



Northampton Group Inc.

TSX-V: NHG, NHG.DB

For Immediate Release

NORTHAMPTON Q1 2011 SALES DROP SLIGHTLY; NET INCOME UP 56%

Toronto, Ontario – September 22, 2011 – Northampton Group Inc., an integrated Canadian hotelier, today reported its financial results for the first quarter, ended June 30, 2011.

Consolidated revenues fell 2.3% to \$7.25 million from \$7.42 million in the prior year. Net income for the period rose 56.3% to \$340 thousand from \$217 thousand. Earnings per share were \$0.013 up from \$0.008 in the same period in the prior year.

The drop in revenues demonstrates the positive impact last year of the G8 and G20 meetings as well as several large conferences held in the Toronto area. Nationally, industry analysts Pannell Kerr Forster Consulting (PKF) have revised their forecast for average daily rates (ADRs) downwards to no change from 2010, a reflection of the industry performance to date this year. Occupancy rates across the country rose by 0.9% in the first half of 2011, while average daily rates dropped by 2.4%, and revenue per available room (RevPAR) declined by 2.0%. The GTA saw a RevPAR decline of 0.9%, while Ottawa's RevPAR increased 5.2% and Quebec saw improvement also. Generally, Northampton's management expects revenues for the remainder of the year to perform comparably to the same quarters in fiscal 2010.

"Northampton remains pleased with our hotels' overall performance in industry circumstances that are still somewhat difficult," said Vinod Patel, president and CEO of Northampton Group. "With PKF reducing its forecast for 2011, we are reinforced in our cautious approach to spending, and will stay focused on strongly marketing our hotels to their target clientele. As always, we will stay alert to opportunities to expand our portfolio, and we are looking forward to opening our new hotel, the aloft™ Vaughan Mills, early next year."

Highlights of the First Quarter:

- Consolidated revenues for the three months ended June 30, 2011 were down 2.3% to \$7,249,945 from \$7,422,232 a year ago, primarily reflecting the business generated by the G8 and G20 meetings in June, 2010, which was not duplicated in 2011;
- For the three months ended June 30, 2011, the cost of sales was \$3,611,417, up 5.0% from \$3,440,074 in Q1 of 2010. Generally all expenses were up marginally with an increase in payroll cost of approximately \$100,000 contributing to the overall increase;
- Operating profit or EBITDA (earnings before interest, income taxes, and amortization), decreased 9.7% to \$1,984,703 from \$2,196,922 in the same quarter of the previous year;
- Net income for the quarter was \$339,771 or \$0.013 per share, up 56.3% from \$217,449 or \$0.01 per share in the first quarter of last year;
- Cash flow, or net income plus amortization, in the quarter ended June 30, 2011, was \$954,784 or \$0.037 per share, up 14% from \$837,774 or \$0.03 per share for the same period last year;

- Same-hotel sales were flat or slightly off for the GTA properties while Ottawa and Montreal posted slight gains.

For a more complete discussion of the Company's results, please see Northampton's quarterly filings on www.sedar.com, or the quarterly MD&A, financials, and notes to the financial statements on the Company's website at www.nhgi.com.

The following is a tabulated summary of Northampton's results from continuing operations:

	Three months ended June 30		
	2011	2010	% change
Revenues	7,249,945	7,422,232	-2.3
Gross profit margins	50.2%	53.7%	-
EBITDA	1,984,703	2,196,922	-9.7
Net income	339,771	217,449	56.3
Earnings per share	0.013	0.008	56.3
Cash flow	954,784	837,774	14.0
Cash flow per share	0.037	0.032	14.0

About Northampton

Northampton Group Inc. is an integrated Canadian hotelier with ownership and management interests in 2,002 rooms in 16 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 results.

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, posted on the Company's website and on SEDAR. These forward-looking statements speak only as of 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.