

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders of SE-EDUCATION PUBLIC COMPANY LIMITED.

I have reviewed the balance sheet of SE-EDUCATION PUBLIC COMPANY LIMITED as of June 30, 2004, the related statements of income for the three-month and the six-month period ended on June 30, 2004 and 2003, changes in shareholders' equity and cash flow for the six-month period ended on June 30, 2004 and 2003 of SE-EDUCATION PUBLIC COMPANY LIMITED. These financial statements are the responsibility of the Company's management as to their correctness and completeness in the presentation. My responsibility is to report on these financial statements based on my review.

I conducted my review in accordance with the auditing standards applicable to review engagements. Those standards require that I plan and perform the review to obtain moderate assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, I do not express an opinion.

Based on my review, nothing has come to my attention that causes me to believe that the financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited, in accordance with generally accepted auditing standards, the financial statements of SE-EDUCATION PUBLIC COMPANY LIMITED for the year ended on December 31, 2003, and expressed an unqualified opinion in the report thereon dated February 20, 2004. The comparative balance sheet as of December 31, 2003, presented herein for comparison, is an integral part of such financial statements which I have audited and reported thereon. I did not perform any other audit procedures subsequent to the date in such report.

SAM NAK- NGAN A.M.C. CO.,LTD

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No.4306

Bangkok,

August 6, 2004

SE-EDUCATION PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of June 30, 2004 and December 31, 2003

(Unit : '000 Baht)

	2004	2003
	Unaudited	Audited
	Limited Review Only	
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalent items	150,339	146,375
Short-term investment-net (net from allowance for diminution of value in the second quarter of 2004 and year 2003 in amount of Baht (3,408) thousand and Baht 1,078 thousand respectively)	163,524	257,050
Trade accounts and notes receivable-net (Note 3)	80,973	79,115
Inventories-net (Note 4)	147,168	137,212
Other current assets	38,902	22,910
TOTAL CURRENT ASSETS	580,906	642,662
NON-CURRENT ASSETS		
Investments in subsidiary and associated companies (Note 5)	35,089	33,961
Property, plant and equipment-net (Note 6)	218,595	221,894
Leasehold on buildings-net (Note 7)	130,611	118,835
Assets pending for sale-net	21,000	21,000
Land and building not used for operation - net (Note 8)	32,466	32,499
Guarantee for rental and deposit	34,868	34,324
TOTAL NON-CURRENT ASSETS	472,629	462,513
TOTAL ASSETS	1,053,535	1,105,175

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of June 30, 2004 and December 31, 2003

(Unit : '000 Baht)

	2004	2003
	Unaudited	Audited
	Limited Review Only	
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
CURRENT LIABILITIES		
Bank overdrafts	12,575	20,821
Trade accounts and notes payable	399,553	417,170
Accrued expenses	27,257	24,958
Accrued corporate income tax	23,626	36,178
Other current liabilities	63,303	37,846
TOTAL CURRENT LIABILITIES	<u>526,314</u>	<u>536,973</u>
NON-CURRENT LIABILITIES		
Other non-current liabilities	2,487	2,158
TOTAL NON-CURRENT LIABILITIES	<u>2,487</u>	<u>2,158</u>
TOTAL LIABILITIES	<u>528,801</u>	<u>539,131</u>

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of June 30, 2004 and December 31, 2003

(Unit : '000 Baht)

	2004	2003
	Unaudited	Audited
	Limited Review Only	
SHAREHOLDERS' EQUITY		
Share capital		(Note 9)
Authorized share capital		
348,128,690 ordinary shares @ Baht 1.00	348,129	348,129
Issued and paid-up share capital		
309,858,820 ordinary shares @ Baht 1.00	309,859	-
255,071,000 ordinary shares @ Baht 1.00	-	255,071
Premiums on share capital	141,609	107,830
Capital surplus from assets revaluation	20,726	21,954
Unrealized gain (loss) - securities available for sale	(3,408)	1,078
Retained earnings		
Appropriated		
Legal reserve	29,538	25,132
Unappropriated	126,331	154,979
<u>Less</u> Treasury stock 16,200,000 shares @ Baht 6.17	(99,921)	-
TOTAL SHAREHOLDERS' EQUITY	524,734	566,044
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,053,535	1,105,175

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
INCOME STATEMENTS

(Unit : '000 Baht)

	For the three-month period		For the six-month period	
	ended on June 30,		ended on June 30,	
	2004	2003	2004	2003
REVENUES FROM OPERATION				
Sales	711,932	565,423	1,358,444	1,083,527
Other income	6,005	10,086	14,208	17,753
Participating gain in the associated companies	2,933	2,219	1,828	2,219
TOTAL REVENUES	<u>720,870</u>	<u>577,728</u>	<u>1,374,480</u>	<u>1,103,499</u>
EXPENSES FROM OPERATION				
Cost of sales	499,936	389,735	941,705	748,567
Selling and administrative expenses	175,334	137,795	344,632	273,211
Directors' remuneration	2,110	1,181	2,262	1,328
TOTAL EXPENSES	<u>677,380</u>	<u>528,711</u>	<u>1,288,599</u>	<u>1,023,106</u>
PROFIT BEFORE INTEREST				
EXPENSES AND CORPORATE INCOME TAX	43,490	49,017	85,881	80,393
INTEREST EXPENSES	(37)	(52)	(83)	(109)
CORPORATE INCOME TAX	(12,169)	(11,698)	(25,153)	(19,969)
NET PROFIT	<u>31,284</u>	<u>37,267</u>	<u>60,645</u>	<u>60,315</u>
BASIC EARNINGS				
PER SHARE (Unit : Baht)	(Note 13)	0.11	0.17	0.22
DILUTED EARNINGS				
PER SHARE (Unit : Baht)	(Note 13)	0.10	0.16	0.20

Unaudited
Limited Review Only

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAEHOLDERS' EQUITY
For the six-month period ended on June 30, 2004 and 2003

(Unit : '000 Baht)

	Issued and paid-up share capital	Premiums on share capital	Capital surplus from assets revaluation	Unrealized gain(loss) - securities available for sale	Retained earnings		Treasury stock	Total
					Appropriated	Unappropriated		
Balance as of January 1, 2004	255,071	107,830	21,954	1,078	25,132	154,979	-	566,044
Depreciation-capital surplus from assets revaluation	-	-	(1,228)	-	-	-	-	(1,228)
Unrealized loss - securities available for sale	-	-	-	(4,486)	-	-	-	(4,486)
Unrealized transaction in the income statements	255,071	107,830	20,726	(3,408)	25,132	154,979	-	560,330
Shares purchased by exercising warrants								
of shareholders, directors, employees (Note 10)	54,788	33,779	-	-	-	-	-	88,567
Appropriation for legal reserve - in the period (Note 11)	-	-	-	-	4,406	(4,406)	-	-
Dividend payment (Note 11)	-	-	-	-	-	(84,887)	-	(84,887)
Purchase of treasury stock (Note 12)	-	-	-	-	-	-	(99,921)	(99,921)
Net profit for the period	-	-	-	-	-	60,645	-	60,645
Balance as of June 30, 2004	309,859	141,609	20,726	(3,408)	29,538	126,331	(99,921)	524,734
Balance as of January 1, 2003	210,987	81,043	46,311	1,437	15,125	168,712	-	523,615
Depreciation-capital surplus from assets revaluation	-	-	(1,528)	-	-	-	-	(1,528)
Capital surplus from assets revaluation-sales in the period	-	-	(2,387)	-	-	-	-	(2,387)
Unrealized loss - securities available for sale	-	-	-	(802)	-	-	-	(802)
Unrealized transaction in the income statements	210,987	81,043	42,396	635	15,125	168,712	-	518,898
Shares purchased by exercising warrants								
of directors, employees (Note 10)	2,847	-	-	-	-	-	-	2,847
Appropriation for legal reserve - in the period (Note 11)	-	-	-	-	6,265	(6,265)	-	-
Dividend payment (Note 11)	-	-	-	-	-	(117,609)	-	(117,609)
Net profit for the period	-	-	-	-	-	60,315	-	60,315
Balance as of June 30, 2003	213,834	81,043	42,396	635	21,390	105,153	-	464,451

Unaudited
Limited Review Only

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
CASH FLOW STATEMENTS
For the six-month period ended on June 30, 2004 and 2003

(Unit : '000 Baht)

	2004	2003
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit	60,645	60,315
Adjustment to net profit for cash receipts (payments) from operation		
Depreciation - assets for operation	30,772	25,001
Depreciation - assets not used for operation	33	97
Leasehold written-off	4,604	4,248
Loss from lost goods	13,339	10,070
Loss from dilapidated and slow moving goods	4,645	3,378
Loss from returned goods (reversed account)	(155)	87
Doubtful debts and bad debt (return of bad debts) - trade accounts receivable	731	(224)
Doubtful debts and bad debt - other receivable	-	55
Adjustment for clearing of trade accounts payable	-	(4,037)
Participating gain from associated company	(1,828)	(2,219)
Loss from donated assets	36	-
Realized (gain) loss on disposal of securities available for sale	1,552	(554)
Gain on disposal of assets	-	(1,352)
Profit from operating before change in operating assets and liabilities	114,374	94,865
(Increase)Decrease in trade accounts and notes receivable	(2,434)	(307)
(Increase)Decrease in inventories	(27,940)	(28,092)
(Increase)Decrease in other current assets	(15,992)	(5,148)
(Increase)Decrease in guarantee for rental and deposit	(544)	(2,501)
Increase(Decrease) in trade accounts and notes payable	(17,617)	20,949
Increase(Decrease) in accrued corporate income tax	(12,552)	(2,553)
Increase(Decrease) in accrued expenses	2,299	(8,941)
Increase(Decrease) in other current liabilities	25,457	20,283
Increase(Decrease) in non-other current liabilities	329	(748)
Net cash received (used) from operating activities	65,380	87,807

Unaudited**Limited Review Only**

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
CASH FLOW STATEMENTS
For the six-month period ended on June 30, 2004 and 2003

(Unit : '000 Baht)

	2004	2003
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of securities available for sale	(210,831)	(45,000)
Cash receipt from disposal of securities available for sales	298,319	131,937
Purchase of assets	(28,737)	(42,852)
Cash receipt from disposal of assets	-	12,364
Purchase of leasehold	(16,380)	-
Dividend receipt from investment in associated company	700	600
Net cash received (used) from investing activities	<u>43,071</u>	<u>57,049</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Increase(Decrease) in bank overdrafts	(8,246)	(1,789)
Cash receipt from warrants used to purchase shares	88,567	2,847
Purchase of treasury stock	(99,921)	-
Dividend payment	(84,887)	(117,609)
Net cash received (used) from financing activities	<u>(104,487)</u>	<u>(116,551)</u>
Cash and cash of equivalent items increase(decrease) - net	3,964	28,305
Cash and cash of equivalent items at the beginning of the period	<u>146,375</u>	<u>78,886</u>
Cash and cash of equivalent items at the ending of the period	<u><u>150,339</u></u>	<u><u>107,191</u></u>
Supplemental disclosures to the cash flow statements		
1. Cash paid during the period:		
Interest paid	83	109
Income tax	37,705	22,521
2. Items do not affect cash flow		
As of June 30, 2004 and 2003, the Company adjusted unrealizable loss on revaluation of securities available for sale with the shareholders' equity amounting Baht (4.49) million and Baht (0.80) million respectively.		
3. Cash and cash equivalent items is cash and cash at bank for a fixed period not exceeding 3 months.		

Unaudited**Limited Review Only**

Notes to financial statements are an integral part of the above statements.

SE-EDUCATION PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
June 30, 2004 and 2003 (Unaudited/Limited Review Only)
and December 31, 2003 (Audited)

1. Basis of interim financial statement and accounting policies

1.1 The interim financial statements were prepared under the generally accepted accounting principles in Thailand and shown by the condensed form as determined in the accounting standard No.41 on “The Interim Financial Statements” and included additional transactions in the primary financial statements, ie. balance sheets, statements of income, changes in the shareholders’ equity, and cash flow all of which are in the format determined in the announcement of the Department of Commercial Registration (B.E. 2001) on the subject of condensed transactions which need to exist in the financial statements to comply with the pronouncement of Securities and Exchange Commission and also the regulations of the Stock Exchange of Thailand.

The significant accounting policies used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended on December 31, 2003; therefore the interim financial statements should be read in conjunction with the financial statements for the accounting year of 2003.

1.2 The Company prepares the financial statements in the Thai language in accordance with Thai Law which were then translated into English language for the convenience of the reader.

2. Inter-company transactions

The Company constitutes accounting transactions incurred with related entities, comprising the same group of shareholders or common directors. The materially remaining balance and inter-transactions between the company and related entities are as follows:

2.1 Inter-assets and liabilities

		(Unit : '000 Baht)	
	<u>Type of relation</u>	<u>As of June 30, 2004</u>	<u>As of December 31, 2003</u>
<u>Trade accounts payable</u>			
M AND E Co.,Ltd.	Associated company	1,875	-
Nation Multi Media Group Public Co.,Ltd.	Shareholders	9,662	11,545
Nation Egmont Edutainment Co.,Ltd.	Related company with shareholders	6,564	4,629

2.2 Inter-revenues and expenses

		(Unit : '000 Baht)		
		For the six-month period ended on June 30		<u>Policy of inter-price setting</u>
<u>Type of relation</u>		<u>2004</u>	<u>2003</u>	
<u>Purchase goods values</u>				
M AND E Co.,Ltd.	Associated company	983	3,242	Market price
Nation Multi Media Group Public Co.,Ltd.	Shareholders	27,189	17,990	Market price
Nation Egmont Edutainment Co.,Ltd.	Related company with shareholders	9,282	7,140	Market price
<u>Rental and service charge</u>				
Nation Multi Media Group Public Co.,Ltd.	Shareholder	3,800	5,115	Agreed upon price

3. Trade accounts and notes receivable - net

As of June 30, 2004 and December 31, 2003, trade accounts receivable are classified by aging overdue as follows :-

		(Unit : '000 Baht)	
		<u>As of June 30, 2004</u>	<u>As of December 31, 2003</u>
Trade accounts receivable			
Within credit term		48,836	57,632
Over credit term less than 6 months		28,338	24,294
Over credit term more than 6 months to 12 months		12,892	1,425
Over credit term more than 12 months		14,685	20,254
Total		104,751	103,605
Notes receivable		4,933	3,645
<u>Less</u> Allowance for doubtful debts		(25,053)	(24,322)
Allowance for returned goods		(3,658)	(3,813)
Net		80,973	79,115

4. Inventories - net

Consisted of :-

		(Unit : '000 Baht)	
		<u>As of June 30, 2004</u>	<u>As of December 31, 2003</u>
Inventories		198,338	183,906
<u>Less</u> Allowance for lost goods		(15,893)	(16,062)
Allowance for dilapidated and slow moving goods		(35,277)	(30,632)
Net		147,168	137,212

5. Investments in subsidiary and associated companies

Consisted of :-

	<u>Nature of business</u>	<u>Paid-up share capital</u> <u>'000 Baht</u>	<u>Percentage of share holdings</u>	<u>Cost</u> <u>'000 Baht</u>	As of June 30, 2004		
					<u>Investments method</u>	<u>'000 Baht</u>	<u>Dividend</u> <u>'000 Baht</u>
<u>Subsidiary company</u>							
SE-ED Book Center Co.,Ltd.	Business consulting firm	100	99.93%	100	Cost	100	-
<u>Associated companies</u>							
M AND E Co., Ltd.	Printing office company, produces technical magazines and engineering manuals	400	25%	100	Equity	14,900	700
Ploen Patt Co., Ltd.	Institute of private education - Ploen Pattana School	80,000	28.75%	23,000	Equity	20,089	-
				23,200	35,089		700

	<u>Nature of business</u>	<u>Paid-up share capital</u> <u>'000 Baht</u>	<u>Percentage of share holdings</u>	<u>Cost</u> <u>'000 Baht</u>	As of December 31, 2003		
					<u>Investments method</u>	<u>'000 Baht</u>	<u>Dividend</u> <u>'000 Baht</u>
<u>Subsidiary company</u>							
SE-ED Book Center Co.,Ltd.	Business consulting firm	100	99.93%	100	Cost	100	-
<u>Associated companies</u>							
M AND E Co., Ltd.	Printing office company, produces technical magazines and engineering manuals	400	25%	100	Equity	12,678	600
Ploen Patt Co., Ltd.	Institute of private education - Ploen Pattana School	80,000	28.75%	23,000	Equity	21,183	-
				23,200	33,961		600

Investments in the SE-ED Book Center Co., Ltd., which is a subsidiary company. The Company recorded investment by cost method since the investment value in subsidiary company is not material to the Company's financial statements.

For the six-month period ended on June 30, 2004 and 2003, the Company did not recognize participating from operations in M AND E Co., Ltd., since the associated company did not prepare the quarterly financial statements. However, the Company received the financial statements for the year ended on December 31, 2003 of M AND E Co., Ltd. which were audited by another auditor. The Company, consequently, recorded participating from operations in such associated company in the income statement for the three-month and the six-month period ended on June 30, 2004 for the amount of Baht 2.92 million equivalent to 4.81 % of net profit and as of June 30, 2004 and December 31, 2003, investment in associated company for the amount of Baht 14.90 million and Baht 12.68 million equivalent to 1.41 % and 1.15 % of the Company's total assets respectively.

The financial statements for the three-month and six-month period ended on June 30, 2004 of Ploen Patt Co.,Ltd., which is an associated company, were used to account for investment by equity method. These financial statements have not been reviewed by the auditor. Investment in such associated company in amount of Baht 20.09 million was equivalent to 1.91 % of the Company's total asset in the balance sheet, and participation in loss from operation in that associated company as shown in the income statement for the six-month period ended on the same date was Baht 1.09 million equivalent to 1.80 % of the Company's net profit.

The financial statements for the period since May 1 to December 31, 2003 of Ploen Patt Co.,Ltd., which is an associated company, were used to account for investment by equity method and these financial statements for the year ended on December 31,2003 have not been audited by the auditor. Investment in such associated company in amount of Baht 21.18 million was equivalent to 1.91 % of the Company's total assets in the balance sheet and participation in loss from operation in that associated company as shown in the income statement for the year ended on the same date was Baht 1.82 million equivalent to 1.15 % of the Company's net profit.

6. Property, plant and equipment - net

For the six-month period ended on June 30, 2004

	(Unit : '000 Baht)
Net book value at the beginning of the period	221,894
Purchases of assets	28,737
Donated assets	(36)
Depreciation in the income statement	(30,772)
Depreciation-capital surplus from assets revaluation (Presented under shareholders' equity item)	(1,228)
Net book value at the ending of the period	<u>218,595</u>

7. Leasehold on buildings-net

The leasehold on buildings are leasehold right, for areas in leading shopping centers in order to open 10 branches of SE-ED Book Center. Most of these leaseholds are for the period of approximately 30 years. For the six-month period ended on June 30, 2004, these leasehold right were amortized to expenses by the amount of Baht 4.60 million.

8. Land and building not used for operation-net

For the six-month period ended on June 30, 2004

	(Unit : '000 Baht)
Net book value at the beginning of the period	32,499
Depreciation	(33)
Net book value at the ending of the period	<u>32,466</u>

9. Share capital

In accordance with the minutes of shareholders' general meeting No.1/2003 held on April 23, 2003 approved a change in the par value (Splitting par value) from former of Baht 10.00 to Baht 1.00 per share. As a result, the Company's registered capital of Baht 348.13 million is divided into 348.13 million shares of Baht 1.00 each, composed of the full amount of ordinary shares. On May 22, 2003, the Company registered the approved change of its share capital with the Ministry of Commerce.

10. Warrants

As said in note to the financial statements No.9, on April 23, 2003, the general meeting of shareholders of the Company approved the split of the Company's shares. As a result, the warrants for existing shareholders and for directors, employees and the security sub-agent were split into 105,493,430 units and 28,800,830 units, and the exercised price of the warrants for existing shareholders to be changed from the former of Baht 16.50 per share to Baht 1.65 per share, and the warrants for directors, employees and the security sub-agent to be changed from the former Baht 10.00 per share to Baht 1.00 per share. The exercise ratio of the warrants is 1 warrant per 1 ordinary share.

For the six-month period ended on June 30, 2004, directors and employees had exercised their rights to purchase ordinary shares in number of 2,820,310 units and shareholders had exercised their rights to purchase ordinary shares in number of 51,967,510 units which are warrants issued in accordance with the resolution of the shareholders meeting No.1/2001 held on April 30, 2001. Thus, the Company had increased the issued and paid up share capital and the premiums on share capital by a total of Baht 54.79 million and 33.78 million respectively. The Company registered the change in paid-up share capital in full amount as demanded on June 24, 2004, and remained the balance of warrants able to be exercised but not yet exercised in number of 25,954,500 units for directors and employees and 12,315,240 units for shareholders.

11. Dividend payment and legal reserve

- 11.1 In accordance to the minute of the Company's Board meeting no.2/2004 held on May 14, 2004, it was resolved to authorise payment of interim dividends out of the operating result for the three-month period ended on March 31, 2004 at Baht 0.10 per share totaling Baht 27.74 million. The interim dividends were paid on June 14, 2004. The meeting also resolved for appropriating net profit to legal reserve at 5% of the operating result of the first quarter of 2004, amounting to Baht 1.47 million.
- 11.2 In accordance to the minutes of the shareholders' general meeting no.1/2004 held on April 27, 2004, it was resolved to authorise payment of dividends out of the 2003 operating result at Baht 0.50 per share. As the Company had already paid interim dividends in 2003 at Baht 0.30 per share, thus the Company will pay additional dividends at Baht 0.20 per share, all in total of Baht 57.15 million. The dividends were paid on May 24, 2004. The meeting also resolved for appropriating net profit to legal reserve at 5% of net profit for year 2003 amounting to Baht 7.83 million.
- 11.3 In accordance to the minute of the Company's Board Meeting no.2/2003 held on May 12, 2003, it was resolved to authorise payment of interim dividends out of the operating result for the three-month period ended on March 31, 2003 at Baht 1.0 per share (dividend ratio before splitting the shares), all in total of Baht 21.38 million. It was also resolved to appropriate net profit to legal reserve at 5% of net profit from the operating result of the first quarter of 2003 amounting to Baht 1.15 million.
- 11.4 In accordance to the minute of shareholders' general meeting no.1/2003 held on April 23, 2003, it was resolved to authorise payment of dividends out of the 2002 operating result at Baht 4.50 per share, aggregating Baht 96.23 million. Such dividends were paid on May 16, 2003. The meeting also resolved for appropriating net profit to legal reserve at 5% of net profit for year 2002 amounting to Baht 5.11 million.

12. Treasury stock

In accordance to the minutes of the Board of directors' meeting No. 1/2004 held on February 24, 2004, it resolved to buy back shares with the objective for financial management as the Company had excess liquidity. The Company, therefore, set up a project to buy back 25.78 million shares with the limiting amount of not more than Baht 160 million. The buy back of shares is determined to be proceeded from March 11, 2004 to September 11, 2004 and. Since April 2, 2004 throughout to May 12, 2004 the total shares bought back under the said project amounted to 16.20 million shares with the total value of Baht 99.92 million.

13. Basic and diluted earnings per share

	For the three-month period ended on 30 June					
	<u>Weighted average number</u>					
	<u>Net profit</u>		<u>of ordinary share</u>		<u>Earnings per share</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Shares</u>	<u>'000 Shares</u>	<u>Baht</u>	<u>Baht</u>	
Basic earnings per share						
Net profit	31,284	37,267	284,189	213,834	0.11	0.17
Effect of diluted equivalent ordinary shares						
The balance of warrants able to be exercised						
38,269,740 units	-	-	30,856	23,703	-	-
Diluted earnings per share						
Net profit of ordinary shareholders						
assuming the conversion into ordinary shares	31,284	37,267	315,045	237,537	0.10	0.16
For the six-month period ended on 30 June						
<u>Weighted average number</u>						
<u>Net profit</u>		<u>of ordinary share</u>		<u>Earnings per share</u>		
<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	
<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Shares</u>	<u>'000 Shares</u>	<u>Baht</u>	<u>Baht</u>	
Basic earnings per share						
Net profit	60,645	60,315	271,779	213,791	0.22	0.28
Effect of diluted equivalent ordinary shares						
The balance of warrants able to be exercised						
38,269,740 units	-	-	30,720	21,772	-	-
Diluted earnings per share						
Net profit of ordinary shareholders						
assuming the conversion into ordinary shares	60,645	60,315	302,499	235,563	0.20	0.26

For the three-month period and six-month period ended on June 30, 2004 and 2003, the diluted earnings per share was calculated with consideration of the effect of warrants able to be exercised but not yet been exercised .

14. Disclosure of sectoral business operations

The Company operates in one principal business sector, namely business of production and sale of books and confines its operation only in one geographical area i.e. in Thailand. Thus all income, profit and assets shown in the financial statements were related to the said business sector and geographical area.

15. Obligations and contingent liabilities

15.1 As of June 30, 2004 and December 31, 2003, the Company also holds contingent liabilities and obligations with a bank in relation to letter of guarantee for the amount of Baht 3.66 million and Baht 3.59 million respectively.

15.2 The Company has a contract of building lease and contract of service with a related company and an outside party so as to use as head office and the distribution center of merchandise. The Company has also conducted area rental contracts so as to use as branch offices totalling 144 branches. The life of the leased contract commenced from 1 to 10 years. The total rental fee and public utility service fee are approximately Baht 106.82 million per year. Moreover, the leased contract is conducted so as to use as one warehouse (Kingkaew Road) with the contract life of 3 years.

16. Approval of Financial Statements

These financial statements have been approved the company's board of directors of SE-EDUCATION PUBLIC COMPANY LIMITED.
