

**BOARDROOM LIMITED**  
(Registration No. 200003902Z)

**SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2008**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP					
	S\$'000		%	S\$'000		%
	2nd Qtr 1 Oct 2008 to 31 Dec 2008	2nd Qtr 1 Oct 2007 to 31 Dec 2007	Increase/ (Decrease)	Year to Date 1 Jul 2008 to 31 Dec 2008	Year to Date 1 Jul 2007 to 31 Dec 2007	Increase/ (Decrease)
Corporate Secretarial Fees	4,748	5,056	-6.1%	8,553	8,991	-4.9%
Share Registration Fees	1,107	1,358	-18.5%	2,347	2,499	-6.1%
Accountancy Fees	2,761	2,980	-7.3%	5,675	5,770	-1.6%
Others	212	327	-35.2%	488	688	-29.1%
<b>Total Revenue</b>	<b>8,828</b>	<b>9,721</b>	<b>-9.2%</b>	<b>17,063</b>	<b>17,948</b>	<b>-4.9%</b>
Other income	115	161	-28.6%	239	284	-15.8%
Staff Cost	(4,569)	(4,708)	-3.0%	(9,209)	(9,133)	0.8%
Operating Expenses	(1,509)	(1,195)	26.3%	(2,789)	(2,511)	11.1%
Depreciation and Amortisation	(206)	(180)	14.4%	(410)	(335)	22.4%
Impairment of Goodwill	(75)	(125)	-40.0%	(150)	(250)	-40.0%
Loss on Foreign Exchange	(15)	(29)	-48.3%	(12)	(124)	-90.3%
	2,569	3,645	-29.5%	4,732	5,879	-19.5%
Share of Associate's Result	290	175	65.7%	558	234	138.5%
Gain from Dilution of Associate	0	2	NM	0	94	NM
<b>Profit Before Tax</b>	<b>2,859</b>	<b>3,822</b>	<b>-25.2%</b>	<b>5,290</b>	<b>6,207</b>	<b>-14.8%</b>
Less: Income Tax	(463)	(738)	-37.3%	(925)	(1,391)	-33.5%
<b>Profit After Tax</b>	<b>2,396</b>	<b>3,084</b>	<b>-22.3%</b>	<b>4,365</b>	<b>4,816</b>	<b>-9.4%</b>

NM: Not Meaningful

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		31 DEC 2008	30 JUN 2008	31 DEC 2008	30 JUN 2008
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment		1,619	1,892	160	195
Computer Software		193	192	131	148
Interest in Subsidiaries		0	0	25,156	25,156
Interest in Associate		7,160	6,846	6,418	6,418
Intangible Assets	1	28,022	26,996	0	0
		<b>36,994</b>	<b>35,926</b>	<b>31,865</b>	<b>31,917</b>
<b>CURRENT ASSETS</b>					
Trade Receivables		6,732	8,452	0	0
Unbilled Disbursements		202	175	0	0
Other Receivables		1,233	1,180	1,921	873
Loans to Subsidiaries		0	0	6,428	6,407
Amount due from Subsidiaries (non-trade)		0	0	525	1,612
Cash & Cash Equivalents		18,775	19,155	15,751	14,278
		<b>26,942</b>	<b>28,962</b>	<b>24,625</b>	<b>23,170</b>
Less:					
<b>CURRENT LIABILITIES</b>					
Trade Payables		3,447	5,441	419	951
Disbursements Billed in Advance		25	0	0	0
Other Payables		326	338	16	0
Amount owing to Subsidiaries (non-trade)		0	0	6,260	3,190
Excess of Progress Billings over Work-In-Progress		1,549	1,888	0	0
Provision for Taxation		1,388	1,962	0	0
		<b>6,735</b>	<b>9,629</b>	<b>6,695</b>	<b>4,141</b>
Net Current Assets		20,207	19,333	17,930	19,029
Deferred Taxation		(119)	(116)	(47)	(47)
<b>NET ASSETS</b>		<b>57,082</b>	<b>55,143</b>	<b>49,748</b>	<b>50,899</b>
<b>FINANCED BY:</b>					
Share Capital		32,458	32,420	32,458	32,420
Reserves		24,624	22,723	17,290	18,479
<b>SHAREHOLDERS' INTEREST</b>		<b>57,082</b>	<b>55,143</b>	<b>49,748</b>	<b>50,899</b>

**Notes:**

- Intangible assets represent goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Hong Kong and Malaysian subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/12/2008		As at 30/06/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Amount repayable after one year**

As at 31/12/2008		As at 30/06/2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Details of any collateral**

NIL

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP			
	S\$'000			
	2nd Qtr 1 Oct 2008 to 31 Dec 2008	2nd Qtr 1 Oct 2007 to 31 Dec 2007	Year to Date 1 Jul 2008 to 31 Dec 2008	Year to Date 1 Jul 2007 to 31 Dec 2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	2,859	3,822	5,290	6,207
Adjustments for:				
- Depreciation of Property, Plant and Equipment	192	167	382	309
- Amortisation of Intangible Assets	14	13	28	26
- Impairment of Intangible Assets	75	125	150	250
- Exchange Difference	(4)	66	4	162
- Interest Income	(77)	(87)	(144)	(166)
- Share Based Payment	0	(5)	0	(5)
- Income derived from Associate Company	(290)	(175)	(558)	(234)
- Gain from Dilution of Associate	0	(2)	0	(94)
Operating Profit Before Working Capital Changes	2,769	3,924	5,152	6,455
Decrease in Operating Receivables	885	657	1,697	456
(Decrease) / Increase in Operating Payables	(861)	78	(2,014)	(290)
Decrease in Excess of Progress Billings over Work-In-Progress	(266)	(1,298)	(400)	(541)
Cash Generated from Operations	2,527	3,361	4,435	6,080
Payment of Income Tax	(1,346)	(2,266)	(1,429)	(2,419)
<b>Net Cash Generated from Operating Activities</b>	<b>1,181</b>	<b>1,095</b>	<b>3,006</b>	<b>3,661</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of Property, Plant and Equipment	(32)	(377)	(88)	(718)
Acquisition of Computer Software	0	0	(30)	(14)
Interest Received	61	72	99	145
<b>Net Cash Generated from / (Used in) Investing Activities</b>	<b>29</b>	<b>(305)</b>	<b>(19)</b>	<b>(587)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from Exercise of Employee Share Options	5	23	38	89
Dividends Paid	(3,496)	(3,304)	(3,496)	(3,304)
<b>Net Cash Used in Financing Activities</b>	<b>(3,491)</b>	<b>(3,281)</b>	<b>(3,458)</b>	<b>(3,215)</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(2,281)</b>	<b>(2,491)</b>	<b>(471)</b>	<b>(141)</b>
Cash and Cash Equivalents at beginning	21,053	17,926	19,155	15,665
Exchange Gain / (Loss) Arising from Translation of Foreign Currency Cash & Cash Equivalents	3	(116)	91	(205)
<b>CASH AND CASH EQUIVALENTS AT END (31 DECEMBER)</b>	<b>18,775</b>	<b>15,319</b>	<b>18,775</b>	<b>15,319</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

GROUP	Share Capital S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
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Balance at 1 July 2008	32,420	(3,726)	634	25,815	55,143
Issue of shares (under Boardroom Share Option Scheme)	33	-	-	-	33
Net Profit for the period	-	-	-	1,969	1,969
Share option expenses	-	-	0	-	0
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	1,180	-	-	1,180
Balance at 30 September 2008	32,453	(2,546)	634	27,784	58,325
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	5
Net Profit for the period	-	-	-	2,396	2,396
2008 final tax-exempt dividend of S\$0.019 per share	-	-	-	(3,496)	(3,496)
Share option expenses	-	-	0	-	0
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	(148)	-	-	(148)
Balance at 31 December 2008	32,458	(2,694)	634	26,684	57,082

Balance at 1 July 2007	32,223	(1,100)	639	20,854	52,616
Issue of shares (under Boardroom Share Option Scheme)	66	-	-	-	66
Net Profit for the period	-	-	-	1,732	1,732
Share option expenses	-	-	0	-	0
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	(482)	-	-	(482)
Balance at 30 September 2007	32,289	(1,582)	639	22,586	53,932
Issue of shares (under Boardroom Share Option Scheme)	23	-	-	-	23
Net Profit for the period	-	-	-	3,084	3,084
Adjustment of overseas subsidiaries' prior year retained earnings	-	-	-	21	21
2007 final tax-exempt dividend of S\$0.018 per share	-	-	-	(3,304)	(3,304)
Share option expenses	-	-	(5)	-	(5)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	(800)	-	-	(800)
Balance at 31 December 2007	32,312	(2,382)	634	22,387	52,951

COMPANY	Share Capital S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance at 1 July 2008</b>	32,420	0	634	17,845	50,899
Issue of shares (under Boardroom Share Option Scheme)	33	-	-	-	33
Net Profit for the period	-	-	-	2,206	2,206
Share option expenses	-	-	0	-	0
<b>Balance at 30 September 2008</b>	32,453	0	634	20,051	53,138
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	5
Net Profit for the period	-	-	-	101	101
2008 final tax-exempt dividend of S\$0.019 per share	-	-	-	(3,496)	(3,496)
Share option expenses	-	-	0	-	0
<b>Balance at 31 December 2008</b>	32,458	0	634	16,656	49,748

<b>Balance at 1 July 2007</b>	32,223	0	639	14,520	47,382
Issue of shares (under Boardroom Share Option Scheme)	66	-	-	-	66
Net Profit for the period	-	-	-	1,241	1,241
Share option expenses	-	-	0	-	0
<b>Balance at 30 September 2007</b>	32,289	0	639	15,761	48,689
Issue of shares (under Boardroom Share Option Scheme)	23	-	-	-	23
Net Profit for the period	-	-	-	(74)	(74)
2007 final tax-exempt dividend of S\$0.018 per share	-	-	-	(3,304)	(3,304)
Share option expenses	-	-	(5)	-	(5)
<b>Balance at 31 December 2007</b>	32,312	0	634	12,383	45,329

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the financial period, a total of 14,000 ordinary shares were allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. This gave rise to an increase in the Company's share capital from \$32,452,943.75 as at 30 September 2008 to \$32,457,913.75 as at 31 December 2008.

As at 31 December 2008, there were 838,000 (as at 31 December 2007: 1,282,000) unissued ordinary shares under exercisable options granted and unexercised under the Boardroom Share Option Scheme. There were no shares held as treasury shares as at 31 December 2008 and 31 December 2007.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 31 December 2008 was 183,947,250 and as at 31 December 2007 was 183,564,250.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Nil.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been audited nor reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Yes.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Nil.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	GROUP	
	31 DEC 2008	31 DEC 2007
Earnings per ordinary share for the period after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	2.37 cents	2.63 cents
(b) On a fully diluted basis	2.37 cents	2.62 cents

**Notes:**

- The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 183,903,748 (31 December 2007 – 183,443,499).
- The diluted earnings per share is calculated based on the profit after tax on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 184,173,828 (31 December 2007 – 183,859,582).

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-  
(a) current financial period reported on; and  
(b) immediately preceding financial year.**

	GROUP		COMPANY	
	31 DEC 2008	30 JUN 2008	31 DEC 2008	30 JUN 2008
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	31.03 cents	30.00 cents	27.04 cents	27.69 cents

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:  
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Revenue**

Group revenue for the 3 months ended 31 December 2008 (2Q09) fell 9.2% to \$8.8 million compared to the same period the year before (2Q08). Revenue for the six months ended 31 December 2008 (1H09) also declined 4.9% to \$17.1 million compared to \$17.9 million recorded for the six months ended 31 December 2007 (1H08).

Our revenue declined across all our business segments. The sharp economic slowdown especially in the 2Q09 had caused an unprecedented lower level of corporate activities particularly in the IPO market and loss of clients to countries offering lower cost of doing business.

**Staff Costs**

Staff costs decreased by 3.0% for 2Q09, but registered a slight increase of 0.8% for 1H09 compared to respective corresponding periods the previous year. Staff cost has been prudently contained in line with the current economic conditions.

**Other Income**

Other income for 2Q09 and 1H09 fell 28.6% and 15.8% respectively compared to 2Q08 and 1H08, due to lower interest rates received for our fixed deposits.

**Operating expenses**

Operating expenses increased 26.3% for 2Q09 compared to 2Q08, mainly due to increases in rental expenses in Hong Kong and Singapore, and a \$37,000 provision for doubtful debts in 2Q09, compared to a \$121,000 write-back in provision in 2Q08.

Nevertheless, for 1H09, the increase in operating expenses compared to 1H08 was lower at 11.1%, helped by lower professional charges as well as lower provision for bad and doubtful debts made in 1Q09 viz-a-viz 1Q08.



### Depreciation and Amortisation

Group's depreciation cost increased by 14.4% for 2Q09 and 22.4% for 1H09, mainly due to higher depreciation charges on office leasehold improvements resulting from the relocation of its offices.

### Loss on Foreign Exchange

The foreign exchange translation loss was due to the weakening of the Malaysian ringgit.

### Share of Associate's Result

The Group's share of associate's profit registered increases of 65.7% to \$290,000 for 2Q09, and 138.5% to \$558,000 for 1H09, due to improved performance of its Australia-based associate company, Newreg Pty Limited.

### Income Tax

Group income tax registered a decline of 37.3% for 2Q09 and 33.5% for 1H09 compared to the same periods in the previous year. The higher taxation incurred for the same period last year was the result of under-provision for income tax for the Group's Hong Kong subsidiary in its 2007 fiscal year.

### Profit after tax

In view of the above, the Group's profit after tax decreased by 22.3% and 9.4% for 2Q09 and 1H09 respectively, as compared to the corresponding periods in the previous year.

## 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

## 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The impact of the global financial crisis has caused a significant decline in the level corporate activity, particularly in the 2Q09. Current business sentiment remains weak and the global recession is expected to persist through the rest of the financial year. In line with this economic trend, the level of corporate activity initiated by our clients is thus expected to remain low, and the number of Initial Public Offerings (IPO) is also not expected to pick up.

Costs are not expected to fall significantly on the back of committed fixed overheads. Nevertheless, Management will remain vigilant in ensuring that overall expenses are contained or reduced where possible.

The Group remains cautious about its prospect for the rest of the financial year.

## 11. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent per ordinary share
Tax Rate	Tax-exempt one-tier

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.10 cent per ordinary share
Tax Rate	Tax-exempt one-tier

**(c) Date payable**

5 March 2009

**(d) Books closure date**

Notice is hereby given that the Register of Members and Register of Transfer Books of the Company will be closed on 24 February 2009 for the purpose of determining shareholders' entitlements to dividends.

Registrable Transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 3 Church Street, #08-01 Samsung Hub, Singapore 049483 up to 5.00pm on 23 February 2009 will be registered before entitlements to the dividend are determined.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. Confirmation By The Board Pursuant To Rule 705(4)**

We, Goh Geok Khim and Tan Cher Liang, being two directors of Boardroom Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the second quarter ended 31 December 2008 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Goh Geok Khim  
Chairman

Tan Cher Liang  
Managing Director

**BY ORDER OF THE BOARD**

**Tan Cher Liang**  
**Managing Director**  
6 February 2009