

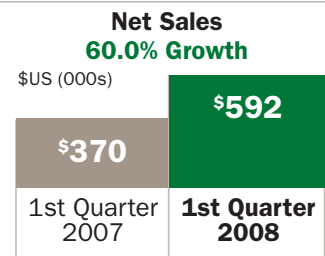
Issued:  
11 April 2008

## Quarterly Update — First Quarter 2008



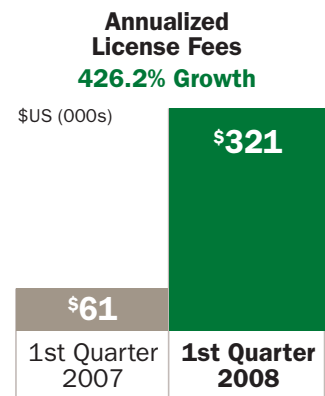
### Revenue — First Quarters Compared

\$US (000s)	2007		2008		% Change	
	Qtr 1	YTD	Qtr 1	YTD	Qtrly	YTD
Net Sales	370	370	<b>592</b>	<b>592</b>	<b>60.0%</b>	60.0%



### License Fees — First Quarters Compared

\$US (000s)	2007		2008		% Change	
	Qtr 1	YTD	Qtr 1	YTD	Qtrly	YTD
Annualized License Fees (ALF) – Net	61	61	<b>321</b>	<b>321</b>	<b>426.2%</b>	426.2%
ALF Upgrades/ (Downgrades)	0*	0*	<b>3</b>	<b>3</b>	n/a	n/a
Cumulative ALF – Period End	n/a	1,187	n/a	<b>2,381</b>	n/a	100.6%

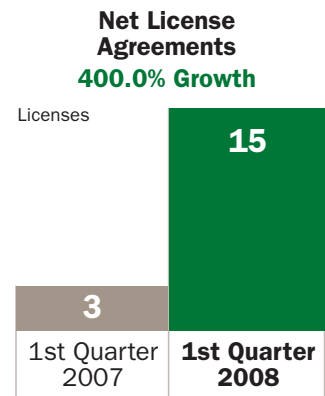


Notes:

- \*Not calculated in Q1 2007.
- Upgrade/Downgrade numbers are included in Net ALF's calculation.

### License Sales — First Quarters Compared

	2007		2008		% Change	
	Qtr 1	YTD	Qtr 1	YTD	Qtrly	YTD
Net License Agreements	3	3	<b>15</b>	<b>15</b>	<b>400.0%</b>	400.0%
Cumulative License Agreements – Period Ending Q1	n/a	37	n/a	<b>89</b>	n/a	140.5%



Notes:

- Because license values constantly fluctuate, we consider License Sales to be a "growth indicator." We place greater importance on Net Sales and Annualized License Fees, which we consider to be key "growth benchmarks."
- Net License Agreements definition: Signed License Agreements net of cancellations and reclassifications.

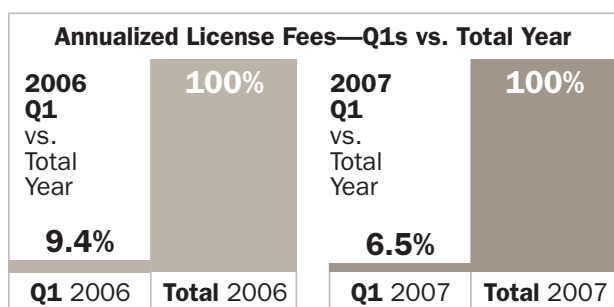
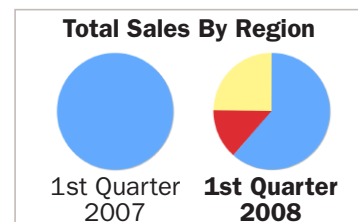
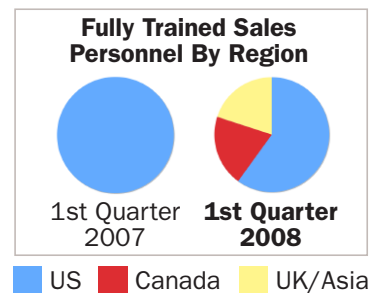
Notes:

- 2007 Q1 sales figures reflect performance based on a fully trained sales personnel average of 3.
- 2008 Q1 sales figures reflect performance based on a fully trained sales personnel average of 10.

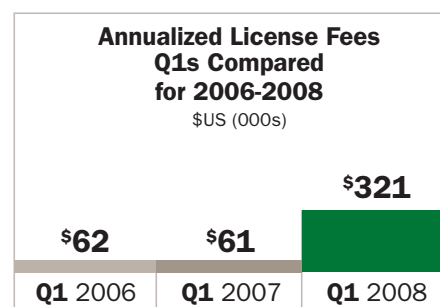
## Other Metrics — First Quarters Compared

Fully Trained Sales Personnel By Region	Region	2007 Qtr 1	2008 Qtr 1	% Change Qtr 1
Number of Fully Trained Sales Personnel By Sales Region (Quarterly Average)	US	3	6	100.0%
	Canada	0	2	n/a
	UK/Asia	0	2	n/a
	Q1 Total	3	10	233.3%

Total License Fees By Region	Region	2007 Qtr 1	2008 Qtr 1	% Change Qtr 1
Annualized License Fees By Sales Region at Period End	US (\$US (000s))	61	197	223.0%
	Canada	0	45	n/a
	UK/Asia	0	79	n/a
	Q1 Total	61	321	426.2%



Note: Diligent attributes the trend of historically quiet Q1 sales to the Corporate Governance filing deadline season for U.S. Corporations—as they are focused during this period on finalizing their Proxy Materials, Annual Reports and Financial Statements.



## First Quarter Management Commentary

Diligent Board Member Services, Inc. (Diligent) announces the following sales results for the quarter ended 31 March 2008.

- Sales increased from \$US 370,000 in the quarter ending 31 March 2007 to \$US 592,000 in the quarter ending 31 March 2008—a growth of 60%. Diligent's business historically is somewhat seasonal, and the first quarter is historically a quiet period (see charts above).
- Annualized License Fees, which reflect the ongoing yearly value of licenses that are in effect as of a given date, attributable to activities during the first quarter increased from \$US 61,000 in the first quarter of 2007 to \$US 321,000 in the first quarter of 2008—a growth of 426%. Total Annualized License Fees increased from \$US 1,187,000 as of 31 March 2007 to \$US 2,381,000 as of 31 March 2008—a growth of 100%.
- On the sales front, Diligent now has 12 fully trained sales people as of 31 March 2008, which compares to 3 as of 31 March 2007—a growth of 400%. Fifteen net new licenses were added during the first quarter of 2008 which compares to 3 for the first quarter of 2007—a growth of 400%. The sales pipeline (all prospects who have expressed interest in Diligent Boardbooks) has more than doubled during the first quarter of 2008.

The IPO funding which was received in late 2007 has enabled Diligent to fully focus on laying a foundation for growth and to implement the necessary infrastructures to support the full-year plan for 2008. Diligent believes that it faces opportunities and challenges in the future, including the following:

- An additional 18 sales people have been hired, are in training, and are anticipated to join Diligent's fully trained sales

force. This figure is expected to increase over the next quarter, providing further growth impetus.

- Diligent's ability to achieve its full year projections remains subject to considerable growth being achieved between now and the end of the year, which in turn is reliant upon the production of the increasing number of fully trained sales staff to be in line with the historical production of Diligent's fully trained sales staff.
- Along with sales recruitment, Diligent has embarked on several major marketing initiatives which have gone into effect at the end of Q1—these initiatives are anticipated to positively impact results in subsequent quarters.
- We believe that there is increased market recognition of Diligent Boardbooks and the need for an online board portal. Increased market recognition accelerates the sales cycle, reducing the time between receiving a client lead and receiving a signed license agreement. An indicator of this positive trend is that the number of companies requiring board presentations prior to signing has declined from 40% in 2006, to 20% in 2007, to just 6% in Q1 2008.
- Global economic conditions are uncertain. It is unknown what effect this uncertainty will have on Diligent's current and potential customers and their willingness to adopt new products and services like Diligent Boardbooks.
- Client feedback continues to be very positive regarding both the Boardbooks product and service. Diligent continually receives accolades from worldwide executive users about its New Zealand help desk center. Recognition is also high that this is an innovative New Zealand developed product.

Note: In addition to historical information, this quarterly update contains "forward-looking statements." The words "forecast," "estimate," "project," "intend," "expect," "should," "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements included herein are made only as of the date of this quarterly update, and we do not undertake any obligation, other than as required by law and the NZX Listing Rules, to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.