

LOMBARD[®]

Group Limited

27 November 2009

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 \$80,000 for the six month period from 1 April 2009 to 30 September 2009. This result compared to the pre-tax operating loss of \$426,000 for the previous corresponding half year.

REVERSE TAKEOVER OF AUSTRALIAN CONSOLIDATED INSURANCE LIMITED

On 25 June 2009, the Board resolved to recommend to all shareholders that Lombard Group acquire Australian Consolidated Insurance Limited (ACIL), an Australian registered entity.

As at the date of signing the 2010 interim report, and as a consequence of the acceptance of (Lombard Group) shareholders holding some 85% (more or less) of shares in the Company proposing to acquire all the shares in ACIL, the Company has entered into a conditional arrangement with ACIL which, subject to regulatory consents, will result in Lombard Group acquiring all the shares in ACIL.

As this transaction is not yet complete, the board, as at the date of signing the interim report, are unable to determine the full financial effect this transaction will have on Lombard Group.

ACIL is continuing with the proposed transaction. Lombard Group is advised that the independent appraisal report and takeover offer are in the final stages of completion. Once Lombard Group and ACIL have received all regulatory (legal and accounting) approvals, a date will be set down for an extraordinary general meeting (EGM).

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 2009
Previous Reporting Period	Six months to 30 September 2008

	Amount (000s) NZD		Percentage change
	30/09/2009	30/09/2008	
Revenue from ordinary activities	\$378	\$1,184	Decrease by 68.07%
Operating profit (loss) before goodwill written off and after income tax	-\$80	-\$17,884	Decrease by 99.55%
Operating profit (loss) after tax and goodwill written off but before minority interests	-\$80	-\$18,223	Decrease by 99.56%
Minority interests	\$0	-\$4	Decrease by 100.00%
Net profit (loss) attributable to security holders.	-\$80	-\$18,219	Decrease by 99.56%

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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	30/09/2009	30/09/2008
Net tangible assets per security	0.01 dollars per share	0.01 dollars per share
Earnings per security	-0.003 dollars per share	-0.778 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 2009**

Results for announcement to the market

**CHAIRMAN'S REPORT FOR THE SIX MONTH PERIOD ENDED
30 SEPTEMBER 2009**

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 2009 to 30 September 2009.

FINANCIAL PERFORMANCE

Lombard Group achieved a consolidated pre-tax operating loss of \$80,000 for the six month period from 1 April 2009 to 30 September 2009. This result compared to the pre-tax operating loss of \$426,000 for the previous corresponding half year.

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

PROPOSED REVERSE TAKEOVER OF LOMBARD GROUP

On 25 June 2009, the Board resolved to recommend to all shareholders that Lombard Group acquire Australian Consolidated Insurance Limited (ACIL), an Australian registered entity.

As at the date of signing the 2010 interim report, and as a consequence of the acceptance of (Lombard Group) shareholders holding some 85% (more or less) of shares in the Company proposing to acquire all the shares in ACIL, the Company has entered into a conditional arrangement with ACIL which, subject to regulatory consents, will result in Lombard Group acquiring all the shares in ACIL.

As this transaction is not yet complete, the board, as at the date of signing the interim report, are unable to determine the full financial effect this transaction will have on Lombard Group.

ACIL is continuing with the proposed transaction. Lombard Group is advised that the independent appraisal report and takeover offer are in the final stages of completion. Once Lombard Group and ACIL have received all regulatory (legal and accounting) approvals, a date will be set down for an extraordinary general meeting (EGM).



David Wallace
Chairman

LOMBARD GROUP LIMITED
INCOME STATEMENT
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2009



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars

	Group		
	6 months ended 30-Sept-09 (unaudited)	6 months ended 30-Sept-08 (unaudited) restated	12 months ended 31-Mar-09 (audited)
Revenue from ordinary activities	378	1,181	1,774
Finance income	3	3	9
Finance expense	(2)	(6)	(30)
Net finance income	1	(3)	(21)
Total revenue from ordinary activities	379	1,178	1,753
Operating expenses and staff costs	(459)	(1,604)	(2,414)
	(80)	(426)	(661)
Goodwill impairment	-	(339)	(1,425)
Other impairment expenses	-	(17,386)	(17,090)
Profit/(loss) from operations before income tax	(80)	(18,151)	(19,176)
Income tax expense / prior period tax adjustment	-	(72)	(115)
Net profit/(loss) from operations for the year	(80)	(18,223)	(19,291)
Attributable to:			
Equity holders of the Parent	(80)	(18,219)	(19,286)
Minority interest	-	(4)	(5)
	(80)	(18,223)	(19,291)
Earnings per share			
Attributable to the equity holders of the parent:			
Basic earnings (dollars) per share	(0.003)	(0.778)	(0.820)
Diluted earnings (dollars) per share	(0.003)	(0.778)	(0.820)

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 2009



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars

Balance at beginning of year

Reversal of deemed value of shares issued to effect

reverse acquisition

Impact of subsidiaries in receivership

Income and expenses recognised directly in equity

Profit/(loss) for the year

Total income and expense recognised

Capital notes

Balance at end of the year

Attributable to:

Equity holders of the Company

Minority interest

Total equity

	Group		
	6 months ended 30-Sept-09 (unaudited)	6 months ended 30-Sept-08 (unaudited) restated	12 months ended 31-Mar-09 (audited)
Balance at beginning of year	364	29,078	29,078
Reversal of deemed value of shares issued to effect reverse acquisition	-	(5,158)	(5,158)
Impact of subsidiaries in receivership	-	5,158	5,158
Income and expenses recognised directly in equity	364	29,078	29,078
Profit/(loss) for the year	(80)	(18,223)	(19,291)
Total income and expense recognised	284	10,855	9,787
Capital notes	-	(9,423)	(9,423)
Balance at end of the year	284	1,432	364
Attributable to:			
Equity holders of the Company	324	1,471	404
Minority interest	(40)	(39)	(40)
Total equity	284	1,432	364

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 2009



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars

Assets

Cash and cash equivalents
 Trade and other receivables
 Investments
 Loan receivables
 Property, plant and equipment
 Intangible assets

Total assets

Equity

Issued capital
 Retained earnings

Total equity attributable to equity holders of the Company

Minority interest

Total equity

Liabilities

Trade and other payables
 Current tax liability
 Loans and borrowings

Total liabilities

Total liabilities and equity

Group		
6 months ended 30-Sept-09 (unaudited)	6 months ended 30-Sept-08 (unaudited) restated	12 months ended 31-Mar-09 (audited)
80	147	106
122	249	141
340	600	340
-	74	-
21	53	33
1	1,087	1
564	2,210	621
5,122	5,122	5,122
(4,798)	(3,651)	(4,718)
324	1,471	404
(40)	(39)	(40)
284	1,432	364
111	381	172
85	337	85
84	60	-
280	778	257
564	2,210	621

For and on behalf of the Board, who authorise the issue of these financial statements on 27 November 2009:

Director: Michael Reeves
 Date: 27 November 2009

Director: David Wallace
 Date: 27 November 2009

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 2009



These condensed consolidated interim financial statements are unaudited.

In thousands of New Zealand dollars

Cash flows from operating activities

Cash receipts from customers
Cash paid to suppliers and employees

Interest received
Interest paid
Income tax paid

Net cash inflow/(outflow) from operating activities

Cash flows from investing activities

Proceeds from sale of property, plant and equipment
Acquisition of property, plant and equipment

Net cash inflow/(outflow) from investing activities

Cash flows from financing activities

Net (decrease)/increase in loans and borrowings

Net cash inflow/(outflow) from financing activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of year

Loss of control of funds in Lombard Finance
& Investments Ltd & subsidiaries (in receivership)

Cash and cash equivalents at end of year

Represented by:

Cash and cash equivalents
ANZ National Bank - bond

Cash and cash equivalents at end of year

	Group		
	6 months ended 30-Sept-09 (unaudited)	6 months ended 30-Sept-08 (unaudited) restated	12 months ended 31-Mar-09 (audited)
	378	1,544	2,389
	(489)	(1,408)	(2,238)
	(111)	137	151
	3	9	8
	(2)	(1)	(30)
	-	-	24
	(110)	145	153
	-	28	46
	-	(8)	(14)
	-	20	32
	84	(90)	(150)
	84	(90)	(150)
	(26)	76	35
	106	71	231
	-	-	(160)
	80	147	106
	5	72	31
	75	75	75
	80	147	106

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.

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 2009 comprise the Company and its subsidiaries (together referred to as the "Group").

	Country of incorporation	Ownership Interest (%)		Nature of business
		September 2009	September 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	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 2009, 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.

As the transaction involving Lombard Finance & Investments Limited was treated as a reverse acquisition, the parent company for the consolidated group was Lombard Finance & Investments Limited. As Lombard Finance & Investments Limited was placed into receivership on 10 April 2009, the accounting treatment of the reverse acquisition has been reversed. The parent company is now Lombard Group Limited.

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 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 2009.

(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 and liquidation on Lombard Group Limited's 2009 & 2010 financial statements

As at 30 September 2009, the Company no longer has control of Lombard Finance & Investments Limited and its subsidiaries (due to being placed in receivership), Tasman Mortgages Limited and Tasman Mortgage Brokers Limited (due to being placed in liquidation) and they have been treated as a disposal for no consideration and are 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 was joined as second defendant to a claim. The court has dismissed the claim. 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 took a prudent approach in the year ended 31 March 2009 and 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.

5. Reverse takeover of Lombard Group Limited

On 25 June 2009, the Board resolved to recommend to all shareholders that Lombard Group acquire Australian Consolidated Insurance Limited (ACIL), an Australian registered entity.

As at the date of signing the 2010 interim report, and as a consequence of the acceptance of (Lombard) shareholders holding some 85% (more or less) of shares in the Company proposing to acquire all the shares in ACIL, the Company has entered into a conditional arrangement with ACIL which, subject to regulatory consents, will result in Lombard Group acquiring all the shares in ACIL.

Pursuant to NZIFRS 3 Business Combinations (source of authoritative support), this transaction will be a reverse acquisition and therefore will be accounted for as if ACIL had acquired Lombard Group.

As this transaction is not yet complete, the board, as at the date of signing the interim report, are unable to determine the full financial effect this transaction will have on Lombard Group.

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)