



Morson Group PLC
(“Morson” or the “Group”)

Acquisition of the business and assets of Wynnwith Group Limited

Morson, the UK's leading provider of technical engineering personnel and project design solutions, is pleased to announce the formation of a joint venture subsidiary, Recruit Now Limited which will be renamed Morson Wynnwith Limited (“MW”), which has acquired the business and assets of Wynnwith Group Limited (“Wynnwith”) and the issued share capital of Wynnwith SRL, its small trading Italian subsidiary, out of administration for a total cash consideration of £7.75m.

Wynnwith, established in 1973, was a well-established respected competitor of Morson, providing technical and engineering personnel to a range of blue chip clients in the aerospace, defence, marine, electronics, airline and rail industries and engaged over 2,000 contractors. The Board understands pro-forma, full-year revenue of Wynnwith for the period to 31 March 2010 was of the order of £70m and that the business has been loss making for some time.

MW was formed with the sole purpose of acquiring the business and assets of Wynnwith and is a joint venture between the existing shareholders of Wynnwith (who hold 49% of the issued share capital of MW) and Morson (who hold the remaining 51%). It is expected that the financial statements of MW will be fully consolidated into the Group's accounts. None of the existing Wynnwith directors or employees will be appointed to the board of Morson.

The assets acquired include at book value approximately £9.0m of debtors and £0.3m of other assets, certain employee and client contract related liabilities will also transfer. The consideration for the acquisition is being met entirely from the Group's internally generated cash provided as a loan to Morson Wynnwith Limited.

Commenting on the acquisition, Morson Chief Executive, Ged Mason, said:

“Wynnwith is a longstanding, significant business operating in our core market. The current recessionary environment has been challenging for several of our competitors who, unlike Morson, cannot restructure operations to maintain operating margins or lack balance sheet strength. Under Morson ownership, Wynnwith's client base and suite of enhanced recruitment and technical services will integrate into the systems, procedures and service offerings of the wider Morson Group which we are confident will deliver business opportunity and increased market share. We look forward to updating the market on this joint venture over the coming months.”

In support of Ged Mason's comment Julian Morison, CEO of the newly formed Morson Wynnwith, stated:

“This is an excellent outcome for Wynnwith. As previous competitors, the synergy of the combined businesses moving forward will be a potent force. With the backing of Morson Group, the Wynnwith teams can now achieve real step change and deliver unrivalled service to both clients and contractors”.

ENDS

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Notes to editors.

Established in 1969 Morson is the largest and one of the longest established technical staffing companies in the UK. The Group currently provides personnel on long term assignments for some well known major infrastructure/defence projects. These include the construction of the Olympic Games Development, CVF aircraft carrier, rail maintenance and upgrades for Network Rail, Transport for London and also nuclear design, decommissioning, maintenance and asset improvement.