



Northampton Group Inc.

TSX-V: NHG, NHG.DB

For Immediate Release

NORTHAMPTON'S NINE-MONTH RESULTS PARALLEL THE SECTOR Sales Decline By 4% in the Quarter; 2% in the Nine Months

Toronto, Ontario – February 26, 2009 – Northampton Group Inc., an integrated Canadian hotelier, today reported its results for fiscal 2009's third quarter and nine months ended December 31, 2008. In the third quarter, Northampton posted a quarter-over-quarter sales decline of 4.3%; the nine-month period saw a 1.9% sales decrease. In southern Ontario generally, occupancy rates were off slightly and revenue per available room (RevPAR) declined by 6.4%. In Northampton's locations, a combination of careful cost management and strong strategic marketing helped Northampton to improve on industry numbers.

Summary of the Quarter:

- In the nine months, with supply up and demand tightening in some of Northampton's markets, consolidated revenues were off 1.9% to \$26.59 million from \$27.10 million in the same period in the previous fiscal year; for the third quarter, revenues decreased 4.3% to \$7.64 million from \$7.99 million in the same quarter in fiscal 2008;
- Operating expenses increased 0.6 % in the nine months and decreased 2.1% in the quarter;
- Income from operations decreased by 22.9% in the nine months to \$2.7 million from \$3.5 million for the same period in the previous fiscal year. In the quarter, income/(loss) from operations decreased 169.4% to a loss of \$(0.1) million from income of \$0.1 million in fiscal 2008;
- Operating profit or EBITDA (earnings before income taxes, interest, depreciation, and amortization) decreased 7.8% in the nine months and 13.1% in the quarter;
- Net income fell 42.4% to \$1.02 million in the first nine months of fiscal 2009 from \$1.77 million for the same period in the previous year, and in the third quarter net loss fell 331.7% to (\$242 thousand) from \$105 thousand for the same quarter in fiscal 2008;
- Earnings per share in the nine months fell to \$0.04 per share compared to \$0.07 in the same period in the previous year. In the quarter, loss per share was (\$0.01) compared to net income of \$0.00 for the third quarter of the previous fiscal year;
- Cash flow decreased 13.9% in the nine months to \$3.26 million or \$0.12 per share. In the quarter, cash flow decreased 33.0% to \$542 thousand or \$0.02 per share;
- Same-hotel sales continued to experience challenges in the Cambridge, Brampton, Oakville, and Montreal markets, offset to some degree by strong performances in the Ottawa region and downtown Toronto, performance having been negatively affected by a sharp increase in supply coupled with reduced demand because of the downturn in the manufacturing and automotive sectors;
- Northampton made a \$0.015 dividend payment to shareholders on October 15, 2008, providing an annualized yield of just under 6 percent;
- The Company announced a normal course issuer bid on November 25, 2008, for up to 1,300,000 or 4.98 percent of its common shares;
- The Strathcona Hotel won TravelCLICK's eMarketer of the Year award for 2008.

Subsequent to the Quarter's End:

- The Northampton Board of Directors approved a dividend of C\$0.015 per share to be paid on March 30, 2009 to shareholders of record as of March 16, 2009;
- One of the company's joint ventures entered into a purchase and sale agreement for the sale of a hotel. The transaction is expected to close in the first quarter of fiscal 2010, subject to various conditions being satisfied.

“The hotel sector is experiencing the negative impact of the economic downturn flowing out from the global banking crisis,” said Vinod Patel, President and CEO of the Northampton Group. “Our hotels have historically been somewhat protected from such downturns, but we anticipate further shrinkage in the coming quarters. We continue to operate carefully to conserve our resources, and despite ongoing challenges in some regions, we are confident in our hotels’ quality and service offerings. Our *aloft* Montreal Airport is beginning to ramp-up, as are our downtown Toronto and Ottawa region hotels. Our managers are very adept at keeping our hotels top of mind through strong marketing, as the Strathcona award demonstrates.”

The following is a tabulated summary of Northampton’s results. More information can be found on the Company’s website (www.nhgi.com) or on SEDAR (www.sedar.com):

	Three months ended December 31			Nine months ended December 31		
	2008	2007	% change	2008	2007	% change
Revenues	7,641,539	7,989,031	-4.3	26,593,481	27,096,127	-1.9
Income(loss) from operations	(136,040)	195,921	-169.4	2,713,478	3,518,163	-22.9
Net income (loss)	(242,218)	104,554	-331.7	1,021,628	1,773,750	-42.4
EBITA	1,436,324	1,652,175	-13.1	7,195,329	7,805,613	-7.8
Earnings(loss) per share	(0.01)	0.00		0.04	0.07	
Cash flow	542,642	809,445	-33.0	3,264,496	3,792,013	-13.9
Cash flow per share	0.02	0.03		0.12	0.15	

About Northampton

Northampton Group Inc. is an integrated Canadian hotelier with ownership and management interests in 2,200 rooms in 17 hotels, with a selective strategic development program in place. Focused on creating the best return for all stakeholders, Northampton’s proven, market-sensitive strategy is to acquire or build hotels that provide superior overnight accommodation in the mid-price market. Northampton has demonstrated that it excels in this sector, offering services that exceed expectations while still posting industry-leading margins.

FOR FURTHER INFORMATION:

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Disclaimer:

This news release contains forward-looking statements within the meaning of the “safe harbour” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties and other factors that may cause Northampton’s results to differ materially from expectations. Such risks may relate to hotel performance, market fluctuations, investee performance, and other risks more fully described in the Company’s annual report, on the Company’s website, and on SEDAR. These forward-looking statements speak only to the date hereof. Northampton Group disclaims any intent or obligation to update these forward-looking statements.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release.