

12 February 2010

Q3 Interim Management Statement

Micro Focus International plc ("Micro Focus" or "the Group", LSE: MCRO.L), the leading provider of enterprise application modernization, testing and management solutions, provides an Interim Management Statement for the three month period to 31 January 2010.

Following a solid third quarter, the trading outlook across the Group remains in line with management expectations for the full year. As previously anticipated, during the quarter the Group experienced an improvement in organic revenue growth compared to the first six months of FY2010. The application testing businesses, acquired through the first half, also performed in line with management expectations and the Group reiterates guidance that the 12 month run rate revenue from this business will be approximately \$160m.

Within the application testing business, the beneficial second half year net impact of the capitalization of R&D is now expected to be \$4.5m. Combined with increased operational efficiency, this is likely to increase the EBITDA margin towards the overall Group margin in the second six months of the financial year.

As a result of the solid performance in the third quarter, management's continued focus on cost control, and currency benefit, the Group expects a positive impact on profitability in the second half year as compared to the first six months. The first half EBITDA margin was 39%. Full year Group EBITDA margins are expected to be approximately 40%.

At 31 January 2010, the Group's net borrowings were \$97.4m. Cash generation remains strong and management anticipates accelerated debt reduction in the fourth quarter. The Group continues to expect to return to a net cash position ahead of initial expectations, as stated in the recent 9 December interim statement.

Kevin Loosemore, Chairman of Micro Focus International plc, commented:

"We are encouraged by the progress made across the Group in our third quarter. We continue to align the Company to best support the needs of our customers, and the combination of Borland and the Testing business of Compuware is performing well. The Group continues to perform well in generating cash and we are making good progress in repaying existing debt. The customer pipeline for the fourth quarter is solid, and the Board remains confident in the Group's ability to deliver superior shareholder returns."

The search for a new CEO is progressing well.

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Notes to editors:

About Micro Focus

Micro Focus, a member of the FTSE 250, provides innovative software that allows companies to dramatically improve the business value of their enterprise applications. Micro Focus Enterprise Application Modernization, Testing and Management 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