

18 December 2015



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

Pre-close trading update
"Strong trading momentum maintained;
Further profitable growth at both 1pm and Academy Leasing"

1pm plc (AIM: OPM), the AIM listed independent specialist provider of finance facilities to the SME sector, is pleased to announce the following trading update ahead of the publication of its interim results for the six months ended 30th November 2015, which are scheduled to be released during the week commencing 25th January 2016.

The trading results for the half year ended 30th November 2015 will show further growth in revenue and profits compared with the corresponding period last year and are ahead of management expectations. The results include a first contribution from Academy Leasing Limited ("Academy") for the period from 25th August 2015 to 30th November 2015. Academy, a provider of equipment finance and an equipment and vehicles broker to the SME market, is the only trading company within the MH Holdings (UK) Limited group of companies ("MH Holdings"), which was acquired by 1pm plc on 25th August 2015 (the "acquisition"). The trading results of Academy are also ahead of management expectations.

1pm and Academy (together the "Group") continue to experience high levels of demand for finance from the SME sector across the range of products offered, being asset finance (finance lease and hire purchase), business loans and vehicles broking.

During the period, the Group originated £9.7m of new lease and hire purchase contracts (H1 2015: £5.8m) and £6.1m of business loans (H1 2015: £1.0m), a six-fold increase over the corresponding period last year. Since the acquisition of Academy, the Group also earned £0.2m of commission from broked-on lease and hire purchase contracts (H1 2015: £nil) and £0.3m of commission from broked-on vehicle leases (H1 2015: £nil), both new revenue streams for 1pm.

As at 30th November 2015, the Group's combined asset finance and business loans portfolio stood at £57.0m. This comprised £39.4m at 1pm (H1 2015: £24.3m), an increase of 62 per cent. since November 2014 and an increase of 30 per cent. since the year end on 31 May 2015; and £17.6m at Academy.

To fund this organic growth in the half year to 30th November 2015, the Group increased its use of the headroom in its existing block funding facilities, raised additional debt funding of £2.5m (H1 2015: £5.7m) and reinvested £4.5m of cash flow generated from operations (2015: £0.8m).

To fund the cash element of the Academy acquisition consideration, 1pm raised £6.9m of equity finance (net of expenses) by means of an oversubscribed share placing and open offer at 60 pence per share.

The Group is also pleased to report that operational progress since the acquisition is in line with management's expectations and consistent with its stated strategic and commercial objectives. As announced on 26th November 2015, with effect from 1st February 2016, Ian Smith, currently Chairman, will become Chief Executive Officer to lead the further strategic and operational development of the Group and John Newman will succeed him as non-executive Chairman.

Ian Smith, Chairman of 1pm, commented:

"1pm's results for the first six months of the current financial year continue the trend of profitable growth delivered over recent years and, although only three months since its acquisition, the equally strong results of Academy clearly justify the decision to expand the Group. Investment in resources at 1pm earlier in 2015 together with the Academy acquisition completed in August mark the first successful steps towards achieving our strategic aims. The Board is committed to delivering sustainable growth and building value for its shareholders and we look forward to the second half of the financial year with optimism and confidence".

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About 1pm:

The Company was admitted to AIM in August 2006.

1pm plc is an established group of independent finance companies 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.

Mission Statement – ‘Helping the UK economy grow by supporting SMEs’

More information is available on the Company website www.1pm.co.uk