

STAMFORD COLLEGE BERHAD

(Company No. 194977-A) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2006 - UNAUDITED

In thousands of RM	Note	Three months ended 30 June 2006 2005		Six months ended 30 June 2006 2005	
		2000	(restated)	2000	(restated)
Revenue	9	4,295	3,427	12,427	9,225
Operating expenses		(6,511)	(6,976)	(15,157)	(14,121)
Other operating income		588	470	1,309	1,024
Interest income		3	76	7	150
Finance costs		(33)	(66)	(60)	(107)
Share of profit/(losses) of associates	5	40	-	40	(1)
Loss before taxation		(1,618)	(3,069)	(1,434)	(3,830)
Income tax expense	19	598	1,044	645	989
Loss for the period		(1,020)	(2,025)	(789)	(2,841)
Attributable to :					
Shareholders of the company		(969)	(1,864)	(768)	(2,721)
Minority interests		(51)	(161)	(21)	(120)
Loss for the period		(1,020)	(2,025)	(789)	(2,841)
Basic loss per share (sen)	27	(2.42)	(4.66)	(1.92)	(6.80)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD



(Company No. 194977-A) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2006 - UNAUDITED

ASSETSNon-current assetsProperty, plant and equipment10 6.877 7.235 Software development expenditure763473Intrangibe assets 1.946 1.952 Land deposit 6.741 6.741 Intangibe assets 1.946 1.952 Land deposit 6.741 6.741 Investment in associates 254 214 Other investments 21 2 Deferred tax assets 825 191 Total non-current assets 26.025 25.499 Current assets 1.387 1.353 Inventories 1.666 152 Trade and other receivables 4.734 5.712 Tax recoverable 1.387 1.353 Cash and cash equivalents 594 1.451 Total current assets 32.906 34.167 EQUITYShare capital 7 40.000 Reserves (21.206) (20.438) Total equity attributable to shareholders of the Company Minority shareholders' interest 395 399 Total equity 19.189 19.961 LIABILITIES 52 52 Current liabilities 52 52 Total ond ther payables 11.086 11.828 Borrowings 23 22.63 1.875 Obligations under finance leases 9 66 Current liabilities 13.361 13.772 Total equity and liabilities 13.3717 14.206 Total current	In thousands of RM	Note	Unaudited At 30 June 2006	Audited At 31 Dec 2005 (restated)
Property, plant and equipment 10 $6,877$ 7,235 Software development expenditure 763 473 Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ $6,741$ Investment in associates 254 214 Other investments 21 2 2 Deferred tax assets 825 191 Total non-current assets $26,025$ $25,499$ Current assets 166 152 Invectories $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total current assets $32,906$ $34,167$ EQUITY Share capital 7 $40,000$ Reserves $(21,206)$ $(20,438)$ $(24,206)$ Total equity attributable to shareholders of the Company 395 399 Total equity attributable to shareholders of the Company 395 399 Total equity attributable to shareholders of the Company 395 399 To	ASSETS			
Software development expenditure763473Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ Investment in associates 254 214 Other investments 21 2 2 Deferred tax assets 8225 1911 Total non-current assets $26,025$ $25,499$ Current assets $26,025$ $25,499$ Inventories 166 152 Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,552$ Minority shareholders' interest 395 399 Total equity $19,189$ $19,961$ $11,686$ LIABLLITIES 356 434 Current liabilities 52 52 Total non-current liabilities 52 52 Total and other payables $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,361$ $13,772$ Total liabilities $13,717$ $14,206$ Current	Non-current assets			
Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ Investment in associates 254 214 Other investments 21 2 2 Deferred tax assets $26,025$ $25,499$ Current assets 166 152 Inventories 166 152 Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest 335 399 Total equity $19,189$ $19,961$ LIABILITIES 356 434 Current liabilities 552 52 Total non-current liabilities 356 434 Current liabilities $32,206$ $11,828$ Borrowings 23 304 382 Deferred tax inabilities $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,717$ $14,206$ Trade and other payable 3 3 Total current liabilities $13,717$ $14,206$ Current liabilities	Property, plant and equipment	10	6,877	7,235
Intangible assets 1,946 1,952 Land deposit 6,741 6,741 Investment in associates 254 214 Other investments 21 2 2 Deferred tax assets 825 191 Total non-current assets 26,025 25,499 Current assets 26,025 25,499 Current assets 166 152 Trade and other receivables 4,734 5,712 Tax recoverable 1,387 1,353 Cash and cash equivalents 594 1,451 Total assets 32,906 34,167 EQUITY Share capital 7 40,000 40,000 Reserves (21,206) (20,438) 19,562 Total equity attributable to shareholders of the Company 18,794 19,562 Minority shareholders' interest 355 399 399 Total equity 19,189 19,961 1441 LIABILITIES Sc 52 52 Total equity 19,189 19,961 35 399 Deferred tax liabilities <td>Software development expenditure</td> <td></td> <td>763</td> <td>473</td>	Software development expenditure		763	473
Land deposit $6,741$ $6,741$ Investment in associates 254 214 Other investments 21 2 Deferred tax assets 825 191 Total non-current assets $26,025$ $25,499$ Current assets $26,025$ $25,499$ Inventories 166 152 Tax recoverable $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total assets $32,906$ $34,167$ EQUITY Share capital 7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ $19,562$ Total equity attributable to shareholders of the Company $18,794$ $19,552$ Minority shareholders' interest 395 399 Total equity attributable to shareholders 52 52 Total non-current liabilities 356 434 Current liabilities $32,263$ $1,875$ Doligations under finance leases 9 66 Current liabilities $13,361$ $13,717$ $14,206$	Interest in leasehold land under an operating lease		8,617	8,691
Investment in associates 254 214 Other investments 21 2 2 Deferred tax assets 825 191 Total non-current assets $26,025$ $25,499$ Inventories 166 152 Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITYShare capital 7 $40,000$ $40,000$ Reserves $32,906$ $34,167$ EQUITYShare capital 7 $40,000$ $40,000$ Romcurrent liabilities 355 399 Total equity attributable to shareholders of the Company $18,794$ $19,562$ Deferred tax liabilities 52 52 52 Total equity $19,189$ $19,961$ LABILITIES 304 382 Deferred tax liabilities $32,203$ 344 Current liabilities 33 33 Total equity and liabilities $13,361$ $13,772$ Total current liabilities $13,361$	Intangible assets		1,946	1,952
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Land deposit		6,741	6,741
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Investment in associates		254	214
Total non-current assets $26,025$ $25,499$ Current assets166152Inventories1,66152Trade and other receivables4,7345,712Tax recoverable1,3871,353Cash and cash equivalents5941,451Total current assets6,8818,668Total assets32,90634,167EQUITYShare capital740,000Reserves(21,206)(20,438)Total equity attributable to shareholders of the Company18,794Minority shareholders' interest395399Total equity19,18919,961LLABILITIESSoft304Non-current liabilities5252Total non-current liabilities3356434Current liabilities3356434Current liabilities33611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities33Total current liabilities33Total current liabilities33Total current liabilities33Total current liabilities3,36113,772Total liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	Other investments	21	2	2
Current assets 166 152 Inventories 166 152 Trade and other receivables 1,387 1,353 Cash and cash equivalents 594 1,451 Total current assets 6,881 8,668 Total assets 32,906 34,167 EQUITY Share capital 7 40,000 40,000 Reserves (21,206) (20,438) 19,562 Minority shareholders' interest 395 399 399 Total equity attributable to shareholders of the Company 18,794 19,562 Minority shareholders' interest 395 399 Total equity 19,189 19,961 LLABILITIES Soff 434 Non-current liabilities 52 52 Total non-current liabilities 356 434 Current liabilities 11,086 11,828 Borrowings 23 2,263 1,875 Obligations under finance leases 9 66 3 Current liabilities 13	Deferred tax assets		825	191
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Total non-current assets		26,025	25,499
Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents 594 $1,451$ Total current assets $6,881$ $8,668$ Total current assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest 395 399 Total equity $19,189$ $19,961$ LIABILITIES 356 434 Non-current liabilities 52 52 Total on-current liabilities 356 434 Current liabilities 356 434 Current liabilities $32,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Current assets			
Tax recoverable 1,387 1,353 Cash and cash equivalents 594 1,451 Total current assets $6,881$ $8,668$ Total current assets $32,906$ $34,167$ EQUITY Share capital 7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ $19,562$ Minority shareholders' interest 395 399 Total equity $19,189$ $19,961$ LIABILITIES Non-current liabilities 52 52 Borrowings 23 304 382 Deferred tax liabilities 552 52 52 Trade and other payables $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,361$ $13,772$ Total liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Inventories		166	152
Cash and cash equivalents 594 $1,451$ Total current assets $6,881$ $8,668$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITY Share capital 7 $40,000$ $40,000$ ($20,438$)Reserves $(21,206)$ ($20,438$) $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest 395 399 399 Total equity $19,562$ 399 Mon-current liabilities 395 399 399 Borrowings 23 356 304 434 Current liabilities 52 52 52 	Trade and other receivables		4,734	5,712
Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITY Share capital7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest 395 399 Total equity19,18919,562Minority shareholders' interest 395 399 Total equity19,18919,961LIABILITIES Non-current liabilities Borrowings 23 304 382 Deferred tax liabilities 52 52 52 Total equity payables $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Tax recoverable		1,387	1,353
Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest 395 399 Total equity $19,189$ $19,961$ LIABILITIESNon-current liabilitiesBorrowings 23 304 382 Deferred tax liabilities 52 52 Total non-current liabilities 356 434 Current liabilities 356 434 Current liabilities 356 434 Current liabilities 356 434 Trade and other payables $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities $13,361$ $13,772$ Total liabilities $32,906$ $34,167$	Cash and cash equivalents		594	1,451
EQUITY Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest 395 399 Total equity19,18919,562Minority shareholders' interest 395 399 Total equity19,18919,961LIABILITIES Borrowings23 304 382 Deferred tax liabilities 52 52 Total non-current liabilities 356 434 Current liabilities 356 434 Current liabilities 356 434 Current liabilities 356 434 Current liabilities $31,361$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current liabilities $13,361$ $13,772$ Total current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Total current assets		6,881	8,668
Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIES919,189Non-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total equity356434Current liabilities356434Current liabilities966Current liabilities33Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities13,36113,772Total equity and liabilities13,71714,206Total equity and liabilities32,90634,167	Total assets		32,906	34,167
Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIES919,189Non-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total equity356434Current liabilities356434Current liabilities966Current liabilities33Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities13,36113,772Total equity and liabilities13,71714,206Total equity and liabilities32,90634,167	EOUITY			
Reserves(21,206)(20,438)Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities356434Current liabilities11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities33Total current liabilities13,36113,772Total equity and liabilities32,90634,167		7	40,000	40,000
Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities356434Current liabilities356434Current liabilities32,2631,875Obligations under finance leases966Current liabilities33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	-			
Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilitiesBorrowings23304Deferred tax liabilities52Total non-current liabilities356Current liabilities356Trade and other payables11,086Borrowings23Obligations under finance leases9Gurrent liabilities3Total current liabilities3Total current liabilities3Total current liabilities13,361Total current liabilities13,717Total equity and liabilities32,90634,167	Total equity attributable to shareholders of the Co	mpany		
LIABILITIESNon-current liabilitiesBorrowings23Deferred tax liabilities52Total non-current liabilitiesTrade and other payablesBorrowings23Current liabilitiesTrade and other payablesBorrowingsObligations under finance leases966Current liabilities3Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167				399
Non-current liabilitiesBorrowings23 304 382 Deferred tax liabilities 52 52 Total non-current liabilities 356 434 Current liabilities 356 434 Current liabilities $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities $13,361$ $13,772$ Total current liabilities $13,717$ $14,206$ Total equity and liabilities $32,906$ $34,167$	Total equity		19,189	19,961
Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities11,08611,828Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167				
Deferred tax liabilities 52 52 Total non-current liabilities 356 434 Current liabilities $11,086$ $11,828$ Trade and other payables $11,086$ $11,828$ Borrowings 23 $2,263$ $1,875$ Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities $13,361$ $13,772$ Total liabilities $13,717$ $14,206$ Total equity and liabilities $32,906$ $34,167$		23	304	382
Total non-current liabilities356434Current liabilities11,08611,828Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	-		52	52
Trade and other payables 11,086 11,828 Borrowings 23 2,263 1,875 Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities 13,361 13,772 Total liabilities 13,717 14,206 Total equity and liabilities 32,906 34,167			356	434
Borrowings 23 2,263 1,875 Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities 13,361 13,772 Total liabilities 13,717 14,206 Total equity and liabilities 32,906 34,167	Current liabilities			
Borrowings 23 2,263 1,875 Obligations under finance leases 9 66 Current tax payable 3 3 Total current liabilities 13,361 13,772 Total liabilities 13,717 14,206 Total equity and liabilities 32,906 34,167	Trade and other payables		11,086	11,828
Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167		23		
Total current liabilities 13,361 13,772 Total liabilities 13,717 14,206 Total equity and liabilities 32,906 34,167	Obligations under finance leases			
Total liabilities 13,717 14,206 Total equity and liabilities 32,906 34,167	Current tax payable		3	3
Total equity and liabilities32,90634,167	Total current liabilities		13,361	13,772
	Total liabilities		13,717	14,206
Net Assets per Share (RM) 0.47 0.49	Total equity and liabilities		32,906	34,167
	Net Assets per Share (RM)		0.47	0.49

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD



(Company No. 194977-A) (Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2006 - UNAUDITED

In thousands of RM	Six months ended 30 June 2006	Six months ended 30 June 2005
Cash flows from operating activities		
Cash receipts from customers and receivables Cash paid to suppliers and employees Cash flows used in operations	14,742 (15,505) (763)	10,951 (13,470) (2,519)
Interest paid Income taxes paid Net cash used in operating activities	- (23) (786)	(107) (236) (2,862)
Cash flows from investing activities		
Interest received Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Software development expenditure Net cash used in investing activities	7 (82) 1 (290) (364)	150 (372) 46 - (176)
Cash flows from financing activities		
Repayments of hire purchase and lease financing Subscription of share in subsidiary by a minority shareholder Net cash used in financing activities Net decrease in cash and cash equivalents Cash and cash equivalents at 1 January Cash and cash equivalents at 30 June	(130) 40 (90) (1,240) (272) (1,512)	(214) - (214) (3,252) 12,697 9,445
Cash and cash equivalents at the end of the financial period	l comprise the f	following:
Deposits placed with licensed banks Cash and bank balances	37 <u>557</u> 594	5,035 4,410 9,445
Bank Overdraft	(2,106) (1,512)	9,445

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.