

FAIRPOINT.

Fairpoint Group plc

Trading Update

Fairpoint Group plc ("Fairpoint" or "the Group"), the leading provider of advice and solutions to financially stressed consumers, today releases a trading update ahead of its preliminary results announcement, which will be made on 16 March 2010.

Trading in the second half of 2009 benefited strongly from the changes implemented in the preceding 12 months. Performance in the second half was in line with management expectations and all key product lines are showing growth. Revenues were some 9% ahead of the first half of the 2009 financial year and 19% ahead of the corresponding period in 2008. Profit before Tax for the year to 31 December 2009, adjusted for brand amortisation, is expected to be in excess of £6.0million.

The improving profitability fed through to operating cash flows and net Group borrowings at the period end fell to some £4.5million, well ahead of the Board's target of reducing borrowings to below one year's adjusted Profit before Tax.

The Board announces the reinstatement of dividend payments with a single dividend of 2p per share for the year ended 31 December 2009, to be paid as an interim dividend on 30 March 2010 to shareholders on the register at 26 February 2010. The Group plans to follow a progressive dividend policy in the future, subject to market conditions.

Fairpoint now has over 25,000 customers on long term debt solutions and the Group has built a strong position across the full range of debt solution products and services. The Group's focus for the future is on continued growth in an environment where the market for debt solutions is growing.

Chris Moat, CEO of Fairpoint, commented:

"The business improvements implemented throughout late 2008 and into 2009 are now gathering momentum and this has translated into strong profit growth and a cash generative business. This combination has presented suitable conditions for the swift re-introduction of a dividend.

I am confident that we are well placed to benefit from a strong and growing market in 2010."

Preliminary results

There will be an analyst presentation to discuss the preliminary results at 9.30am on 16th March 2010 at Financial Dynamics, Holborn Gate, 26 Southampton Buildings, London WC2A 1PB. Those analysts wishing to attend are asked to contact Kat Bloom at Financial Dynamics on +44 20 7269 7223 or at kat.bloom@fd.com.

Enquiries:

Fairpoint Group plc

Chris Moat, Chief Executive Officer
Andy Heath, Finance Director

0845 296 0100
0845 296 0200

Shore Capital (Nomad and Joint Broker)

Guy Peters

020 7408 4090

Oriel Securities (Joint Broker)

Tom Durie
Emma Griffin

020 7710 7600

Financial Dynamics

Nick Henderson
Laura Pope

020 7269 7114
020 7269 7243