

**1pm plc**  
**(“1pm” or the “Company”)**

**INTERIM CONSOLIDATED RESULTS**  
**FOR THE 6 MONTHS ENDED 30 NOVEMBER 2009**

The Board of 1pm, the AIM quoted independent provider of asset finance facilities to the SME sector, announces today its independently reviewed interim results for the six month period to 30 November 2009.

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## **CHAIRMAN'S STATEMENT**

Trading in the first six months of the year has been challenging. As indicated in the trading statement made on 16 October 2009, levels of new business have been disappointing and there has been the requirement for an unexpectedly high level of bad debt write-offs. However since the trading statement I am pleased to report that trading has been in line with management's revised expectations and that management is now confident of a significantly stronger performance in the second half.

### **Results**

Turnover for the period was 3% higher at £676,000 (H12008: £657,000)

Operating profit before bad debt write-offs and provisioning was £5,000 (H12008: £41,000)

Bad debt write-offs in the period were £95,000 (H12008: £0). In addition general bad debt provisions of £120,000 have been accrued in the period (H12008: £46,000)

The loss before taxation for the period was £226,000 (H12008: Loss £13,000)

As at 30 November 2009 the total loan book amounted to £6.42 million (H12008: £7.25 million) and the Company had unutilised lending facilities amounting to approximately £1,17 million

### **Operating review**

During the six month period the Company wrote £976,000 of new loans compared to £2,904,000 in the corresponding period last year. Whilst the level of new business has been lower than expected the Directors are determined, particularly in the current economic climate, that we should not chase volume. As a result the Company remains highly selective in the loan business it chooses to write.

Through this cautious underwriting approach and our robust arrears management procedure we seek to manage the Company's exposure to potential bad debts. The bad debt write-offs in the period related to loans written before existing lending policies were implemented. Even so we regarded those write offs as unusual and pleasingly since the trading statement was made we have not seen any repeat of the customer bankruptcies that led to the write-offs. Nevertheless being mindful of the continuing difficult economic environment we have increased the level of our general accrual for bad debts.

### **Board changes**

With effect from 1 February we have decided to implement a number of changes to the structure of the Board. I am delighted to announce that Maria Hampton, the current Operations Director, will be promoted to Managing Director. Helen Walker, currently the Treasury Director, will become Finance Director. Rod Channon, the current Finance Director, will become a non-executive director. These changes reflect the confidence that the Board has in Maria and Helen and the team in general.

I will continue as Executive Chairman supporting Maria and Helen in our drive to take full advantage of the opportunities in our market place.

### **Prospects**

A recent drive to promote the Company's services to the broker network is starting to pay dividends. Levels of new business in both November and December have been slightly ahead of management's revised expectations as has trading as a whole. While the Directors expect market conditions to remain challenging we are confident that the Company is well placed to deliver a significantly improved performance in the second half.

**M R Johnson**  
**Chairman – 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 4 to 8 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 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34.

**Moore Stephens**  
Registered Auditors  
Chartered Accountants  
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CONSOLIDATED INTERIM INCOME STATEMENT  
for the six months to 30 November 2009

<i>Note</i>	Independentl y Reviewed 6 months to 30 November 2009 £	Independentl y Reviewed 6 months to 30 November 2008 £ (restated)	Audited 12 months to 31 May 2009 £
<b>REVENUE</b>	675,620	657,027	1,365,172
Cost of sales	<u>(623,776)</u>	<u>(362,193)</u>	<u>(791,399)</u>
<b>GROSS PROFIT</b>	51,844	294,834	573,773
Administrative expenses	<u>(261,671)</u>	<u>(300,252)</u>	<u>(556,145)</u>
<b>OPERATING PROFIT/(LOSS)</b>	(209,827)	(5,418)	17,628
Finance income	-	-	63
Finance expense	<u>(16,276)</u>	<u>(7,695)</u>	<u>(14,606)</u>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>	(226,103)	(13,113)	3,085
Tax expense	<u>-</u>	<u>-</u>	<u>-</u>
<b>PROFIT / (LOSS) ON AFTER TAXATION</b>	<u>(226,103)</u>	<u>(13,113)</u>	<u>3,085</u>
Attributable to equity holders of the company	<u>(226,103)</u>	<u>(13,113)</u>	<u>3,085</u>
Profit per share attributable to the equity holders of the company during the period - basic and diluted	4 <u>(0.00014885p)</u>	<u>(0.00002075p)</u>	<u>0.000436p</u>

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

CONSOLIDATED INTERIM GROUP BALANCE SHEET  
for the six months to 30 November 2009

<i>Note</i>	Independently Reviewed as at 30 November 2009 £	Independently Reviewed as at 30 November 2008 £ (restated)	Audited 12 months as at 31 May 2009 £
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	<u>45,012</u>	<u>67,913</u>	<u>54,651</u>
<b>CURRENT ASSETS</b>			
Cash at bank and in hand	26,967	12,769	1,655
Trade and other receivables	<u>6,440,650</u>	<u>6,625,255</u>	<u>7,206,453</u>
	<u>6,467,617</u>	<u>6,638,024</u>	<u>7,208,108</u>
<b>TOTAL ASSETS</b>	<u>6,512,629</u>	<u>6,705,937</u>	<u>7,262,759</u>
<b>EQUITY</b>			
Share capital	1,035,640	522,573	1,035,640
Share premium account	1,615,323		
Retained earnings	<u>(314,727)</u>	<u>(104,821)</u>	<u>(88,624)</u>
<b>TOTAL EQUITY</b>	<u>2,336,236</u>	<u>2,092,637</u>	<u>2,587,883</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	2,142,151	2,233,293	2,428,419
<b>NON CURRENT LIABILITIES</b>			
Trade and other payables	<u>2,034,242</u>	<u>2,380,007</u>	<u>2,246,457</u>
<b>TOTAL LIABILITIES</b>	<u>4,176,393</u>	<u>4,613,300</u>	<u>4,674,876</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>6,512,629</u>	<u>6,705,937</u>	<u>7,262,759</u>

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
for the six months to 30 November 2009

<i>Note</i>	Independently Reviewed 6 months to 30 November 2009 £	Independently Reviewed 6 months to 30 November 2008 £ (restated)	Audited 12 months to 31 May 2009 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Consumed by operations	(464,902)	(429,314)	(687,209)
Taxation	<u>-</u>	<u>-</u>	<u>-</u>
	(464,902)	(429,314)	(687,209)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Finance income	-	-	63
Finance expense	(16,276)	(7,695)	(14,606)
Purchase of property, plant and equipment	<u>(2,273)</u>	<u>(15,360)</u>	<u>(16,255)</u>
	(18,549)	(23,055)	(30,798)
<b>CASH FLOWS FROM FINANCING</b>			
Term loan	250,000	-	-
Issue of shares net of costs	<u>477,980</u>	<u>595,574</u>	<u>565,688</u>
	<u>727,980</u>	<u>595,574</u>	<u>565,688</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	244,529	(143,205)	(152,319)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>(499,716)</u>	<u>(347,397)</u>	<u>(347,397)</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>(255,187)</u>	<u>(490,602)</u>	<u>(499,716)</u>

## CHANGES IN SHAREHOLDERS EQUITY

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at 31 May 2008 (restated)	298,773	1,303,112	(91,708)	1,510,177
Movement in share capital	223,800	371,773	-	595,573
Profit / (loss) for period	<u>-</u>	<u>-</u>	<u>(13,113)</u>	<u>(13,113)</u>
Balance at 30 November 2008 (restated)	<u>522,573</u>	<u>1,674,885</u>	<u>(104,821)</u>	<u>2,092,637</u>
Balance at 30 November 2008 (restated)	522,573	1,674,885	(104,821)	2,092,637
Movement in share capital	513,067	(34,018)	-	479,049
Profit / (loss) for the period	<u>-</u>	<u>-</u>	<u>16,197</u>	<u>16,197</u>
Balance at 31 May 2009	<u>1,035,640</u>	<u>1,640,867</u>	<u>(88,624)</u>	<u>2,587,883</u>
Balance at 31 May 2009	1,035,640	1,640,867	(88,624)	2,587,883
Movement in share capital	-	(25,544)	-	(25,544)
Profit / (loss) for the period	<u>-</u>	<u>-</u>	<u>(226,103)</u>	<u>(226,103)</u>
Balance at 30 November 2009	<u>1,035,640</u>	<u>1,615,323</u>	<u>(314,727)</u>	<u>2,336,236</u>

### 1. ACCOUNTING POLICIES

The significant accounting policies, which have been consistently applied in preparing the financial statements are as follows:

#### 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 2009 prepared under International Financial Reporting Standards 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 2009 or are expected to be adopted and effective at 31 May 2009. The financial information for the six months ended 30 November 2009 and the six month period 30 November 2009 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.

#### BASIS OF CONSOLIDATION

The financial statements consolidate the results, cash flows and assets and liabilities of the company and its wholly owned subsidiary undertaking, 1pm (UK) Ltd.

## 2. TAXATION

Taxation charged for the period ended 30 November 2009 is calculated by applying the directors' best estimate of the annual tax rate to the result for the period.

## 3. SHARE CAPITAL

As at 30 November 2009, the company had an authorised share capital of 1,613,352,889 ordinary shares of £0.0006818p each, of which 1,518,979,086 had been issued and were fully paid.

## 4. 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:

	<b>Six months to 30 November 2009</b>
Profit/(loss) for the period after taxation	£ <u>(226,103)</u>
Basic weighted average of ordinary shares	Number <u>1,518,979,086</u>
Basic earnings (pence per share)	Pps <u>(0.00014885)</u>

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

## 5. COPIES OF THE INTERIM REPORT

Copies of the interim report will be sent to shareholders and are available from [www.1pm.co.uk](http://www.1pm.co.uk) and the company secretary at the company's registered office: 27 Gay Street, Bath, BA1 2PD.