

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

Interim Consolidated Results for the six months ended 30 November 2010

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 2010.

Contacts:

1pm plc

Mike Johnson, Chairman
Maria Hampton, Managing Director

www.1pm.co.uk
+44 (0) 844 967 0944
+44 (0) 844 967 0944

WH Ireland Limited

Mike Coe / Marc Davies

www.wh-ireland.co.uk
+44 (0) 117 945 3470

CHAIRMAN'S STATEMENT

I am pleased to report the results for the six months to 30 November 2010. The last six months and, indeed, the whole of 2010 has been an exciting time for 1pm.

As announced in recent trading updates, the Company has made significant progress and I am delighted to confirm a return to profitability. This is primarily due to a measured increase in new business levels and, as a result, the lease portfolio has grown 43% from the start of the period and now stands at £9.19 million. Furthermore, the Company has agreed additional funding lines of up to £1.3 million, which have supported the growth in new business.

Results

Turnover for the period was 30% higher at £880,000 (H1 2009: £676,000)

Operating profit before bad debt write-offs and provisioning was £197,000 (H1 2009: £5,000)

Bad debt write-offs in the period were £87,000 (H1 2009: £182,000)

The profit before taxation for the period was £63,000 (H1 2009: Loss £226,000)

As at 30 November 2010 the total lease portfolio amounted to £9.19 million (H12009: £6.41 million)

Operating review

During the six-month period the Company wrote £3,546,000 of new leases compared to £976,000 in the corresponding period last year. This is a very positive improvement in trading and reflects a concerted drive to enhance levels of new business during this period and the hard work and commitment from our experienced staff.

We continue to build our relationships with brokers and their increased understanding of our requirements has improved the conversion rate of proposals submitted by them. Bank borrowing still remains difficult to obtain for many SME businesses and the implications for 1pm continue to be that there is strong demand for our leasing facilities from brokers.

The business model of 1pm is such that the financial benefit of new business is felt over the length of the leases provided. With an average lease length of approximately three years the recent improvement in trading will have a positive effect on revenue and profitability for this financial year and subsequent years.

Despite the significant increase in new business we have not compromised our prudent approach and all new leases are subject to a consistent underwriting policy.

I am pleased to confirm that we have not seen a repeat of the unusually high levels of bad debts experienced last year. Bad debt write-offs in the period were 52.2 per cent. lower and overall bad debt provisions are also lower than the equivalent period.

Financing

In October we agreed a funding line with Ron Russell, non-executive director, which provides for the draw down of up to two tranches of £400,000, giving a maximum funding line of £800,000. This funding line is exclusively for the purpose of writing new lease contracts. As at 30 November 2010, the Company had drawn down £400,000.

In November we agreed a new block discounting line of £500,000.

We remain in discussions regarding additional funding and are confident that further funding lines will be available if required.

In broad terms, the greater the size of the lease portfolio the greater the monthly cash it will generate. It is the directors' chosen strategy that, where appropriate, the operating cash flow generated will be reinvested back into the business and used to write further new business.

Outlook

The board of 1pm are committed to delivering increased shareholder value. Having returned to profitability in the first half the directors are confident that this can be built on during the second half. Enquiry levels for new lease agreements remains strong and further growth in the portfolio is anticipated.

1pm remains a relatively small business in the overall UK leasing market but the board believes it has excellent growth prospects. The directors have identified a strategy to expand through entering new geographic markets for which we already have the systems in place to accommodate this aim.

The board of 1pm remain very optimistic for the future. We would like to thank all of our clients and our brokers for their support to 1pm in 2010.

M R Johnson
Chairman, 1pm plc

Independent Review Report to 1pm 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 2010 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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six months to 30 November 2010

	Independently Reviewed 6 months to 30 November 2010 £	Independently Reviewed 6 months to 30 November 2009 £	Audited 12 months to 31 May 2010 £
<i>Note</i>			
REVENUE	880,175	675,620	1,331,922
Cost of sales	<u>(523,596)</u>	<u>(623,776)</u>	<u>(1,184,547)</u>
GROSS PROFIT	356,579	51,844	147,375
Administrative expenses	<u>(278,928)</u>	<u>(261,671)</u>	<u>(516,978)</u>
OPERATING PROFIT/(LOSS)	77,651	(209,827)	(369,603)
Finance income	152	-	303
Finance expense	<u>(14,363)</u>	<u>(16,276)</u>	<u>(33,116)</u>
PROFIT / (LOSS) BEFORE TAXATION	63,440	(226,103)	(402,416)
Tax expense	<u>(12,688)</u>	-	<u>64,656</u>
PROFIT / (LOSS) ON AFTER TAXATION	<u>50,752</u>	<u>(226,103)</u>	<u>(337,760)</u>
Attributable to equity holders of the company	<u>50,752</u>	<u>(226,103)</u>	<u>(337,760)</u>
Profit per share attributable to the equity holders of the company during the period			
- basic and diluted	5	<u>0.001924p</u>	<u>(0.00014885p)</u>
			<u>(0.017678)p</u>

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

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
for the six months to 30 November 2010

	Independently Reviewed as at 30 November 2010 £	Independently Reviewed as at 30 November 2009 £	Audited 12 months as at 31 May 2010 £
ASSETS			
NON CURRENT ASSETS			
Deferred income taxes	147,276	-	159,964
Property, plant and equipment	<u>25,741</u>	<u>45,012</u>	<u>36,478</u>
	173,017	45,012	196,442
CURRENT ASSETS			
Cash at bank and in hand	8,465	26,967	305,211
Trade and other receivables	<u>8,599,435</u>	<u>6,440,650</u>	<u>6,548,773</u>
TOTAL CURRENT ASSETS	<u>8,607,900</u>	<u>6,467,617</u>	<u>6,853,984</u>
TOTAL ASSETS	<u>8,780,917</u>	<u>6,512,629</u>	<u>7,050,426</u>
EQUITY			
Share capital	2,153,791	1,035,640	2,153,791
Share premium account	1,565,035	1,615,323	1,565,035
Retained earnings	<u>(375,631)</u>	<u>(314,727)</u>	<u>(426,383)</u>
TOTAL EQUITY	<u>3,343,195</u>	<u>2,336,236</u>	<u>3,292,443</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	3,023,065	2,142,151	1,997,834
NON CURRENT LIABILITIES			
Trade and other payables	<u>2,414,657</u>	<u>2,034,242</u>	<u>1,760,149</u>
TOTAL LIABILITIES	<u>5,437,722</u>	<u>4,176,393</u>	<u>3,757,983</u>
TOTAL EQUITY AND LIABILITIES	<u>8,780,917</u>	<u>6,512,629</u>	<u>7,050,426</u>

CONSOLIDATED INTERIM CASH FLOW STATEMENT
for the six months to 30 November 2010

<i>Note</i>	Independently Reviewed 6 months to 30 November 2010 £	Independently Reviewed 6 months to 30 November 2009 £	Audited 12 months to 31 May 2010 £
Net cash generated from financing activities	<u>(60,000)</u>	<u>727,980</u>	<u>1,042,320</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Consumed by operations	(457,053)	(464,902)	(262,399)
Taxation	<u>-</u>	<u>-</u>	<u>(16,447)</u>
Net cash generated from operating activities	(457,053)	(464,902)	(278,846)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	152	-	303
Finance expense	(14,363)	(16,276)	(33,116)
Purchase of property, plant and equipment	<u>(1,820)</u>	<u>(2,273)</u>	<u>(6,058)</u>
Net cash generated from investing activities	(16,031)	(18,549)	(38,871)
CASH FLOWS FROM FINANCING ACTIVITIES			
Term loan	(60,000)	250,000	-
Issue of shares net of costs	-	<u>477,980</u>	<u>1,042,320</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(533,084)	244,529	724,603
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>255,187</u>	<u>(499,716)</u>	<u>(499,716)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>(308,197)</u>	<u>(255,187)</u>	<u>224,887</u>

STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at 31 May 2010	2,153,791	1,565,035	(426,383)	3,292,443
Movement in share capital	-	-	-	-
Profit for period	-	-	<u>50,752</u>	<u>50,752</u>
Balance at 30 November 2010	<u>2,153,791</u>	<u>1,565,035</u>	<u>(375,631)</u>	<u>3,343,195</u>
Balance at 30 November 2009	1,035,640	1,615,323	(314,727)	2,336,236
Movement in share capital	1,118,151	(50,288)	-	1,067,863
Profit /(loss) for the period	-	-	<u>(111,656)</u>	<u>(111,656)</u>
Balance at 31 May 2010	<u>2,153,791</u>	<u>1,565,035</u>	<u>(426,383)</u>	<u>3,292,443</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 2010 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 2010 or are expected to be adopted and effective at 31 May 2011. The financial information for the six months ended 30 November 2009 and the six month period 30 November 2010 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 2010 is calculated by applying the directors' best estimate of the annual tax rate to the result for the period.

4 SHARE CAPITAL

As at 30 November 2010, the company had an authorised share capital of 3,158,979,085 ordinary shares of £0.0006818p each, of which 2,637,247,579 had been issued and were fully paid.

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 2010
	£
Profit/(loss) for the period after taxation	<u>50,752</u>
	Number
Basic weighted average of ordinary shares	<u>2,637,358,579</u>
	Pps
Basic earnings (pence per share)	<u>0.001924</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 will be sent to shareholders and are available from www.1pm.co.uk and the company secretary at the company's registered office: 27 Gay Street, Bath, BA1 2PD.