



ROADSHOW HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock code 888)

INTERIM RESULTS ANNOUNCEMENT

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2005

The directors (the “Directors”) of RoadShow Holdings Limited (the “Company” or “RoadShow”) present herewith the unaudited consolidated income statement of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2005 (the “Period”) and the unaudited consolidated balance sheet of the Group at 30 June 2005, together with the comparative figures for the six months ended 30 June 2004 and at 31 December 2004 respectively.

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2005

		Six months ended 30 June	
		2005	2004
		(Unaudited)	(Unaudited)
	Note	HK\$'000	HK\$'000
Group turnover		83,851	90,433
Share of associate's turnover		34,227	21,298
		118,078	111,731
Other revenue		9,756	7,664
		127,834	119,395
Total operating revenue		127,834	119,395
Group turnover	3	83,851	90,433
Other revenue		9,756	7,664
Operating expenses			
Licence and royalty fees		(4,180)	(4,956)
Cost of inventories		(1,875)	(1,902)
Depreciation and amortisation		(19,058)	(17,985)
Site rental		(12,047)	(12,574)
Staff expenditure		(13,110)	(14,493)
Other expenses	4	(38,250)	(36,925)
Total operating expenses		(88,520)	(88,835)
Profit from operations		5,087	9,262
Finance costs	4	(1,289)	(202)
Share of profit of associate		7,064	4,876
Profit from ordinary activities before taxation	4	10,862	13,936
Income tax	5	(2,860)	(506)
Profit from ordinary activities after taxation		8,002	13,430
Attributable to:			
Shareholders of the Company		6,045	10,325
Minority interests of subsidiaries		1,957	3,105
		8,002	13,430
Earnings per share (in Hong Kong cents)	6	0.61	1.04

UNAUDITED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2005

		At	
		30 June	31 December
		2005	2004
		(Unaudited)	(Audited)
		HK\$'000	HK\$'000
			(restated)
Non-current assets			
Fixed assets		99,031	112,552
Media assets		100,784	114,722
Goodwill		29,848	29,848
Non-current prepayments		98,476	106,343
Interest in associate		118,934	93,910
Deferred tax assets		8,850	7,214
		455,923	464,589
Current assets			
Inventories		2,193	2,143
Amount due from ultimate holding company		4,629	4,437
Accounts receivable		46,715	54,295
Other receivables and deposits		22,196	25,168
Prepayments		15,734	15,734
Current tax recoverable		4,607	4,607
Cash and cash equivalents		523,118	521,455
		619,192	627,839
Current liabilities			
Accounts payable		9,914	14,320
Other payables and accruals		38,375	49,153
Dividend payable		13,963	–
Bank loans		138,000	138,000
Current tax payable		2,656	639
		202,908	202,112
Net current assets		416,284	425,727
Total assets less current liabilities		872,207	890,316
Non-current liabilities			
Deferred tax liabilities		15,270	14,806
Other unsecured loan		15,132	21,123
		30,402	35,929
NET ASSETS		841,805	854,387
Capital and reserves			
Share capital		99,737	99,737
Reserves		719,099	727,017
Total equity attributable to shareholders of the Company		818,836	826,754
Minority interests		22,969	27,633
TOTAL EQUITY		841,805	854,387

NOTES TO THE UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2005

1. Basis of preparation

These interim results are unaudited, but have been reviewed by KPMG in accordance with Statement of Auditing Standards 700 “Engagements to review interim financial reports”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). KPMG’s independent review report to the Board of Directors (the “Board”) is included in the interim financial report to be sent out to shareholders of the Company.

These interim results have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting”, issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2004 that is included in these interim results as being previously reported information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the financial year ended 31 December 2004 on which the auditors have expressed an unqualified opinion in their report dated 14 March 2005, were included in the Company’s 2004 Annual Report and are also available from the Company’s registered office.

These interim results contain the unaudited consolidated income statement and balance sheet and selected explanatory notes. The notes on these interim results include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the 2004 annual financial statements. The interim results and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs.

These interim results have been prepared in accordance with the same accounting policies adopted in the 2004 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2005 annual financial statements. Details of these changes in accounting policies are set out in note 2.

2. Changes in accounting policies

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”, which term collectively includes HKASs and interpretations) that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. The Board has determined the accounting policies to be adopted in the preparation of the Group’s annual financial statements for the year ending 31 December 2005, on the basis of HKFRSs currently in issue.

The following sets out further information on the changes in accounting policies for the annual accounting period beginning on 1 January 2005 which have been reflected in these interim results.

(a) Employee share option schemes (HKFRS 2, Share-based payment)

In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group is required to recognise the fair value of such options as an expense in the income statement, or as an asset, if the cost qualifies for recognition as an asset under the Group’s accounting policies.

Where the employees are required to meet vesting conditions before they become entitled to the options, the Group recognises the fair value of the options granted over the vesting period. Otherwise, the Group recognises the fair value in the period in which the options are granted.

If an employee chooses to exercise options, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse unexercised the related capital reserve is transferred directly to retained profits.

The Group has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 and accordingly, the new recognition and measurement policies have not been applied.

All the options granted by the Company fall within the two categories of the transitional provision of HKFRS 2. This change in accounting policy has no impact on the results of the Group for the six months ended 30 June 2005.

(b) Amortisation of positive goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets)

In prior years, positive goodwill was amortised on a straight-line basis over its useful life and was subject to impairment testing when there were indications of impairment.

With effect from 1 January 2005, in accordance with HKFRS 3 and HKAS 36, the Group no longer amortises positive goodwill. Such goodwill is tested annually for impairment, including in the year of its initial recognition, as well as when there are indications of impairment. Impairment losses are recognised when the carrying amount of the cash generating unit to which the goodwill has been allocated exceeds its recoverable amount.

The new policy in respect of positive goodwill has been applied prospectively in accordance with the transitional arrangements under HKFRS 3. As a result, comparative amounts have not been restated, the cumulative amount of amortisation as at 1 January 2005 has been offset against the cost of the goodwill and no amortisation charge for goodwill has been recognised in the income statement for the six months ended 30 June 2005. This has increased the Group’s profit after tax for the six months ended 30 June 2005 by HK\$850,000.

(c) Minority interests (HKAS 1, Presentation of financial statements and HKAS 27, Consolidated and separate financial statements)

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders of the Company.

With effect from 1 January 2005, in order to comply with HKAS 1 and HKAS 27, minority interests at the balance sheet date are presented in the consolidated balance sheet within equity, separately from the equity attributable to shareholders of the Company, and minority interests in the results of the Group for the period are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the period between the minority interests and shareholders of the Company.

The presentation of minority interests in the unaudited consolidated income statement and balance sheet for the comparative period has been restated accordingly.

3. Segmental reporting

Geographical segment information based on location of assets is chosen as the primary reporting format.

Geographical segments

The Group comprises the following main geographical segments:

Hong Kong
China Mainland

There are no sales between the geographical segments.

	Six months ended 30 June 2005			Six months ended 30 June 2004		
	Group (Unaudited) HK\$'000	Share of associate (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Group (Unaudited) HK\$'000	Share of associate (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Segment revenue						
Hong Kong	54,498	–	54,498	58,969	–	58,969
China Mainland	29,353	34,227	63,580	31,464	21,298	52,762
Total	83,851	34,227	118,078	90,433	21,298	111,731
Segment result						
Hong Kong	2,324	–	2,324	5,319	–	5,319
China Mainland	(3,120)	7,064	3,944	181	4,876	5,057
	(796)	7,064	6,268	5,500	4,876	10,376
Unallocated operating income and expenses			4,594			3,560
Profit from ordinary activities before taxation			10,862			13,936

4.	Profit from ordinary activities before taxation					
	Profit from ordinary activities before taxation is arrived at after charging/(crediting):					
			Six months ended 30 June 2005		2004	
			(Unaudited)		(Unaudited)	
			HK\$'000		HK\$'000	
	Amortisation of media assets		5,202		653	
	Amortisation of positive goodwill		–		848	
	Depreciation		13,856		16,484	
	Interest income		(5,933)		(3,560)	
	Interest on bank loans		1,289		202	
	Loss on disposal of fixed assets		42		–	
	Operating lease charges		1,219		1,430	
	Production, programming and marketing costs (included in other operating expenses)		18,985		20,425	
5.	Income tax		Six months ended 30 June 2005		2004	
			(Unaudited)		(Unaudited)	
			HK\$'000		HK\$'000	
	Current tax					
	Hong Kong Profits Tax for the current period		1,831		1,662	
	Provision for PRC income tax		448		544	
	Deferred taxation		(1,172)		(1,700)	
			1,107		506	
	Share of associate's taxation		1,753		–	
	Income tax		2,860		506	

The provision for Hong Kong Profits Tax is calculated at the rate of 17.5% (January-June 2004: 17.5%) on the estimated assessable profits for the period. Taxation for the China Mainland subsidiaries is charged at the appropriate current rates of taxation ruling in the People's Republic of China ("PRC").

6.	Earnings per share					
	(a) <i>Basic earnings per share</i>					
	The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company of HK\$6,045,000 for the six months ended 30 June 2005 (six months ended 30 June 2004: HK\$10,325,000) and the weighted average of 997,365,332 ordinary shares (2004: 997,365,332 shares) in issue during the period.					
	(b) <i>Diluted earnings per share</i>					
	The exercise of the subscription rights conferred by the share options would not have any dilutive effect on the earnings per share for the six months ended 30 June 2004 and 2005. The share options granted on 11 March 2002 expired on 11 March 2005 and there were no dilutive potential ordinary shares in existence as at 30 June 2005.					

INTERIM DIVIDEND

Same as in the corresponding period of the previous year, no interim dividend will be paid for the six months ended 30 June 2005 in accordance with the Company's dividend policy (January-June 2004: HK\$Nil). Final dividends, if any, will be proposed at the year end.

FINANCIAL REVIEW

Results

For the six months ended 30 June 2005, the Group reported total operating revenue of HK\$127.8 million, representing an increase of 7% over the corresponding period of the previous year; operating revenue included the Group's turnover, share of associate's turnover and other revenue. Compared to a profit attributable to shareholders of the Company of HK\$10.3 million for the six months ended 30 June 2004, the Group recorded a profit attributable to shareholders of the Company of HK\$6.0 million. The Group continues to maintain a strong financial position with total cash and bank balances of HK\$523.1 million at 30 June 2005.

Operating Revenue

For the six months ended 30 June 2005, the Group reported total operating revenue and other revenue of HK\$127.8 million of which HK\$118.0 million was from the media sales services and management business and HK\$9.8 million was from other revenue sources. Operating revenue generated from our Hong Kong and China Mainland operations each accounted for approximately 50% of the Group's total operating revenue. Total operating revenue generated from our Hong Kong operations decreased from HK\$59.0 million for the six months ended 30 June 2004 to HK\$54.5 million for the six months ended 30 June 2005, while total operating revenue generated from our China Mainland operations increased from HK\$52.8 million for the six months ended 30 June 2004 to HK\$63.6 million for the six months ended 30 June 2005. The Hong Kong media sales revenue decreased by HK\$4.5 million (8%) as compared to the corresponding period of the previous year. The decrease was mainly attributable to the expiry of the bus body media sales, administration and management business in October 2004. If such revenue from the bus body media sales, administration and management are excluded from the comparative figures for 2004, the media sales revenue would have increased by HK\$4.4 million (9%), due to increased advertisers' spending on our MMOB and bus shelter platforms. The operating revenue from China Mainland increased by HK\$10.8 million (20%) over the corresponding period of the previous year. Such increase was attributable to the growth in the media sales agency services which cover all phases of advertising including creative design and production, media planning and placement.

Operating Expenses

The Group's operating expenses reduced by HK\$0.3 million from HK\$88.8 million in the six months ended 30 June 2004 to HK\$88.5 million in the six months ended 30 June 2005, notwithstanding an increase in amortisation, repair and maintenance expenses by HK\$8.0 million from HK\$2.4 million to HK\$10.4 million between the two periods and additional expenses incurred due to the restructuring of the Group's China Mainland operations through the establishment of a wholly-owned subsidiary under the framework of Mainland and Hong Kong Closer Economic Partnership Agreement ("CEPA") to expand our outdoor/electronic media sales business on the Mainland. The increase in amortisation expense was due to the addition of outdoor media assets in China Mainland at the end of 2004 for the expansion of the media sales business. The increase in repair and maintenance expense was due to the expiry of a number of warranties particularly for the MMOB system. The reduction in other operating expenses stands testimony to the effectiveness of cost control measures. In addition, in accordance with HKFRS 3 and HKAS 36, the Group no longer amortises positive goodwill with effect from 1 January 2005 (compared with a charge of HK\$0.85 million for the six months ended 30 June 2004) and such goodwill is tested annually for impairment.

Liquidity, Financial Resources and Capital Structure

At 30 June 2005, the Group's cash and deposits at bank amounted to HK\$523.1 million (31 December 2004: HK\$521.5 million), mainly denominated in Hong Kong Dollars and US Dollars. Apart from providing working capital to support its media sales and management business, the Group maintains a sufficient amount of cash to meet potential needs for business expansion and development.

At 30 June 2005, the Group had net current assets of HK\$416.3 million (31 December 2004: HK\$425.7 million) and total assets of HK\$1,075.1 million (31 December 2004: HK\$1,092.4 million).

At 30 June 2005, the Group had bank loans amounting to HK\$138.0 million (31 December 2004: HK\$138.0 million).

At 30 June 2005, the Group had stand-by banking facilities totalling HK\$150.0 million (31 December 2004: HK\$150.0 million).

PROSPECTS

Hong Kong

Hong Kong's economy has performed well in the first half of 2005, with the GDP growth in real terms at about 4.5%. With the improvement in the labour market and an upbeat sentiment, local consumption can be expected to hold up well in the remainder of the year. Given the strong economic sentiment, the total advertising spending in Hong Kong for the first half of 2005 amounted to HK\$21.4 billion. Furthermore, the opening of Hong Kong Disneyland in September 2005 should give a strong boost to inbound tourism and lift consumer spending further. It is expected that advertising spending in Hong Kong will continuous to grow in 2005. The outdoor advertising market and media sales business should benefit from the continued economic growth in 2005. With strong consumer spending and growth in tourism in Hong Kong, it is expected the Group's media sales revenue will continue to grow in the second half of 2005.

The Group continues to produce attractive and diversified programmes, and provide an interactive platform via the use of mobile phones to attract the interest and attention of transit passengers and advertisers. Over the years, advertisers have recognised that MMOB is an effective advertising platform, with a high proportion of repeat customers. In the area of technology, testing of a global positioning system and digital display technology continues. This eventually will enable the MMOB system to provide real time information and location specific advertising.

China Mainland

In China Mainland, the GDP growth for the first half of 2005 was 9.5% which was higher than the general market estimation. Although certain measures have been taken by the Central People's Government to cool down overheated sectors of the economy, advertising spending has not been affected and is expected to continue to have double-digit growth year on year. This is mainly due to economic growth, improved standards of living and up-coming international events to be held in China Mainland such as the 2008 Olympic Games, the 2010 World Expo and the 2010 Asian Games.

The Group's China Mainland operations will continue to contribute an important part of our operating revenue. In 2002, RoadShow's operations in China Mainland contributed only 6% of its total revenue, whereas in the first half of 2005 they accounted for approximately 50% of the Group's total operating revenue. The Mainland business is expected to contribute more than 50% of total revenue in 2005.

The Group plans to expand the media sales business in China Mainland in a prudent and focused manner. The Group will pursue a business development prospect only when it has been shown that the investment will provide a reasonable return and would not have a significant impact on the gearing ratio. Various business development opportunities that compliment RoadShow's existing outdoor and electronic media sales businesses are being explored.

Building on the past few years' success and the growth of the advertising market and under a rising interest rate environment with a solid financial position of HK\$523.1 million cash and bank balances on hand, the Group is confident that some valuable media assets can be captured by the ways of investment of projects/companies with long term and exclusive advertising rights that can benefit from the Group's resources and will contribute to the Group's revenue and enhance shareholders' value.

AUDIT COMMITTEE

The Audit Committee is composed of four Non-Executive Directors, three of whom are independent Non-Executive Directors. Meetings are held to review with senior management the accounting principles and practices adopted by the Group; the accuracy and fairness of the financial statements; and the scope of both internal and external audit work. The Audit Committee also ensures that effective internal control procedures and practices are in place.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICE

None of the Directors is aware of any information which would reasonably indicate that the Company is not, or was not, in compliance with the Code on Corporate Governance Practice as set out by the Stock Exchange in Appendix 14 to the Listing Rules, at any time during the six months ended 30 June 2005.

CHANGE OF DIRECTORS AND COMPANY SECRETARY

The Board of Directors (the "Board") announces that Mr. YEN Shiao Hua, Sheridan has resigned as Non-Executive Director of the Company with effect from 6 September 2005 due to personal reasons. The Board is not aware of any other matters relating to the resignation of Mr. Yen that need to be brought to the attention of the shareholders of the Company. The Board would like to take this opportunity to thank Mr. Yen for his invaluable contributions to the Company during his service with the Company. The Board further announces the appointment of Mr. Andrew SO Sing Tak as Non-Executive Director of the Company, with effect from 6 September 2005. Mr. So, aged 40, is currently the Managing Director of SUNeVision Holdings Limited, and a Non-Executive Director of SmarTone Telecommunications Holdings Limited. Mr. So does not have any service contract with the Company. He is subject to retirement by rotation under the Company's Bye-laws. As a director of the Company, the directors' fees payable to him are recommended by the Board and approved by the shareholders of the Company at its general meetings. Mr. So has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. He does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. The Board also announces that Mr. MAK Hing Keung Thomas has resigned as Company Secretary and Authorised Representative and Ms CHAN Siu Yin Bomie has been appointed as Company Secretary and Authorised Representative of the Company with effect from 6 September 2005.

PUBLICATION OF INTERIM RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

These interim results announcement of the Group for the six months ended 30 June 2005 containing all the information required by the Listing Rules will also be published on the website of the Stock Exchange (www.hkex.com.hk).

By Order of the Board
John CHAN Cho Chak
Chairman

Hong Kong, 6 September 2005

As at the date of this announcement, the Board of Directors of the Company is comprised of Mr. John CHAN Cho Chak, GBS, JP as Chairman; Mr. Michael WONG Yick-kam as Deputy Chairman; Ms Winnie J. NG as Group Managing Director; Ms Amanda LUI Yee Fai and Mr. MAK Chun Keung as Directors; Mr. Anthony NG, Mr. James Conrad LOUEY and Ms LAU Mei Mui, May as Non-Executive Directors; Ms Carlye Wai-Ling TSUI, BBS, MBE, JP, Mr. HUI Ki On, GBS, CBE, QPM, CPM and Dr. Eric LI Ka Cheung, GBS, OBE, JP as Independent Non-Executive Directors; Ms LAU Shung Oi, Susanna as alternate director to Mr. Michael WONG Yick-kam.