

**1PM PLC  
(AIM: OPM)**

**Placing and Trading Update**

1pm plc ("1pm" or "the Company"), the specialist provider of lease asset finance to the SME sector, announces a trading update and a successful placing raising new monies totalling approximately £1.15 million, before expenses.

**Background to and reasons for the Placing**

As previously announced, trading in the first six months of the year ending 31 May 2010 was challenging. A trading statement made on 16 October 2009 indicated that levels of new business had been disappointing and that there had been the requirement for an unexpectedly high level of bad debt write-offs. Since this statement, trading has been ahead of management's revised expectations and the Board is now confident of a significantly stronger performance in the second half of the financial year.

Following the economic downturn, traditional bank lending to SMEs remains restricted and the Board believes there are opportunities for alternative funding providers such as 1pm. As confirmed in the trading update below, the value of the lease portfolio has now started to increase following a reduction during the first half of the financial year.

In order to write new business and increase its lease portfolio 1pm needs access to cash and lines of funding. The proceeds of the fundraising will enable 1pm to grow its lease portfolio further and therefore enhance receivables and cash generation. Furthermore, the proceeds of the fundraising will allow 1pm to reduce the gearing on its lease portfolio by increasing the proportion of Company funding of new leases and thereby increase the margin on lending.

Pleasingly, the Company received demand for shares in the Placing in excess of its present level of share authorities. As a result, to accommodate the demand, the Placing has been split into a Firm Placing and Conditional Placing. The Board is delighted with the final gross fundraising balance of £1.15 million which will strengthen 1pm's balance sheet and facilitate the strategy detailed above.

**Trading update**

As reported in the Company's interim results, levels of new business (i.e. new lease agreements) in November and December 2009 were ahead of management's expectations, as revised following October's trading update. New business levels were also ahead of revised expectations in January and February 2010 and March 2010 has started positively.

As previously indicated, the Directors expect the six month period to 31 May 2010 to deliver significantly improved operating performance albeit that the Company is likely to report further losses for the second half as a whole.

Encouragingly, after a reduction in the overall value of the lease portfolio in the first half of the current financial year, the lease portfolio is now growing again.

**Placing of New Ordinary Shares**

1pm is pleased to announce that it has completed a placing of 1,639,999,999 new ordinary shares of 0.06818 pence each ("Ordinary Shares") at a price of 0.07 pence per share raising new monies totalling approximately £1.15 million, before expenses ("the Placing"). In addition the Company has issued one warrant for every six Placing shares exercisable at 0.07 pence per share.

The Placing will be split into two tranches, a firm placing ("Firm Placing") and a conditional placing ("Conditional Placing"), both at a placing price of 0.07 pence per Ordinary Share. The Firm Placing consists of the placing of 572,000,001 new Ordinary Shares under existing share authorities agreed at the AGM held on 2 October 2009. The Conditional Placing is subject to shareholder approval at a General Meeting to grant the Directors authority to issue 1,067,999,998 new Ordinary Shares, and which is expected to be held at 10.00 a.m. on 31 March 2010 at the offices of the Company at 27 Gay Street, Bath BA1 2PD.

The following directors have participated in the Placing:

	Firm Placing Shares	Conditional Placing Shares	Revised Total Holding	% of Enlarged Share Capital	Warrants Issued
Ron Russell	138,449,939	375,835,775	882,609,050	27.94%	85,714,285
Maria Hampton	673,020	1,826,980	4,000,000	0.13%	416,666
Helen Walker	673,020	1,826,980	10,000,000	0.32%	416,666

Ron Russell, Maria Hampton and Helen Walker are directors of the Company and therefore their participation in the Placing is classified under the AIM Rules as a related party transaction. The independent directors of 1pm, that is the Directors excluding Ron Russell, Maria Hampton and Helen Walker, having consulted with their nominated adviser, WH Ireland Limited, consider that the terms of this transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Application will be made to the London Stock Exchange plc for the new Ordinary Shares to be admitted to trading on AIM. It is expected that the new Ordinary Shares under the Firm Placing will be issued and admitted to trading on AIM on or about 8.00 a.m. on 17 March 2010 and the new Ordinary Shares under the Conditional Placing, subject to shareholder approval at a General Meeting, will be issued and admitted to trading on AIM on or about 8.00 a.m. on 1 April 2010.

In accordance with the Disclosure and Transparency Rules (DTR 5.6.1R) the Company hereby notifies the market that immediately following admission of the Firm Placing shares its issued share capital will consist of 2,090,979,087 Ordinary Shares and immediately following admission of the Conditional Placing shares its issued share capital will consist of 3,158,979,085 Ordinary Shares. The Company does not hold any shares in treasury. Shareholders may use these figure as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FSA's Disclosure and Transparency Rules.

The Company will shortly be posting to shareholders a circular attaching a notice convening the General Meeting, which will also be available on the Company's website [www.1pm.co.uk](http://www.1pm.co.uk).

Michael Johnson, Chairman of 1pm, commented:

*"During what has been a difficult period for the financial services sector we have demonstrated that 1pm has shown great resilience. We are delighted with the interest shown in the placing and believe that the significant level of funds raised will strengthen the Company considerably.*

*There are signs that business levels are now increasing and the proceeds of the placing will allow us to write more business, improve lending margins and accelerate our return to profitability."*

Contacts:

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