

BOARDROOM LIMITED
(Registration No. 200003902Z)

SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 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		%
	2nd Qtr 1 Oct 2005 to 31 Dec 2005	2nd Qtr 1 Oct 2004 to 31 Dec 2004	Increase/ (Decrease)	Year to Date 1 Jul 2005 to 31 Dec 2005	Year to Date 1 Jul 2004 to 31 Dec 2004	Increase/ (Decrease)
Corporate Secretarial Fees	4,708	2,034	131.5%	8,585	3,886	120.9%
Share Registration Fees	873	707	23.5%	1,660	1,405	18.1%
Accountancy Fees	2,015	1,419	42.0%	4,280	3,113	37.5%
Others	74	0	NM	162	0	NM
Total Revenues	7,670	4,160	84.4%	14,687	8,404	74.8%
Other Income	174	40	335.0%	277	80	246.3%
Staff Costs	(3,766)	(2,317)	62.5%	(7,292)	(4,666)	56.3%
Operating Expenses	(946)	(687)	37.7%	(1,819)	(1,151)	58.0%
Interest on Borrowings	(37)	0	NM	(74)	0	NM
Depreciation	(122)	(86)	41.9%	(241)	(160)	50.6%
Impairment of Goodwill	(147)	(147)	0.0%	(294)	(294)	0.0%
Foreign Exchange	(87)	0	NM	(87)	0	NM
	2,739	963	184.4%	5,157	2,213	133.0%
Income derived from Associated Company	(7)	0	NM	179	0	NM
Profit Before Tax	2,732	963	183.7%	5,336	2,213	141.1%
Less: Income Tax	(559)	(243)	130.0%	(1,137)	(527)	115.7%
Profit After Tax	2,173	720	201.8%	4,199	1,686	149.1%

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	
	31 DEC 2005	30 JUN 2005	31 DEC 2005	30 JUN 2005
NON-CURRENT ASSETS				
Property, Plant & Equipment	668	639	83	104
Computer Software	261	281	221	235
Interest in Subsidiaries	0	0	5,000	5,000
Interest in Associate	1,648	1,530	1,915	1,915
Intangible Assets	33,064	33,597	0	0
Loans to Subsidiaries	0	0	25,266	25,204
Future Tax Benefit	119	119	0	0
Staff Loans	0	0	0	0
	35,760	36,166	32,485	32,458
CURRENT ASSETS				
Trade Receivables	6,961	7,192	0	0
Unbilled Disbursements	92	161	0	0
Other Receivables	591	615	924	736
Amount due from Subsidiaries (non-trade)	0	0	2,659	3,016
Cash & Cash Equivalents	16,910	5,116	10,081	318
	24,554	13,084	13,664	4,070
HELD UNDER TRUST				
Clients' Bank Accounts - contra	12,344	10,724	0	0
Clients' Ledger Balances - contra	(12,344)	(10,724)	0	0
	0	0	0	0
Less:				
CURRENT LIABILITIES				
Trade Payables	4,069	3,858	545	746
Disbursements Billed in Advance	11	0	0	0
Other Payables	4,678	4,754	5	0
Amount owing to Subsidiaries (non-trade)	0	0	2,681	0
Excess of Progress Billings over Work-In-Progress	1,761	2,066	0	0
Term Loan - Current Portion	1,000	1,000	1,000	1,000
Provision for Taxation	1,713	1,478	0	0
	13,232	13,156	4,231	1,746
Net Current Assets	11,322	(72)	9,433	2,324
Term Loan	(2,500)	(4,000)	(2,500)	(4,000)
Deferred Taxation	(117)	(121)	(74)	(74)
NET ASSETS	44,465	31,973	39,344	30,708
FINANCED BY:				
Share Capital	9,096	7,233	9,096	7,233
Reserves	35,369	24,740	30,248	23,475
SHAREHOLDERS' INTEREST	44,465	31,973	39,344	30,708

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 31/12/2005		As at 30/06/2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	1,000	NIL	1,000

Amount repayable after one year

As at 31/12/2005		As at 30/06/2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	2,500	NIL	4,000

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			
	2nd Qtr 1 Oct 2005 to 31 Dec 2005	2nd Qtr 1 Oct 2004 to 31 Dec 2004	Year to Date 1 Jul 2005 to 31 Dec 2005	Year to Date 1 Jul 2004 to 31 Dec 2004
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit Before Taxation	2,732	963	5,336	2,213
Adjustments for:				
- Depreciation of Property, Plant and Equipment	107	63	208	117
- Depreciation of Computer Softwares	15	24	33	43
- Impairment of Intangible Assets	147	147	294	294
- Exchange Difference	108	0	66	0
- Dividend Income	0	0	0	0
- Interest Income	(70)	(36)	(110)	(76)
- Interest Expense	36	0	74	0
- Share Based Payment	80	106	160	127
- Share of Associates' Profits	7	0	(179)	0
Operating Profit Before Working Capital Changes	3,162	1,267	5,882	2,718
(Increase) / Decrease in Operating Receivables	448	(3,295)	302	1,716
Increase / (Decrease) in Operating Payables	333	245	201	(657)
(Increase) / Decrease in Work-In-Progress	0	2,680	0	101
Increase / (Decrease) in Excess of Progress Billings over Work-In-Progress	(994)	160	(290)	(8)
Cash Generated from Operations	2,949	1,057	6,095	3,870
Interest Paid	(35)	0	(74)	0
Tax Refunded	0	(30)	0	0
Income Tax Paid	(726)	(689)	(833)	(689)
Net Cash Generated from Operating Activities	2,188	338	5,188	3,181
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of Computer Software	0	(42)	(13)	(42)
Acquisition of Property, Plant and Equipment	(61)	(136)	(238)	(250)
Acquisition of Subsidiary	(13)	0	(13)	0
Dividend Received	0	0	0	0
Interest Received	70	7	102	109
Net Cash Used in Investing Activities	(4)	(171)	(162)	(183)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Amount Owed by and Advance from Fellow Subsidiaries	0	274	0	0
Proceeds from Exercise of Employee Share Options	381	760	384	875
Proceeds from Rights Issue	0	0	10,671	0
Dividends Paid	(2,764)	(2,221)	(2,764)	(2,221)
Term Loan from Financial Institution	(1,000)	0	(1,500)	0
Net Cash Generated from Financing Activities	(3,383)	(1,187)	6,791	(1,346)
Net Increase in Cash and Cash Equivalents	(1,199)	(1,020)	11,817	1,652
Cash and Cash Equivalents at beginning of period	18,148	20,805	5,116	18,133
Exchange Gain / (Loss) Arising from Translation of Foreign Currencies Cash & Cash Equivalents	(39)	0	(23)	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD (31 DECEMBER)	16,910	19,785	16,910	19,785

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 S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
Balance at 1 July 2005						
As previously reported	7,233	13,468	166	-	11,106	31,973
Effect of adopting FRS 102	-	-	-	460	(460)	0
As restated	7,233	13,468	166	460	10,646	31,973
Issue of shares (Rights Issue)	1,808	8,863	-	-	-	10,671
Issue of shares (under Boardroom Share Option Scheme)	55	329	-	-	-	384
Net Profit for the period	-	-	-	-	4,199	4,199
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	160	-	160
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(158)	-	-	(158)
Balance at 31 December 2005	9,096	22,660	8	620	12,081	44,465

Balance at 1 October 2005						
As previously reported	9,042	22,333	124	380	12,832	44,711
Effect of adopting FRS 102	-	-	-	160	(160)	0
As restated	9,042	22,333	124	540	12,672	44,711
Issue of shares (under Boardroom Share Option Scheme)	54	327	-	-	-	381
Net Profit for the period	-	-	-	-	2,173	2,173
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	80	-	80
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(116)	-	-	(116)
Balance at 31 December 2005	9,096	22,660	8	620	12,081	44,465

Balance at 1 July 2004						
As previously reported	7,095	12,638	-	359	9,539	29,631
Effect of adopting FRS 102	-	-	-	125	(125)	0
As restated	7,095	12,638	0	484	9,414	29,631
Issue of shares (under Boardroom Share Option Scheme)	124	751	-	-	-	875
Net Profit for the period	-	-	-	-	1,686	1,686
Adoption of FRS 102	-	-	-	127	-	127
2004 final dividend of S\$0.01925 per share less tax of 20% paid	-	-	-	-	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	0	611	8,879	30,098

Balance at 1 October 2004						
As previously reported	7,110	12,738	-	439	10,446	30,733
Effect of adopting FRS 102	-	-	-	66	(66)	0
As restated	7,110	12,738	0	505	10,380	30,733
Issue of shares (under Boardroom Share Option Scheme)	109	651	-	-	-	760
Net Profit for the period	-	-	-	-	720	720
Adoption of FRS 102	-	-	-	106	-	106
2004 final dividend of S\$0.01925 per share less tax of 20% paid	-	-	-	-	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	0	611	8,879	30,098

COMPANY	Share Capital S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
Balance at 1 July 2005						
As previously reported	7,233	13,468	-	-	10,007	30,708
Effect of adopting FRS 102	-	-	-	460	(460)	0
As restated	7,233	13,468	0	460	9,547	30,708
Issue of shares (Rights Issue)	1,808	8,863	-	-	-	10,671
Issue of shares (under Boardroom Share Option Scheme)	55	329	-	-	-	384
Net Profit for the period	-	-	-	-	185	185
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	160	-	160
Balance at 31 December 2005	9,096	22,660	0	620	6,968	39,344

Balance at 1 October 2005						
As previously reported	9,042	22,333	-	380	9,779	41,534
Effect of adopting FRS 102	-	-	-	160	(160)	0
As restated	9,042	22,333	0	540	9,619	41,534
Issue of shares (under Boardroom Share Option Scheme)	54	327	-	-	-	381
Net Profit for the period	-	-	-	-	113	113
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	80	-	80
Balance at 31 December 2005	9,096	22,660	0	620	6,968	39,344

Balance at 1 July 2004						
As previously reported	7,095	12,638	-	-	4,342	24,075
Effect of adopting FRS 102	-	-	-	125	(125)	0
As restated	7,095	12,638	0	125	4,217	24,075
Issue of shares (under Boardroom Share Option Scheme)	124	751	-	-	-	875
Net Profit for the period	-	-	-	-	(436)	(436)
Adoption of FRS 102	-	-	-	127	-	127
2004 final dividend of S\$0.01925 per share less tax of 20% paid	-	-	-	-	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	0	252	1,560	22,420

Balance at 1 October 2004						
As previously reported	7,110	12,738	-	80	4,138	24,066
Effect of adopting FRS 102	-	-	-	66	(66)	0
As restated	7,110	12,738	0	146	4,072	24,066
Issue of shares (under Boardroom Share Option Scheme)	109	651	-	-	-	760
Net Profit for the period	-	-	-	-	(291)	(291)
Adoption of FRS 102	-	-	-	106	-	106
2004 final dividend of S\$0.01925 per share less tax of 20% paid	-	-	-	-	(2,221)	(2,221)
Balance at 31 December 2004	7,219	13,389	0	252	1,560	22,420

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 1,092,000 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 \$9,041,662.50 as at 30 September 2005 to \$9,096,262.50 as at 31 December 2005.

The above increase in the Company's issued share capital included the 36,164,250 new ordinary shares of par value of \$0.05 each allotted in July 2005 relating to the rights issue on the basis of one rights share for every four existing shares held by the shareholders.

As at 31 December 2005, there were 3,977,000 (as at 31 December 2004: 5,842,000) 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.

The Group has 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 September 2005 except as disclosed in Paragraph 5.

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.

Under FRS 102, share options to directors and employees are measured at fair value at the date of grant and recognized as expense over the vesting period. Prior to the adoption of FRS 102, share options to directors and employees were not charged to the profit and loss account. This change in accounting policy has been accounted for retrospectively in accordance with the transitional provisions and has resulted in :

	31 DEC 2005	31 DEC 2004
	\$'000	\$'000
Decrease in Profit after Taxation	(160)	(127)
Increase in Capital Reserve	620	252
Decrease in Revenue Reserves	(620)	(252)
Decrease in basic EPS	0.09 cents	0.09 cents
Decrease in diluted EPS	0.09 cents	0.08 cents

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 2005	31 DEC 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	2.36 cents	1.18 cents
(b) On a fully diluted basis	2.35 cents	1.18 cents

Notes:

- The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 178,165,810 (31 December 2004 – 142,832,664).
- 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 178,916,174 (31 December 2004 – 143,442,276).

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 2005	30 JUN 2005	31 DEC 2005	30 JUN 2005
Net asset value per ordinary share based on issued share capital at the end of the period reported on	24.44 cents	22.10 cents	21.63 cents	21.23 cents

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.**

Revenue

Total revenues increased by 84.4% and 74.8% for 2Q06 and HY2006 respectively, as compared to the corresponding periods of last year.

For 2Q06 and HY2006, the Corporate Secretarial business increased by 131.5% and 120.9% respectively due mainly to the inclusion of fee revenue of our Hong Kong and Malaysian subsidiaries following the completion of our Acquisitions at the end of May 2005, and the increased level of corporate activities in Singapore.

For 2Q06 and HY2006, the Share Registration business in Singapore increased by 23.5% and 18.1% respectively due mainly to the increased number of clients and their level of corporate activities.

For 2Q06 and HY2006, the Accounting business increased by 42.0% and 37.5% respectively due mainly to the inclusion of fee revenue of our Hong Kong subsidiary.

Expenses

For 2Q06 and HY2006, staff costs increased by 62.5% and 56.3% respectively due mainly to the inclusion of staff costs of our Hong Kong and Malaysian subsidiaries and additional staff recruited to support the increased businesses in Singapore.

Likewise, the operating expenses increased by 37.7% and 58.0% respectively due to the inclusion of operating expenses of our Hong Kong and Malaysian subsidiaries.

Profit Before Tax

For 2Q06 and HY2006, the profit before tax increased by 183.7% and 141.1% respectively due mainly to the inclusion of profits of our Hong Kong and Malaysian subsidiaries. Additionally, the better margin contributed by our Hong Kong subsidiary and the write-back of provision for bad and doubtful debts in Singapore contributed to the increase in our profit before tax.

Income Tax

For 2Q06 and HY2006, income tax increased by 130.0% and 115.7% respectively due mainly to the inclusion of income tax of our Hong Kong and Malaysian subsidiaries and an associate, Talent Shanghai Inc., Ltd. However, the effective income tax rate for 2Q06 and HY2006 as compared to the corresponding periods last year, declined marginally because of the lower income tax rate provided for our Hong Kong subsidiary's profit.

Profit After Tax

For 2Q06 and HY2006, operating profit after tax increased by 201.8% and 149.1% respectively.

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

Not applicable

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.

For the Year 2006, the economic and business outlook in the Asia Pacific Region is expected to remain positive. The corporate activities are expected to remain buoyant and are expected to contribute positively to the Group's results. The Group expects the strong performance in the HY2006 to continue in FY2006.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share
Dividend Rate (in %)	20%
Par Value of Shares	S\$0.05
Tax Rate	Tax-exempt one-tier

(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
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share (less tax)
Dividend Rate (in %)	20%
Par Value of Shares	S\$0.05
Tax Rate	20%

(c) Date payable

17 March 2006

(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 2006 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 2006 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
 10 February 2006