



SEG INTERNATIONAL BHD

145998-U

**SUMMARY OF KEY FINANCIAL INFORMATION
30 SEPTEMBER 2009**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	RM'000	RM'000	RM'000	RM'000
1 Revenue	54,719	34,832	132,988	90,050
2 Profit before tax	3,832	1,173	13,698	8,457
3 Profit for the period	3,058	853	10,443	7,280
4 Profit attributable to ordinary equity holders of the parent	2,974	852	9,969	6,984
5 Basic earnings per share (sen)	3.59	1.00	12.03	8.35
6 Proposed/Declared dividend per share (sen)	-	-	-	-
			AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (RM)			2.0077	1.9099

ADDITIONAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	RM'000	RM'000	RM'000	RM'000
1. Gross interest income	40	166	305	808
2. Gross interest expense	(368)	(617)	(1,143)	(1,917)

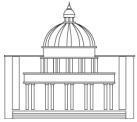


CONDENSED CONSOLIDATED BALANCE SHEET

At 30 September 2009

	As at 30 Sep 2009 (RM'000)	As at 31 Dec 2008 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	5,130	451
Property, plant and equipment	60,036	70,897
Prepaid land lease payments	30,140	4,951
Investment properties	92	156
Other receivables	11,358	11,768
Intangible assets	30,255	30,237
Other investments	2,952	3,837
Deferred tax assets	3,374	3,374
	<u>143,337</u>	<u>125,671</u>
CURRENT ASSETS		
Inventories	-	8
Receivables, deposits and prepayments	35,237	35,224
Tax recoverable	5,991	5,462
Assets classified as held for sale	8,001	-
Cash and cash equivalents	35,025	47,545
	<u>84,254</u>	<u>88,239</u>
TOTAL ASSETS	<u>227,591</u>	<u>213,910</u>
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	89,093	89,093
Treasury Shares	(4,863)	(4,862)
Reserves	82,199	74,093
	<u>166,429</u>	<u>158,324</u>
MINORITY INTERESTS	1,097	623
TOTAL EQUITY	<u>167,526</u>	<u>158,947</u>
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term borrowings	16,733	7,840
Deferred tax liabilities	1,891	1,891
	<u>18,624</u>	<u>9,731</u>
CURRENT LIABILITIES		
Payables and accruals	33,209	22,170
Short-term borrowings	5,753	22,709
Provision for taxation	15	184
Bank overdrafts	2,464	169
	<u>41,441</u>	<u>45,232</u>
TOTAL LIABILITIES	<u>60,065</u>	<u>54,963</u>
TOTAL EQUITY AND LIABILITIES	<u>227,591</u>	<u>213,910</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.



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CONDENSED CONSOLIDATED INCOME STATEMENT
for the period ended 30 September 2009

	Current Period 3 months ended 30-September		Cumulative Period 9 months ended 30-September	
	2009 (RM'000)	2008 (RM'000)	2009 (RM'000)	2008 (RM'000)
Revenue - services	54,719	34,832	132,988	90,050
Cost of services	(15,704)	(8,387)	(38,295)	(23,625)
Gross profit	39,015	26,445	94,693	66,425
Other income	1,425	1,530	3,512	7,433
	40,440	27,975	98,205	73,858
Distribution expenses	(3,443)	(3,899)	(10,479)	(9,102)
Administrative expenses	(17,405)	(12,259)	(37,367)	(27,636)
Other expenses	(15,665)	(10,027)	(36,464)	(26,746)
Finance costs	(368)	(617)	(1,143)	(1,917)
Share of profit of associate	273	-	946	-
Profit before taxation	3,832	1,173	13,698	8,457
Tax - company and subsidiaries	(722)	(320)	(3,188)	(1,177)
Tax - associate	(52)	-	(67)	-
Income tax expense	(774)	(320)	(3,255)	(1,177)
Profit after taxation	3,058	853	10,443	7,280
Attributable to :				
Shareholders of the Company	2,974	852	9,969	6,984
Minority interests	84	1	474	296
	3,058	853	10,443	7,280
Earnings per share				
- Basic (sen)	3.59	1.00	12.03	8.35

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.



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CONDENSED CONSOLIDATED CASH FLOW STATEMENT for the period ended 30 September 2009

	30 Sep 2009 (RM'000)	30 Sep 2008 (RM'000)
<u>Cash flows from operating activities</u>		
Profit before tax	13,698	8,457
Adjustment for:-		
- Non-cash items	10,037	5,461
- Non-operating items	620	(3,047)
Operating profit before working capital changes	24,356	10,871
Changes in working capital		
- Net change in current assets	(8,921)	5,117
- Net change in current liabilities	11,039	(51,971)
Cash used in operations	26,474	(35,983)
- Net income taxes paid	(3,886)	(1,818)
- Net interest	(838)	(1,109)
Net cash from/ (used in) operating activities	21,749	(38,910)
<u>Cash flows from investing activities</u>		
- Purchase of quoted shares	-	(1,284)
- Purchase of subsidiary	-	(167)
- Net proceeds from disposal of property, plant and equipment/assets classified as held for sale	2,837	139,558
- Acquisition of property, plant and equipment	(29,472)	(8,894)
Net cash (used in)/ from investing activities	(26,635)	129,213
<u>Cash flows from financing activities</u>		
- Net repayments of borrowings	(8,063)	(40,886)
- Repurchase of treasury shares	(1)	-
- Dividend paid	(1,865)	(1,227)
Net cash used in financing activities	(9,929)	(42,113)
Net (decrease)/ increase in cash and cash equivalents	(14,815)	48,190
Cash and cash equivalents net of bank overdrafts at beginning of the period	47,376	(3,131)
Cash and cash equivalents net of bank overdrafts at end of the period (Note i)	32,561	45,059

i) Cash and cash equivalents, net of bank overdrafts comprise:-

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Cash and bank balances	22,626	36,259
Deposits placed with licensed banks	12,399	9,967
Bank overdrafts	(2,464)	(1,167)
	32,561	45,059

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.



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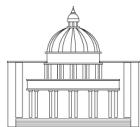
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the period ended 30 September 2009

	← Attributable to Shareholders of the Company →								
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Treasury Shares RM'000	Exchange Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 January 2009	89,093	35,876	2,002	(4,862)	(94)	36,309	158,324	623	158,947
Net profit for the period	-	-	-	-	-	9,969	9,969	474	10,443
Exchange difference on retranslation of net assets of overseas subsidiary*	-	-	-	-	2	-	2	-	2
Treasury shares acquired	-	-	-	(1)	-	-	(1)	-	(1)
Dividend paid	-	-	-	-	-	(1,865)	(1,865)	-	(1,865)
Balance as at 30 September 2009	89,093	35,876	2,002	(4,863)	(92)	44,413	166,429	1,097	167,526
Balance as at 1 January 2008	89,093	35,876	2,027	(3,561)	(91)	30,245	153,589	749	154,338
Net profit for the period	-	-	-	-	-	6,984	6,984	296	7,280
Exchange difference on retranslation of net assets of overseas subsidiary*	-	-	-	-	(4)	-	(4)	-	(4)
Treasury shares acquired	-	-	-	(1,284)	-	-	(1,284)	-	(1,284)
Dividend paid	-	-	-	-	-	(1,227)	(1,227)	-	(1,227)
Balance as at 30 September 2008	89,093	35,876	2,027	(4,845)	(95)	36,002	158,058	1,045	159,103

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

* - expense recognised directly in equity



Notes to interim financial report

A. *DISCLOSURE REQUIREMENTS AS PER FRS 134*

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the accounting policies adopted in the 2008 annual financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008. The explanatory notes attached to the interim financial statements provide 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 year ended 31 December 2008.

2. Qualification of Audit Report

The audit report of the financial statements of the Group for the year ended 31 December 2008 was not qualified.

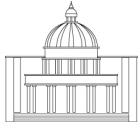
3. Seasonal or cyclical factors

Full-time students enrol for courses during certain periods of the year whereas adult learners (part-time students) do not have preference for specific intakes.

With the combination of both full-time and part-time programmes offered by the Group, the effects of seasonal or cyclical factors are minimised.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual.

There were no material unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 September 2009.



5. Nature and amount of changes in estimates

There were no changes in estimates of amounts previously reported which have a material effect in the financial period ended 30 September 2009.

6. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities

There were no cancellations, repurchases, resale and repayments of debts and equity securities during the financial period ended 30 September 2009 except during the pervious quarter, the Company repurchased 2,000 of its own ordinary shares from the open market at an average price of RM0.83 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

As at 30 September 2009, the total shares bought back, all of which are held as treasury shares, amounted to 6,197,600 shares and the number of ordinary shares of RM 1.00 each net of shares bought back was 82,895,155 shares.

7. Dividends paid

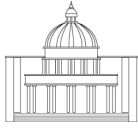
A final ordinary dividend of 3 sen per ordinary share less income tax of 25%, amounting to RM1,865,000 for the year ended 31 December 2008 was paid on 12 August 2009.

8. Segment reporting

The Group's turnover and profits were derived mainly from education and training activities and accordingly, no segment reporting is presented.

9. Valuations of property, plant and equipment

The valuations of land and building have been brought forward, without amendments from the previous annual report.



10. Material subsequent events

There are no material subsequent events that have not been reflected in the financial statements for the financial period ended 30 September 2009.

11. Changes in composition of the Group

There were no major changes in the composition of the Group during the period ended 30 September 2009, except on 15 January 2009:

- a) The Company through its wholly-owned subsidiary, Summit Early Childhood Edu-Care Sdn Bhd, completed its:-
- (i) acquisition of 500,000 ordinary shares of RM1 each in Eduspec Sdn Bhd (“Eduspec”) for a total purchase price of RM1.9 million; and
 - (ii) subscription of 500,000 new ordinary shares of RM1 each in Eduspec for a total subscription price of RM1.9 million.

The total shares acquired and subscribed represent 22.22% of the issued and paid-up capital of Eduspec; and

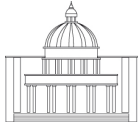
- b) The Company through its wholly-owned subsidiary, SEG Equity Sdn Bhd, acquired 100,000 ordinary shares of RM 1 each, representing 100% equity interest in Metromas Realtors Sdn Bhd for a total cash consideration of RM 100,000.

12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets of the Group as at 30 September 2009.

13. Capital Commitments

There were no material capital commitments approved and contracted for as at 30 September 2009.



**B. *DISCLOSURE REQUIREMENTS AS PER BURSA MALAYSIA
SECURITIES BERHAD LISTING REQUIREMENTS.***

1. Review of performance

For the nine-month period under review, the Group achieved a revenue of RM133.0 million and a profit before tax of RM13.7 million, an improvement of 47.7% and 62.0% respectively, as compared to the corresponding period in 2008.

The improvement in performance is generally due to the increase in student enrolments of the Group's institutions.

2. Variation of results against preceding quarter

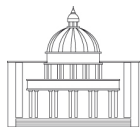
The Group recorded a profit before taxation and minority interest of RM3.8 million for the quarter under review compared to RM1.1 million in the preceding quarter. The increase in the profit before taxation is in line with the general trend of the industry where the third quarter is stronger than the second quarter.

3. Prospects for the year

The prospects of the Group for the remaining year are reasonably positive despite the challenging economic environment. The Group continues to develop new and niche academic programmes to expand its course offerings.

4. Profit forecast

Not applicable.



5. Tax Expenses

	Current quarter ended 30 September 2009 (RM'000)	Cumulative period ended 30 September 2009 (RM'000)
Current tax expense		
- current	774	3,255
- prior year	-	-
	<u>774</u>	<u>3,255</u>
Deferred tax expense/(benefits)		
- current	-	-
- prior year	-	-
	<u>-</u>	<u>-</u>
Total	<u>774</u>	<u>3,255</u>

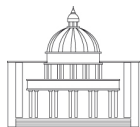
6. Unquoted investments and properties

During the quarter under review, the company disposed off one (1) unit of apartment in Taman Cantik, Cheras, Kuala Lumpur for a total consideration of RM87,000. This resulted in a gain on disposal of RM26,000.

During the previous two quarters, the acquisition and disposal were as follows:

- (i) The Company through its wholly-owned subsidiary, Metromas Realtors Sdn Bhd, acquired a piece of leasehold land measuring approximately 28,689m² at Kota Damansara, Selangor for a total consideration of RM 23.2 million.
- (ii) SEG Equity Sdn Bhd, a wholly-owned subsidiary, disposed four (4) units of service apartments in Subang Jaya, Selangor, for a total consideration of RM2,750,000. This resulted in a gain on disposal of RM193,300.

There was no sale of unquoted investments in the quarter under review and financial year-to-date.



7. Quoted investments

Investment in quoted securities as at 30 September 2009:

	Cost (RM'000)	Book value (RM'000)	Market Value (RM'000)
Total quoted securities	4,201	4,201	1,335
Less : Provision for diminution in value	-	(1,544)	-
Balance as at 30 September 2009	<u>4,201</u>	<u>2,657</u>	<u>1,335</u>

8. Status of corporate proposal announced

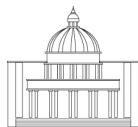
On 19th October 2009, the Group, through its wholly owned subsidiary SEGi College (Sarawak) Sdn Bhd announced the proposed disposal of two (2) parcels of land known as Lots 196 and 444, both of Block 16 Kuching Central Land Districts, situated at Tabuan, Kuching for a cash consideration of RM10.5 million.

The completion of this proposal is pending the payment of the balance sum by the purchaser.

9. Borrowing and debt securities

	30 September 2009 (RM'000)
Current	
- Secured	8,217
- Unsecured	-
	<u>8,217</u>
Non-current	
- Secured	16,733
- Unsecured	-
	<u>16,733</u>
	<u>24,950</u>

The above borrowings are denominated in Ringgit Malaysia.



10. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at 24 November 2009.

11. Changes in material litigation

There were no pending material litigations as at 24 November 2009.

12. Dividend

No interim dividend has been declared for the financial period under review.

13. Earnings per share

The basic and diluted earnings per share have been calculated based on the consolidated net profit for the period and on the weighted average number of ordinary shares in issue during the period.

Basic earnings per share

	Current Quarter Ended 30/9/2009 (RM'000)	Comparative Quarter Ended 30/9/2008 (RM'000)	Cumulative to-date 30/9/2009 (RM'000)	Cumulative to-date 30/9/2008 (RM'000)
Earnings				
Profit for the period	3,058	853	10,443	7,280
Amount attributable to minority interests	(84)	(1)	(474)	(296)
Profit for the period attributable to the shareholders of the Company	<u>2,974</u>	<u>852</u>	<u>9,969</u>	<u>6,984</u>
	('000)	('000)	('000)	('000)
Weighted average number of ordinary shares	<u>82,895</u>	<u>84,854</u>	<u>82,896</u>	<u>83,684</u>
Basic earnings per share (sen)	<u>3.59</u>	<u>1.00</u>	<u>12.03</u>	<u>8.35</u>