



For Immediate Release

20th January 2015

1pm plc

("1pm", the "Group" or the "Company")

**INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2014**

Strong trading momentum maintained

1pm, the AIM quoted independent provider of finance to the SME sector, announces its Interim Results for the six month period ended 30 November 2014.

Commenting on the results, Chairman, Ian Smith, said:

"I am very pleased to report that the Group has again recorded excellent results for the first half of the current financial year, maintaining the profitable growth experienced over recent years. These results firmly underpin the Board's decision to invest in additional resources during the second half of the financial year which will provide a platform for continued growth".

Financial Highlights

- Revenue for the period increased 31% to £2.56m (H1 2014: £1.95m);
- Profit before taxation increased 25% to £0.76m (H1 2014: £0.61m);
- Earnings per share increased 18% to 1.91p (H1 2014: 1.61p);
- Net receivables increased 36% to £20.42m (H1 2014: £15.07m)

Operational Highlights

- Record monthly sales in October of over £1.5m;
- New business written during the period up 36% compared to same period last year;
- Total portfolio increased to £24.3m (H1 2014: £17.7m);
- Relationships now established with over 100 finance brokers nationwide, an increase of over 30 in the period

On current trading and prospects, CEO, Maria Lewis added:

"As previously reported, the current financial year will be a transitional one for the Company as we invest in additional resources and significantly increase business capacity. A key milestone in this process was reached in December when the Group relocated to larger offices to help facilitate the delivery of its strategic aims over the next 3 to 4 years. We plan to recruit up to 20 additional staff over the next 12 months and there will also be investment in new IT systems and business development resources."

For further information, please contact:

1pm plc

Ian Smith, Chairman

Maria Lewis, CEO

www.1pm.co.uk

0844 967 0944

0844 967 0944

WH Ireland (NOMAD)

Mike Coe, Ed Allsopp

www.wh-ireland.co.uk

0117 945 3470

Winningtons Financial PR

Paul Vann

0117 985 8989

07768 807631

paul.vann@winningtons.co.uk

About 1pm:

The Company was admitted to AIM in August 2006.

1pm plc is an established independent finance company focused on providing SMEs with accessible funding to add value to their businesses. All customers must have good credit histories and proven ability to repay their finance commitments.

1pm currently provides asset finance from £1,000 to £50,000 for a period of between 12 and 60 months and £1,000 to £26,000 for business loans (repaid over 3-36 months).

Mission Statement – ‘Helping the UK economy grow by providing finance to businesses’

You can find more information on the Company website www.1pm.co.uk

CHIEF EXECUTIVE'S STATEMENT

Financial Results

I am pleased to report that the Group has continued to make good progress during the first half of the current financial year and the trading results achieved provide confidence for the outcome of the year as a whole.

Total revenue for the first six months of the current year rose by 31% to £2.56m compared with the same period last year (H1 2014: £1.95m) with profit before tax increasing by 25% to £0.76m (H1 2014: £0.61m). Earnings per share increased 18% to 1.91p (H1 2014: 1.61p). 1pm has now been consistently profitable on a monthly basis since July 2010.

The Group's balance sheet has also been further strengthened during the period with £3.8m (before costs) of new equity capital raised through a share placing and open offer. As at 30 November 2014, net assets stood at £11.66m (H1 2014: £6.43m), an 81% increase compared with the same period last year.

Operations and strategy

The Group wrote £6.8m of new business during the first six months of the trading year, a 36% increase compared with the corresponding period last year (H1 2014: £5.0m) and included record sales of over £1.5m written during the month of October 2014.

Whilst Asset Leasing remains the core business, the Group has continued to develop and expand its portfolio of financial products aimed specifically at the servicing UK's SME (Small and Medium-sized Enterprises) market, and in August 2014 introduced Hire Purchase lending for the first time. To date this has generated approximately £50,000 of new business and is starting to gain traction in the marketplace. Business Loans were introduced in September 2013 and due to demand the maximum loan facility has been increased from £15,000 to £26,000.

The Lease portfolio now stands at £23m (H1 2014: £17.5m), which is an increase of 31%; the Loan portfolio stands at £1.3m (H1 2014: £0.14m), which is an 800% increase since the same period last year.

At the period end, the combined Lease, Loan and HP portfolio has increased to £24.3m, a 38% increase over the same period last year (H1 2014: £17.60m) and a 19% increase since the year end last May (FY2014: £20.4m). The portfolio has an average loan value of £9.8k (H1 2014: £8.5k) with no single customer representing more than 0.51% of the total portfolio value (H1 2013: 0.53%).

In addition, the Board is actively seeking suitable acquisition opportunities to augment its continued strong organic growth.

The Group continues to engage with finance brokers across the UK and is committed to maintaining, developing and expanding this vital source of new business. Helped by its growing reputation within the finance industry, the Group has successfully formed relationships with over 30 additional finance brokers during the period to 30 November 2014. It is now in partnership with over 100 finance brokers nationwide.

The management team continue to review and develop policies, procedures and new products whilst maintaining a strict underwriting approach and strong credit management policy. Together these have helped to deliver profitable growth and minimise bad debt write offs, which at 30 November 2014 stood at £111k representing just 0.46% of the portfolio (H1 2014: 0.64%)

The Group is pleased to announce the appointment of Steve Grey as a non PLC Operations Director. Steve has thirty years experience within the industry and has held various senior positions including appointments with Aldermore Bank, GE Capital and Abbey Business; the Company is also in the process of recruiting additional members of staff in all areas in the expectation of continued growth. On behalf of the Board, I would like to take this opportunity to thank the Group's dedicated staff for their hard work and commitment.

Financing

The Group has raised £9.5m (H1 2014: 4.9m) of new funding since 31 May 2014, of which £3.8m (before costs) was new equity capital raised via a share placing and open offer at 61 pence per share in October 2014.

These and other funding lines provide 1pm with the raw material to continue its growth strategy.

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>.

Board Change

During the period, Rodney Channon stepped down as a non-executive director. The Board would like to thank him for his service and wish him well for the future.

Outlook

The current financial year will be a transitional one for the Company as we invest in additional resources across the Group to significantly increase business capacity. The Group relocated to larger offices in December 2014 to help facilitate the delivery of its strategic aims over the next 3 to 4 years. Over the next 12 months we also plan to recruit up to 20 additional staff across all disciplines and to invest in new IT systems and additional business development resources.

Notwithstanding the additional costs which will be incurred in the second half of the financial year as the planned investment in additional resources is made, the Board remains very optimistic that the trading success experienced by the Group over recent years will continue and that 1pm is well placed to take advantage of the continuing strong demand within the UK SME market for its products and services.

I would like to thank our staff, shareholders, advisors, clients, finance brokers and funding partners for their continued support.

M Lewis
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 6 to 10 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 2014 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

19 January 2015

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 NOVEMBER 2014**

	Independently Reviewed 6 months to 30 November 2014 £	Independently Reviewed 6 months to 30 November 2013 £	Audited 12 months to 31 May 2014 £
Note			
REVENUE	2,560,943	1,953,303	4,211,569
Cost of sales	<u>(1,161,718)</u>	<u>(922,510)</u>	<u>(1,994,239)</u>
GROSS PROFIT	1,399,225	1,030,793	2,217,330
Administrative expenses	<u>(625,977)</u>	<u>(409,887)</u>	<u>(844,978)</u>
OPERATING PROFIT	773,248	620,906	1,372,352
Finance income	1,165	554	558
Finance expense	<u>(12,209)</u>	<u>(12,258)</u>	<u>(26,386)</u>
PROFIT BEFORE TAXATION	762,204	609,202	1,346,524
Taxation	<u>(160,055)</u>	<u>(137,610)</u>	<u>(297,326)</u>
PROFIT AFTER TAXATION	<u>602,149</u>	<u>471,592</u>	<u>1,049,198</u>
Attributable to equity holders of the company	<u>602,149</u>	<u>471,592</u>	<u>1,049,198</u>
Profit per share attributable to the equity holders of the company during the Period	Pence per share	Pence per share	Pence per share
- basic and diluted	<u>5</u> 1.91	<u>1.61</u>	<u>3.54</u>

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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 NOVEMBER 2014**

	Independently Reviewed 6 months to 30 November 2014 £	Independently Reviewed 6 months to 30 November 2013 £	Audited 12 months to 31 May 2014 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	<u>224,378</u>	<u>47,641</u>	<u>72,873</u>
CURRENT ASSETS			
Cash at bank and in hand	2,957,442	17,441	2,713
Trade and other receivables	<u>20,415,351</u>	<u>15,065,338</u>	<u>17,324,246</u>
TOTAL CURRENT ASSETS	<u>23,372,793</u>	<u>15,082,779</u>	<u>17,326,959</u>
TOTAL ASSETS	<u><u>23,597,171</u></u>	<u><u>15,130,420</u></u>	<u><u>17,399,832</u></u>
EQUITY			
Called up share capital	3,692,260	2,996,933	2,996,933
Share premium account	5,645,387	2,287,540	2,287,540
Retained earnings	<u>2,325,703</u>	<u>1,145,949</u>	<u>1,723,555</u>
TOTAL EQUITY	<u>11,663,350</u>	<u>6,430,422</u>	<u>7,008,028</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6,043,939	5,010,247	5,886,930
NON CURRENT LIABILITIES			
Trade and other payables	<u>5,889,882</u>	<u>3,689,751</u>	<u>4,504,874</u>
TOTAL LIABILITIES	<u>11,933,821</u>	<u>8,699,998</u>	<u>10,391,804</u>
TOTAL EQUITY AND LIABILITIES	<u><u>23,597,171</u></u>	<u><u>15,130,420</u></u>	<u><u>17,399,832</u></u>

**CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE SIX MONTHS TO 30 NOVEMBER 2014**

	Independently Reviewed 6 months to 30 November 2014 £	Independently Reviewed 6 months to 30 November 2013 £	Audited 12 months to 31 May 2014 £
Cash flows from operating activities			
Cash generated from operations	(95,873)	(1,301,227)	(1,039,033)
Interest Paid	(12,209)	(12,258)	(26,386)
Tax paid	-	-	(147,941)
	<hr/>	<hr/>	<hr/>
Net cash generated from operating activities	(108,082)	(1,313,485)	(1,213,360)
Cash flows from investing activities			
Interest received	1,165	554	558
Purchase of tangible fixed assets	(173,744)	(16,445)	(55,388)
	<hr/>	<hr/>	<hr/>
Net cash generated from investing activities	(172,579)	(15,891)	(54,830)
Cash flows from financing activities			
Repayment of loans	(380,000)	(20,000)	(20,000)
Issue of shares net of costs	4,018,475	1,400,001	1,400,001
Share consolidation	-	-	(5,000)
	<hr/>	<hr/>	<hr/>
Net cash generated from financing activities	3,638,475	1,380,001	1,375,001
Increase in cash and cash equivalents	3,357,814	50,625	106,811
Cash and cash equivalents at the beginning of the year	<hr/> (400,372)	<hr/> (507,183)	<hr/> (507,183)
Cash and cash equivalents at the end of the year	<hr/> <hr/> 2,957,442	<hr/> <hr/> (456,558)	<hr/> <hr/> (400,372)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS TO 30 NOVEMBER 2014

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at 31 May 2014	2,996,933	2,287,540	1,723,555	7,008,028
Movement in share capital	695,327	3,357,846	-	4,053,173
Profit for period	<u>-</u>	<u>-</u>	<u>602,149</u>	<u>602,149</u>
Balance at 30 November 2014	<u>3,692,260</u>	<u>5,645,386</u>	<u>2,325,704</u>	<u>11,663,350</u>
Balance at 30 November 2013	2,996,933	2,287,540	1,145,949	6,430,422
Movement in share capital	-	-	-	-
Profit for the period	<u>-</u>	<u>-</u>	<u>577,606</u>	<u>577,606</u>
Balance at 31 May 2014	<u>2,996,933</u>	<u>2,287,540</u>	<u>1,723,555</u>	<u>7,008,028</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 2014 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 2014. The financial information for the six months ended 30 November 2013 and the six month period 30 November 2014 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 2014 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.

On 20 October 2014 the company issued shares to the value of £4.016 million (before expenses) by way of:

- A Placing of 4,918,032 ordinary shares of nominal value 0.10p at 0.61p per share; and
- An Open Offer of 1,344,259 ordinary shares of 0.10p at 0.61p per share;
- Repayment of a loan from UK Private Healthcare Limited (a company of which Ronald Russell is a director and with which he is connected by virtue of a 25% shareholding) with an outstanding balance of £380,000, with the proceeds applied in subscribing for 622,950 ordinary shares of 0.10p at 0.61p per share.

Share Option Incentives.

During the 6 months to 30 November 2014, an amount of £41,504 representing 68,040 shares of nominal value 0.10p at a price of 0.61p per share has been accrued in relation to employee and director share schemes, (40,986 for employees and 27,054 for directors).

At 30 November 2014 the share capital of the company is 36,922,610 ordinary shares, including 68,040 to be issued relating to the share schemes, with a nominal value of 10p each.

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 and accrued during the period as follows:

	6 months to 30-Nov-14	6 months to 30-Nov-13
	£	£
Profit for the period after taxation	602,149	471,592
	Number	Number
Basic weighted average of ordinary shares post consolidation	31,586,768	29,228,242
	Pps	Pps
Basic earnings (pence per share)	1.906333	1.613481

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

6 RELATED PARTY TRANSACTIONS

An amount of £15,000 has been accrued and agreed to be paid in connection with Mr Rodney Channon stepping down as a non-executive director of the Company.

7 COPIES OF THE INTERIM REPORT

Copies of the Interim Report are available from www.1pm.co.uk and the Company Secretary at the registered office: 2nd Floor, St James House, The Square, Lower Bristol Road, Bath BA2 3BH