

Half Year * Financial Statement And Dividend Announcement

* Asterisks denote mandatory information

Name of Announcer *	BOARDROOM LIMITED
Company Registration No.	200003902Z
Announcement submitted on behalf of	BOARDROOM LIMITED
Announcement is submitted with respect to *	BOARDROOM LIMITED
Announcement is submitted by *	Tan Cher Liang
Designation *	Managing Director
Date & Time of Broadcast	14-Feb-2005 17:54:35
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2004
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BOARDROOM LIMITED

(Registration No. 200003902Z)

HALF YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2004

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		%
	Half Year Ended 31 DEC 2004	Half Year Ended 31 DEC 2003	Increase/ (Decrease)
Fees	8,404	8,799	-4.5%
Disbursements	1,145	1,119	2.3%
Total Revenues	9,549	9,918	-3.7%
Staff Costs	4,538	4,573	-0.8%
Operating Expenses	1,151	1,006	14.4%
Disbursements	1,145	1,119	2.3%
Gross Profit	2,715	3,220	-15.7%
Investment Income	0	0	0.0%
Other Income	80	72	11.1%
Operating Profit	2,795	3,292	-15.1%
Interest on Borrowings	0	0	0.0%
Depreciation and Amortisation	160	440	-63.6%
Impairment of Goodwill	294	0	NM
Foreign Exchange	0	0	0.0%
Exceptional Items	0	0	0.0%
Operating Profit	2,341	2,852	-17.9%
Income derived from Associated Companies	0	0	0.0%
Operating Profit Before Tax	2,341	2,852	-17.9%
Less: Income Tax	527	627	-15.9%
Operating Profit After Tax	1,814	2,225	-18.5%
Less: Minority Interests	0	0	0.0%
Operating Profit After Tax	1,814	2,225	-18.5%
Extraordinary Items	0	0	0.0%
Less: Minority Interests	0	0	0.0%
Operating Profit After Tax	1,814	2,225	-18.5%

NM: Not Meaningful

Notes:

- For greater clarity, henceforth Total Revenue of the Group has been broken down into fees for services rendered and billings for disbursements relating to out-of-pocket expenses incurred on behalf of and recoverable from clients.
- Impairment of goodwill related to the excess of the unamortized goodwill arising from the acquisition of Arthur Andersen's Corporate Secretarial and Accounting Business over the fair value of the net assets acquired. This excess had been recognized in the Income Statement in accordance with Financial Reporting Standard ("FRS") 103 - Business Combinations and FRS 36 - Impairment of Assets, adopted by the Group. Please refer to Paragraph 5 below for more details on the Accounting Policy.
- The tax expense for the period ended 31 December 2004 for the Group varies from the amount of income tax determined by applying the Singapore statutory rate of income tax due to impairment of goodwill not allowable for tax deduction.

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	
	31 DEC 2004	30 JUN 2004	31 DEC 2004	30 JUN 2004
NON-CURRENT ASSETS				
Property, Plant & Equipment	603	471	115	128
Computer Software	300	299	253	227
Interest in Subsidiaries	0	0	5,000	5,000
Deferred Expenditure	4,405	4,699	0	0
Future Tax Benefit	123	123	0	0
Staff Loans	1	3	1	3
	5,432	5,595	5,369	5,358
CURRENT ASSETS				
Trade Receivables	5,715	9,066	0	0
Unbilled Disbursements	275	242	0	0
Other Receivables	2,575	985	2,899	1,947
Amount due from Subsidiaries (non-trade)	0	0	1,292	2,502
Cash & Cash Equivalents	19,784	18,133	16,999	15,848
	28,349	28,426	21,190	20,297
HELD UNDER TRUST				
Clients' Bank Accounts - contra	13,103	12,966	0	0
Clients' Ledger Balances - contra	(13,103)	(12,966)	0	0
	0	0	0	0
Less:				
CURRENT LIABILITIES				
Trade Payables	2,094	2,773	269	466
Disbursements Billed in Advance	24	6	0	0
Other Payables	157	134	12	0
Amount owing to Subsidiaries (non-trade)	0	0	3,783	1,040
Excess of Progress Billings over Work-In-Progress	124	31	0	0
Provision for Directors' Fees	0	0	0	0
Provision for Taxation	1,181	1,344	0	0
	3,580	4,288	4,064	1,506
Net Current Assets	24,769	24,138	17,126	18,791
Deferred Taxation	(102)	(102)	(74)	(74)
NET ASSETS	30,099	29,631	22,421	24,075
FINANCED BY:				
Share Capital	7,219	7,095	7,219	7,095
Reserves	22,880	22,536	15,202	16,980
SHAREHOLDERS' INTEREST	30,099	29,631	22,421	24,075

Notes:

- Deferred expenditure includes unamortised goodwill arising from acquisition of Arthur Andersen's Corporate Secretarial and Accounting Business. 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 31/12/2004		As at 30/06/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

Amount repayable after one year

As at 31/12/2004		As at 30/06/2004	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	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	
	31 DEC 2004	31 DEC 2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	2,341	2,852
Adjustments for:		
- Depreciation of Property, Plant and Equipment	117	119
- Amortisation of Computer Software	43	27
- Amortisation of Deferred Expenditure	0	294
- Impairment of Deferred Expenditure	294	0
- Interest Income	(78)	(64)
Operating Profit Before Working Capital Changes	2,717	3,228
Increase in Operating Receivables	1,716	1,520
(Decrease)/Increase in Operating Payables	(657)	(1,713)
(Decrease)/Increase in Excess of Progress Billings over Work-In-Progress	93	(900)
Cash Generated from Operations	3,869	2,135
Income Tax Paid	(689)	(876)
Net Cash Generated from Operating Activities	3,180	1,259
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(250)	(81)
Acquisition of Computer Software	(42)	(17)
Acquisition of Businesses	0	0
Interest Received	109	18
Net Cash Used in Investing Activities	(183)	(80)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Exercise of Employee Share Options	875	1,509
Dividends Paid	(2,221)	(2,102)
Net Cash Generated from Financing Activities	(1,346)	(593)
Net Increase/(Decrease) in Cash and Cash Equivalents	1,651	586
Cash and Cash Equivalents at beginning of period (1 Jul)	18,133	18,598
CASH AND CASH EQUIVALENTS AT END OF PERIOD (31 DEC)	19,784	19,184

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	Share Premium	Reserve arising on consolidation	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2004	7,095	12,638	359	9,539	29,631
Issue of shares (under Boardroom Share Option Scheme)	124	751	0	0	875
Net Profit for the period	0	0	0	1,814	1,814
2004 final dividend of S\$0.01925 per share less tax of 20% paid	0	0	0	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	359	9,132	30,099
Balance at 1 July 2003	6,832	11,384	359	7,653	26,228
Issue of shares (under Boardroom Share Option Scheme)	262	1,248	0	0	1,510
Net Profit for the period	0	0	0	2,225	2,225
2003 final dividend of S\$0.019 per share less tax of 22% paid	0	0	0	(2,102)	(2,102)
Balance at 31 December 2003	7,094	12,632	359	7,776	27,861
COMPANY	Share Capital	Share Premium	Reserve arising on consolidation	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 July 2004	7,095	12,638	0	4,342	24,075
Issue of shares (under Boardroom Share Option Scheme)	124	751			875
Net Profit for the period	0	0	0	(308)	(308)
2004 final dividend of S\$0.01925 per share less tax of 20% paid	0	0	0	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	0	1,813	22,421
Balance at 1 July 2003	6,832	11,384	0	5,870	24,086
Issue of shares (under Boardroom Share Option Scheme)	262	1,248	0	0	1,510
Net Profit for the period	0	0	0	1,823	1,823
2003 final dividend of S\$0.019 per share less tax of 22% paid	0	0	0	(2,102)	(2,102)
Balance at 31 December 2003	7,094	12,632	0	5,591	25,317

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 2,490,000 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 \$7,095,050 as at 30 June 2004 to \$7,219,550 as at 31 December 2004.

As at 31 December 2004, there were 5,842,000 (as at 31 December 2003: 6,256,000) unissued ordinary shares of \$0.05 each under exercisable options granted and unexercised under the Boardroom Share Option Scheme.

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 and FRS 36 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 insignificant impact on the Group's income statement for the half year ended 31 December 2004.

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	
	31 DEC 2004	31 DEC 2003
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	1.27 cents	1.60 cents
(b) On a fully diluted basis	1.26 cents	1.59 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 142,832,664 (31 December 2003 - 139,279,582).
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 143,442,276 (31 December 2003 – 140,309,923).

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	
	31 DEC 2004	30 JUN 2004	31 DEC 2004	30 JUN 2004
Net asset value per ordinary share based on issued share capital at the end of the period reported on	20.85 cents	20.88 cents	15.53 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.**

Compared to the same period last year, fees decreased by 4.5% from \$8.8 million to \$8.4 million. The decrease was mainly due to keen competition, pricing pressure and changes in regulatory requirements experienced by Corporate Secretarial business. However, the decrease was partially offset by increased fees from Share Registration and Accounting businesses due to higher number of IPO assignments and a net increase in number of Accounting clients respectively.

Staff costs decreased marginally by 0.8% due mainly to the retirement of an Executive Director in October 2003 and a lower amount of profit share for director and staff.

Operating expenses increased by 14.4%. This was mainly attributed to a higher allowance for doubtful debts, higher expenses incurred on sourcing for acquisition opportunities and recruitment fees paid to third parties for senior corporate secretarial staff.

Depreciation and amortization decreased by 63.6% due mainly to the cessation of goodwill amortization upon adoption of FRS 103 and FRS 36 as disclosed in note 5 of this announcement. However, the adoption of these standards has resulted in an impairment of goodwill charge of \$294,000 in the income statement.

Operating profit before tax decreased by 17.9%. Operating profit after tax increased by a higher 18.5% due to the write back of tax provision of \$65,000 in the previous period.

The trade receivables at this reporting period has reverted back to normal as compared to the last reporting period which were high because of the delay in our billings.

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

The current announced results are in line with the prospect statement previously disclosed in our announcement of the full year results for the year ended 30 June 2004.

- 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 Singapore remains positive for 2005, and our businesses are seeing an encouraging pipeline of work from initial public offerings. However, the environment in which our core businesses operate will continue to be very competitive, with new entrants adding to pricing pressures. Costs will also continue to grow with a tightening pool of qualified and experienced personnel. Boardroom is among the leaders in its key business areas in Singapore, and will continue to invest in improving its service standards and customer reach.

Our core businesses are in mature business segments, with some growth opportunities arising from the expansion of listings on the Singapore Exchange, from regional expansion, and by increasing the range of services that we offer to clients. Our balance sheet is strong, with \$19.8 million of net cash. The Board is considering various strategies to invest these funds in areas related to Boardroom's core businesses.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per share (less tax)
Optional:- Dividend Rate (in %)	20%
Par value of shares	S\$0.05 per share
Tax Rate	20%

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.975 cent per share (less tax)
Optional:- Dividend Rate (in %)	19.5%
Par value of shares	S\$0.05 per share
Tax Rate	20%

(c) Date payable

18 March 2005

(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 1 March 2005 for the purpose of determining shareholders' entitlements to dividends.

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 28 February 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.**

Not applicable

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.**

Not applicable

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

Not applicable.

	Latest Full Year ()	Previous Full Year ()
Ordinary	0	0
Preference	0	0
Total:	0	0

BY ORDER OF THE BOARD

Tan Cher Liang
Managing Director
14 February 2005