks
for and on behalf of KPMG Audit Plc
Chartered Accountants

30 January 2012