



**Morson Group PLC
("Morson" or the "Company")**

Post-Close Trading Update

Morson (AIM: MRN.L) the UK's leading provider of technical contracting personnel to the aerospace and defence, nuclear and power, rail and other technical industries today provides an update on trading.

As set out in the statement issued on 14 December 2011, it is the Board's view that the Company's trading performance for the year ended 31 December 2011 will be in line with its expectations. This remains the board's view. The Company expects to announce its preliminary results in the week commencing 19 March 2011.

Trading within the Company's core temporary recruitment business, which accounts for the majority of its income, has remained more resilient than anticipated, particularly in the latter part of 2011. However, higher margin permanent and spot recruitment were below expectations. Additionally, the full year performance of Morson Projects, the Company's specialist design operation, has been impacted negatively by cost and timing overruns on certain large fixed price contracts.

As reported in December, average monthly net debt levels have increased throughout 2011, as the Company took advantage of overseas expansion opportunities and as payment cycles lengthened in the current broader economic environment. Net debt at 31 December 2011 is expected to be reported at £33.4m, lower than the average debt for December 2011 of £37.1m (6 months 2011 H1 average £28.9m), as a result of higher than anticipated client receipts.

The Board believes that the trading environment in the UK for Morson will remain challenging in 2012. The visibility of revenues in Morson's core temporary recruitment activity remains good relative to other recruitment businesses. However, as in prior periods the year end outturn will be dependent on the successful conclusion of a number of major contract renewals. The Board continues to review investment opportunities to look to new geographic markets and sectors to support and supplement Morson's core operations.

The Board remains confident in the positioning of the Company at this time of wider economic uncertainty and its ability to deliver growth in the medium and long term.

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.

Morson operates through main subsidiaries, Morson International and Morson Wynnwith, providing specialist engineering and technical personnel and Morson Projects Limited, which provides outsourced engineering and project management design services.

The Group currently provides personnel on long term assignments across a multitude of engineering disciplines, including major infrastructure and defence projects. Examples are the construction of the Royal Navy future aircraft carriers, rail maintenance and upgrades for Network Rail, Transport for London and also nuclear design, decommissioning, maintenance and asset improvement.