



MY E.G. SERVICES BERHAD
(Company No. 505639-K)
(Incorporated in Malaysia under the Companies Act, 1965)

THIRD QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011

Condensed Consolidated Statement of Comprehensive Income
For the Third Quarter ended March 31, 2011
(The figures have not been audited)

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31.03.2011 (RM'000)	31.03.2010 (RM'000)	31.03.2011 (RM'000)	31.03.2010 (RM'000)
Revenue	19,792	16,558	52,228	44,996
Operating expenses	(11,567)	(9,266)	(31,805)	(25,802)
Operating profit	8,225	7,292	20,423	19,194
Depreciation and amortization	(1,822)	(1,281)	(5,147)	(3,725)
Finance costs	(116)	(147)	(387)	(401)
Other operating income	26	33	109	124
Share of result of an associate	-	(40)	-	(40)
Profit before taxation	6,313	5,857	14,998	15,152
Taxation	(30)	(39)	(102)	(126)
Total comprehensive income for the year	6,283	5,818	14,896	15,026
Profit attributable to:				
Shareholders of the company	6,283	5,818	14,896	15,046
Minority interest	-	-	-	(20)
Profit for the period	6,283	5,818	14,896	15,026
Earnings per share ("EPS") attributable to the equity holders of the company (sen)				
- Basic EPS	1.0	1.0	2.5	2.5
- Diluted EPS	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
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Condensed Consolidated Statement of Financial Position
As at March 31, 2011

	Unaudited As at end of Current Quarter 31.03.2011 RM'000	Audited As at 30.6.2010 RM'000
ASSETS		
NON-CURRENT ASSETS		
Development costs	10,454	10,113
Equipment	38,038	39,995
Goodwill on consolidation	12,016	12,016
	60,508	62,124
CURRENT ASSETS		
Trade receivables	9,612	6,792
Other receivables, deposits and prepayments	11,006	10,325
Tax recoverable	44	17
Amount due from associate company	10,403	7,522
Cash and bank balances	16,365	8,825
	47,430	33,481
TOTAL ASSETS	107,938	95,605
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	60,105	60,105
Treasury shares	(158)	(158)
Retained profits	35,787	24,496
TOTAL EQUITY	95,734	84,443
NON-CURRENT LIABILITY		
Hire Purchase	1,675	1,786
Term Loan	1,680	2,400
	3,355	4,186
CURRENT LIABILITIES		
Trade payables	2,911	1,422
Other payables and accruals	906	1,384
Deferred revenue	2,460	1,440
Provision for taxation	2	7
Short term borrowings	2,570	2,723
	8,849	6,976
TOTAL LIABILITIES	12,204	11,162
TOTAL EQUITY AND LIABILITIES	107,938	95,605
Net assets attributable to ordinary equity holders of the parent (RM'000)	95,734	84,443
Net assets per share attributable to ordinary equity holders of the parent (sen)	15.94	14.06

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
(Company No. 505639-K)
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Condensed Consolidated Statement of Changes in Equity
For the Third Quarter ended March 31, 2011
(The figures have not been audited)

	← Attributable to Equity Holders of the Company →			Minority Interest (RM'000)	Total Equity (RM'000)
	Share capital (RM'000)	Treasury Shares (RM'000)	Distributable Retained Profits (RM'000)		
As at 1 July 2009	60,105	-	9,362	46	69,513
Purchase of Treasury Shares	-	(77)	-	-	(77)
Disposal of a subsidiary	-	-	-	(26)	(26)
Profit After Tax For The Financial Period	-	-	15,046	(20)	15,026
Dividends Paid	-	-	(2,734)	-	(2,734)
As at 31 March 2010	60,105	(77)	21,674	-	81,702
As at 1 July 2010	60,105	(158)	24,496	-	84,443
Profit After Tax For The Financial Period	-	-	14,896	-	14,896
Dividends Paid	-	-	(3,605)	-	(3,605)
As at 31 March 2011	60,105	(158)	35,787	-	95,734

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying notes to the Interim Financial Statements.

MY E.G. SERVICES BERHAD
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Condensed Consolidated Statement of Cash Flow
For the Third Quarter ended March 31, 2011
(The figures have not been audited)

	Current Year To Date Ended 31.03.2011 (RM'000)	Corresponding Year To Date Ended 31.03.2010 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,998	15,152
Adjustments for:-		
Amortisation of development costs	678	580
Depreciation of equipment	4,469	3,145
Fixed asset written off	2	12
Share of losses in associate company	-	40
Loss on disposal of fixed asset	61	-
Interest expense	387	401
Interest income	(109)	(120)
Operating profit before working capital changes	20,486	19,210
Increase in trade and other receivables	(3,500)	(2,090)
(Decrease)/Increase in trade and other payables	2,031	1,305
CASH FLOWS FROM OPERATIONS	19,017	18,425
Income tax paid	(134)	(174)
Interest paid	(387)	(401)
NET CASH FROM OPERATING ACTIVITIES	18,496	17,850
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of equipment	(2,654)	(6,378)
Additions of development costs	(1,019)	(1,859)
Proceed from disposal of fixed asset	79	-
Investment in associate company	-	(40)
Disposal of a subsidiary	-	38
NET CASH FOR INVESTING ACTIVITIES	(3,594)	(8,239)
CASH FOR FINANCING ACTIVITIES		
Repayment of term loan	(720)	(720)
Drawdown of hire purchase loan	1,407	3,776
Repayment of hire purchase obligations	(1,671)	(1,215)
Amount due from associate company	(2,882)	(2,829)
Purchase of treasury shares	-	(77)
Dividend Paid	(3,605)	(5,470)
Interest income	109	120
NET CASH FOR FINANCING ACTIVITIES	(7,362)	(6,415)
NET DECREASE IN CASH AND BANK BALANCES	7,540	3,196
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL PERIOD	8,825	14,560
CASH AND BANK BALANCES AT END OF THE FINANCIAL PERIOD	16,365	17,756

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2010 and the accompanying notes to the Interim Financial Statements.

Notes To The Interim Financial Report For The Financial Period Ended 31 March 2011

A Explanatory Notes Pursuant To Financial Reporting Standard (“FRS”) 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the FRS 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of My E.G. Services Bhd and its subsidiaries (“the Group”) for the financial year ended 30 June 2010.

The same accounting policies and methods of computation adopted in these interim financial statements are consistent with the annual financial statements for the year ended 30 June 2010.

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 30 June 2010 was not qualified.

A3. Seasonal and Cyclical Factors

The Group’s business operation result is subject to seasonality factors. The demand for new driving licences generally increases in the first half of the year (i.e the second half of the Group’s financial year) due mainly to the long school holidays after the Government exams, where most 16-20 year olds would obtain their driving licences between the months of January to June. Therefore, JPJ-related revenue in the first half of the year (January – June) has historically been approximately 50% higher than the JPJ-related revenue recorded for the second half of the year (July – December).

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter under review, that are unusual by reason of their nature, size or incidence.

A5. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect on the current quarter’s results.

A6. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review.

A7. Dividends Paid

On 29 October 2010, the company declared a final tax-exempt dividend of 0.6 sen per ordinary share of RM0.10 (2009 – 0.455 sen) amounting to RM3,604,075 in respect of the financial year ended 30 June 2010 and it was paid on 24 January 2011.

A8. Segmental Information

The Group operates wholly in Malaysia and is principally engaged in the business of development and implementation of E-Government services project and the provision of other related services for the E-Government Initiative which are substantially within a single business segment. As such, the financial information by geographical and industry segments of the Group's operations are not available for presentation.

A9. Valuation of Property, Plant and Equipment

There has been no valuation on any of the Group's property, plant and equipment during the current financial quarter under review.

A10. Subsequent Events

There were no material events subsequent to the end of the current financial quarter under review that has not been reflected.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review.

A12. Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group.

A13. Capital Commitments

There were no material contingent liabilities since the last annual balance sheet date.

A14. Related Party Transactions

The related party transactions of the Group for the Quarter and Period ended 31.03.2011 are as follows:

	Individual Quarter		Cumulative Quarter	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	RM	RM	RM	RM
(i) Associate company				
MY E.G. Integrated Networks Sdn Bhd				
- Sales	3,150,000	600,000	4,350,000	1,200,000
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(ii) A company which a director has financial interest				
Embunaz Ventures Sdn Bhd				
- Rental of Premises	-	-	-	55,500
- Professional Fees	48,000	48,000	144,000	88,500
Total	48,000	48,000	144,000	144,000
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The directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that were mutually agreed between the parties.

Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

B1. Performance of the Group

The Group posted revenue and profit after taxation ("PAT") of RM19.79 million and RM6.28 million respectively for the third financial quarter ("Q3 FY2011") as compared to RM16.56 million and RM5.82 million respectively in the corresponding quarter ("Q3 FY2010"). This represents an increase in revenue of approximately RM3.23 million (or 19.5%) while profit after taxation ("PAT") increased slightly by RM0.46 million (or 8.0%) in Q3 FY2011 as compared to Q3 FY2010.

For the year to date period ended 31 March 2011 ("9M FY2011"), the Group recorded revenue and PAT of RM52.23 million and RM14.90 million respectively as compared to RM45.0 million and RM15.03 million respectively in the corresponding period ("9M FY2010"). This represent an increase of RM7.23 million (16.1%) in Revenue. However, PAT for 9M FY2011 decreased by RM0.13 million (0.9%).

The increase in Revenue are primarily attributable to:

- i) increase in JPJ related services for theory test taking;
- ii) increase in online payment of traffic summons due to the campaign by Polis Di Raja Malaysia ("PDRM") which was extended to Q3 FY2011 ; and
- iii) encouraging growth for our online renewal of insurance and road tax transactions

However, this was offset by the higher marketing related expenses to further promote MYEG's brand name and services during the period under review as compared to the corresponding period in FY2010.

B2. Comparison with Preceding Quarter's Results

	Q3 FY2011	Q2 FY2011
	RM'000	RM'000
Revenue	19,792	16,969
Profit Before Tax ("PBT")	6,313	5,843
PAT	6,283	5,810

For the Quarter under review, the Group recorded revenue of RM19.79 million, an increase of RM2.82 million as compared to Q2 FY2011 revenue. PAT increased slightly by 8.1% to RM6.28 million, as compared to Q2 FY2011 PAT of RM5.81 million. The increase in Revenue and PAT, as compared to the preceding quarter, may be primarily attributable to higher volume from JPJ related services for theory test taking, payment of traffic summons due to the campaign by PDRM which was extended to Q3 FY2011 and an increase in online renewal of insurance and road tax transactions.

B3. Prospect of the Group

Barring any unforeseen circumstances, the Directors of MyEG are of the opinion that the results for the financial year ending 30 June 2011 ("FYE 2011") will continue to be satisfactory as awareness of our existing services and brand name continues to increase while new services would continue to be rolled out in FYE2011.

B4. Variance from Profit Forecast

Not applicable as there was no financial forecast issued for the financial year ended 30 June 2010.

B5. Taxation

The taxation figures are as follows:

	Current Quarter 31.03.2011 (RM'000)	Current Year To Date 31.03.2011 (RM'000)
Current period	30	102

The effective tax rate for the current financial quarter and cumulative year to date is 0.48% and 0.68% as compared to the statutory tax rate of 25%. The lower effective tax rate is primarily because the Group's revenue is mainly contributed by the MSC status companies in the Group namely, My E.G. Services Bhd and mySPEED.com Sdn Bhd, whereby revenue arising from approved MSC activities are not subjected to income tax.

B6. Unquoted Securities and/or Properties

There were no purchases or disposals of any unquoted securities and/or properties for the current financial quarter and financial period year to date.

B7. Quoted Securities

There were no purchases or disposal of any quoted securities for the current financial quarter.

B8. Status of Corporate Proposal

On 9 November 2010, the Company proposed to establish and implement an employees' share option scheme ("Proposed ESOS") of up to ten percent (10%) of the issued and paid-up share capital of the Company at any point in time, for eligible executive and non-executive directors and eligible employees of the Company and its subsidiaries who meet the criteria of eligibility for participation in the Proposed ESOS.

This corporate proposal has not completed as at the date of this announcement.

B9. Group Borrowings

Details of the Group's borrowings as at 31 March 2011 were as follows:-

	Current (RM'000)	Non-Current (RM'000)	Total (RM'000)
Secured			
Hire Purchase	1,610	1,675	3,285
Term Loan	960	1,680	2,640
Total Borrowings	2,570	3,355	5,925

The borrowings are denominated in RM.

B10. Off Balance Sheet Financial Instruments

As at the date of this report, there are no off balance sheet financial instruments.

B11. Realised and Unrealised Profits/Losses Disclosure

	As at 31.03.2011 (RM'000)	As at 31.12.2010 (RM'000)
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	35,787	33,108
- Unrealised	-	-
Total Group retained profits/(accumulated losses) as per consolidated accounts	35,787	33,108

Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosure.

B12. Material Litigations

As at the date of this announcement, there are no material litigations against the Group or taken by the Group.

B13. Dividends

On 26 May 2011, the Directors have declared a first interim tax exempt dividend of 0.5 sen per 10 sen ordinary share (2010 – 0.5 sen) amounting to RM3,003,396 for the current financial year ending 30 June 2011, payable on 19 August 2011 to shareholders registered at the close of business on 22 July 2011.

B14. EPS

i. Basic

The basic EPS is computed by dividing the net profit for the financial quarter and year to date periods by the number of ordinary shares in issue during the period.

	Current Year Quarter 31.03.2011 (RM'000)	Current Year To Date 31.03.2011 (RM'000)
Net profit attributable to ordinary shareholders	6,283	14,896
Weighted average number of ordinary shares of RM0.10 each in issue ('000s)	600,679	600,679
Basic EPS (sen)	1.0	2.5

The basic EPS in the previous financial period has been restated to conform with the current period's presentation as a result of the bonus issue during the financial period.

ii. Diluted

The company does not have any convertible shares or convertible financial instruments for the current financial quarter and financial period year to date.

By Order of the Board

Tan Ai Ning
Secretary
26 May 2011