

BOARDROOM LIMITED

(Registration No. 200003902Z)

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2010**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		%
	1st Qtr 1 Jul 2010 to 30 Sep 2010	1st Qtr 1 Jul 2009 to 30 Sep 2009	Increase/ (Decrease)
Corporate Secretarial Fees	3,549	3,671	-3.3%
Share Registration Fees	4,468	1,636	173.1%
Accountancy Fees	2,704	2,705	0.0%
Others	229	200	14.5%
Total Revenue	10,950	8,212	33.3%
Other income	69	97	-28.9%
Gain on re-measurement of investment in associate to fair value	11,038	0	NM
Staff Cost	(6,060)	(4,435)	36.6%
Operating Expenses	(3,111)	(1,383)	124.9%
Depreciation and Amortisation	(300)	(201)	49.3%
Impairment of Goodwill	0	(82)	NM
Gain / (Loss) on Foreign Exchange	35	(66)	-153.0%
	12,621	2,142	489.2%
Share of Associate's Result	90	434	-79.3%
Profit Before Tax	12,711	2,576	393.4%
Less: Income Tax	(574)	(357)	60.8%
Profit After Tax	12,137	2,219	447.0%
Other Comprehensive Income			
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	498	(499)	-199.8%
Total Comprehensive Income for the Period	12,635	1,720	634.6%
PROFIT AFTER TAX ATTRIBUTABLE TO:			
Owners of the Parent	11,827	2,219	433.0%
Non-Controlling Interests	310	0	NM
Profit After Tax	12,137	2,219	447.0%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Parent	11,741	1,720	582.6%
Non-Controlling Interests	894	0	NM
Total Comprehensive Income for the Period	12,635	1,720	634.6%

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	
		30 SEP 2010	30 JUN 2010	30 SEP 2010	30 JUN 2010
NON-CURRENT ASSETS					
Property, Plant & Equipment		3,666	2,251	562	510
Computer Software		276	215	152	133
Interest in Subsidiaries		0	0	63,203	25,156
Interest in Associate		0	8,050	0	6,418
Intangible Assets	1	74,679	27,522	0	0
Deferred Income Tax Assets		371	0	0	0
Staff Loans		2	4	2	4
		78,994	38,042	63,919	32,221
CURRENT ASSETS					
Trade Receivables		10,057	7,499	0	0
Unbilled Disbursements		102	76	0	0
Other Receivables		2,035	2,115	1,312	1,350
Loans to Subsidiaries		0	0	7,660	5,731
Amount due from Subsidiaries (non-trade)		0	0	3,079	2,679
Cash & Cash Equivalents		5,140	24,685	513	22,045
		17,334	34,375	12,564	31,805
Less:					
CURRENT LIABILITIES					
Trade Payables		4,889	4,880	350	879
Disbursements Billed in Advance		84	49	0	0
Other Payables		1,524	115	0	0
Amount owing to Subsidiaries (non-trade)		0	0	2,601	2,745
Excess of Progress Billings over Work-In-Progress		1,921	1,484	0	0
Provision for Taxation		3,031	1,281	42	0
		11,449	7,809	2,993	3,624
Net Current Assets		5,885	26,566	9,571	28,181
Provisions for Employees Benefits		(166)	0	0	0
Deferred Taxation		(113)	(113)	(47)	(47)
NET ASSETS		84,600	64,495	73,443	60,355
FINANCED BY:					
Equity attributable to owners of the parent					
Share Capital		32,577	32,577	32,577	32,577
Reserves		43,677	31,918	40,866	27,778
		76,254	64,495	73,443	60,355
Non-Controlling Interests		8,346	0	0	0
TOTAL EQUITY		84,600	64,495	73,443	60,355

Notes:

- Intangible assets represent goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Chorpee Corporate Services Pte Ltd, Hong Kong, Malaysian, Australian and China subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.
The increase in intangible assets is due mainly to the acquisition of Chorpee Corporate Services Pte Ltd, Australian and China subsidiaries in the 3 months ended 30 September 2010.

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

As at 30/09/2010		As at 30/06/2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

Amount repayable after one year

As at 30/09/2010		As at 30/06/2010	
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	
	1st Qtr 1 Jul 2010 to 30 Sep 2010	1st Qtr 1 Jul 2009 to 30 Sep 2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	12,711	2,576
Adjustments for:		
- Depreciation of Property, Plant and Equipment	278	183
- Amortisation of Intangible Assets	22	18
- Impairment of Goodwill	0	82
- Exchange Difference	(50)	59
- Interest Income	(32)	(85)
- Share Based Payment	27	0
- Gain on re-measurement of investment in associate to fair value	(11,038)	0
- Income derived from Associate Company	(90)	(434)
Operating Profit Before Working Capital Changes	1,828	2,399
Decrease in Operating Receivables	379	459
Increase / (Decrease) in Operating Payables	365	(1,355)
Increase in Excess of Progress Billings over Work-In-Progress	492	234
Cash Generated from Operations	3,064	1,737
Payment of Income Tax	(78)	(17)
Net Cash Generated from Operating Activities	2,986	1,720
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(1,071)	(7)
Acquisition of Computer Software	(83)	(15)
Acquisition of Subsidiaries (note A)	(21,373)	0
Interest Received	58	40
Net Cash (Used in) / Generated from Investing Activities	(22,469)	18
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Exercise of Employee Share Options	0	53
Net Cash Generated from / (Used in) Financing Activities	0	53
Net (Decrease) / Increase in Cash and Cash Equivalents	(19,483)	1,791
Cash and Cash Equivalents at beginning	24,685	23,739
Exchange Loss Arising from Translation of Foreign Currency Cash & Cash Equivalents	(62)	(66)
CASH AND CASH EQUIVALENTS AT END (30 SEPTEMBER)	5,140	25,464

Note A:**Acquisition of Subsidiaries**

The Group acquired certain subsidiaries. The fair value of the identifiable assets acquired and liabilities assumed of the subsidiaries as at acquisition date were as follows:-

	Fair Value Recognised on Acquisition S\$'000
Property, plant and equipment	602
Trade receivables	2,452
Other receivables	483
Deferred income tax assets	354
Cash and cash equivalents	(870)
Goodwill	21,650
	24,671
Trade payables	(825)
Other payables	(1,943)
Excess of progress billings over work-in-progress	(14)
Provisions - Non current employee benefits	(150)
Provision for taxation	(1,211)
	(4,143)
Total identifiable net assets at fair value	20,528
Non-controlling interest measured at the non-controlling interest's proportionate share of net identifiable assets	(6,663)
Goodwill arising from acquisition	24,631
	38,496
<u>CONSIDERATION TRANSFERRED FOR THE ACQUISITION</u>	
Cash paid	20,503
Fair value of equity interest held by the Group immediately before acquisition	17,993
	38,496
<u>EFFECT OF THE ACQUISITION ON CASH FLOWS</u>	
Consideration settled in cash	20,503
Cash and cash equivalents acquired	870
CASH OUTFLOW ON ACQUISITIONS	21,373

- 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	Attributable to Owners of the Parent					Non-Controlling Interests S\$'000	Total S\$'000
	Share Capital S\$'000	Exchange Translation Reserve S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000			
Balance at 1 July 2010	32,577	(2,898)	634	34,182	0	64,495	
Total Comprehensive Income for the period	-	(86)	-	11,827	894	12,635	
Acquisition of subsidiaries	-	-	18	0	7,452	7,470	
Balance at 30 September 2010	32,577	(2,984)	652	46,009	8,346	84,600	
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	0	63,129	

COMPANY	Share Capital S\$'000	Exchange Translation Reserve S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
	Balance at 1 July 2010	32,577	0	634	27,144
Total Comprehensive Income for the period	-	-	-	13,088	13,088
Balance at 30 September 2010	32,577	0	634	40,232	73,443
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

- 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, no ordinary share was allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. The Company's share capital as at 30 September 2010 and 30 June 2010 was \$32,576,633.75.

As at 30 September 2010, there were 542,000 (as at 30 September 2009: 709,000) 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 30 September 2010 and 30 September 2009.

- 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 30 September 2010 and 30 June 2010 was 184,243,250.

- 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 2010, 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
Amendments to FRS 1	Presentation of Financial Statements	01.01.2010
Amendments to FRS 7	Statement of Cash Flows	01.01.2010
Amendments to FRS 17	Leases	01.01.2010
Amendments to FRS 36	Impairment of Assets	01.01.2010
FRS 39	Financial Instruments: Recognition and Measurement	01.01.2010
Amendments to FRS 105	Non-current Assets Held for Sale and Discontinued Operations	01.01.2010
Amendments to FRS 108	Operating Segments	01.01.2010
FRS 102	Share-based Payment - Company Cash-settled Share-based Payment Transactions	01.01.2010
FRS 32	Amendment to Financial Instruments: Presentation – Amendment relating to Classification of Right Issues	01.02.2010
FRS 24	Related Party Disclosures (Revised)	01.01.2011
INT FRS 114 - FRS 19	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - Amendments relating to Prepayments of a Minimum Funding Requirements	01.01.2011
INT FRS 119	Extinguishing Financial Liabilities with Equity Instruments	01.07.2010

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 revised FRS 24 Related Party Disclosures.

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	
	30 SEP 2010	30 SEP 2009
Earnings per ordinary share for the period attributable to owners of the parent after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	6.42 cents	1.21 cents
(b) On a fully diluted basis	6.41 cents	1.20 cents

Notes:

- The earnings per share is calculated based on the profit after tax attributable to owners of the parent on the weighted average number of shares in issue of 184,243,250 (30 September 2009 – 183,968,750).
- The diluted earnings per share is calculated based on the profit after tax attributable to owners of the parent on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 184,432,237 (30 June 2009 – 184,192,055).

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	
	30 SEP 2010	30 JUN 2010	30 SEP 2010	30 JUN 2010
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	41.70 cents	35.01 cents	39.86 cents	32.76 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

Revenue for the three months ended 30 September 2010 ("1Q11") rose 33.3% to \$11.0 million compared to the same period a year ago ("1Q10").

Revenue from the Share Registration business for 1Q11 increased by 173.1% to \$4.5 million, due mainly to revenue contribution from the newly acquired Australian subsidiary, Newreg Pty Ltd, from 1 August 2010. This comes following the completion of the acquisition of an additional 33.33% equity stake in the Australian subsidiary on 28 July 2010, where Newreg Pty Ltd subsequently became a 66.67% owned subsidiary of the Company.

Revenue from Corporate Secretarial, Accounting and other businesses recorded a comparable revenue for 1Q11.

Other Income

The Group's other income, which consisted of mainly interest income and sundry income decreased by \$28,000 or 28.9% for this quarter compared to 1Q10. This was mainly due to a decline in interest income.

Gain on Re-measurement of Investment in Associate to Fair Value

The one-off gain of \$11.0 million was recognized as a result of having re-measured to fair value the original 33.33% equity interest in Newreg Pty Ltd, before combining the additional 33.33% stake in Newreg.

Staff Cost

Staff cost rose 36.6% in 1Q11. This was due to the inclusion of staff cost for the newly acquired Australian and China subsidiaries, an increase in headcount in existing offices in Singapore, Malaysia and Hong Kong, as well as the cessation of payroll subsidies from the Job Credit Scheme in Singapore.

Operating Expenses

Operating expenses increased 124.9% for 1Q11 due mainly to the inclusion of operating cost and non-recurring expenses of the newly acquired subsidiaries in Australia and China, and a group wide re-branding exercise.

Depreciation and Amortisation

The Group's depreciation cost increased 49.3% to \$300,000 due to the inclusion of expenses of the newly acquired Australian and China subsidiaries, as well as the higher depreciation charge on office leasehold improvements resulting from the relocation of some of the Group's offices.

Foreign Exchange

The Group registered a gain on foreign exchange for 1Q11, as a result of the appreciation of Australian dollar against the Singapore dollar.

Associate Company

The reduction in the share of associate's profit was due to Newreg Pty Ltd, which became a subsidiary with effect from 28 July 2010.

Income Tax

Income tax rose by 60.8% in 1Q11, due mainly to the inclusion of taxes from the newly acquired Australian and China subsidiaries.

Profit after tax

In view of the above, the profit after tax increased 447.0% to \$12.1 million in 1Q11, compared to \$2.2 million in 1Q10.

Other Comprehensive Income

The other comprehensive gain for 1Q11 was due mainly to a translation gain in relation to Newreg's accounts, as a result of the strengthening of the Australian dollar against the Singapore dollar.

Assets and Liabilities of the Group

The increase in the assets and liabilities of the Group was due to the inclusion of assets and liabilities of the newly acquired subsidiaries

Intangible Assets of the Group

The increase in intangible assets was due to the acquisition of subsidiaries in excess of the consideration over the fair value of the net assets.

Cash & Cash Equivalents of the Group

The decrease in cash & cash equivalents was due to the cash consideration paid for the acquisitions of subsidiaries in 1Q11.

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 Company has, on 29 October 2010, obtained the shareholders' approval to purchase an additional 33.33% in Newreg Pty Ltd. Upon completion of the acquisition, Newreg will become a wholly-owned subsidiary, and is expected to continue to contribute positively in the current financial year and beyond. Two smaller companies which were acquired by the Group in 1Q11 - namely ChorPee Corporate Services Pte Ltd in Singapore and LSC Holdings Pte Ltd in China – are also expected to contribute positively going forward.

Staff and operating costs are expected to increase as a result of the consolidation of the acquisitions and the inflationary environment. Nevertheless, the Group will continue to strive for optimal utilization of its human resources and explore ways to improve its productivity together with the synergies of its expanded regional network.

Barring any unforeseen circumstances, the Group expects FY2011 to be a profitable year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the current financial period.

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 first quarter ended 30 September 2010 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
4 November 2010