



SEG INTERNATIONAL BHD

145998-U

**SUMMARY OF KEY FINANCIAL INFORMATION
31 DECEMBER 2009**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
	RM'000	RM'000	RM'000	RM'000
1 Revenue	43,885	37,357	176,873	127,407
2 Profit before tax	907	1,427	14,605	9,884
3 Profit for the period	(204)	40	10,239	7,320
4 Profit attributable to ordinary equity holders of the parent	54	282	10,023	7,266
5 Basic earnings per share (sen)	0.07	0.34	12.09	8.70
6 Proposed/Declared dividend per share (sen)	3.50	3.00	3.50	3.00
			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)			1.9648	1.9099

ADDITIONAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
	RM'000	RM'000	RM'000	RM'000
1. Gross interest income	192	255	497	836
2. Gross interest expense	(551)	(108)	(1,694)	(2,025)

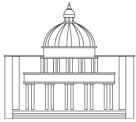


CONDENSED CONSOLIDATED BALANCE SHEET

At 31 December 2009

	As at 31 Dec 2009 (RM'000)	As at 31 Dec 2008 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Investment in associates	4,777	451
Property, plant and equipment	86,465	70,897
Prepaid land lease payments	4,944	4,951
Investment properties	91	156
Other receivables	4,400	11,768
Intangible assets	27,808	30,237
Other investments	2,459	3,837
Deferred tax assets	3,870	3,374
	<u>134,814</u>	<u>125,671</u>
CURRENT ASSETS		
Inventories	-	8
Receivables, deposits and prepayments	40,065	35,224
Tax recoverable	7,561	5,462
Cash and cash equivalents	36,898	47,545
	<u>84,524</u>	<u>88,239</u>
TOTAL ASSETS	<u>219,338</u>	<u>213,910</u>
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	89,093	89,093
Treasury Shares	(2,355)	(4,862)
Reserves	82,417	74,093
	<u>169,155</u>	<u>158,324</u>
MINORITY INTERESTS	839	623
TOTAL EQUITY	<u>169,994</u>	<u>158,947</u>
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term borrowings	12,466	7,840
Deferred tax liabilities	2,182	1,891
	<u>14,648</u>	<u>9,731</u>
CURRENT LIABILITIES		
Payables and accruals	27,971	22,170
Short-term borrowings	6,089	22,709
Provision for taxation	636	184
Bank overdraft	-	169
	<u>34,696</u>	<u>45,232</u>
TOTAL LIABILITIES	<u>49,344</u>	<u>54,963</u>
TOTAL EQUITY AND LIABILITIES	<u>219,338</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 year ended 31 December 2009

	Current Period 3 months ended 31-December		Cumulative Period 12 months ended 31-December	
	2009 (RM'000)	2008 (RM'000)	2009 (RM'000)	2008 (RM'000)
Revenue - services	43,885	37,357	176,873	127,407
Cost of services	(13,316)	(11,762)	(51,611)	(35,387)
Gross profit	30,569	25,595	125,262	92,020
Other income	1,644	2,153	5,156	9,586
	32,213	27,748	130,418	101,606
Distribution expenses	(3,219)	(2,814)	(13,698)	(11,916)
Administrative expenses	(14,490)	(9,520)	(51,857)	(37,156)
Other expenses	(12,695)	(13,879)	(49,159)	(40,625)
Finance costs	(551)	(108)	(1,694)	(2,025)
Share of profit/(loss) of associate	(351)	-	595	-
Profit before taxation	907	1,427	14,605	9,884
Tax - company and subsidiaries	(1,109)	(1,387)	(4,297)	(2,564)
Tax - associate	(2)	-	(69)	-
Income tax expense	(1,111)	(1,387)	(4,366)	(2,564)
Profit after taxation	(204)	40	10,239	7,320
Attributable to :				
Shareholders of the Company	54	282	10,023	7,266
Minority interests	(258)	(242)	216	54
	(204)	40	10,239	7,320
Earnings per share				
- Basic (sen)	0.07	0.34	12.09	8.70

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



SEG INTERNATIONAL BHD

CONDENSED CONSOLIDATED CASH FLOW STATEMENT^{145998-U} for the year ended 31 December 2009

	31 Dec 2009 (RM'000)	31 Dec 2008 (RM'000)
<u>Cash flows from operating activities</u>		
Profit before tax	14,605	9,884
Adjustment for:-		
- Non-cash items	17,220	10,835
- Non-operating items	666	(3,045)
Operating profit before working capital changes	32,491	17,674
Changes in working capital		
- Net change in current assets	(6,985)	7,604
- Net change in current liabilities	5,800	7,570
Cash used in operations	31,306	32,848
- Net income taxes paid	(6,149)	(4,316)
- Interest paid	(1,694)	(2,025)
Net cash from operating activities	23,463	26,507
<u>Cash flows from investing activities</u>		
- Acquisition of subsidiary/minority interest	-	(345)
- Acquisition of intangible assets	(225)	-
- Proceeds from disposal of property, plant and equipment/assets classified as held for sale/investment properties	11,427	78,179
- Acquisition of property, plant and equipment	(34,711)	(11,093)
- Proceeds from disposal of unquoted bonds	-	244
- Net repayment from affiliated companies	-	1,154
- Dividend received	-	83
- Interest received	497	836
Net cash (used in)/ from investing activities	(23,012)	69,058
<u>Cash flows from financing activities</u>		
- Net repayment of borrowings	(11,994)	(42,500)
- Net treasury shares disposed/(acquired)	3,007	(1,301)
- Dividend paid	(1,865)	(1,227)
Net cash used in financing activities	(10,852)	(45,028)
Net (decrease)/ increase in cash and cash equivalents	(10,401)	50,537
Effects of foreign exchange translation on cash and cash equivalents	(77)	(30)
Cash and cash equivalents net of bank overdraft at beginning of the year	47,376	(3,131)
Cash and cash equivalents net of bank overdraft at end of the year (Note i)	36,898	47,376
<i>i) Cash and cash equivalents, net of bank overdraft comprise:-</i>		
Cash and cash equivalents	36,898	47,545
Bank overdraft	-	(169)
	36,898	47,376

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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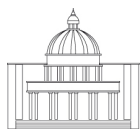
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 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
Purchase of own shares	-	-	-	(4)	-	-	(4)	-	(4)
Disposal of own shares	-	-	-	2,511	-	-	2,511	-	2,511
Gain on disposal of own shares	-	-	-	-	-	501	501	-	501
Exchange difference on retranslation of net assets of overseas subsidiary*	-	-	-	-	(335)	-	(335)	-	(335)
Profit after taxation for the financial year	-	-	-	-	-	10,023	10,023	216	10,239
Transfer to retained profits on realisation of revaluation reserve *	-	-	(25)	-	-	25	-	-	-
Dividend	-	-	-	-	-	(1,865)	(1,865)	-	(1,865)
Balance as at 31 December 2009	89,093	35,876	1,977	(2,355)	(429)	44,993	169,155	839	169,994
Balance as at 1 January 2008	89,093	35,876	2,027	(3,561)	(91)	30,245	153,589	749	154,338
Purchase of own shares	-	-	-	(1,301)	-	-	(1,301)	-	(1,301)
Acquisition of equity interest from minority shareholders	-	-	-	-	-	-	-	(180)	(180)
Exchange difference on retranslation of net assets of overseas subsidiary*	-	-	-	-	(3)	-	(3)	-	(3)
Profit after taxation for the financial year	-	-	-	-	-	7,266	7,266	54	7,320
Transfer to retained profits on realisation of revaluation reserve *	-	-	(25)	-	-	25	-	-	-
Dividend	-	-	-	-	-	(1,227)	(1,227)	-	(1,227)
Balance as at 31 December 2008	89,093	35,876	2,002	(4,862)	(94)	36,309	158,324	623	158,947

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.

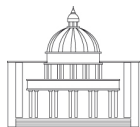
3. Seasonal or cyclical factors

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 year ended 31 December 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 year ended 31 December 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 year ended 31 December 2009 except for the following:

No. of ordinary shares of RM1.00 each as at 1 January 2009	No. of ordinary shares 82,897,155
Less: Repurchase of Company's own ordinary shares	(4,000)
	<hr/>
	82,893,155
Add: Disposal of Company's own ordinary shares	3,199,000
No. of ordinary shares of RM1.00 each as at 31 December 2009	<hr/>
	86,092,155

During the quarter under review, the Company repurchased 2,000 of its own ordinary shares at RM0.93 per share and disposed 3,199,000 of its own ordinary shares at the open market at an average price of RM0.95 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

As at 31 December 2009, the total treasury shares held by the Company was 3,000,600 shares.

7. Dividends paid

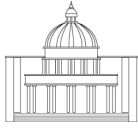
There were no dividends paid for the quarter under review.

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 year ended 31 December 2009, except as follows:

On 5 February 2010, the Company through its wholly-owned subsidiary, Metromas Realtors Sdn Bhd, entered into a Development Agreement with Upaya Jernih Sdn Bhd to develop the piece of land at Kota Damansara, Selangor.

11. Changes in composition of the Group

There were no major changes in the composition of the Group during the financial year ended 31 December 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

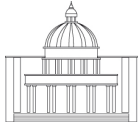
- b) The Company through its wholly-owned subsidiary, SEG Equity Sdn Bhd, acquired 100,000 ordinary shares of RM 1 each, representing 100% equity interest in Metromas Realtors Sdn Bhd for a total cash consideration of RM 100,000.

12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets of the Group as at 31 December 2009.

13. Capital Commitments

There were no material capital commitments approved and contracted for as at 31 December 2009.



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

1. Review of performance

For the twelve-month period under review, the Group achieved a revenue of RM176.9 million and a profit before tax of RM14.6 million, an improvement of 38.8% and 47.8% 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

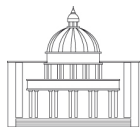
The Group recorded a profit before taxation and minority interest of RM0.9 million for the quarter under review compared to RM3.8 million in the preceding quarter. The decrease in the profit before taxation is in line with the general trend of our business where the third quarter is stronger than the fourth quarter.

3. Prospects for the year

The outlook of the Group for the year 2010 is expected to remain fairly positive. The Group continues to expand its business with new and niche academic programmes and to provide quality education.

4. Profit forecast

Not applicable.



5. Tax Expenses

	Current quarter ended 31 December 2009 (RM'000)	Cumulative year ended 31 December 2009 (RM'000)
Current tax expense		
- current	1,885	5,140
- prior year	(558)	(558)
	<u>1,327</u>	<u>4,582</u>
Deferred tax expense/(benefits)		
- current	(414)	(414)198
- prior year	198	198
	<u>(216)</u>	<u>(216)</u>
Total	<u>1,111</u>	<u>4,366</u>

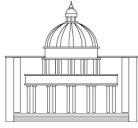
6. Unquoted investments and properties

During the quarter under review, the company through its wholly-owned subsidiary, SEGi College (Sarawak) Sdn Bhd, disposed two (2) parcels of leasehold land at Kuching, Sarawak for a total consideration of RM10.5 million. This resulted in a gain on disposal of RM289,000.

During the previous quarters, the following acquisition and disposals were made:

- (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 RM23.2 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 RM2.75 million. This resulted in a gain on disposal of RM193,300.
- (iii) The Company disposed 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.

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 31 December 2009:

	Cost (RM'000)	Book value (RM'000)	Market Value (RM'000)
Total quoted securities	4,201	4,201	1,405
Less : Provision for diminution in value	-	(1,742)	-
Balance as at 31 December 2009	<u>4,201</u>	<u>2,459</u>	<u>1,405</u>

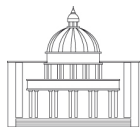
8. Status of corporate proposal announced

There were no corporate proposals announced but not completed as at 23 February 2010.

9. Borrowing and debt securities

	31 December 2009 (RM'000)
Current	
- Secured	6,089
- Unsecured	-
	<u>6,089</u>
Non-current	
- Secured	12,466
- Unsecured	-
	<u>12,466</u>
	<u>18,555</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 23 February 2010.

11. Changes in material litigation

There were no pending material litigations as at 23 February 2010.

12. Dividend

The Board of Directors is recommending a first and final dividend of 3.5% less tax for the financial year ended 31 December 2009, subject to the approval of shareholders at the forthcoming Annual General Meeting.

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 31/12/2009 (RM'000)	Comparative Quarter Ended 31/12/2008 (RM'000)	Cumulative to-date 31/12/2009 (RM'000)	Cumulative to-date 31/12/2008 (RM'000)
Earnings				
Profit/(Loss) for the period	(204)	40	10,239	7,320
Amount attributable to minority interests	258	242	(216)	(54)
Profit for the period attributable to the shareholders of the Company	54	282	10,023	7,266
	(‘000)	(‘000)	(‘000)	(‘000)
Weighted average number of ordinary shares	83,010	84,872	82,925	83,684
Basic earnings per share (sen)	0.07	0.34	12.09	8.70