

BOARDROOM LIMITED

(Registration No. 200003902Z)

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2005

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP					
	S\$'000		%	S\$'000		%
	4th Qtr 1 Apr 2005 to 30 Jun 2005	4th Qtr 1 Apr 2004 to 30 Jun 2004	Increase/ (Decrease)	Year to Date 1 Jul 2004 to 30 Jun 2005	Year to Date 1 Jul 2003 to 30 Jun 2004	Increase/ (Decrease)
Corporate Secretarial Fees	3,415	2,852	19.7%	9,014	9,247	-2.5%
Share Registration Fees	927	714	29.8%	2,982	2,651	12.5%
Accountancy Fees	1,791	1,671	7.2%	6,547	6,374	2.7%
Others	39	0	NM	39	0	NM
Total Revenues	6,172	5,237	17.9%	18,582	18,272	1.7%
Staff Costs	2,854	2,123	34.4%	9,587	8,939	7.2%
Operating Expenses	761	747	1.9%	2,237	2,270	-1.5%
Gross Profit	2,557	2,367	8.0%	6,758	7,063	-4.3%
Investment Income	0	0	0.0%	0	0	0.0%
Other Income	48	37	29.7%	192	147	30.6%
Operating Profit	2,605	2,404	8.4%	6,950	7,210	-3.6%
Interest on Borrowings	13	0	NM	13	0	NM
Depreciation and Amortisation	96	218	-56.0%	348	874	-60.2%
Impairment of Goodwill	246	0	NM	687	0	NM
Exceptional Items	0	0	0.0%	0	0	0.0%
Operating Profit	2,250	2,186	2.9%	5,902	6,336	-6.8%
Income derived from Associated Company	39	0	NM	39	0	NM
Operating Profit Before Tax	2,289	2,186	4.7%	5,941	6,336	-6.2%
Less: Income Tax	539	388	38.9%	1,357	1,242	9.3%
Operating Profit After Tax	1,750	1,798	-2.7%	4,584	5,094	-10.0%
Less: Minority Interests	0	0	0.0%	0	0	0.0%
Operating Profit After Tax	1,750	1,798	-2.7%	4,584	5,094	-10.0%
Extraordinary Items	0	0	0.0%	0	0	0.0%
Less: Minority Interests	0	0	0.0%	0	0	0.0%
Operating Profit After Tax	1,750	1,798	-2.7%	4,584	5,094	-10.0%

NM: Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	S\$'000		S\$'000	
	30 JUN 2005	30 JUN 2004	30 JUN 2005	30 JUN 2004
NON-CURRENT ASSETS				
Property, Plant & Equipment	639	471	104	128
Computer Software	281	299	235	227
Interest in Subsidiaries	0	0	5,000	5,000
Interest in Associate	1,530	0	1,915	0
Intangible Assets	33,597	4,699	0	0
Loans to Subsidiaries	0	0	25,204	0
Future Tax Benefit	119	123	0	0
Staff Loans	0	3	0	3
	36,166	5,595	32,458	5,358
CURRENT ASSETS				
Trade Receivables	7,192	9,066	0	0
Unbilled Disbursements	161	242	0	0
Other Receivables	615	985	736	1,947
Amount due from Subsidiaries (non-trade)	0	0	3,016	2,502
Cash & Cash Equivalents	5,116	18,133	318	15,848
	13,084	28,426	4,070	20,297
HELD UNDER TRUST				
Clients' Bank Accounts - contra	10,724	12,966	0	0
Clients' Ledger Balances - contra	(10,724)	(12,966)	0	0
	0	0	0	0
Less:				
CURRENT LIABILITIES				
Trade Payables	3,858	2,773	746	466
Disbursements Billed in Advance	0	6	0	0
Other Payables	4,754	134	0	0
Amount owing to Subsidiaries (non-trade)	0	0	0	1,040
Excess of Progress Billings over Work-In-Progress	2,066	31	0	0
Term Loan - Current Portion	1,000	0	1,000	0
Provision for Taxation	1,478	1,344	0	0
	13,156	4,288	1,746	1,506
Net Current Assets	(72)	24,138	2,324	18,791
Term Loan	(4,000)	0	(4,000)	0
Deferred Taxation	(121)	(102)	(74)	(74)
NET ASSETS	31,973	29,631	30,708	24,075
FINANCED BY:				
Share Capital	7,233	7,095	7,233	7,095
Reserves	24,740	22,536	23,475	16,980
SHAREHOLDERS' INTEREST	31,973	29,631	30,708	24,075

Notes:

- Intangible assets represent unamortised goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Hong Kong and Malaysian subsidiaries and an associate company, Talent Shanghai Inc., Ltd. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.
- Monies Held Under Trust comprises funds received in advance for payments of payroll and disbursements on clients' behalf and clients' monies held in escrow.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 30/06/2005		As at 30/06/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	1,000	NIL	NIL

Amount repayable after one year

As at 30/06/2005		As at 30/06/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	4,000	NIL	NIL

Details of any collateral

NIL

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP	
	S\$'000	
	Year to Date 1 Jul 2004 to 30 Jun 2005	Year to Date 1 Jul 2003 to 30 Jun 2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	5,941	6,336
Adjustments for:		
- Depreciation of Property, Plant and Equipment	262	225
- Profit from Disposal of Property, Plant and Equipment	(1)	0
- Impairment of Intangible Assets	687	0
- Amortisation of Intangible Assets	86	649
- Exchange Difference	167	0
- Interest Income	(162)	(128)
- Interest Expense	13	0
- Share of Associates' Profits	(39)	0
Operating Profit Before Working Capital Changes	6,954	7,082
Decrease/(Increase) in Operating Receivables	5,463	(3,685)
(Decrease)/Increase in Operating Payables	(4)	668
Decrease/(Increase) in Work-In-Progress	0	(138)
(Decrease)/Increase in Excess of Progress Billings over Work-In-Progress	32	(734)
Cash Generated from Operations	12,445	3,193
Interest Paid	(13)	0
Income Tax Paid	(1,436)	(1,624)
Net Cash Generated from Operating Activities	10,996	1,569
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Disposal of Property, Plant and Equipment	1	0
Acquisition of Associated Company	(1,915)	0
Acquisition of Computer Software	(67)	(216)
Acquisition of Property, Plant and Equipment	(293)	(173)
Acquisition of Subsidiaries (note A)	(24,577)	0
Interest Received	246	47
Net Cash Used in Investing Activities	(26,605)	(342)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Exercise of Employee Share Options	968	1,516
Dividends Paid	(3,376)	(3,208)
Term Loan from Financial Institution	5,000	0
Net Cash Generated from Financing Activities	2,592	(1,692)
Net Decrease in Cash and Cash Equivalents	(13,017)	(465)
Cash and Cash Equivalents at beginning of period (1 Jul)	18,133	18,598
CASH AND CASH EQUIVALENTS AT END OF PERIOD (30 JUN)	5,116	18,133

Note A:

Acquisition of Subsidiaries

The Group acquired certain subsidiaries. The fair value of assets acquired and liabilities assumed were as follows:-

Net Assets Acquired	FY 2005 S\$'000
Property, plant and equipment	136
Trade receivables	2,302
Other receivables	920
Trade payables	(1,021)
Other payables	(47)
Excess of progress billings over work-in-progress	(2,003)
Provision for taxation	(250)
Deferred taxation	(6)
Cash and cash equivalents	435
Goodwill	29,180
Purchase consideration	29,646
Less: Payable to vendor	(4,634)
	25,012
Less: Cash and cash equivalents acquired	(435)
Cash outflow on acquisitions	24,577

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Share Capital	Exchange Translation Reserves	Share Premium	Reserve arising on consolidation	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2004	7,095	0	12,638	359	9,539	29,631
Issue of shares (under Boardroom Share Option Scheme)	138	0	830	0	0	968
Transfer from reserve on consolidation.	0	0	0	(359)	359	0
Net Profit for the period	0	0	0	0	4,584	4,584
2004 final dividend of S\$0.01925 per share less tax of 20% paid	0	0	0	0	(2,221)	(2,221)
2005 interim dividend of S\$0.01000 per share less tax of 20% paid	0	0	0	0	(1,155)	(1,155)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	0	166	0	0	0	166
Balance at 30 June 2005	7,233	166	13,468	0	11,106	31,973
Balance at 1 July 2003	6,832	0	11,384	359	7,653	26,228
Issue of shares (under Boardroom Share Option Scheme)	263	0	1,254	0	0	1,517
Net Profit for the period	0	0	0	0	5,094	5,094
2003 final dividend of S\$0.01900 per share less tax of 22% paid	0	0	0	0	(2,101)	(2,101)
2004 interim dividend of S\$0.00975 per share less tax of 20% paid	0	0	0	0	(1,107)	(1,107)
Balance at 30 June 2004	7,095	0	12,638	359	9,539	29,631
COMPANY						
	Share Capital	Exchange Translation Reserves	Share Premium	Reserve arising on consolidation	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2004	7,095	0	12,638	0	4,342	24,075
Issue of shares (under Boardroom Share Option Scheme)	138	0	830			968
Net Profit for the period	0	0	0	0	9,041	9,041
2004 final dividend of S\$0.01925 per share less tax of 20% paid	0	0	0	0	(2,221)	(2,221)
2005 interim dividend of S\$0.01000 per share less tax of 20% paid	0	0	0	0	(1,155)	(1,155)
Balance at 30 June 2005	7,233	0	13,468	0	10,007	30,708
Balance at 1 July 2003	6,832	0	11,384	0	5,870	24,086
Issue of shares (under Boardroom Share Option Scheme)	263	0	1,254	0	0	1,517
Net Profit for the period	0	0	0	0	1,680	1,680
2003 final dividend of S\$0.01900 per share less tax of 22% paid	0	0	0	0	(2,101)	(2,101)
2004 interim dividend of S\$0.00975 per share less tax of 20% paid	0	0	0	0	(1,107)	(1,107)
Balance at 30 June 2004	7,095	0	12,638	0	4,342	24,075

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the financial period, a total of 248,000 ordinary shares of \$0.05 each were allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. This gave rise to an increase in the Company's issued share capital from \$7,220,450 as at 31 March 2005 to \$7,232,850 as at 30 June 2005.

As at 30 June 2005, there were 5,227,000 (as at 30 June 2004: 5,757,000) unissued ordinary shares of \$0.05 each under exercisable options granted and unexercised under the Boardroom Share Option Scheme.

On 11 July 2005, a total of 36,164,250 ordinary shares of \$0.05 each were allotted pursuant to the Rights Issue. These Rights Shares will rank pari passu with the existing shares for any dividends. As at 11 July 2005, the Company's issued share capital was \$9,041,062 divided into 180,821,250 ordinary shares of \$0.05 each.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have not been audited nor reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except for the adoption of Financial Reporting Standard ("FRS") 103 - Business Combinations, revised FRS 36 - Impairment of Assets and revised FRS 38 - Intangible Assets, the Group applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 30 June 2004. Please refer to Paragraph 5 for more details on the change of accounting policy.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Change in accounting policies

Prior to 1 July 2004, Goodwill, which represents the excess of the cost of acquisition over the fair value of net assets acquired at the date acquisition is amortised using the straight-line method over a period of 10 years.

With effect from 1 July 2004, the Council on Corporate Disclosure and Governance has issued FRS 103 - Business Combinations, FRS 36 - Impairment of Assets and FRS 38 - Intangible Assets. These standards are to be applied to the accounting for business combinations for annual periods beginning on or after 1 July 2004.

The adoption of FRS 103, FRS 36 and FRS 38 has resulted in the Group ceasing annual goodwill amortization and to test for impairment annually at the fees generating unit level (unless an event occurs during the year which requires the goodwill to be tested more frequently) from 1 July 2004. The adoption has no significant impact on the Group's income statement for the year ended 30 June 2005.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	GROUP	
	30 JUN 2005	30 JUN 2004
Earnings per ordinary share for the period after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	3.19 cents	3.62 cents
(b) On a fully diluted basis	3.18 cents	3.59 cents

Notes:

1. The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 143,631,371 (30 June 2004 – 140,586,081).
2. The diluted earnings per share is calculated based on the profit after tax on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 144,351,242 (30 June 2004 – 141,718,743).

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:**
- (a) **current financial period reported on; and**
- (b) **immediately preceding financial year.**

	GROUP		COMPANY	
	30 JUN 2005	30 JUN 2004	30 JUN 2005	30 JUN 2004
Net asset value per ordinary share based on issued share capital at the end of the period reported on	22.10 cents	20.88 cents	21.23 cents	16.97cents

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Total fee revenue increased by 17.9% and 1.7% for 4Q05 and FY2005 respectively.

The Corporate Secretarial business increased by 19.7% for 4Q05 due mainly to the inclusion of fee revenue for the month of June 2005 of our Malaysian and Hong Kong subsidiaries following the successful completion of our Acquisitions at the end of May 2005. However, in spite of the above, the Corporate Secretarial business decreased by 2.5% for FY2005 due mainly to keen competition, pricing pressure and changes in regulatory requirements experienced by our business in Singapore. For 4Q05 and FY2005, the Share Registration business increased by 29.8% and 12.5% respectively due to the increased number of clients and their level of corporate activities. For 4Q05 and FY2005, the Accounting business increased by 7.2% and 2.7% respectively due mainly to the inclusion of fee revenue from our Hong Kong subsidiary.

For 4Q05 and FY2005, staff costs increased by 34.4% and 7.2% respectively due mainly to inclusion of staff costs of our Malaysian and Hong Kong subsidiaries.

For 4Q05, operating expenses increased by 1.9% due mainly to inclusion of staff costs of our Malaysian and Hong Kong subsidiaries. However for FY2005, operating expenses decreased by 1.5% due mainly to a lower provision for doubtful debts.

For 4Q05 and FY2005, depreciation and amortization decreased by 56.0% and 60.2% respectively due mainly to the cessation of goodwill amortization upon adoption of FRS 103, FRS 36 and FRS 38. The adoption of these standard resulted in an impairment of goodwill charge of \$246,000 and \$687,000 respectively in the statement income.

For 4Q05, operating profit before tax increased by 4.7%. The profits from our wholly-owned subsidiaries in Malaysia and Hong Kong, and a slight contribution from our 35% equity interest in Talent Shanghai Co., Inc had contributed positively to our Group's last quarter financial performance. Despite this, the operating profit before tax decreased by 6.2% for FY2005.

For 4Q05 and FY2005, income tax increased by 38.9% and 9.3% respectively due mainly to the higher tax rates suffered by our overseas subsidiaries and associated companies as compared to the lower Singapore statutory rate of income tax.

For 4Q05 and FY2005, operating profit after tax decreased by 3.3% and 10.2% respectively.

Intangible Assets increased by \$28.9 million due to the excess of the consideration over the fair value of the net assets of the Malaysian and Hong Kong subsidiaries and an associate, Talent Shanghai Inc., Ltd as at the effective date of acquisition.

During 4Q05, following the completion of the acquisitions of the Malaysian and Hong Kong subsidiaries at the end of May 2005 and a 35% equity interest in Talent Shanghai Inc., Ltd at the end of March 2005, the vendors were paid in cash which resulted to the decrease in cash and cash equivalents and increase in bank borrowing of \$5 million. Included in Other Payables, there is an amount of \$4.6 million withheld from a vendor.

Going forward, the Company will be announcing its results on a quarterly basis. In addition, the segmental revenue and results have now presented by geographical segments following our regional expansion into Hong Kong, Malaysia and China (please refer to item 13 below).

- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

While our core businesses in Singapore continues to face competition, the inclusion of one month contribution from our new Malaysian and Hong Kong subsidiaries had contributed to our Group's results.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The economic and business outlook in the Asia Pacific Region including Singapore remains positive for the coming year despite the uncertainties caused by the revaluations of the Chinese Yuan and Malaysian Ringgit. However, increased business costs and the competitive environment in Singapore's market will continue to affect our core businesses and profit margins. Nevertheless, following the completion of our acquisitions in Malaysia and Hong Kong at the end of May 2005, our subsidiary companies in these 2 countries are expected to contribute positively to the Group's results and as such the enlarged Group is expected to perform better in FY2006.

11. Dividend

The Directors recommend payment of:

- a) Final tax dividend amounting to \$578,628; and
- b) Final tax exempt dividend amounting to \$2,169,855.

This brings the total dividends to \$2,748,483. If approved by the shareholders at the forthcoming Annual General Meeting, the above dividends shall be paid on 21 November 2005 and 22 November 2005 respectively, to shareholders on the Register of Members which will be closed from 5 p.m. on 2 November 2005.

After deduction of Section 44 taxation credits required for franking the above first final dividend, the Company will have utilized most of Section 44 taxation credits available. Including interim dividend paid during the year, the total dividend declared and proposed for the financial year approximate to \$3.9 million (FY2004: \$3.3 million). This represents an increase of 18.2%.

(a) Current Financial Period Reported On

Name of Dividend	Final Tax Dividend	Final Tax Exempt Dividend
Dividend Type	Cash	Cash
Dividend Rate	0.4 cents per ordinary share (less tax)	1.2 cents per ordinary share
Par Value of Shares	\$0.05	\$0.05
Tax Rate	20%	Tax-exempt-one tier

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.925 cents per ordinary share
Par Value of Shares	\$0.05
Tax Rate	20%

(c) Date payable

Payment of the dividends, if approved by the members at the Annual General Meeting to be held on 21 October 2005, will be made on 21 November 2005 for the Final Tax Dividend and 22 November 2005 for the Final Tax Exempt Dividend.

(d) Books closure date

Notice is hereby given that the Register of Members and Register of Transfer Books of the Company will be closed on 3 November 2005 for the preparation of dividend warrants.

Registrable Transfers received by the Company's Registrar, Lim Associates (Pte) Ltd at 10 Collyer Quay #19-08, Ocean Building, Singapore 049315 up to 5.00pm on 2 November 2005 will be registered before entitlements to the dividend are determined

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

BY GEOGRAPHICAL SEGMENTS	TURNOVER		PROFIT BEFORE TAX	
	S\$'000		S\$'000	
	FY 2005	FY 2004	FY 2005	FY 2004
Singapore	17,609	18,272	5,497	6,336
Hong Kong	644	0	306	-
Malaysia	329	0	99	-
China (Associate)	0	0	39	-
TOTAL GROUP	18,582	18,272	5,941	6,336

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable

15. **A breakdown of sales.**

	GROUP		
	S\$'000		%
	30 Jun 2005	30 Jun 2004	Increase/ (Decrease)
Sales reported for first half year	8,404	8,799	-4.5%
Operating Profit/Loss after Tax before deducting Minority Interests reported for first half year	1,814	2,225	-18.5%
Sales reported for second half year	10,178	9,473	7.4%
Operating Profit/Loss after Tax before deducting Minority Interests reported for second half year	2,770	2,869	-3.5%

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year ()	Previous Full Year ()
Ordinary	3,376	3,208
Preference	0	0
Total:	3,376	3,208

BY ORDER OF THE BOARD

Tan Cher Liang
Managing Director
5 August 2005