

LOMBARD[®]

Group Limited

27 November 2008

New Zealand Stock Exchange
Level 2, NZX Centre
11 Cable Street
Wellington

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Half Year Preliminary Announcement

The Lombard Group achieved a consolidated pre-tax operating loss of \$406,000 for the six month period from 1 April 2008 to 30 September 2008. This result compared to the pre-tax operating profit of \$4,633,000 million for the previous corresponding half year.

Given the current challenging climate the Directors of Lombard Group have taken a prudent approach and have written down the value of the Groups main trading subsidiary, United Home Mortgages, by \$339,000 from \$1,425,000 to \$1,086,000.

This write-down is a non cash charge. After allowing for the write-down of goodwill, a write-back for overstating the impairment losses last year and tax the reported result for the period is a loss of \$439,000.

RECEIVERSHIP OF LOMBARD FINANCE & INVESTMENTS LIMITED AND ITS SUBSIDIARIES

On the 10th April 2008, Lombard Finance & Investments Limited and its subsidiaries were put into receivership by the Trustee, Perpetual Trust. As at 30 September 2008, Lombard Group Limited no longer has control over Lombard Finance & Investments Limited (and its subsidiaries) in receivership. Therefore, the financial statements for Lombard Finance & Investments Limited (and its subsidiaries) in receivership, have not been included in the consolidated results of Lombard Group Limited as at 30 September 2008.

The nature of the financial markets in which Lombard and its subsidiaries operate in, is at present challenging with market confidence low. Lombard is continuing to review its operations on a regular basis with a view to re-building business levels once conditions allow.

No dividend has been declared.

For further information please contact me on 04 499 7365.

Michael Reeves
CEO/Director

Lombard Group Limited	
Results for announcement to the market	
Reporting Period	Six months to 30 September 2008
Previous Reporting Period	Six months to 30 September 2007

	Amount (000s) NZD		Percentage change
	30/09/2008	30/09/2007	
Revenue from ordinary activities	\$1,184	\$18,028	Decrease by 93.43%
Operating profit (loss) before goodwill written off and after income tax	-\$100	\$2,427	Decrease by 104.12%
Operating profit (loss) after tax and goodwill written off but before minority interests	-\$439	-\$3,121	Decrease by 85.93%
Minority interests	-\$4	\$104	Decrease by 103.85%
Net profit (loss) attributable to security holders.	-\$435	-\$3,225	Decrease by 86.51%

Interim/Final Dividend		
The Board has resolved to retain all retained earnings for future growth and therefore no dividend has been declared.		

Record Date	Not Applicable
Dividend Payment Date	Not Applicable

Comments	
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	30/09/2008	30/09/2007
Net tangible assets per security	0.01 dollars per share	1.12 dollars per share
Earnings per security	-0.02 dollars per share	-0.14 dollars per share
Weighted average of number of shares on issue	23,406,435	23,406,435

COMMENTS BY DIRECTORS

- (a) Major changes or trends in the business since the end of the current half year:

There has been no major changes or trends in the business since the end of the current half year.

- (b) Material changes in accounting policies applied in the preparation of this half yearly report.

There have been no changes in accounting policies.

LOMBARD[®] GROUP

LOMBARD GROUP LIMITED

**INTERIM REPORT
30 SEPTEMBER 2008**

Results for announcement to the market

**CHAIRMAN'S REPORT FOR THE SIX MONTH PERIOD ENDED
30 SEPTEMBER 2008**

CHAIRMAN'S REPORT TO SHAREHOLDERS

The Directors present the consolidated results of Lombard Group Limited's (LOM) activities for the six months from 1 April 2008 to 30 September 2008.

RECEIVERSHIP OF LOMBARD FINANCE & INVESTMENTS LIMITED AND ITS SUBSIDIARIES

On the 10th April 2008, Lombard Finance & Investments Limited and its subsidiaries were put into receivership by the Trustee, Perpetual Trust. As at 30 September 2008, Lombard Group Limited no longer has control over Lombard Finance & Investments Limited (and its subsidiaries) in receivership. Therefore, the financial statements for Lombard Finance & Investments Limited (and its subsidiaries) in receivership, have not been included in the consolidated results of Lombard Group Limited as at 30 September 2008.

FINANCIAL PERFORMANCE

Lombard achieved a consolidated pre-tax operating loss of \$406,000 for the six month period from 1 April 2008 to 30 September 2008. This result compared to the pre-tax operating profit of \$4,633,000 for the previous corresponding half year.

Given the current challenging climate the Directors of Lombard Group have taken a prudent approach and have written down the value of the Groups main trading subsidiary, United Home Mortgages, by \$339,000 from \$1,425,000 to \$1,086,000.

This write-down is a non cash charge. After allowing for the write-down of goodwill, a writeback for overstating the impairment losses last year and tax the reported result for the period is a loss of \$439,000.

The nature of the financial markets in which Lombard and its subsidiaries operate in, is at present challenging with market confidence low. Lombard is continuing to review its operations on a regular basis with a view to re-building business levels once conditions allow.



David Wallace
Chairman

LOMBARD GROUP LIMITED
INCOME STATEMENT
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2008



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars	Group		Group
	6 months ended 30-Sept-08 (unaudited)	6 months ended 30-Sept-07 (unaudited)	Pro-forma 12 months ended 31-Mar-08 (unaudited)
Finance income	3	11,709	21,439
Finance expense	(6)	(8,022)	(14,603)
Net finance income	(3)	3,687	6,836
Other revenue from ordinary activities	1,181	6,319	12,258
Total revenue from ordinary activities	1,178	10,006	19,094
Operating expenses and staff costs	(1,584)	(5,373)	(13,972)
	(406)	4,633	5,122
Goodwill impairment	(339)	(5,548)	(5,707)
Other impairment expenses	378	-	(20,265)
Profit/(loss) from operations before income tax	(367)	(915)	(20,850)
Income tax expense / prior period tax adjustment	(72)	(2,206)	(192)
Net profit/(loss) from operations for the year	(439)	(3,121)	(21,042)
Attributable to:			
Equity holders of the Parent	(435)	(3,225)	(21,007)
Minority interest	(4)	104	(35)
	(439)	(3,121)	(21,042)
Earnings per share			
Attributable to the equity holders of the parent:			
Basic earnings (dollars) per share	(0.02)	(0.14)	(0.90)
Diluted earnings (dollars) per share	(0.02)	(0.14)	(0.90)

*Note: The pro-forma column represents the consolidated group as it stood without the companies which are in receivership - it was intended to give a more accurate reflection of the consolidated group as at 31 March 2008 and going forward (refer 2008 Annual Report - note 2e).

The above income statement should be read in conjunction with the accompanying notes.

LOMBARD GROUP LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2008



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars	Group		Group
	6 months ended 30-Sept-08 (unaudited)	6 months ended 30-Sept-07 (unaudited)	Pro-forma 12 months ended 31-Mar-08 (unaudited)
Balance at beginning of year	1,871	29,377	29,377
Equity acquired on purchase of subsidiary	-	14	-
Income and expenses recognised directly in equity	1,871	29,391	29,377
Profit/(loss) for the year	(439)	(3,121)	(21,042)
Total income and expense recognised	1,432	26,270	8,335
Capital notes	-	2,872	(6,464)
Balance at end of the year	1,432	29,142	1,871
Attributable to:			
Equity holders of the Company	1,471	29,024	1,906
Minority interest	(39)	118	(35)
Total equity	1,432	29,142	1,871

**Note: The pro-forma column represents the consolidated group as it stood without the companies which are in receivership - it was intended to give a more accurate reflection of the consolidated group as at 31 March 2008 and going forward (refer 2008 Annual Report - note 2e).*

The above statement of changes in equity should be read in conjunction with the accompanying notes.

LOMBARD GROUP LIMITED
BALANCE SHEET
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2008



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars	Group		Group
	6 months ended 30-Sept-08 (unaudited)	6 months ended 30-Sept-07 (unaudited)	Pro-forma 12 months ended 31-Mar-08 (unaudited)
Assets			
Cash and cash equivalents	147	24,483	71
Trade and other receivables	249	2,073	293
Assets classified as held for sale	-	2,967	-
Investments	600	-	600
Loan receivables	74	144,298	100
Property, plant and equipment	53	818	137
Investment property	-	2,900	-
Intangible assets	1,087	2,986	1,437
Deferred tax asset	-	130	-
Total assets	2,210	180,655	2,638
Equity			
Issued capital	10,280	10,280	10,280
Capital notes	-	9,336	-
Retained earnings	(8,809)	9,408	(8,374)
Total equity attributable to equity holders of the Company	1,471	29,024	1,906
Minority interest	(39)	118	(35)
Total equity	1,432	29,142	1,871
Liabilities			
Trade and other payables	381	1,296	352
Current tax liability	337	290	265
Deferred revenue	-	1,141	-
Deferred settlement	-	-	150
Loans and borrowings	60	1,971	-
Debenture stock	-	139,924	-
Subordinated notes	-	5,427	-
Capital notes	-	1,464	-
Total liabilities	778	151,513	767
Total liabilities and equity	2,210	180,655	2,638

For and on behalf of the Board, who authorise the issue of these financial statements on 27 November 2008:

Director: Michael Reeves
Date: 27 November 2008

Director: David Wallace
Date: 27 November 2008

*Note: The pro-forma column represents the consolidated group as it stood without the companies which are in receivership - it was intended to give a more accurate reflection of the consolidated group as at 31 March 2008 and going forward (refer 2008 Annual Report - note 2e).

The above balance sheet should be read in conjunction with the accompanying notes.

LOMBARD GROUP LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2008



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars	Group		Group
	6 months ended 30-Sept-08 (unaudited)	6 months ended 30-Sept-07 (unaudited)	Pro-forma 12 months ended 31-Mar-08 (unaudited)
Cash flows from operating activities			
Cash receipts from customers	1,544	3,467	11,830
Cash paid to suppliers and employees	(1,408)	(7,611)	(18,599)
	137	(4,144)	(6,769)
Interest received	9	8,326	21,523
Interest paid	(1)	(5,665)	(14,764)
Income tax paid	-	(2,446)	(2,001)
Net cash inflow/(outflow) from operating activities before changes in operating assets and liabilities	145	(3,929)	(2,011)
Net increase/(decrease) in loans and borrowings	-	23,085	24,166
Net increase/(increase) in capital notes	-	3,095	788
Net (decrease)/increase in secured debentures	-	(15,221)	(40,287)
Net (decrease)/increase in subordinated notes	-	(2,050)	(3,520)
Changes in operating assets and liabilities arising from cash flow movements	-	8,909	(18,853)
Net cash outflow from operating activities	145	4,980	(20,864)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	28	-	-
Proceeds from sale of investments	-	-	2,967
Acquisition of subsidiaries, net of cash acquired	-	-	(1,200)
Acquisition of property, plant and equipment	(8)	(232)	(468)
Net cash inflow/(outflow) from investing activities	20	(232)	1,299
Cash flows from financing activities			
Net (decrease)/increase in loans and borrowings	(90)	-	-
Net cash inflow/(outflow) from financing activities	(90)	-	-
Net increase/(decrease) in cash and cash equivalents	76	4,748	(19,565)
Cash and cash equivalents at beginning of year	71	19,735	19,735
Cash and cash equivalents at end of year	147	24,483	170
Represented by:			
Cash and cash equivalents	72	24,408	(4)
ANZ National Bank - bond	75	75	75
	147	24,483	71
Lombard Finance & Investments Ltd & Subsidiaries (In receivership - funds frozen)	-	-	99
Cash and cash equivalents at end of year	147	24,483	170

*Note: The pro-forma column represents the consolidated group as it stood without the companies which are in receivership - it was intended to give a more accurate reflection of the consolidated group as at 31 March 2008 and going forward (refer 2008 Annual Report - note 2e).

The above cash flow statement should be read in conjunction with the accompanying notes.

LOMBARD GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008 (unaudited)



STATEMENT OF ACCOUNTING POLICIES

1. Reporting entity

Lombard Group Limited (the Company) is a company domiciled in New Zealand, registered under the Companies Act 1993 and whose shares are publicly traded on the New Zealand Stock Exchange.

Financial statements for the Company and the consolidated financial statements are presented. The consolidated financial statements of Lombard Group Limited as at and for the six months to 30 September 2008 comprise the Company and its subsidiaries (together referred to as the "Group").

	Country of incorporation	Ownership Interest (%)		Nature of business
		September 2008	September 2007	
Elite Mortgage Brokers Pty Limited*	Australia	50	50	Non trading
Executive Mortgages Limited*	NZ	100	70	Non trading
Jutland Associates Limited**	NZ	100	70	Non trading
Lombard Capital Limited***	NZ	100	100	Non trading
Lombard Fund Managers Limited	NZ	100	100	Non trading
Lombard Mortgages Limited	NZ	100	100	Investments
Maestro Commerce Limited	NZ	100	100	Non trading
Tasman Mortgage Brokers Limited*	NZ	100	70	Mortgage broker
Tasman Mortgages Limited*	NZ	100	70	Mortgage facilitators
Tasman Mortgages Pty Limited*	Australia	50	50	Non trading
Unified Investments Limited*	NZ	100	-	Non trading
United Home Mortgages Limited*	NZ	100	-	Mortgage broker

*Subsidiary of Lombard Mortgages Limited.

**Subsidiary of Tasman Mortgages Limited.

***Lombard Capital Limited was voluntarily put into liquidation on 2 September 2008. The company has since been liquidated and removed from the companies office register.

On the 10th April 2008 the following companies were put into receivership by the Trustee, Perpetual Trust. As at 30 September 2008, Lombard Group Limited no longer has control over the companies in receivership and therefore, the financial statements for the companies in receivership have not been included in the consolidated results of Lombard Group Limited.

Lombard Finance & Investments Limited (in receivership)

Lombard Property Holdings Limited (in receivership)

Lombard Asset Finance Limited (in receivership)

Lombard Asset Finance No. 2 Limited (in receivership)

The Company is an issuer for the purposes of the Financial Reporting Act 1993. The financial statements of the Company and Group have been prepared in accordance with the Companies Act 1993, the Financial Reporting Act 1993 and the Securities Regulations 1983.

Lombard Group Limited is a profit-oriented entity and is primarily involved in the mortgage originating and facilitating.

2. Basis of preparation

(a) Statement of compliance

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IAS 34) for interim financial statements. They comply with other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Group's annual financial report for the year ended 31 March 2008.

LOMBARD GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008 (unaudited)



(b) Basis of measurement

The financial statements for the Group, the Company and its Subsidiaries have been prepared on a historical cost basis with the exception of financial instruments classified as available-for-sale (if any), financial assets and liabilities at fair value through profit or loss and investment property which are stated at fair value.

The accounting policies have been consistently applied by the Group to all years presented in these financial statements.

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars (\$), which is the Company's functional and presentation currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these

3. Impact of receivership on Lombard Group Limited's 2008 financial statements

As at 30 September 2008, Lombard Group Limited no longer has control of Lombard Finance & Investments Limitec and its subsidiaries and have been de-consolidated and no longer included within the consolidated group in accordance with NZ IAS 27.

4. Going concern

The financial statements have been prepared on a going concern basis although the Board and management note there are significant uncertainties which represents a potential risk to the viability of the entity.

In particular, currently the Group has a negative current asset position and is dependent on the continued extension of the payment terms of certain payables. Further, a subsidiary has been joined as second defendant to a claim. The results of this case are unknown at this time. The Group is currently in negotiations with certain third parties which may enable the Group to dispose of certain subsidiaries and their associated liabilities. The results of these discussions are unknown at the time of the signing of the financial statements.

The Group's main operating subsidiary (subsequent to the receivership of Lombard Finance & Investment Limited), operates as a mortgage broker in New Zealand. The recoverability of the Goodwill attributable to the acquisition of this entity, is dependent on the performance of this subsidiary. Due to the current levels of consumer confidence, house sales in New Zealand have fallen dramatically. In addition the existing portfolio originated by the subsidiary has experienced an increase in payment arrears in recent months which is likely to impact the company's commission income in the future. The future results of this entity are unknown at this time and are dependent on the state of the New Zealand economy.

In recognition of these uncertainties, the Company has a funding agreement with its major shareholders to provide certain additional funding as required.

The Board and management note these uncertainties, however, remain committed to the operations of the Company's business and believe that the preparation of the accounts on a going concern basis is appropriate, however the validity of that assumption depends upon the successful conclusion of these matters. If the Company and Group were unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the fact that assets may need to be realised at amounts other than those at which they are currently recorded in the balance sheets. In addition, the Company and Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and long-term liabilities as current assets and liabilities.

COMPANY DIRECTORY

DIRECTORS:	David Alan Wallace (Chairman) The Hon. William Patrick Jeffries Michael Howard Reeves
SHARE REGISTRY:	Computershare Investor Services Limited Level 2, 159 Hurstmere Road Takapuna Private Bag 92119 AUCKLAND
REGISTERED OFFICE:	Lombard Group Limited Level 5, 99-105 Customhouse Quay WELLINGTON
COMMUNICATION:	Lombard Group Limited PO Box 1078 WELLINGTON Telephone: +64 4 499 5566 Facsimile: +64 4 499 8850
SOLICITORS:	Minter Ellison Rudd Watts Level 17, 125 The Terrace WELLINGTON
BANKERS:	ASB Bank Limited 2 Hunter Street WELLINGTON
HOME EXCHANGE:	New Zealand Exchange Limited (NZX)