

15 August 2013



Micro Focus International plc
Interim Management Statement for the period from 30 April 2013
and proposed cash return to shareholders of 60 pence per share

Micro Focus International plc ("Micro Focus" or "the Group", LSE: MCRO.L), the international software product group, provides its Interim Management Statement for the period from 30 April 2013 to the date of this statement and announces a proposed return of value to shareholders of 60 pence per share, totalling approximately £90m (\$140m) in cash.

Trading update

Revenue and Adjusted EBITDA in the period to 31 July 2013 were both in line with management expectations. Management's guidance for the current year remains unchanged from that given in the preliminary results for the year ended 30 April 2013 issued on 19 June 2013. At that time Micro Focus guided that overall revenues in the current year ending 30 April 2014 would be in the range of 0% to +5% on a constant currency basis compared to those reported in the year ended 30 April 2013.

As highlighted in the preliminary results, reported revenues in the current year will be impacted by exchange rates, primarily due to weakness in the Yen:\$ exchange rate. If the exchange rates experienced in the year to date were to continue for the remainder of the year, the comparative revenues for the year ended 30 April 2013 would reduce from the reported \$414.0m to \$406.7m on a constant currency basis.

Net Debt Position

The Group's net debt position at 31 July 2013 was \$145.7m (30 April 2013: \$177.7m) demonstrating further good operational cash generation during the period. Micro Focus announced its new four year, \$420m revolving credit facility on 17 July 2013 upon which arrangement fees of \$3.8m were paid on execution of the agreement. Following completion of the new banking facility, the Board's target Net Debt ratio of 1.5x will be applied to the "Facility EBITDA" which is calculated as Adjusted EBITDA prior to amortisation of capitalised development costs.

Proposed cash return of value to shareholders

Consistent with the Board's policy of delivering value to shareholders, Micro Focus proposes, subject to shareholder approval, to return a further 60 pence per share, totalling approximately £90m (\$140m) in cash, by way of a share scheme which involves the issue of a new class of D shares to shareholders (the "D share scheme"). The return of value uses a similar mechanism to previous returns of value and will be accompanied by a proportional share consolidation to maintain broad comparability of the share price and return per share of the ordinary shares before and after the return of value. The D share scheme will give shareholders (with the exception of Overseas Shareholders resident, or with a registered address, in a Restricted Territory[†]) a choice between receiving the cash in the form of either income or capital. A Circular will be sent to shareholders shortly, outlining the terms of the return of value and we anticipate that if shareholder approval is obtained at a General Meeting to be held on 26 September 2013, then the return of value will be completed in early November. The return of value will be funded from the Group's existing debt facilities. Absent a significant acquisition, a share buy-back opportunity or unforeseen circumstances the Board continues to intend to make a similar cash return to shareholders in November 2014.

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† - Restricted Territory is any one of the United States, Canada, Australia, Japan, the Republic of South Africa and New Zealand.

Notes to editors:

About Micro Focus:

Micro Focus, a member of the FTSE 250, is an Enterprise Application Modernisation and Testing software company that provides innovative software that allows companies to dramatically improve the business value of their enterprise applications. Micro Focus Enterprise Application Modernization, Management and Testing software enables customers' business applications to respond rapidly to market changes and embrace modern architectures with reduced cost and risk. For additional information please visit www.microfocus.com