

BOARDROOM LIMITED

(Registration No. 200003902Z)

SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2009

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

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

STATEMENT OF COMPREHENSIVE INCOME

	GROUP					
	S\$'000		%	S\$'000		%
	2nd Qtr 1 Oct 2009 to 31 Dec 2009	2nd Qtr 1 Oct 2008 to 31 Dec 2008	Increase/ (Decrease)	Year to Date 1 Jul 2009 to 31 Dec 2009	Year to Date 1 Jul 2008 to 31 Dec 2008	Increase/ (Decrease)
Corporate Secretarial Fees	4,497	4,748	-5.3%	8,168	8,553	-4.5%
Share Registration Fees	1,570	1,107	41.8%	3,206	2,347	36.6%
Accountancy Fees	2,282	2,761	-17.3%	4,987	5,675	-12.1%
Others	173	212	-18.4%	373	488	-23.6%
Total Revenue	8,522	8,828	-3.5%	16,734	17,063	-1.9%
Other income	162	115	40.9%	259	239	8.4%
Staff Cost	(4,400)	(4,569)	-3.7%	(8,835)	(9,209)	-4.1%
Operating Expenses	(1,490)	(1,509)	-1.3%	(2,873)	(2,789)	3.0%
Depreciation and Amortisation	(199)	(206)	-3.4%	(400)	(410)	-2.4%
Impairment of Goodwill	0	(75)	-100.0%	(82)	(150)	-45.3%
Gain / (Loss) on Foreign Exchange	45	(15)	NM	(21)	(12)	75.0%
	2,640	2,569	2.8%	4,782	4,732	1.1%
Share of Associate's Result	515	290	77.6%	949	558	70.1%
Profit Before Tax	3,155	2,859	10.4%	5,731	5,290	8.3%
Less: Income Tax	(441)	(463)	-4.8%	(798)	(925)	-13.7%
Profit After Tax	2,714	2,396	13.3%	4,933	4,365	13.0%
Other Comprehensive Income						
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	(78)	(148)	-47.3%	(577)	1,032	NM
Total Comprehensive Income for the Period	2,636	2,248	17.3%	4,356	5,397	-19.3%

NM: Not Meaningful

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

STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		31 DEC 2009	30 JUN 2009	31 DEC 2009	30 JUN 2009
NON-CURRENT ASSETS					
Property, Plant & Equipment		937	1,281	78	114
Computer Software		182	200	100	114
Interest in Subsidiaries		0	0	25,156	25,156
Interest in Associate		8,617	7,535	6,418	6,418
Intangible Assets	1	27,363	28,116	0	0
		37,099	37,132	31,752	31,802
CURRENT ASSETS					
Trade Receivables		7,066	7,517	0	0
Unbilled Disbursements		68	77	0	0
Other Receivables		3,103	1,217	2,384	2,205
Loans to Subsidiaries		0	0	6,375	6,375
Amount due from Subsidiaries (non-trade)		0	0	1,281	1,080
Cash & Cash Equivalents		21,656	23,739	16,669	19,143
		31,893	32,550	26,709	28,803
Less:					
CURRENT LIABILITIES					
Trade Payables		3,812	4,800	420	971
Disbursements Billed in Advance		26	26	0	0
Other Payables		127	117	24	0
Amount owing to Subsidiaries (non-trade)		0	0	4,560	2,591
Excess of Progress Billings over Work-In-Progress		1,643	1,503	0	0
Provision for Taxation		1,132	1,765	49	0
		6,740	8,211	5,053	3,562
Net Current Assets		25,153	24,339	21,656	25,241
Deferred Taxation		(116)	(115)	(47)	(47)
NET ASSETS		62,136	61,356	53,361	56,996
FINANCED BY:					
Share Capital		32,567	32,458	32,567	32,458
Reserves		29,569	28,898	20,794	24,538
SHAREHOLDERS' INTEREST		62,136	61,356	53,361	56,996

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. The decrease in intangible assets due mainly to the foreign currency translation loss arising from the appreciation of the Singapore Dollar against the Hong Kong Dollar and Malaysian Ringgit.

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

As at 31/12/2009		As at 30/06/2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

Amount repayable after one year

As at 31/12/2009		As at 30/06/2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

Details of any collateral

NIL

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP			
	S\$'000			
	2nd Qtr 1 Oct 2009 to 31 Dec 2009	2nd Qtr 1 Oct 2008 to 31 Dec 2008	Year to Date 1 Jul 2009 to 31 Dec 2009	Year to Date 1 Jul 2008 to 31 Dec 2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit Before Tax	3,155	2,859	5,731	5,290
Adjustments for:				
- Depreciation of Property, Plant and Equipment	183	192	366	382
- Amortisation of Intangible Assets	16	14	34	28
- Impairment of Goodwill	0	75	82	150
- Exchange Difference	(39)	(4)	20	4
- Interest Income	(80)	(77)	(165)	(144)
- Income derived from Associate Company	(515)	(290)	(949)	(558)
Operating Profit Before Working Capital Changes	2,720	2,769	5,119	5,152
(Increase) / Decrease in Operating Receivables	(2,017)	885	(1,558)	1,697
Increase / (Decrease) in Operating Payables	399	(861)	(956)	(2,014)
(Decrease) / Increase in Excess of Progress Billings over Work-In-Progress	(62)	(266)	172	(400)
Cash Generated from Operations	1,040	2,527	2,777	4,435
Payment of Income Tax	(1,286)	(1,346)	(1,303)	(1,429)
Net Cash (Used in) / Generated from Operating Activities	(246)	1,181	1,474	3,006
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of Property, Plant and Equipment	(24)	(32)	(31)	(88)
Acquisition of Computer Software	0	0	(15)	(30)
Interest Received	83	61	123	99
Net Cash Generated from / (Used in) Investing Activities	59	29	77	(19)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from Exercise of Employee Share Options	56	5	109	38
Dividends Paid	(3,685)	(3,496)	(3,685)	(3,496)
Net Cash Used in Financing Activities	(3,629)	(3,491)	(3,576)	(3,458)
Net Decrease in Cash and Cash Equivalents	(3,816)	(2,281)	(2,025)	(471)
Cash and Cash Equivalents at beginning	25,464	21,053	23,739	19,155
Exchange Gain / (Loss) Arising from Translation of Foreign Currency Cash & Cash Equivalents	8	3	(58)	91
CASH AND CASH EQUIVALENTS AT END (31 DECEMBER)	21,656	18,775	21,656	18,775

- 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.

STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital S\$'000	Exchange Translation Reserve S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
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Balance at 1 July 2009	32,458	(2,150)	634	30,414	61,356
Total Comprehensive Income for the period	-	(499)	-	2,219	1,720
Issue of shares (under Boardroom Share Option Scheme)	53	-	-	-	53
Balance at 30 September 2009	32,511	(2,649)	634	32,633	63,129
Total Comprehensive Income for the period	-	(78)	-	2,714	2,636
Issue of shares (under Boardroom Share Option Scheme)	56	-	-	-	56
2009 final tax-exempt dividend of S\$0.020 per share	-	-	-	(3,685)	(3,685)
Balance at 31 December 2009	32,567	(2,727)	634	31,662	62,136

Balance at 1 July 2008	32,420	(3,726)	634	25,815	55,143
Total Comprehensive Income for the period	-	1,180	-	1,969	3,149
Issue of shares (under Boardroom Share Option Scheme)	33	-	-	-	33
Balance at 30 September 2008	32,453	(2,546)	634	27,784	58,325
Total Comprehensive Income for the period	-	(148)	-	2,396	2,248
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	5
2008 final tax-exempt dividend of S\$0.019 per share	-	-	-	(3,496)	(3,496)
Balance at 31 December 2008	32,458	(2,694)	634	26,684	57,082

COMPANY	Share Capital S\$'000	Exchange Translation Reserve S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
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Balance at 1 July 2009	32,458	0	634	23,904	56,996
Total Comprehensive Income for the period	-	-	-	104	104
Issue of shares (under Boardroom Share Option Scheme)	53	-	-	-	53
Balance at 30 September 2009	32,511	0	634	24,008	57,153
Total Comprehensive Income for the period	-	-	-	(163)	(163)
Issue of shares (under Boardroom Share Option Scheme)	56	-	-	-	56
2009 final tax-exempt dividend of S\$0.020 per share	-	-	-	(3,685)	(3,685)
Balance at 31 December 2009	32,567	0	634	20,160	53,361

Balance at 1 July 2008	32,420	0	634	17,845	50,899
Total Comprehensive Income for the period	-	-	-	2,206	2,206
Issue of shares (under Boardroom Share Option Scheme)	33	-	-	-	33
Balance at 30 September 2008	32,453	0	634	20,051	53,138
Total Comprehensive Income for the period	-	-	-	101	101
Issue of shares (under Boardroom Share Option Scheme)	5	-	-	-	5
2008 final tax-exempt dividend of S\$0.019 per share	-	-	-	(3,496)	(3,496)
Balance at 31 December 2008	32,458	0	634	16,656	49,748

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 139,000 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 \$32,510,728.75 as at 30 September 2009 to \$32,566,893.75 as at 31 December 2009.

As at 31 December 2009, there were 570,000 (as at 31 December 2008: 838,000) 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 2009 and 31 December 2008.

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 2009 was 184,215,250 and as at 30 June 2009 was 183,947,250.

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.**

Interpretations and amendments to published standards effective in 2009

On 1 July 2009, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from their effective dates. The following are the new or amended FRS and INT FRS that are relevant to the Group:-

		Effective Date
FRS 1 (Revised)	Presentation of Financial Statements - Revised Presentation	01.01.2009
FRS 2 (Revised)	Inventories	01.01.2009
FRS 7 (Amendment)	Cash Flow Statements	01.01.2009
FRS 8 (Revised)	Accounting Policies, Changes in Accounting Estimates and Errors	01.01.2009
FRS 16 (Revised)	Property, Plant and Equipment	01.01.2009
FRS 19 (Amendment)	Employee Benefits	01.01.2009
FRS 27 (Revised)	Consolidated and Separate Financial Statements	01.07.2009
FRS 33 (Revised)	Earnings per Share	01.01.2009
FRS 34 (Amendment)	Interim Financial Reporting	01.01.2009
FRS 36 (Revised)	Impairment of Assets	01.01.2009
FRS 38 (Revised)	Intangible Assets	01.01.2009
FRS 102 (Amendment)	Share-based Payment - Amendments relating to vesting conditions and cancellations	01.01.2009
FRS 103 (Revised)	Business Combinations	01.07.2009
Amendments to FRS 107	Amendments to FRS 107 Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments	01.01.2009
FRS 108	Operating Segments	01.01.2009

The adoption of the above new or amended FRS and INT FRS did not result in any substantial changes to the Group's accounting policies nor any significant impact on these financial statements except for the disclosure of a statement of comprehensive income in accordance with FRS 1 (Revised) Presentation to Financial Statements.

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 2009	31 DEC 2008
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	2.68 cents	2.37 cents
(b) On a fully diluted basis	2.68 cents	2.37 cents

Notes:

- The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 184,090,416 (31 December 2008 – 183,903,748).
- 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 184,307,026 (31 December 2008 – 184,173,828).

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 2009	30 JUN 2009	31 DEC 2009	30 JUN 2009
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	33.73 cents	33.36 cents	28.97 cents	30.99 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 2009 (2Q10) fell 3.5% to \$8.5 million compared to the same period the year before (2Q09). Revenue for the six months ended 31 December 2009 (1H10) also declined 1.9% to \$16.7 million compared to \$17.1 million recorded for the six months ended 31 December 2008 (1H09).

On the back of increased corporate and initial public offering (IPO) activities, the Share Registration business registered revenue improvement of 41.8% and 36.6% for 2Q10 and 1H10 respectively, compared to previous corresponding periods. However this increase was eroded by a decline in our Corporate Secretarial and Accounting businesses. Revenue from these businesses was affected by continued pricing pressure in a difficult and competitive business environment. Revenue from the Corporate Secretarial business fell 5.3% for 2Q10 and 4.5% for 1H10, while that from the Accounting business recorded year-on-year decline of 17.3% and 12.1% for 2Q10 and 1H10 respectively.

Staff Costs

Staff costs decreased by 3.7% for 2Q10 and 4.1% for 1H10 compared to the previous corresponding periods. This decrease was substantially due to the Singapore Government's subsidies in relation to the Jobs Credit scheme. Staff cost was also prudently contained in line with the current economic condition.

Other Income

Other income for 2Q10 and 1H10 increased 40.9% and 8.4% respectively compared to 2Q09 and 1H09, mainly due to an increase in interest income.

Operating Expenses

Operating expenses decreased marginally for 2Q10 compared to 2Q09, mainly due to decreases in rental expense resulting from Singapore Government's property tax rebate.

For 1H10, the year-on-year increase in operating expenses 3.0%, as the above-mentioned property tax rebate was offset by a \$88,000 provision for doubtful debts compared to a write back of provision of \$39,000 in 1H09.

Share of Associate's Result

The Group's share of associate's profit registered increases of 77.6% to \$515,000 for 2Q10, and 70.1% to \$949,000 for 1H10, due to improved performance of its Australia-based associate company, Newreg Pty Limited.

Income Tax

Group income tax decreased by 4.8% for 2Q10 and 13.7% for 1H10 compared to the same periods in the previous year. This was mainly due to a write back on over-provision in prior years.

Profit after tax

In view of the above, the Group's profit after tax increased by 13.3% and 13.0% for 2Q10 and 1H10 respectively, as compared to the previous corresponding periods.

Other Comprehensive Income

The other comprehensive loss for 2Q10 and 1H10 was mainly due to exchange translation difference arising from the financial statements of its Hong Kong and Malaysia subsidiaries resulted from the strengthening of the Singapore dollar against the Hong Kong dollar and Malaysian Ringgit.

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.

Amidst signs of a modest economic recovery in Singapore and the region, the economic and business outlook remains challenging. Cost-control measures initiated by corporations, along with keen market competition, are expected to exert pressure on overall pricing. With the cost of doing business not expected to fall significantly, gross margins are likely to be negatively affected.

In mitigation, the Group continues to seek new ways of adding value to its clients and be more efficient and productive in its service delivery. Along with this, Management will also remain vigilant in ensuring that overall expenses are contained or reduced where possible.

As disclosed in our announcement dated 22 December 2009, Boardroom Limited has entered into a Share Sale Agreement with Link Market Services Limited to dispose of its entire 33.33 per cent stake in Newreg Pty Ltd for approximately A\$14.4 million (or about S\$18 million). This is subject to Link Market Services receiving written advice from the Australian Competition and Consumer Commission ("the ACCC") stating or to the effect that it has no objection to, or does not propose to take any action in respect of the proposed acquisition. As further disclosed in our announcement dated 4 February 2010, the ACCC will render a final decision by 12 March 2010.

The Group expects to turn in another profitable year for FY10.

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)	1.00 cent per ordinary share
Tax Rate	Tax-exempt one-tier

(c) Date payable

10 March 2010

(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 26 February 2010 for the preparation of dividend warrants.

Registrable Transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00pm on 25 February 2010 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(5)

We, Goh Geok Khim and Kim Teo Poh Jin, 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 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Goh Geok Khim
Chairman

Kim Teo Poh Jin
Chief Executive Officer

BY ORDER OF THE BOARD

Tan Cher Liang
Managing Director
8 February 2010