

Trust Property Management Group plc ('Trust' or 'the Company')
Final Results to 31 March 2007

Trust Property Management Group plc, the AIM listed property management and chartered surveying services group, announces its results for the period ended 31 March 2007.

Overview

- Good progress made towards creating a leading property management and chartered surveying services group since listing on AIM in March 2007
- All divisions enjoying strong growth with new contract wins and a good pipeline of new business opportunities
- First strategic acquisition completed in June 2007, which complement core offering and helps expansion into South West London
- Board strengthened with appointment of Larry Lipman as a Non-Executive Director

Chairman's Statement

I am delighted to report your Company's inaugural results for the period ended 31 March 2007. Since listing on AIM in March 2007, we have driven the business forward aggressively as we implement a two-pronged growth strategy, combining selective acquisitions of other property management and chartered surveying groups with organic growth.

Review of Operations

Trust Property Management Group was formed to act as a holding company for a group of property management and chartered surveying companies. On 5 March 2007, the Company made the following acquisitions prior to its flotation on AIM (further details can be found in the Admission Document on the Company's website - www.tpmgroupplc.co.uk):

- Trust Property Management Limited, a residential and commercial property management services business;
- Skylon Limited, a chartered surveying business; and
- Trust Credit Services Limited, a business which provides credit services to tenants.

Trust Property Management Limited (TPM), which undertakes residential and commercial property management activities now manages over 13,000 residential and commercial units showing a 30% growth rate since the flotation. The business enjoys long-term agreements providing solid and sustained annual fees. As the Directors

predicted at the time of listing on AIM, numerous opportunities have arisen allowing for organic growth to prosper in both the Edgware and Richmond centres.

Our chartered surveyor business, Skylon Limited (Skylon), which trades under Benjamin Mire Chartered Surveyors, continues to win new business including the extension of a prominent office building in Finchley, north London and various domestic extension projects throughout the south-east. It has further developed its client base amongst specialist residential development funding institutions and continues to act not only for TPML but other residential managing agents providing specialist block of flats repair and maintenance expertise. The practice's advice in Leasehold Valuation Tribunal matters is often sought by other chartered surveyors and instructing solicitors.

Trust Credit Services Limited (TCS) is a newly formed subsidiary established to provide credit facilities enabling tenants to spread the cost of ground rents and service charges over a period of up to one year. It was dormant in the period to 31 March 2007 but has now launched its services and take up is in line with our expectations and is encouraging.

Post Balance Sheet Acquisitions

We made our first acquisition in June 2007, acquiring the trade and assets of Nightingale Chancellors, a property services business based in Richmond, for a total cash consideration of £710,000.

Nightingale Chancellors provides similar services to TPM and Skylon including professional residential and commercial property management as well as chartered surveying services. This long established profitable business will both add significant turnover to the Company and help our expansion into South West London.

Board Appointments

I am delighted that Larry Lipman agreed to join the Board as a Non-Executive Director. He is extremely well known in the industry and has an in-depth understanding of AIM, which I believe will be invaluable as the Company executes its growth strategy.

Financial Review

The accounts of Trust are for the period ended 31 March 2007 and therefore only reflect trading since the acquisitions were completed on 5 March 2007.

Our cash position remains healthy after raising £600,000 at the time of our flotation and a further £250,000 shortly after it when Thesis Asset Management plc, an asset manager used by the Goldstein family, took a 7.6% interest in the Company.

Outlook

We are concentrating on creating a leading property management and chartered surveying services group, utilising our strong management team and considerable experience in the sector.

Whilst I believe that our business has the potential to grow at a considerable pace organically, there are a number of other acquisition opportunities in the highly fragmented market in which we operate that we are very excited about. A number of targets are currently under review and I look forward to updating shareholders on our progress in this respect in the near future.

We believe the strength of our service offering coupled with the recurring income stream as a result of our business model, will stand us in good stead and hope to report further progress in our year-end statement.

David Glass
Chairman
28 September 2007

**** ENDS ****

For further information visit www.tpmgroupplc.co.uk or contact:

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CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2007

2007

£

ASSETS**Non-current assets**

Property, plant and equipment	139,294
Goodwill	1,081,252
Intangible assets	561,412

1,781,958

Current assets

Trade and other receivables	391,832
Cash and cash equivalents	598,186

990,018

TOTAL ASSETS

2,771,976

LIABILITIES**Current liabilities**

Trade and other payables	266,110
Borrowings	32,100
Tax liabilities	34,428

332,638

Non-current liabilities

Borrowings	315,400
Deferred tax liabilities	60,250

375,650

TOTAL LIABILITIES

708,288

NET ASSETS

2,063,688

2007
£

EQUITY

Share capital	293,984
Share premium	1,808,930
Shares to be issued	5,703
Retained earnings	(44,929)

TOTAL EQUITY

2,063,688

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2007

4 months ended
31 March
2007
£

Continuing Operations

Revenue	96,637
Cost of sales	(21,949)
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Gross profit	74,688
Other operating income	998
Administrative expenses	(114,830)
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Operating loss	(39,144)
Finance costs	(3,520)
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Loss before tax	(42,664)
Income tax	(2,265)
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Loss for the period	(44,929)
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Loss per share	
Basic and diluted	(0.01)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
31 MARCH 2007**

Attributable to equity holders' of the Company

	Share capital £	Share premium £	Share option reserve £	Retained Earnings £	Total equity £
Balance at 29 November 2006	-	-	-	-	-
Shares issued in period	293,984	2,128,224	-	-	2,422,208
Cost of issue of shares	-	(319,294)	-	-	(319,294)
Employee share based payment	-	-	5,703	-	5,703
Loss for the period	-	-	-	(44,929)	(44,929)
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Balance at 31 March 2007	293,984	1,808,930	5,703	(44,929)	2,063,688
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4 months
ended
31 March
2007
£

OPERATING ACTIVITIES

Cash generated from operations	(49,154)
Income taxes paid	(7,087)
Interest paid	(1,230)

NET CASH USED IN OPERATING ACTIVITIES

 (57,471)

INVESTING ACTIVITIES

Purchases of property, plant and equipment	(9,902)
Acquisition of subsidiary	37,337

NET CASH FROM INVESTING ACTIVITIES	27,435
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FINANCING ACTIVITIES	
Proceeds from issuance of ordinary shares	628,222
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NET CASH FROM FINANCING ACTIVITIES	628,222
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NET INCREASE IN CASH AND CASH EQUIVALENTS	598,186
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-
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CASH AND CASH EQUIVALENTS AT END OF PERIOD	
Bank balances and cash	598,186
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This format represents the indirect method of determining operating cash flow.

	4 months ended 31 March 2007 £
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OPERATING ACTIVITIES	
Cash generated from operations	(66,039)
Income taxes paid	-
Interest paid	-
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NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(66,039)
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INVESTING ACTIVITIES	
Interest received	-
Acquisition of subsidiaries	(61,711)
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NET CASH USED IN INVESTING ACTIVITIES	(61,711)
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FINANCING ACTIVITIES	
Proceeds on issued ordinary shares	628,222
New bank loans raised	-
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NET CASH (USED IN)/FROM FINANCING ACTIVITIES	628,222
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NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	500,472
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-
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CASH AND CASH EQUIVALENTS AT END OF PERIOD	
Bank balances and cash	500,472
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RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM / (USED IN) OPERATING ACTIVITIES

	4 months ended 31 March 2007 £
Loss before tax	(42,664)
Adjustments for:	
Depreciation of property, plant & equipment	4,462

Amortisation of intangible assets	840
Finance costs	3,520
Fair values of share based compensation	5,703
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	(28,139)
Operating cash flows before movements in working capital	
Increase in receivables	(24,395)
Increase in payables	3,380
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Cash generated from operations	(49,154)
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Notes to the Accounts

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and the Companies Act 1985 as applicable to companies reporting under IFRS (and International Financial Reporting Interpretations Committee (“IFRIC”) interpretations).

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The preparation of the financial statements require the use of estimates and assumptions that affect the reported amount of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of the amount, events or actions, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (and its subsidiaries) made up to 31 March each year. Subsidiaries are all entities over which the company has the power to govern the financial and operating policies as to benefit from its activities. The excess of cost of acquisition over the fair values of the Group’s share of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the income statement.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Standards and interpretations not yet effective

At the date of authorisation of this report the following Standards and Interpretations which have not been applied in these financial statements were in use but not yet effective:

IFRS 7	Financial Instruments: Disclosures; and the related amendments to;
	IAS 1 on Capital Disclosures;
	IAS 1 on Presentation Costs*and;
	IAS 23 Borrowing Costs

IFRS 8	Operating Segments
IFRIC 12*	Service Concession Arrangements
IFRIC 13*	Customer Loyalty Programmes
IFRIC 14*	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

* Not yet endorsed by the EU

The directors anticipate that the adoption of these Standards and Interpretations in future period will have no material impact on the financial statements of the Group, when the relevant standards come into effect on or after 1 January 2007.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill on acquisition of subsidiaries is separately disclosed.

Goodwill is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Goodwill is allocated to cash generating units for the purpose of impairment testing. On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in subsidiary companies

Investments are stated at cost less any provision for impairment in the value of the investment.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue in the property management division comprises fees for residential and commercial property management which are usually charged on a per-unit basis, and other fees and income typically receivable by managing agents to whom freehold landlords or residents of blocks of flats have delegated their obligations under the terms of each lease.

Revenue in the professional services division comprises fees for chartered surveying services typically provided by chartered surveyors including building repair specifications and supervision structural surveys, valuations, dilapidation claims and acting as expert witnesses.

All revenues are recorded on an accruals basis. Revenue is recognised for services provided by the accounting date but not invoiced and deferred if services are invoiced but not fully provided by the accounting date. Revenue from ongoing property management is spread over the period in which the services are being provided.

Revenue from insurance commissions is recognised on the date the policy commences.

Revenues from ongoing professional services activities are recognised when they are earned.

Operating leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Taxation

The tax expense represents the sum of the tax currently payable and movement in deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates enacted or substantially enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Computer equipment	over 3 years
Plant and machinery	over 5 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Other intangible fixed assets

Intangible assets comprise acquired separable customer relationships. Intangible assets acquired in respect of business combinations are capitalised at fair value at the date of acquisition provided they are separable or arise from contractual or other legal rights and their fair value can be measured reliably.

Where the intangible assets are assessed to have finite lives, their fair values are amortised on a straight line basis over their contractual terms/average useful life of customer contracts or relationships.

The average useful life of customer contracts and customer relationships have been estimated by the directors to be 35 years.

Impairment of property, plant and equipment and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment

and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group has become a party to the contractual provisions of the instrument.

The Group classifies financial assets or liabilities depending on the purpose for which they were acquired and is determined by management at initial recognition and subsequently re-evaluated at each reporting date. The accounting policy for each financial asset or liability is as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments, that are readily convertible to a known amount of cash with three months or less remaining to maturity and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables do not carry any interest and are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

Financial liability and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade payables

Trade payables are not interest bearing and are stated at their amortised cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Share-based payments

The Group has applied the requirements of IFRS 2 Share-based Payments.

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

Fair value is measured by use of a Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generation unit and a suitable discount rate in order to calculate present value. Further details of impairment reviews are set out in note 11.

Share based payments

The charge for share based payments is calculated in accordance with the analysis described in note 25. The model requires highly subjective assumptions to be made including the future volatility of the Company's share price, expected dividend yield and risk-free interest rates. The directors draw upon a variety of external sources to aid in the determination of the appropriate data to use in such calculations.

EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

Earnings	4 months ended 31 March 2007 £
Earnings for the purposes of basic earnings per share (loss for the period attributable to equity holders of the parent)	(44,929)

Number of shares	4 months ended 31 March 2007 £
Weighted average number of ordinary shares for the purposes of basic earnings per share	5,919,824 <u><u> </u></u>

An additional 3,500,000 ordinary shares, representing 11.90% of the issued ordinary shares at the balance sheet date, were issued on 12 April 2007 for cash.