

3 August 2015

**Fairpoint Group plc**  
**Trading update and**  
**Notice of Half Year Results**

Fairpoint Group plc (“Fairpoint” or “the Group”), one of the UK’s leading providers of consumer professional services, today issues a trading update on the Group’s performance for the six months ended 30 June 2015, ahead of announcing its half year results on Thursday, 3 September 2015.

**Half year trading update**

Overall Group trading for the first half of 2015 has been materially ahead of the same period last year and is in line with the Board’s expectations. This reflects a strong contribution from the Group’s consumer legal services business, which was established by acquisition at the end of the first half last year. Segmental updates are as follows:

- **Legal Services:** Simpson Millar LLP, the Group’s consumer legal services business, has performed well compared to its prior year (when it was not part of the Group) and is now the Group’s largest single source of income. We are also pleased to announce separately today substantial progress on our objective of creating a top 5 UK consumer legal services business, with the acquisition of the trade and assets of Colemans-CTTS LLP, CT Support Services Limited and the entire ordinary share capital of Holiday TravelWatch Limited (together referred to as “Colemans”). Colemans provides us with a class leading platform for the provision of volume legal services and in its last financial year ended 30 April 2015 (unaudited) delivered revenues of £19m. On a pro-forma basis Legal Services is now expected to generate the majority of income to the Group.
- **IVA:** As expected, market conditions in the Group’s debt solutions market remain challenging, with the volume of new IVA solutions in England and Wales falling by 23.5% in the first quarter of 2015 compared to the same period last year (Source: The Insolvency Service); the Group therefore continues to focus on delivering good margins, cash generation and not writing uneconomic business.
- **DMP:** Revenues are broadly flat when compared to the same period last year. This largely reflects the absence of acquisition activity in the current year as the Group continues to favour deployment of capital towards developing the Legal Services business, given the significant opportunities available and as the evolution of the DMP market remains unclear.
- **Claims:** Our claims management activities are broadly in line with the same period last year, with good growth from our in house claims management services offset by a reduction in IVA related claims activity.

Group net debt as at 30 June 2015 was £5.2m (31 December 2014: £7.6m), reflecting strong cash generation from operating activities.

**Notice of Half year results**

The Group will release its half year results for the six months ended 30 June 2015 on 3 September 2015.

**Chris Moat, Fairpoint's Chief Executive said:**

"We continue to gather strong momentum in our agenda of reshaping the Group towards a broader consumer professional services organisation, whilst maintaining a solid cash generative performance in debt solutions. The acquisition of Colemans provides a substantial stimulus to this objective and a platform for further progress."

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**Notes to editors:**

Fairpoint Group plc is an AIM listed consumer professional services business specialising in the provision of consumer-focused legal services, personal debt solutions and claims management. The Group is structured into the following primary business lines:

1. Legal Services
2. Debt Management Plans (DMPs)
3. Claims Management
4. Individual Voluntary Arrangements (IVAs)

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