

<b>Lombard Group Limited</b>	
<b>Results for announcement to the market</b>	
Reporting Period	Twelve months to 31 March 2009
Previous Reporting Period	Twelve months to 31 March 2008

	Amount (000s) NZD		Percentage change
	31/03/2009	31/03/2008	
Revenue from ordinary activities	\$1,783	\$33,697	Decrease 94.71%
Operating profit (loss) before goodwill/impairment and after income tax	\$(641)	\$5,122	Decrease 112.52%
Operating profit (loss) after tax and goodwill/impairment but before minority interests	(\$1,507)	(\$21,042)	Increase 92.84%
Minority interests	(\$5)	(\$35)	
Net profit (loss) attributable to security holders.	(\$1,502)	(\$21,007)	Increase 92.85%

Interim/Final Dividend	
The Board has resolved that no dividend has been declared.	

Record Date	Not Applicable
Dividend Payment Date	Not Applicable

Comments	
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	31/03/09	31/03/08
Net tangible assets per security	0.02 dollars per share	0.02 dollars per share
Earnings per security	-0.06 dollars per share	-0.90 dollars per share
Weighted average of number of shares on issue	23,406,435	23,406,435

#### COMMENTS BY DIRECTORS

- (a) There have been no major changes or trends in the business since the end of the current year:
- (b) There have been no material changes in accounting policies applied in the preparation of this yearly report.



**LOMBARD GROUP LIMITED**

**PRELIMINARY ANNOUNCEMENT**

**FINANCIAL STATEMENTS**

**31 MARCH 2009**

**Results for announcement to the market**

**CHAIRMAN'S REPORT FOR THE YEAR ENDED  
31 MARCH 2009**

**CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REPORT TO SHAREHOLDERS**

The Directors present the consolidated results of Lombard Group Limited's (Lombard Group) activities for the year ended 31 March 2009.

The financial statements are currently unaudited. The financial statements are in the process of being audited by Auditors on London, Hamilton. The auditors have indicated that the financial statements will have a qualified opinion based on the fact that the auditors, (and the Directors) do not have the financial records for those companies that are in receivership.

**RECEIVERSHIP OF LOMBARD FINANCE & INVESTMENTS LIMITED AND ITS SUBSIDIARIES**

On the 10th April 2008, Lombard Finance & Investments Limited and its subsidiaries were placed into receivership by the Trustee, Perpetual Trust Limited.

Compliance with IFRS requires the Board to present the Lombard Group's consolidated (including Lombard Financial & Investments Limited) financial position as at 31 March 2009 and 31 March 2008. This is shown in the financial statements as the unaudited "2009 Group" and "2008 Group".

**Pro-forma Financial Statements**

For the year ended 31 March 2008, the Board included a set of pro-forma financial statements to show Lombard Group's financial position as at 31 March 2008 had the balance sheets of Lombard Finance & Investments Limited and subsidiaries been written down to zero as at that date. In the Board's opinion this was a fair indication of Lombard Group's financial position as at 31 March 2008.

For the year ended 31 March 2009, the Board has again included a set of pro-forma financial statements to show Lombard Group's financial position for the year ended 31 March 2009 excluding Lombard Finance and Investments Limited and subsidiaries balance sheets which had already been written down to zero in the 2008 pro-forma financial statements.

**FINANCIAL PERFORMANCE**

The financial performance for the year has been dramatically affected by the decision of the Trustee to place the Lombard Group's significant subsidiary, Lombard Finance & Investments Limited into receivership on 10 April 2008.

The financial statements have been prepared from the information that Lombard Group held as at the date of the receivership of Lombard Finance & Investments Limited and its subsidiaries (in the form of incomplete draft management accounts as at 31 March 2008).

Given the Trustee's appointment of receivers on 10 April 2008, the Board had elected to fully impair the balance sheet of Lombard Finance & Investments Limited and its subsidiaries as shown in the pro-forma 2008 Lombard Group consolidated financial statements.

The unaudited consolidated pro-forma after-tax result for the year ended 31 March 2009 is a loss of \$1.507 million. This includes an impairment loss of \$1.425 million resulting from the write down of goodwill on the acquisition of United Home Mortgages Limited and an additional impairment of the secured debenture stock held by the parent company in its subsidiary (in receivership) of \$0.26m.

Recognising the fundamentally changed economic environment, the Board has elected to impair all of the goodwill on the acquisition of United Home Mortgages Limited.

**DIVIDEND**

The Board has resolved that no dividend has been declared.

**CURRENT**

The Board are continuing the restructuring of Lombard Group and to this end have liquidated a number of entities. The Board and management remain committed to maintaining the residual value of Lombard Group in order to take advantage of any future opportunities that may arise, with the primary focus on optimising the value of Lombard Group and its main operating subsidiary in the interests of all shareholders.

David Wallace  
**Chairman**

**LOMBARD GROUP LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2009**



These consolidated financial statements are unaudited

In thousands of New Zealand dollars

	<b>Group</b>				<b>Parent</b>	
	<b>2009*</b> <b>Pro-forma</b>	<b>2009</b>	<b>2008*</b> <b>Pro-forma</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Revenue from ordinary activities	1,774	1,774	12,258	12,258	25	2,581
Finance income	9	9	21,439	21,439	833	258
Finance expense	(30)	(30)	(14,603)	(14,603)	(6)	-
Net finance income	(21)	(21)	6,836	6,836	827	258
<b>Total revenue from ordinary activities</b>	<b>1,753</b>	<b>1,753</b>	<b>19,094</b>	<b>19,094</b>	<b>853</b>	<b>2,839</b>
Operating expenses and staff costs	(2,394)	(2,415)	(13,972)	(13,952)	(682)	(2,627)
	(641)	(661)	5,122	5,142	171	212
Goodwill impairment	(1,425)	(1,425)	(5,707)	(5,707)	-	-
Other impairment losses	674	(17,090)	(20,265)	(229)	(1,062)	(42,502)
<b>Profit/(loss) from operations before income tax</b>	<b>(1,392)</b>	<b>(19,176)</b>	<b>(20,850)</b>	<b>(794)</b>	<b>(891)</b>	<b>(42,290)</b>
Income tax expense	(115)	(115)	(192)	(2,464)	25	(105)
<b>Net profit/(loss) from operations for the year</b>	<b>(1,507)</b>	<b>(19,291)</b>	<b>(21,042)</b>	<b>(3,258)</b>	<b>(866)</b>	<b>(42,395)</b>
<b>Attributable to:</b>						
Equity holders of the Parent	(1,502)	(19,287)	(21,007)	(3,223)		
Minority interest	(5)	(5)	(35)	(35)		
	<b>(1,507)</b>	<b>(19,291)</b>	<b>(21,042)</b>	<b>(3,258)</b>		
<b>Earnings per share (dollars)</b>						
Attributable to the equity holders of the parent:						
Basic earnings per share	<b>(0.06)</b>	<b>(0.82)</b>	<b>(0.90)</b>	<b>(0.14)</b>		
Diluted earnings per share	<b>(0.06)</b>	<b>(0.82)</b>	<b>(0.90)</b>	<b>(0.14)</b>		

*\*Note: The pro-forma column represents the consolidated group as it would stand without the companies which are in receivership - it is intended to give a more accurate reflection of the consolidated group going forward.*

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

**LOMBARD GROUP LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2009**



These consolidated financial statements are unaudited

In thousands of New Zealand dollars

	<b>Group</b>				<b>Parent</b>	
	<b>2009*</b> <b>Pro-forma</b>	<b>2009</b>	<b>2008*</b> <b>Pro-forma</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Balance at beginning of year</b>	<b>1,871</b>	<b>29,078</b>	<b>29,377</b>	<b>29,377</b>	<b>1,240</b>	<b>43,635</b>
Reversal of deemed value of shares issued to effect reverse acquisition	(5,158)	(5,158)	-	-	-	-
Impact of subsidiaries in receivership	5,158	5,158	-	-	-	-
<b>Income and expenses recognised directly in equity</b>	<b>1,871</b>	<b>29,078</b>	<b>29,377</b>	<b>29,377</b>	<b>1,240</b>	<b>43,635</b>
<b>Profit/(loss) for the year</b>	<b>(1,507)</b>	<b>(19,291)</b>	<b>(21,042)</b>	<b>(3,258)</b>	<b>(866)</b>	<b>(42,395)</b>
<b>Total income and expense recognised</b>	<b>363</b>	<b>9,786</b>	<b>8,335</b>	<b>26,119</b>	<b>374</b>	<b>1,240</b>
Capital notes	-	(9,423)	(6,464)	2,959	-	-
<b>Balance at end of the year</b>	<b>363</b>	<b>363</b>	<b>1,871</b>	<b>29,078</b>	<b>374</b>	<b>1,240</b>
<b>Attributable to:</b>						
Equity holders of the Company	403	403	1,906	29,113	374	1,240
Minority interest	(40)	(40)	(35)	(35)	-	-
<b>Total equity</b>	<b>363</b>	<b>363</b>	<b>1,871</b>	<b>29,078</b>	<b>374</b>	<b>1,240</b>

*\*Note: The pro-forma column represents the consolidated group as it would stand without the companies which are in receivership - it is intended to give a more accurate reflection of the consolidated group going forward.*

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

**LOMBARD GROUP LIMITED**  
**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2009**



These consolidated financial statements are unaudited

In thousands of New Zealand dollars

	<b>Group</b>				<b>Parent</b>	
	<b>2009*</b> <b>Pro-forma</b>	<b>2009</b>	<b>2008*</b> <b>Pro-forma</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Assets</b>						
Cash and cash equivalents	106	106	71	231	81	41
Trade and other receivables	141	141	293	995	60	346
Current tax asset	-	-	-	-	-	5
Investments	340	340	600	-	340	600
Loan receivables	-	-	100	138,541	-	-
Intercompany advances	-	-	-	-	-	1,132
Property, plant and equipment	33	33	137	1,136	11	60
Investment property	-	-	-	2,850	-	-
Intangible assets	1	1	1,437	1,950	-	-
Deferred tax asset	-	-	-	314	-	-
<b>Total assets</b>	<b>621</b>	<b>621</b>	<b>2,638</b>	<b>146,017</b>	<b>492</b>	<b>2,184</b>
<b>Equity</b>						
Issued capital	5,122	5,122	10,280	10,280	61,182	61,182
Capital notes	-	-	-	9,423	-	-
Retained earnings	(4,719)	(4,719)	(8,374)	9,410	(60,808)	(59,942)
<b>Total equity attributable to equity holders of the Company</b>	<b>403</b>	<b>403</b>	<b>1,906</b>	<b>29,113</b>	<b>374</b>	<b>1,240</b>
<b>Minority interest</b>	<b>(40)</b>	<b>(40)</b>	<b>(35)</b>	<b>(35)</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>363</b>	<b>363</b>	<b>1,871</b>	<b>29,078</b>	<b>374</b>	<b>1,240</b>
<b>Liabilities</b>						
Trade and other payables	172	172	352	653	118	114
Current tax liability	85	85	265	480	-	-
Deferred revenue	-	-	-	64	-	-
Deferred settlement	-	-	150	150	-	-
Intercompany advances	-	-	-	-	-	830
Debenture stock	-	-	-	110,369	-	-
Subordinated notes	-	-	-	3,718	-	-
Capital notes	-	-	-	1,023	-	-
Deferred tax liability	-	-	-	482	-	-
<b>Total liabilities</b>	<b>257</b>	<b>257</b>	<b>767</b>	<b>116,939</b>	<b>118</b>	<b>944</b>
<b>Total liabilities and equity</b>	<b>621</b>	<b>621</b>	<b>2,638</b>	<b>146,017</b>	<b>492</b>	<b>2,184</b>

*\*Note: The pro-forma column represents the consolidated group as it would stand without the companies which are in receivership - it is intended to give a more accurate reflection of the consolidated group going forward.*

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

**LOMBARD GROUP LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2009**



These consolidated financial statements are unaudited

In thousands of New Zealand dollars

	Group				Parent	
	2009* Pro-forma	2009	2008* Pro-forma	2008	2009	2008
<b>Cash flows from operating activities</b>						
Cash receipts from customers	2,273	2,273	11,830	11,830	375	3,082
Cash paid to suppliers and employees	(2,158)	(2,158)	(18,599)	(18,538)	(659)	(2,915)
	115	115	(6,769)	(6,708)	(284)	167
Interest received	8	8	21,523	21,523	6	258
Interest paid	(2)	(2)	(14,764)	(14,764)	(1)	-
Income tax received/(paid)	31	31	(2,001)	(2,001)	32	(10)
<b>Net cash inflow/(outflow) from operating activities before changes in operating assets and liabilities</b>	<b>153</b>	<b>153</b>	<b>(2,011)</b>	<b>(1,950)</b>	<b>(247)</b>	<b>415</b>
Net decrease/(increase) in loans and advances	-	-	24,166	24,166	-	-
Net (decrease)/increase in capital notes	-	-	788	788	-	-
Net (decrease)/increase in secured debentures	-	-	(40,287)	(40,287)	-	-
Net (decrease)/increase in subordinated notes	-	-	(3,520)	(3,520)	-	-
<b>Changes in operating assets and liabilities arising from cash flow movements</b>	<b>-</b>	<b>-</b>	<b>(18,853)</b>	<b>(18,853)</b>	<b>-</b>	<b>-</b>
<b>Net cash outflow from operating activities</b>	<b>153</b>	<b>153</b>	<b>(20,864)</b>	<b>(20,803)</b>	<b>(247)</b>	<b>414</b>
<b>Cash flows from investing activities</b>						
Proceeds from sale of property, plant and equipment	46	46	-	-	29	-
Proceeds from sale of investments	-	-	2,967	2,967	-	-
Acquisition of subsidiaries, net of cash acquired	-	-	(1,200)	(1,200)	-	-
Acquisition of property, plant and equipment	(14)	(14)	(468)	(468)	(7)	(69)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>32</b>	<b>32</b>	<b>1,299</b>	<b>1,299</b>	<b>22</b>	<b>(69)</b>
<b>Cash flows from financing activities</b>						
Net (decrease)/increase in loans and advances	(150)	(150)	-	-	265	(922)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(150)</b>	<b>(150)</b>	<b>-</b>	<b>-</b>	<b>265</b>	<b>(922)</b>
Net increase/(decrease) in cash and cash equivalents	35	35	(19,565)	(19,504)	40	(576)
Cash and cash equivalents at beginning of year	170	231	19,735	19,735	41	617
Derecognition of funds frozen in Lombard Finance & Investments Ltd & subsidiaries (in receivership)	(99)	(160)	-	-	-	-
<b>Cash and cash equivalents at end of year</b>	<b>106</b>	<b>106</b>	<b>170</b>	<b>231</b>	<b>81</b>	<b>41</b>
<b>Represented by:</b>						
Cash and cash equivalents	31	31	(4)	(4)	6	(34)
ANZ National Bank - bond	75	75	75	75	75	75
<b>Cash and cash equivalents at end of year</b>	<b>106</b>	<b>106</b>	<b>71</b>	<b>71</b>	<b>81</b>	<b>41</b>
Lombard Finance & Investments Ltd & subsidiaries (in receivership - funds frozen)	-	-	99	160	-	-
<b>Cash and cash equivalents at end of year</b>	<b>106</b>	<b>106</b>	<b>170</b>	<b>231</b>	<b>81</b>	<b>41</b>

Footnote: Due to the receivership the Board have been unable to determine the capitalised interest amount which is currently included in the Group 2008 figures.

*\*Note: The pro-forma column represents the consolidated group as it would stand without the companies which are in receivership - it is intended to give a more accurate reflection of the consolidated group going forward.*

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

**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.

The Group comprises the Company and the following operating subsidiaries:

	Country of incorporation	Ownership Interest (%)		Nature of business
		March 2009	March 2008	
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	Non trading
Tasman Mortgages Limited*^	NZ	100	70	Non trading
Tasman Mortgages Pty Limited*	Australia	50	50	Non trading
Unified Investments Limited*	NZ	100	-	Non trading
United Home Mortgages Limited*	NZ	100	-	Mortgage originator/ manager

\*Subsidiary of Lombard Mortgages Limited.

\*\*Subsidiary of Tasman Mortgages Limited.

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

^Tasman Mortgage Brokers Limited and Tasman Mortgages Limited were placed into liquidation on 26 March 2009 by its parent company Lombard Mortgages Limited.

On the 10th April 2008, the following companies were placed into receivership by the Trustee, Perpetual Trust Limited. As at 31 March 2009, the Company no longer has control over the companies in receivership and therefore, the financial statements for those companies in receivership have not been included in the consolidated results of the Group.

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 now primarily involved in mortgage origination and management through its subsidiary United Home Mortgages Limited.

**2. Basis of preparation**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply (to the extent possible based on the information at hand) with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. Compliance with NZ IFRS ensures that the financial statements also comply with International Financial Reporting Standards ("IFRS").

**(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 estimates.

**3. Impact of receivership on the Group's 2009 and 2008 financial statements**

As at 31 March 2009, the Company no longer has control of Lombard Finance & Investments Limited and its subsidiaries and has 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 was in negotiations with certain third parties which may have enabled the Group to dispose of certain subsidiaries and their associated liabilities. The negotiations were unsuccessful and the subsidiaries were placed into liquidation on 26th March 2009 by Lombard Mortgages Limited.

The Group's main operating subsidiary (subsequent to the receivership of Lombard Finance & Investment Limited), operates as a mortgage originator/manager 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.

The Board has taken a prudent approach and has impaired the goodwill on acquisition of United Home Mortgages to zero, recognising the challenging climate that the Group is operating in.

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.

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<b>DATE OF INCORPORATION:</b>	10 February 1987
<b>DIRECTORS:</b>	David Alan Wallace (Chairman) The Hon. William Patrick Jeffries Michael Howard Reeves
<b>SHARE REGISTRY:</b>	Computershare Investor Services Limited Level 2, 159 Hurstmere Road Takapuna Private Bag 92119 AUCKLAND
<b>REGISTERED OFFICE:</b>	Lombard Group Limited Level 5, 99-105 Customhouse Quay WELLINGTON
<b>COMMUNICATION:</b>	Lombard Group Limited PO Box 1078 WELLINGTON  Telephone: +64 4 499 5599 Facsimile: +64 4 499 8850 Website: <a href="http://www.lombardgroup.co.nz">www.lombardgroup.co.nz</a>
<b>AUDITORS:</b>	Auditors on London 3 London Street HAMILTON
<b>SOLICITORS:</b>	Minter Ellison Rudd Watts Level 17, 125 The Terrace WELLINGTON
<b>BANKERS:</b>	ASB Bank Limited 2 Hunter Street WELLINGTON
<b>HOME EXCHANGE:</b>	New Zealand Exchange Limited (NZX)
<b>NZX CODE:</b>	LOM