ROADSHOW HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock code: 888)

2004 FINAL RESULTS ANNOUNCEMENT

ANNUAL RESULTS

The directors (the "Directors") of RoadShow Holdings Limited (the "Company" or "RoadShow") have pleasure in presenting the audited income statement of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2004, together with the comparative figures for the year ended 31 December 2003.

	Note	2004 HK$'000	2003 HK$'000
Group turnover		**181,965**	156,394
Share of associate's turnover		**45,307**	23,080
Subtotal		**227,272**	179,474
Other revenue		**16,095**	16,983
Total operating revenue		**243,367**	196,457
Group turnover		**181,965**	156,394
Other revenue		**16,095**	16,983
Operating expenses			
Licence and royalty fees		**(9,880)**	(18,466)
Cost of inventories		**(3,727)**	(3,881)
Depreciation and amortisation		**(35,907)**	(26,562)
Site rentals		**(23,655)**	(19,078)
Staff expenditure		**(28,378)**	(28,452)
Provision for doubtful debts		**(1,784)**	(15,801)
Other operating expenses		**(76,011)**	(98,725)
Total operating expenses		**(179,342)**	(210,965)
Profit/(loss) from operations		**18,718**	(37,588)
Finance costs		**(1,348)**	(1,437)
Share of profit of associate		**14,039**	6,934
Profit/(loss) from ordinary activities before taxation	3	**31,409**	(32,091)
Income tax	4	**(7,638)**	1,634
Profit/(loss) from ordinary activities after taxation		**23,771**	(30,457)
Minority interests		**(3,657)**	(6,496)
Profit/(loss) attributable to shareholders		**20,114**	(36,953)
Dividend			
Final dividend proposed after the balance sheet date	5	**13,963**	—
Earnings/(loss) per share (in Hong Kong cents)			
Basic	6(a)	**2.02**	(3.71)
Diluted	6(b)	**N/A**	N/A

Notes:

1. **Basis of preparation**

   These financial results have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which include all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial results also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

   HKICPA has issued a number of revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

   The Group has not adopted these new HKFRSs in the financial statements for the year ended 31 December 2004. The Group has not yet commenced an assessment of the impact of these new HKFRSs and therefore is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

2. **Segmental information**

   Segment information is presented in respect of the Group's business and geographical segments. Geographical segment information based on location of assets is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

   Geographical segments

	Year ended 31 December 2004			Year ended 31 December 2003		
	Group HK$'000	Share of associate HK$'000	Total HK$'000	Group HK$'000	Share of associate HK$'000	Total HK$'000
Segment revenue						
Hong Kong	**122,595**	**—**	**122,595**	102,325	—	102,325
Mainland China	**59,370**	**45,307**	**104,677**	54,069	23,080	77,149
Total	**181,965**	**45,307**	**227,272**	156,394	23,080	179,474
Segment results						
Hong Kong	**22,970**	**—**	**22,970**	(44,608)	—	(44,608)
Mainland China	**(6,946)**	**14,039**	**7,093**	8,834	6,934	15,768
	16,024	**14,039**	**30,063**	(35,774)	6,934	(28,840)
Unallocated operating income and expenses			**(9,949)**			(8,113)
			20,114			(36,953)

   Business segments

   The Group's turnover and operating profit/(loss) are almost entirely derived from media sales and management services. Accordingly, no analysis by business segment is provided.

3. **Profit/(loss) from ordinary activities before taxation**

   Profit/(loss) from ordinary activities before taxation is arrived at after charging/(crediting):

	2004 HK$'000	2003 HK$'000
Interest on bank loans wholly repayable within five years	**1,348**	1,437
Interest income from bank deposits	**(8,096)**	(9,479)
Loss on disposal of fixed assets	**82**	18

4. **Income tax**

   Income tax represents:

	2004 HK$'000	2003 HK$'000
Current tax		
Provision for Hong Kong Profits Tax for current year	**3,582**	3,051
(Over)/under-provision in respect of prior years	**(2)**	491
	3,580	3,542
Provision for PRC income tax	**735**	1,871
	4,315	5,413
Deferred tax		
Effect of increase in tax rate on deferred tax balances at 1 January	**—**	1,491
Reversal and origination of temporary differences	**(1,262)**	(8,538)
	(1,262)	(7,047)
Share of associate's taxation	**4,585**	—
Income tax expense/(credit)	**7,638**	(1,634)

   The provision for Hong Kong Profits Tax for 2004 is calculated at 17.5% (2003: 17.5%) of the estimated assessable profits for the year. Taxation for PRC subsidiaries is charged at the appropriate current rates for taxation ruling in The People's Republic of China.

5. **Proposed final dividend**

   The Directors recommend the payment of a final dividend of HK1.4 cents per share for the year ended 31 December 2004 (2003: no final dividend). This represents a pay-out ratio of about 69% of the current year's profit.

   The Transfer Books of the Company will be closed from Wednesday, 4 May 2005 to Wednesday, 11 May 2005, both dates inclusive. To qualify for the proposed final dividend transfers must be lodged with the Company's Hong Kong share registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Tuesday, 3 May 2005. It is expected that the final dividend warrants will be despatched to shareholders on or about Tuesday, 5 July 2005.

6. **Earnings/(loss) per share**

   (a) Basic earnings/(loss) per share

   The calculation of basic earnings/(loss) per share is based on the profit attributable to shareholders of HK$20,114,000 (2003: loss attributable to shareholders of HK$36,953,000) and the weighted average of 997,365,332 ordinary shares (2003: 997,365,332 shares) in issue during the year.

   (b) Diluted earnings/(loss) per share

   The diluted earnings/(loss) per share for the years ended 31 December 2004 and 31 December 2003 are not presented as the exercise of the subscription rights conferred by the share options would not have any dilutive effect on the earnings/(loss) per share for the years ended 31 December 2004 and 31 December 2003.

BUSINESS RESULTS

The Group achieved significant operational and financial improvement in 2004 as compared to 2003. For the year ended 31 December 2004, the Group reported total operating revenue of HK$243.4 million, representing a 24% increase over the previous year; operating revenue included the Group's turnover, share of associate's turnover and other revenue. The Group recorded a profit attributable to shareholders of HK$20.1 million in 2004 as compared to a loss of HK$37.0 million in 2003. The Group continues to maintain a strong financial position with total cash and bank balances of HK$521.5 million at 31 December 2004.

Operating revenue

For the year ended 31 December 2004, the Group reported a total operating revenue of HK$243.4 million. The operating revenue was derived principally from its media sales business operated in both Hong Kong and Mainland China, with each accounting for approximately 50% and 43% respectively of the total operating revenue for the year ended 31 December 2004. Total operating revenue generated from our Hong Kong and Mainland China media sales business increased from HK$102.3 million and HK$77.1 million to HK$122.6 million and HK$104.7 million, representing an increase of 20% and 36%, respectively. The increase in the operating revenue was mainly due to the sales efforts made by the staff of the Group and the associate; the improved overall economic environment in Mainland China and Hong Kong and the rebound of the advertising market.

Operating expenses

The Group's operating expenses reduced by HK$31.7 million from HK$211.0 million to HK$179.3 million even though depreciation and amortisation and site rental expenses increased by HK$14.0 million from HK$45.6 million to HK$59.6 million. The increase in depreciation and amortisation expenses was due to additions to the MMOB system and outdoor media assets in Hong Kong and Mainland China to expand our media sales business. The increase in the site rentals for the year was directly due to the expansion of the media sales business in Mainland China. The reduction in other expenses was the result of effective cost control measures and improvements in the collection of accounts receivable during the year.

BUSINESS OVERVIEWS

The year 2004 was very satisfactory for RoadShow. Revenue and profit increased and substantial progress was made in the Group's prudent and focused expansion strategy.

In Mainland China, RoadShow worked to strengthen its position as a diversified and multi-dimensional media sales organisation. We expanded beyond public transit vehicles as a platform for advertising and increased our investment and capitalised on our media advertising rights in Mainland China.

Our operations on the Mainland contributed about 43% of our 2004 revenue stream, compared to about 39% in 2003 and 6% in 2002. In 2005, our Mainland business is expected to contribute more than 50% of our revenues based on our current projections. This would be achieved within an environment of steadily increasing competition.

RoadShow began operating in the Mainland in 2002 when it acquired the rights to display advertising at the "Lamplight Rainbow" Tunnel on Huaihai Road in Shanghai. Our media assets subsequently grew to include bus bodies, bus shelters and telephone booths in Beijing, Guangzhou and Shenzhen. We also began providing advertising agency services for the Guangzhou Metro mass transit system and outdoor media assets in other regions such as Tianjin, Chengdu and Xian. In outdoor media, we added bus shelter advertising spaces in prime locations in Beijing and Guangzhou during the year. Thus we expect our revenue in these areas to increase in 2005. We also saw an increase in the occupancy rate for our bus body, billboard and bus shelter spaces in both cities and this growth is expected to continue.

The Group's advertising rights in China extend beyond 2010 which means we can capitalise on the opportunities presented by the 2008 Beijing Olympic Games, the 2010 World Expo in Shanghai and the 2010 Asian Games in Guangzhou.

PROSPECTS

Economic forecasts indicate that the growth Hong Kong experienced in 2004 will continue in 2005 bolstered by a strong influx of tourists from Mainland China encouraged by relaxed travel and currency restrictions. The opening of Disneyland in 2005 in Hong Kong will lend further stimulus to our tourist industry. The new Guangzhou International Airport and the expansion of the Guangzhou Metro Rapid Transit System will also fuel growth of the outdoor advertising market and media sales business. Furthermore, the 2008 Olympic Games in Beijing, the 2010 World Expo in Shanghai and the 2010 Asian Games in Guangzhou should benefit our business in those markets going forward.

In Hong Kong, economic growth and positive market sentiment will generate increased advertising expenditure. This will contribute to further growth in our revenue and profits as we expand our advertiser base by selling to more advertisers the benefits of our MMOB platform in promoting their products and services. We will also continue to develop more creative means to capitalise on opportunities to increase our revenues.

In Mainland China, GDP grew by 9.5% in 2004 and is expected to grow further by about 8% over 2005. According to industry research, total advertising spending in the Mainland has been growing at double digit rates since the early 1990's and reached about US$23 billion in 2004.

However, the external environment during 2005 will be beset with considerable uncertainty involving such factors as high oil prices, the weakening of the U.S. dollar and anticipated interest rate increases.

While the continued growth of the advertising market in Mainland China is certainly positive, it has resulted in rising costs of investment and a subsequent lower rate of return. Also, an increase in sales costs and increased competition in outdoor media sales in both the Mainland and Hong Kong have resulted in lower gross profit margins. Also, China's launching of central government economic controls to cool some over-heated industries could possibly have a negative impact on RoadShow's Mainland operations.

However, we are addressing these concerns by providing more value-added after sales services to our customers to encourage advertisers to increase their spending with us and increase our market share. We also continue to enhance MMOB programme contents so that transit vehicle passengers will feel that watching RoadShow's MMOB programming is a natural part of their daily routine.

We are also creating more flexible packaging and working closely with advertisers and advertising agencies so that their promotional campaigns will have the maximum desired effect.

The Group constantly seeks opportunities to improve cost effectiveness and to enhance revenue for our existing operations. We have applied a strict credit control policy for our Hong Kong and Mainland operations to improve the accounts receivable turnover.

Surveys indicate that most public transit vehicle passengers appreciate MMOB while a minority are critical of the service. We have made adjustments in the operations, such as zero or lower audio volume in certain areas of the vehicles. Management continues to maintain a dialogue with passengers who are unhappy about the service and we will continue to communicate with them.

LONG TERM STRATEGY

Our Hong Kong operation will grow and be profitable in line with economic growth, the growth in the advertising market in general and the utilisation of our MMOB system which has room for expansion. As more advertisers recognise the value of MMOB, it will become a regular medium for their product and brand promotions aimed at people who are travelling to either earn money or spend it.

The Group's Mainland China operation will continue to be an important factor in our operating revenue and profitability. We plan to expand the media sales business in the Mainland, but in a prudent and focused manner. We will pursue a business development prospect only when it has been shown that the investment will provide a reasonable return and not have a significant impact on our gearing ratio. Within this guiding principle, we will explore investment opportunities that compliment RoadShow's existing outdoor and electronic media sales businesses.

To enhance our media assets in Mainland China, we will invest in projects and/or companies with long term and exclusive advertising rights that can benefit from the Group's resources. We also plan to increase our presence in the Mainland by establishing a wholly owned media sales company with a full media sales licence and teams, as permitted under the Mainland and Hong Kong Closer Economic Partnership Arrangement ("CEPA"), to further expand our media sales operations and enhance the Group's branding.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 31 December 2004, the Group had net current assets of HK$425.7 million (2003: HK$432.4 million) and total assets of HK$1,092.4 million (2003: HK$1,083.1 million).

The Group's cash needs are primarily for working capital to support its media sales business, whereas a sufficient amount of cash is maintained to meet potential business expansion and development.

At 31 December 2004, the Group had bank loans amounting to HK$138.0 million (2003: HK$138.0 million). The gearing ratio, representing the ratio of bank borrowings to the total share capital and reserves of the Group was 16.7% at 31 December 2004 (2003: 17.1%).

At 31 December 2004, the Group had banking facilities totalling HK$150.0 million (2003: HK$200.0 million).

At 31 December 2004, the Group's cash and deposits at banks amounted to HK$521.5 million (2003: HK$534.7 million, comprising cash and cash equivalents of HK$434.7 million and pledged bank deposit of HK$100.0 million) and they were mainly denominated in Hong Kong Dollars, US Dollars and Renminbi. Cash generated from operations, when not needed for working capital, is principally placed in bank deposits. At 31 December 2004, the proceeds from the Global Offering and the exercise of an over-allotment option by the underwriters on 18 July 2001 which had not been utilitised had been placed into bank deposits.

Capital expenditures incurred by the Group during 2004 amounted to HK$47.8 million (2003: HK$108.2 million).

Capital commitments outstanding and not provided for as at 31 December 2004 amounted to HK$283.2 million (2003: HK$292.9 million) which is mainly for the upgrade of the existing MMOB system for the MMOB business and for potential investment and business development in Greater China. The commitments are to be financed by bank borrowings and/or internal resources of the Group.

EMPLOYEES AND EMOLUMENTS POLICIES

At 31 December 2004, RoadShow had 51 full-time employees in Hong Kong and 142 full-time employees in Mainland China.

The Group offers a comprehensive and competitive remuneration and benefits package to all its employees. In addition, it offers a performance bonus scheme to its senior staff based on achievement of business objectives and a sales commission scheme to its sales team based on achievement of advertising revenue targets. The Group has adopted a provident fund scheme for its employees in Hong Kong as required under the Mandatory Provident Fund Schemes Ordinance and participated in employee pension schemes for its employees in Mainland China as organised by the local governments under which it is governed.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws and the Law in Bermuda.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

The Company has complied throughout the year with the Code of Best Practice as set out by the Stock Exchange in Appendix 14 to the Listing Rules.

CORPORATE GOVERNANCE

Over the years, the Group has placed strong emphasis on maintaining high standards of corporate governance and believes good corporate governance provides a solid and sound framework to assist the Directors in fulfilling their duties and responsibilities to the Group. The Group's standards of corporate governance ensure that the Group's corporate decision-making process, internal control, disclosure of information and communication with shareholders is conducted in accordance with sound management practices and in full compliance with the regulatory standards.

Audit Committee

The Group's 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. Two Committee meetings were held during 2004. After each meeting, the Chairman of the Audit Committee reported to the Board of Directors on significant issues.

Remuneration Committee

The Group established the Remuneration Committee in March 2004 comprising three Non-Executive Directors, two of whom are Independent Non-Executive Directors. The Remuneration Committee is responsible for making recommendations to the Board of Directors regarding the Company's framework of directors' remunerations.

Enhanced Shareholder Value

The Group conducts its businesses based on high standards of corporate governance. The corporate decision-making process is carried out in an honest, open and systematic manner. Through maintaining and inspiring investors' confidence in the Group's management and internal controls, we work to further enhance the value of the Group for our shareholders.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

A detailed results announcement of the Group for the financial year ended 31 December 2004 containing all information required by paragraphs 45(1) to 45(3) of Appendix 16 to the Listing Rules will be published on the website of the Stock Exchange in due course.

By Order of the Board
John CHAN Cho Chak
Chairman

Hong Kong, 14 March 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; Mr. MAK Chun Keung and Ms. Amanda LUI Yee Fai as Directors; Mr. James Conrad LOUEY, Mr. Anthony NG, Ms. LAU Mei Mui, May and Mr. YEN Shiao Hua, Sheridan as Non-Executive Directors; Dr Eric LI Ka Cheung, GBS, OBE, JP, Ms. Carlye Wai-Ling TSUI, MBE, JP and Mr. HUI Ki On, GBS, CBE, QPM, CPM as Independent Non-Executive Directors; Ms. LAU Shung Oi, Susanna as Alternate Director to Mr. Michael WONG Yick-kam.