

MARKET ANNOUNCEMENT

APPENDIX 4E PRELIMINARY HALF YEAR REPORT – 31 December 2008

This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A.

Current Reporting Period:	Half year ended 31 December 2008
Previous Corresponding Period:	Half year ended 31 December 2007
Balance Date:	30 June 2008
Company:	Sofcom Limited ("SOF")
Consolidated Entity:	SOF and controlled entities: <ol style="list-style-type: none"> 1. Software Communication (Australia) Pty Ltd (a wholly owned subsidiary); 2. Stanley & Milford Pty Ltd (a wholly owned subsidiary).

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Consolidated Entity	Dec2008	Dec 2007	% Change	Up / Down
	\$	\$		
Total revenues	1938	578	253.3%	Up
Total expenses	(79,642)	(35,824)	122.3%	Up
Loss before tax	(77,704)	(35,246)	120.5%	up
Income tax expense	-			N/A
Loss after tax attributable to members	(77,704)	(35,246)	120.5%	Up
Basic loss per share (cents)	(0.15)	(0.08)		Up
Pre and post tax NTA backing per share (cents)	0.00046	0.0003		Up

Brief Explanation of Results

Total revenues comprise:

- (1) \$1,938 Interest revenue (2007: \$578);

Total expenses comprise:

- (1) \$8,700 Occupancy & Other related expenses (2007: \$6,960);
- (2) \$15,900 ASX fees (2007: \$16,357).



CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

	Consolidated Entity	
	31 Dec 08	30 Jun 08
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	28,328	125,080
Trade and other receivables	-	4,480
TOTAL CURRENT ASSETS	28,328	129,560
NON CURRENT ASSETS		
Property, plant and equipment	-	-
TOTAL NON CURRENT ASSETS	-	-
TOTAL ASSETS	28,328	129,560
CURRENT LIABILITIES		
Trade and other payables	6,500	28,455
Short term borrowings	(1,573)	50,000
TOTAL CURRENT LIABILITIES	4,927	78,455
NET ASSETS	23,401	51,105
EQUITY		
Issued Capital	22,537,693	22,537,693
Accumulated losses	(22,564,292)	(22,486,588)
Convertible Notes	50,000	
TOTAL EQUITY	23,401	51,105



CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated Entity	
		31 Dec 08	30 June 08
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(103,170)	(72,330)
Interest received		1,938	3,612
Other amount received		4,480	
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		(96,752)	(68,718)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings			50,000
Payment for return of capital			
Issue of shares			95,000
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES		-	145,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		(96,752)	76,282
Cash at beginning of the financial period		125,080	48,798
CASH AND CASH EQUIVALENTS HELD AT THE END OF THE PERIOD	4	28,328	125,080

Suspension from ASX

The Company has been suspended from the Australian Securities Exchange (**ASX**) since 30 June 2005.

The Board has been in discussions with parties in relation to the recapitalisation of the Company and the undertaking of a transaction that will facilitate the Company's re-admission to ASX.

Acquisition of Billionstocks Pty Ltd

Sofcom Limited announced to the market that the board have completed its due diligence of Billionstocks Pty Ltd and have subsequently agreed to execute the formal acquisition agreement which is conditional upon approval by shareholders at a duly convened Sofcom EGM.

The EGM is to provide shareholders with the opportunity to vote for the acquisition. An Information Memorandum is being prepared for circulation to all shareholders.

The acquisition completion date will be the next business day immediately after the EGM and approval by shareholders of the acquisition. Upon completion, the directors intend to issue a prospectus to raise adequate funds and to apply for re-listing on the ASX.

Billionstocks is believed to be the first Australian company that is providing the latest news, quotes and research material on mainland Chinese equities market – **in English**. It intends to use its financial news portal to sell China focused funds, to conduct online trading as well as sell news and research.

The financial portal is www.billionstocks.com.

The proposed purchase of Loansinsurance.com.au Pty Ltd has been put on hold following the melt down of the mortgage securitisation market in the USA and the lack of funds for this market in Australia to support the liquidity of the Australian mortgage bond market. During the six months funds were expended on the valuation and due diligence on Loansinsurance.com.au Pty Ltd and the preparation of a prospectus in order to seek underwriting. The underwriting being arranged by Loansinsurance.com.au Pty Ltd and its owners failed to eventuate.

The proposed acquisition of Loansinsurance.com.au Pty Ltd has been put on hold until the re listing of Sofcom Limited.



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COMMENTARY ON RESULTS AND OTHER SIGNIFICANT INFORMATION

The 2008 Annual Report audited accounts will be lodged upon the final audit sign off and the financial position and performance of the Company for the half year ended 31 December 2008 detailed above are the preliminary figures subject to final audit sign off.

STATUS OF AUDIT

This Preliminary Final Report is based on:

Accounts under audit.

For and on behalf of the Directors,

Date: 27 February 2009

David M Hickie
Director

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