



For Immediate Release

21 January 2013

1pm plc

(“1pm”, the “Group” or the “Company”)

**INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2012**

Strong trading momentum maintained

1pm, the AIM quoted independent provider of asset finance facilities to the SME sector, announces its interim results for the six month period to 30 November 2012.

Commenting on the results, 1pm CEO, Maria Hampton, said:

“I am pleased to report that the Group has made an excellent start to the year. The interim results demonstrate that the strong trading momentum delivered in the Group’s year end to 31 May 2012 has continued into the current year.

Financial Highlights

- Revenue for the period increased 24% to £1.42m (H1 2012: £1.15m)
- Profit before taxation increased 55% to £0.33m (H1 2012: £0.21m)
- Earnings per share up 50% to 0.008p (H1 2012: 0.005p)
- Net receivables increased 22% to £12.04m (H1 2012: £9.86m)

Operational Highlights

- New business written during period up 50% compared to same period last year
- Total lease portfolio increased to £13.20m (H1 2012: £10.85m)
- Overdraft facility increased from £350k to £500k for additional working capital flexibility
- Relationships now established with 65 leasing brokers nationwide, an increase of 21 over the period

On current trading and prospects, Ms. Hampton added:

“Notwithstanding the continuing challenging economic backdrop in the UK, the Group is on track to deliver its strategic aims and the Board is confident that the positive trading momentum experienced in the first six months of this trading year will continue.

“As a result, the Board now expects 1pm’s profit before tax for the year ending 31 May 2013 to be significantly ahead of current market expectations.”

For further information, please contact:

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CHIEF EXECUTIVE'S STATEMENT

Financial Results

I am pleased to report that the Group has made an excellent start to the year. The interim results for the six months ended 30 November 2012 demonstrate that the strong trading momentum delivered in the Group's year end to 31 May 2012 has continued into the current year.

Total revenue for the first six months of the current year rose 24% to £1.42m compared with the same period last year (H1 2012: £1.15m) with profit before tax increasing by 55% to £332k (H1 2012: £214k). Earnings per share increased 50% to 0.008p (H1 2012: 0.005p). 1pm has now been profitable on a monthly basis since July 2010.

The Group's balance sheet has also been further strengthened during the period. As at 30 November 2012, net assets stood at £4.23m (H1 2012: £3.7m), a 14% increase since the previous year end.

Operations

The Group wrote £3.9m of new business during the first six months of the trading year, a 50% increase compared with the corresponding period last year (H1 2012: £2.6m) and included record £841k of new business written during October 2012.

At the period end, the lease portfolio had increased to £13.20m, a 22% increase over the same period last year (H1 2012: £10.85m) and a 20% increase since the year end last May (FY2012: £11m). The portfolio has an average loan value of £7,5k (H1 2012: £7,6k) with no single customer representing more than 0.54% of the total portfolio value (H1 2012: 0.50%).

The Group has formed relationships with a further 21 leasing brokers since the year end in May 2012 and is now in partnership with over 65 leasing brokers nationwide. These brokers provide a vital source of new business to the Group and the Board remains committed to developing existing relationships and building new partnerships across the UK to further enhance our geographical representation.

1pm offers finance across a wide variety of sectors and assets throughout Great Britain and Northern Ireland and will continue to review and develop its policies and procedures to meet the continuing growth in demand from SMEs as they increasingly turn to the asset leasing industry as a source of business finance.

Whilst reporting strong organic growth and record levels of new business, the Board is also actively seeking portfolio acquisition opportunities; however the quality and cost of any such transactions would need very careful scrutiny.

These interim results are a reflection of the hard work and dedication of the Company's staff. Since the year-end, two additional members of staff have been recruited and we will continue to invest in the training and career development of all staff members.

Financing

During the period 1pm's bankers agreed to increase the Group's overdraft facility from £350k to £500k. The increase in the overdraft will provide the Group with additional working capital flexibility.

£920k of new funding has been received since 31 May 2012 from high net worth individuals and Self-Invested Personal Pension (SIPP) funds, bringing the total raised from sources of this type to £1.87m. More information regarding how individuals or organisations may provide funding to 1pm is available on the Group's website <http://www.1pm.co.uk/Funding>.

These and other funding lines provide 1pm with the raw material to continue to grow its lease portfolio. The Group has sufficient funds to exceed new business targets for the year, yet continues to seek additional sources of funding to facilitate further growth.

**Outlook**

The Board's aim is to maximise the opportunities that have arisen via the global economic financial crisis, which has impacted on many providers' appetite to lend.

On top of the funding gap already in existence within the mainstream banking sector, which despite Government intervention, continues to shy away from lending to SMEs, in November 2012, a major competitor within the industry, operating across the UK, also withdrew from the leasing market.

This withdrawal paves the way for the remaining lease providers to fill the estimated £1bn per year gap it has left.

The Group will continue to offer much needed financing solutions to SMEs and deliver sustainable growth for its shareholders.

Notwithstanding the continuing challenging economic backdrop in the UK, the Group is on track to deliver its strategic aims and the Board is confident that the positive trading momentum experienced in the first six months of this trading year will continue.

As a result, the Board now expects 1pm's profit before tax for the year ending 31 May 2013 to be significantly ahead of current market expectations.

M Hampton
CEO, 1pm plc



Independent Review Report to 1 pm plc

Introduction

We have been instructed by the company to review the financial information set out on pages 5 to 9 and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the rules of the London Stock Exchange for companies trading securities on AIM, a market operated by the London Stock Exchange plc. The Disclosure and Transparency Rules require that the accounting policies and presentation applied to the half yearly figures must be consistent with those applied in the latest published annual accounts except where the accounting policies and presentation are to be changed in the subsequent annual financial statements, in which case the new accounting policies and presentation should be followed, and the change and the reasons for the changes should be disclosed in the half yearly financial report. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Our responsibility

Our responsibility is to express a conclusion on the condensed set of financial statements in the half yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity," issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical and other review procedures to the financial information. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 30 November 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Moore Stephens
Registered Auditors
Chartered Accountants
30 Gay Street
Bath BA1 2PA

21st January 2013

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 November 2012**

	Note	Independently Reviewed 6 months to 30 November 2012 £	Independently Reviewed 6 months to 30 November 2011 £	Audited 12 months to 31 May 2012 £
REVENUE		1,424,855	1,151,331	2,310,571
Cost of sales		<u>(757,630)</u>	<u>(639,133)</u>	<u>(1,275,253)</u>
GROSS PROFIT		667,225	512,198	1,035,318
Administrative expenses		<u>(327,009)</u>	<u>(285,885)</u>	<u>(576,542)</u>
OPERATING PROFIT/(LOSS)		340,216	226,313	458,776
Finance expense		-	-	-
		<u>(8,582)</u>	<u>(12,020)</u>	<u>(22,749)</u>
PROFIT / (LOSS) BEFORE TAXATION		331,634	214,293	436,027
Tax expense		<u>(65,291)</u>	<u>(42,829)</u>	<u>(87,602)</u>
PROFIT / (LOSS) ON AFTER TAXATION		<u>266,343</u>	<u>171,464</u>	<u>348,425</u>
Attributable to equity holders of the company		<u>266,343</u>	<u>171,464</u>	<u>348,425</u>
Profit per share attributable to the equity holders of the company during the Period				
- basic and diluted	5	<u>0.007844p</u>	<u>0.005227p</u>	<u>0.010447p</u>

All of the above amounts are in respect of continuing operations.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS TO 30 November 2012**

	Independently Reviewed as at 30 November 2012 £	Independently Reviewed as at 30 November 2011 £	Audited 12 months as at 31 May 2012 £
ASSETS			
NON CURRENT ASSETS			
Deferred income taxes	-	111,881	24,278
Property, plant and equipment	<u>35,059</u>	<u>36,701</u>	<u>38,621</u>
	35,059	148,582	62,899
CURRENT ASSETS			
Cash at bank and in hand	4,598	15,638	5,187
Trade and other receivables	<u>12,045,353</u>	<u>9,856,426</u>	<u>10,111,880</u>
TOTAL CURRENT ASSETS	<u>12,049,951</u>	<u>9,872,064</u>	<u>10,117,067</u>
TOTAL ASSETS	<u>12,085,010</u>	<u>10,020,646</u>	<u>10,179,966</u>
EQUITY			
Called up share capital	2,315,132	2,236,725	2,315,132
Share premium account	1,569,340	1,567,249	1,569,340
Retained earnings	<u>342,632</u>	<u>(100,672)</u>	<u>76,289</u>
TOTAL EQUITY	<u>4,227,104</u>	<u>3,703,302</u>	<u>3,960,761</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4,178,884	3,250,026	2,993,732
NON CURRENT LIABILITIES			
Trade and other payables	<u>3,679,022</u>	<u>3,067,318</u>	<u>3,225,473</u>
TOTAL LIABILITIES	<u>7,857,906</u>	<u>6,317,344</u>	<u>6,219,205</u>
TOTAL EQUITY AND LIABILITIES	<u>12,085,010</u>	<u>10,020,646</u>	<u>10,179,966</u>

**CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE SIX MONTHS TO 30 November 2012**

	Independently Reviewed 6 months to 30 November 2012 £	Independently Reviewed 6 months to 30 November 2011 £	Audited 12 months to 31 May 2012 £
Cash flows from operating activities			
Cash generated from operations	(457,986)	(87,718)	3,308
Interest Paid	<u>(8,582)</u>	<u>(12,020)</u>	<u>(22,749)</u>
Net cash generated from operating activities	<u>(466,568)</u>	<u>(99,738)</u>	<u>(19,441)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	<u>(3,940)</u>	<u>(17,139)</u>	<u>(28,289)</u>
Net cash generated from investing activities	<u>(3,940)</u>	<u>(17,139)</u>	<u>(28,289)</u>
Cash flows from financing activities			
Term loans	-	50,000	-
Issue of shares net of costs	<u>-</u>	<u>-</u>	<u>80,498</u>
Net cash generated from financing activities	<u>-</u>	<u>50,000</u>	<u>80,498</u>
Increase / (decrease) in cash and cash equivalents	(470,508)	(66,877)	32,768
Cash and cash equivalents at the beginning of the year	<u>(61,127)</u>	<u>(93,895)</u>	<u>(93,895)</u>
Cash and cash equivalents at the end of the year	<u>(531,635)</u>	<u>(160,772)</u>	<u>(61,127)</u>

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at 31 May 2012	2,315,132	1,569,340	76,289	3,960,761
Movement in share capital	-	-	-	-
Profit for period	<u>-</u>	<u>-</u>	<u>266,343</u>	<u>266,343</u>
Balance at 30 November 2012	<u>2,315,132</u>	<u>1,569,340</u>	<u>342,632</u>	<u>4,227,104</u>
Balance at 30 November 2011	2,236,725	1,567,249	(100,672)	3,703,302
Movement in share capital	78,407	2,091		80,498
Profit /(loss) for the period	<u>-</u>	<u>-</u>	<u>176,961</u>	<u>176,961</u>
Balance at 31 May 2012	<u>2,315,132</u>	<u>1,569,340</u>	<u>76,289</u>	<u>3,960,761</u>

1 BASIS OF PREPARATION

The financial information set out in the interim report does not constitute statutory accounts as defined in section 434(3) and 435(3) of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 May 2012 prepared in accordance with IFRS as adopted by the European Union and with the Companies Act 2006 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) of the Companies Act 2006.

These interim financial statements have been prepared under the historical cost convention.

These interim financial statements have been prepared in accordance with the accounting policies set out in the most recently available public information, which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) and are effective at 31 May 2012 or are expected to be adopted and effective at 31 May 2013. The financial information for the six months ended 30 November 2011 and the six month period 30 November 2012 are unaudited and do not constitute the groups statutory financial statements for these periods. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (it's subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3 TAXATION

Taxation charged for the period ended 30 November 2012 is calculated by applying the directors' best estimate of the annual tax rate to the result for the period.

4 SHARE CAPITAL

The Articles of Association of the company state that there is an unlimited authorised share capital.

Each share carries the entitlement to one vote.

As at 30 November 2012, the company had an issued and fully paid share capital of 3,395,618,769.

5 EARNINGS PER ORDINARY SHARE

The earnings per ordinary share has been calculated using the profit for the period and the weighted average number of ordinary shares in issue during the period as follows:

	Six months to 30 November 2012
	£
Profit/(loss) for the period after taxation	<u>266,343</u>
	Number
Basic weighted average of ordinary shares	<u>3,395,618,769</u>
	Pps
Basic earnings (pence per share)	<u>0.007844</u>

The basic earnings per share is calculated on the weighted average number of shares in issue during the period.

6 COPIES OF THE INTERIM REPORT

Copies of the interim report are available from www.1pm.co.uk and the company secretary at the company's registered office: 15 St James's Parade, Bath BA1 1UL.