

Fact Sheet

Autumn 2009



Description

Northampton Group Inc. is one of Canada's top mid-market hoteliers, with ownership interests in 2000 rooms in 16 hotels in Canada and the US. The Company is expert in all facets of the hotel business, from marketing to building to management. Focused on driving the best returns and creating value for all stakeholders, Northampton's proven, market-sensitive strategy is to acquire or build hotels that provide superior accommodation at a reasonable price. Northampton excels in this sector, offering services that exceed expectations while still posting industry-leading margins.

Market Information

Symbol:	TSX-V: NHG
Recent price:	C\$ 0.65
52-week high/low:	C\$1.00/ C\$0.50
Market capitalization:	C\$16.65 million
Shares outstanding (Aug 30/09):	26.08 million
Cash flow/share:	C\$0.05

Financial Data

(Year Ended March 31, 2009)

Revenues:	C\$29.9 million
System revenues:	C\$55.4 million
Earnings per share:	C\$ 0.02
Dividend per share (twice yearly):	C\$0.015

Investment Highlights

- Managed assets valued at >\$150 million
- Strong balance sheet
- Meet or exceed industry peers historically
- Cash flow to price at ~5X; industry averages 8X
- Debt/Equity ratio below industry standard
- Trades below book value

Recent News

- Northampton Group Inc. announces the successful sale of the Four Points by Sheraton Montreal Centre-Ville, in Montreal, effective April 20, 2009;
- The world's first aloft™ hotel – the aloft Montreal Airport – opened in June of 2008;
- The Company appointed a new Director in October, Mr. W. Keith Gray;
- Northampton announced the payment of a dividend to shareholders;
- Northampton announced its purchase of land for a new hotel to be situated in the Vaughan area, north of Toronto, to be developed with joint venture partner Silver Hotel Group.



Financial Highlights

Since its establishment as a public company in 1994, Northampton has:

- Quintupled revenues
- Increased system revenues by more than seven times
- Quadrupled EBITA
- Maintained a profit margin that consistently stays above 25 percent annually
- Quintupled cash flow
- Increased net income tenfold.



Property Strategy

Northampton benefits from improvement in the value of its properties, which it enhances by a considered strategy of ensuring its properties are in top condition with no deferred maintenance. Even in slow years, management continues to renovate and upgrade existing properties to provide improved facilities for guests. Northampton constantly seeks sites for hotel development purposes, either to improve existing undervalued hotel assets or to build from the ground up. The company's ability to build and run hotels economically, along with its proven approach of creating special marketing programs targeted to each individual hotel, fuel management's objective to increase the market share of its operating hotels. Northampton's strong relationships with its franchisors support its growth and enhance its offerings.



Management Strengths

At the heart of Northampton's competitive advantage is its management team, which can boast more than 40 years of accumulated experience in successful hospitality management, as well as 30 years' experience in design and construction, marketing, and business forecasting. The Northampton management team has a strong history of achieving impressive marketing goals while spending carefully.

Industry

In the existing uncertain financial markets, fluctuating commodity prices, and the recession in Canada and the United States, the outlook for the hospitality sector will mirror the current economic realities. Consequently, the demand for hotel accommodation in the near term will be affected. There have been cutbacks in corporate travel and the group/tour business has been affected by both demand and rate pressures. Traditionally, leisure travel suffers the greatest in uncertain economic times.

For further information, please contact:

Vinod Patel
President and CEO
Suite 212, Matheson Mews
Mississauga, ON L4W 5A8
(905) 629-9992

