

BOARDROOM LIMITED

(Registration No. 200003902Z)

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

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

- 1(a) An income statement and statement of comprehensive income or 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 2011 to 30 Sep 2011	1st Qtr 1 Jul 2010 to 30 Sep 2010	Increase/ (Decrease)
Corporate Secretarial Fees	4,068	3,549	14.6%
Share Registration Fees	5,881	4,468	31.6%
Accountancy Fees	3,083	2,704	14.0%
Others	123	229	-46.3%
Total Revenue	13,155	10,950	20.1%
Other income	60	69	-13.0%
Gain on re-measurement of investment in associate to fair value	0	11,038	NM
Staff Cost	(7,688)	(6,060)	26.9%
Operating Expenses	(2,648)	(3,111)	-14.9%
Interest on Borrowings	(98)	0	NM
Depreciation and Amortisation	(347)	(300)	15.7%
(Loss) / Gain on Foreign Exchange	(230)	35	NM
	2,204	12,621	-82.5%
Share of Associate's Result	0	90	NM
Profit Before Tax	2,204	12,711	-82.7%
Less: Income Tax	(653)	(574)	13.8%
Profit After Tax	1,551	12,137	-87.2%
Other Comprehensive Income			
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	(1,215)	498	NM
Total Comprehensive Income for the Period	336	12,635	-97.3%
PROFIT AFTER TAX ATTRIBUTABLE TO:			
Owners of the Parent	1,683	11,827	-85.8%
Non-Controlling Interests	(132)	310	NM
Profit After Tax	1,551	12,137	-87.2%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Parent	469	11,741	-96.0%
Non-Controlling Interests	(133)	894	NM
Total Comprehensive Income for the Period	336	12,635	-97.3%

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	
		30 SEP 2011	30 JUN 2011	30 SEP 2011	30 JUN 2011
NON-CURRENT ASSETS					
Property, Plant & Equipment		3,256	3,310	506	524
Computer Software		280	269	184	136
Interest in Subsidiaries		0	0	86,803	81,925
Intangible Assets	1	76,397	74,613	0	0
Deferred Income Tax Assets		422	501	0	0
		80,355	78,693	87,493	82,585
CURRENT ASSETS					
Trade Receivables		9,931	10,746	0	0
Unbilled Disbursements		86	148	0	0
Other Receivables		2,113	1,859	3,088	921
Loans to Subsidiaries		0	0	2,112	5,068
Amount due from Subsidiaries (non-trade)		0	0	3,070	4,539
Cash & Cash Equivalents		5,685	7,669	1,057	1,294
		17,815	20,422	9,327	11,822
Less:					
CURRENT LIABILITIES					
Trade Payables		6,493	7,643	364	1,001
Disbursements Billed in Advance		51	0	0	0
Term Loan - Current Portion		3,000	3,000	3,000	3,000
Revolving Credit Facility		4,500	4,500	4,500	4,500
Other Payables		932	1,090	4	0
Amount owing to Subsidiaries (non-trade)		0	0	7,941	5,021
Derivative Liabilities		159	0	159	0
Excess of Progress Billings over Work-In-Progress		1,942	1,547	0	0
Provision for Taxation		1,330	1,336	317	219
		18,407	19,116	16,285	13,741
Net Current Assets / (Liabilities)		(592)	1,306	(6,958)	(1,919)
Term Loan		(9,500)	(10,250)	(9,500)	(10,250)
Provision for Employees Benefits		(293)	(1,292)	0	0
Other Payables		(1,582)	0	0	0
Deferred Taxation		(557)	(582)	(400)	(400)
NET ASSETS		67,831	67,875	70,635	70,016
FINANCED BY:					
Equity attributable to owners of the parent					
Share Capital		32,579	32,579	32,579	32,579
Reserves		35,288	35,199	38,056	37,437
		67,867	67,778	70,635	70,016
Non-Controlling Interests		(36)	97	0	0
TOTAL EQUITY		67,831	67,875	70,635	70,016

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.

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

As at 30/09/2011		As at 30/06/2011	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	7,500	NIL	7,500

Amount repayable after one year

As at 30/09/2011		As at 30/06/2011	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	9,500	NIL	10,250

Details of any collateral

NIL

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	S\$'000	
	1st Qtr 1 Jul 2011 to 30 Sep 2011	1st Qtr 1 Jul 2010 to 30 Sep 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	2,204	12,711
Adjustments for:		
- Depreciation of Property, Plant and Equipment	315	278
- Amortisation of Intangible Assets	32	22
- Exchange Difference	199	(50)
- Interest Income	(4)	(32)
- Interest On Borrowings	98	0
- Share Based Payment	(373)	27
- Gain on Re-measurement of Investment in Associate to Fair Value	0	(11,038)
- Income Derived from Associate Company	0	(90)
Operating Profit Before Working Capital Changes	2,471	1,828
Decrease in Operating Receivables	771	379
(Decrease) / Increase in Operating Payables	(2,466)	365
Increase in Excess of Progress Billings over Work-In-Progress	343	492
Cash Generated from Operations	1,119	3,064
Interest Paid	(72)	0
Payment of Income Tax	(696)	(78)
Net Cash Generated from Operating Activities	351	2,986
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(140)	(1,071)
Acquisition of Computer Software	(65)	(83)
Acquisition of Subsidiaries (note A)	(1,311)	(21,373)
Interest Received	4	58
Net Cash Used in Investing Activities	(1,512)	(22,469)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(750)	0
Net Cash Used in Financing Activities	(750)	0
Net Decrease in Cash and Cash Equivalents	(1,911)	(19,483)
Cash and Cash Equivalents at beginning	7,669	24,685
Exchange Loss Arising from Translation of Foreign Currency Cash & Cash Equivalents	(73)	(62)
CASH AND CASH EQUIVALENTS AT END (30 SEPTEMBER)	5,685	5,140

Note A:**Acquisition of Subsidiary**

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

	Fair Value Recognised on Acquisition S\$'000
Property, plant and equipment	78
Trade receivables	143
Cash and cash equivalents	271
	492
Trade payables	(127)
Other payables	(52)
Provisions - Non current employee benefits	(72)
Deferred taxation	(56)
Provision for taxation	(26)
	(333)
Total identifiable net assets at fair value	159
Goodwill arising from acquisition	3,005
	3,164
<u>CONSIDERATION TRANSFERRED FOR THE ACQUISITION</u>	
Cash paid	1,582
Contingent consideration recognised at acquisition date	1,582
Total consideration transferred	3,164
<u>EFFECT OF THE ACQUISITION ON CASH FLOWS</u>	
Total consideration for subsidiary acquired	3,164
Less: Non-cash consideration	(1,582)
Consideration settled in cash	1,582
Less: Cash and cash equivalents acquired	(271)
CASH OUTFLOW ON ACQUISITIONS	1,311

- 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						Total
	Share Capital	Exchange Translation Reserve	Premium paid on acquisition of Non-Controlling Interests	Capital Reserve	Retained Earnings	Non-Controlling Interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

Balance at 1 July 2011	32,579	(2,355)	(11,133)	(99)	48,786	97	67,875
Total Comprehensive Income for the period	-	(1,214)	-	-	1,683	(133)	336
Share option expenses	-	(33)	-	(347)	-	-	(380)
Balance at 30 September 2011	32,579	(3,602)	(11,133)	(446)	50,469	(36)	67,831

Balance at 1 July 2010	32,577	(2,898)	0	634	34,182	0	64,495
Total Comprehensive Income for the period	-	(86)	-	-	11,827	894	12,635
Acquisition of subsidiaries	-	-	-	18	-	7,452	7,470
Balance at 30 September 2010	32,577	(2,984)	0	652	46,009	8,346	84,600

COMPANY	Share Capital	Exchange Translation Reserve	Premium paid on acquisition of Non-Controlling Interests	Capital Reserve	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

Balance at 1 July 2011	32,579	0	0	634	36,803	70,016
Total Comprehensive Income for the period	-	-	-	-	619	619
Balance at 30 September 2011	32,579	0	0	634	37,422	70,635

Balance at 1 July 2010	32,458	0	0	634	23,904	56,996
Total Comprehensive Income for the period	-	-	-	-	29	29
Balance at 30 September 2010	32,458	0	0	634	23,933	57,025

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 2011 and 30 June 2011 was \$32,578,408.75.

As at 30 September 2011, there were 496,000 (as at 30 September 2010: 542,000) 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 2011 and 30 September 2010.

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 2011 and 30 June 2011 was 184,248,250.

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 FY2012

On 1 July 2011, 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 for annual periods beginning on or after
FRS 24	Related Party Disclosures (Revised)	01.01.2011
Amendments to FRS 107	Disclosures - Transfers of Financial Assets	01.07.2011

The adoption of the above new or amended 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 2011	30 SEP 2010
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	0.91 cents	6.42 cents
(b) On a fully diluted basis	0.91 cents	6.41 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 184,248,250 (30 September 2010 – 184,243,250).
- 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 184,425,570 (30 September 2010 – 184,432,237).

**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 2011	30 JUN 2011	30 SEP 2011	30 JUN 2011
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the period reported on	36.83 cents	36.79 cents	38.34 cents	38.00 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 2011 ("1Q12") rose 20.1% to \$13.2 million from \$11.0 million compared to the same period a year ago ("1Q11").

Revenue from Share Registration business for 1Q12 increased by 31.6% to \$5.9 million, due mainly to revenue contribution from the acquired subsidiary, Newreg Pty Ltd ("Newreg"), from 1 August 2010.

Revenue from Corporate Secretarial and Accounting also recorded an increase of 14.6% and 14.0% respectively, due mainly to revenue contribution from the acquired subsidiaries, Boardroom China Holdings Pte Ltd and Chorpee Corporate Services Pte Ltd, and increased client base.

Revenue from other business decreased by 46.3% was due to the winding down of the investor relations and corporate communications consultancy business and it ceased on 30 September 2011.

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

The one-off gain of \$11.0 million for 1Q11 was recognized as the result of having to re-measure to fair value of the original 33.33% equity interest in Newreg Pty Ltd, before combining the additional 66.67% stake in Newreg.

Staff Cost

Staff cost increased by 26.9% to \$7.7 million from \$6.1 million compared to the same period a year ago. The higher cost in 1Q12 was mainly due to the inclusion of staff cost for the acquired subsidiaries and an increase in headcount in existing offices.

Operating Expenses

Operating expenses dropped by 14.9% for 1Q12 due mainly to the absence of one-off expenses incurred on the acquisition of subsidiaries and the group wide re-branding exercise in 1Q11 amounted to \$502,000.

Depreciation and Amortization

Depreciation and Amortization for 1Q12 increased by 15.7% was mainly due to inclusion of such expenses of the acquired subsidiaries.

Foreign Exchange

The Group registered a loss on foreign exchange in 1Q12, as a result of the appreciation of Singapore dollar against the Australian dollar on an amount owed by our Australian subsidiary and the mark to market unrealized loss of an Australian dollar forward contract amounted to S\$158,500.

Associate Company

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

Profit Before Tax

1Q11 profit before tax included a non-cash one-time gain of \$11.0 million on the re-measurement of investment in our Australian associate to fair value. Excluding this item, 1Q11 profit before tax would have been \$1.7 million. The Group's \$2.2 million profit before tax for 1Q12 therefore represents a 31.7% improvement over this figure.

Income Tax

Income tax for 1Q12 increased by 13.8% was in line with the higher profit in 1Q12 after excluding the one-off non-taxable gain of \$11.0 million in 1Q11.

Profit After Tax

1Q11 profit after tax included a non-cash one-time gain of \$11.0 million. Excluding this item, 1Q11 profit after tax would have been \$1.1 million. The Group's \$1.6 million profit after tax for 1Q12 therefore represents a 41.1% improvement over this figure.

The profit after tax attributable to the shareholders of the Company decreased 85.8% to \$1.7 million in 1Q12, compared to \$11.8 million in 1Q11. Excluding the one-gain of \$11.0 million, the profit after tax attributable to the shareholders of the Company for 1Q12 would have increased by 113.3%, compared to 1Q11.

Other Comprehensive Income

The other comprehensive loss for 1Q12 of \$1.2 million was due to foreign currency translation loss in the financial accounts of our Australian subsidiary resulted from the strengthening of Singapore dollar against the Australian dollar offset by translation gain in the financial accounts of our Hong Kong subsidiary due to the appreciation of Hong Kong dollar against the Singapore dollar.

Interest in Subsidiaries of the Company

The increase in the interest in subsidiaries of the Company was due to capitalization of a loan to our Malaysian subsidiary.

Intangible Assets of the Group

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

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

As disclosed in the Full Year 2011 Financial Results announcement dated 5 August 2011, the Group expected FY2012 to be a profit year, the Group's performance for the 1st Quarter 2012 was in line with the statement (Paragraph 10) of the Company's announcement dated 5 August 2011.

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.

Going forward, the Group expects the uncertainties in global economic conditions and the highly competitive environment will place our revenue under pressure. Staff and operating costs are expected to increase.

Nevertheless, the Group expects FY2012 to be a profitable year. To achieve this, the Group will take advantage of its expanded regional network to increase its business activities and clients and at the same time, it will continue to strive for optimal utilization of its human resources and explore ways to improve productivity.

The volatility in the foreign currency rates will continue to have an impact on the Group's business.

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/recommendeded, a statement to that effect.

No dividend has been declared for the current financial period.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have an interested person transaction mandate. There were interested person transactions during the financial period under review but these were less than S\$100,000 in aggregate.

14. Negative Confirmation By The Board Pursuant To Rule 705(5).

We, Kim Teo Poh Jin 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 first quarter ended 30 September 2011 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kim Teo Poh Jin
Chief Executive Officer

Tan Cher Liang
Managing Director

BY ORDER OF THE BOARD

Tan Cher Liang
Managing Director
2 November 2011