STAMFORD COLLEGE BERHAD

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

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007 - UNAUDITED

In thousands of RM	Note	Three months ended 31 Dec		Year ended 31 Dec	
		2007	2006	2007	2006
Revenue	9	6,548	5,418	25,319	22,834
Operating expenses		(10,944)	(9,516)	(33,689)	(31,564)
Other operating income		531	870	3,337	3,099
Interest income		52	-	97	8
Finance costs		(8)	(72)	(75)	(168)
Share of profit/(loss) of associates		8	(254)	8	(214)
Loss before tax		(3,813)	(3,554)	(5,003)	(6,005)
Income tax expense	19	63	845	(117)	1,464
Loss for the period		(3,750)	(2,709)	(5,120)	(4,541)
Attributable to :					
Shareholders of the company		(3,578)	(2,697)	(4,910)	(4,467)
Minority interests		(172)	(12)	(210)	(74)
Loss for the period		(3,750)	(2,709)	(5,120)	(4,541)
Basic loss per share (sen)	27	(8.95)	(6.74)	(12.28)	(11.17)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 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 31 DECEMBER 2007

In thousands of RM	Note	Unaudited At 31 Dec 2007	Audited At 31 Dec 2006
ASSETS			
Non-current assets			
Property, plant and equipment	10	3,490	6,105
Investment property		-	17,807
Investment in associates		3,907	-
Amount due from Associates		105	-
Software development expenditure		834	816
Intangible assets		1,778	1,783
Land deposit		6,741	6,741
Deferred tax assets		1,434	1,530
Total non-current assets		18,289	34,782
Current assets			
Inventories		173	188
Trade and other receivables		6,299	4,139
Current tax asset		81	101
Cash and cash equivalents		8,164	257
Total current assets		14,717	4,685
Total assets		33,006	39,467
EQUITY			
Share capital	7	40,000	40,000
Reserves		(20,699)	(15,789)
Total equity attributable to shareholders of the Company		19,301	24,211
Minority shareholders' interest		115	325
Total equity		19,416	24,536
LIABILITIES			
Non-current liabilities			
Borrowings	23	255	304
Obligations under finance lease		20	-
Total non-current liabilities		275	304
Current liabilities			
Trade and other payables		13,102	13,349
Borrowings	23	196	1,278
Obligations under finance lease		17	-
Total current liabilities		13,315	14,627
Total liabilities		13,590	14,931
Total equity and liabilities		33,006	39,467
Net Assets per Share (RM)		0.49	0.61

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2007 - UNAUDITED

	I---------------- Attributable to shareholders of the Company				-----------------I		
In thousands of RM	**Share capital**	**Non-distributable Share premium**	**Accumulated losses**	**Sub-total**	**Total**	**Minority interest**	**Total equity**
At 1 January 2006							
As previously stated	40,000	121	(20,559)	(20,438)	19,562	399	19,961
Effect of adopting FRS140	-	-	9,116	9,116	9,116	-	9,116
At I January 2006 (restated)	40,000	121	(11,443)	(11,322)	28,678	399	29,077
Loss for the year	-	-	(4,467)	(4,467)	(4,467)	(74)	(4,541)
At 31 December 2006	40,000	121	(15,910)	(15,789)	24,211	325	24,536
At 1 January 2007	40,000	121	(15,910)	(15,789)	24,211	325	24,536
Loss for the year	-	-	(4,910)	(4,910)	(4,910)	(210)	(5,120)
At 31 December 2007	40,000	121	(20,820)	(20,699)	19,301	115	19,416

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 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 YEAR ENDED 31 DECEMBER 2007 - UNAUDITED

In thousands of RM	Unaudited Year ended 31 Dec 2007	Audited Year ended 31 Dec 2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and receivables	25,917	27,477
Cash paid to suppliers and employees	(32,507)	(28,357)
Cash flows used in operations	(6,590)	(880)
Interest paid	(75)	(137)
Income taxes paid	(18)	(32)
Income taxes refund	14	1,355
Net cash used in operating activities	(6,669)	306
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	97	8
Proceeds from disposal of investment in a subsidiary	16,000	6
Proceeds from disposal of property, plant and equipment	65	34
Purchase of property, plant and equipment	(160)	(263)
Purchase of intangible assets	(110)	(109)
Software development expenditure	(18)	(343)
Net cash generated from/(used in) investing activities	15,874	(667)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of hire purchase and lease financing	(191)	(217)
Net cash used in financing activities	(191)	(217)
Net increase/(decrease) in cash and cash equivalents	9,014	(578)
Cash and cash equivalents at 1 January	(850)	(272)
Cash and cash equivalents at 31 December	8,164	(850)

Cash and cash equivalents at the end of the financial period comprise the following :

Cash and bank balances	1,047	219
Deposits placed with licensed banks	7,117	38
	8,164	257
Bank Overdraft	-	(1,107)
	8,164	(850)

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

Part A – Explanatory Notes Pursuant to 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 issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2006 annual financial statements.

The preparation of an interim financial report in conformity with FRS 134 Interim Financial Reporting requires management to make judgement, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the 2006 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with FRSs.

2. Changes in accounting policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statement for year ended 31 December 2006 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2007 :

FRS 6 Exploration for and evaluation of Mineral Resources

Amendment to FRS 119 Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures

FRS 124 Related party Disclosures

FRS 6 and FRS 119 are not applicable to the Group and the Company. Hence, no further disclosure is warranted. The adoption of FRS 124 does not have significant financial impact on the Group.

3. Auditors' report on preceding annual financial statements

The audited annual financial statements for the year ended 31 December 2006 were not subject to any qualification.

4. Seasonality of operations

The education segment of the Group's performance is seasonal. There were less courses conducted during this quarter.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year ended 31 December 2007 save for the disposal of 80% of shares in a subsidiary company Quill-Stamford Lot 308 Sdn Bhd, formerly known as Stamford College (Selangor) Sdn Bhd to Quill Construction Sdn Bhd for a total consideration of RM16 million. The disposal resulted in a net gain of RM0.248 million in the financial year. The net gain of RM0.248 million is in addition to the gain of RM9.116 million recognised, pursuant to the adoption of FRS140 as reported in the audited financial statements for the year ended 31 December 2006.

6. Changes in estimates

There were no changes in estimates that had a material effect in the current quarter and financial period-to-date results.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

8. Dividends paid

No dividends were paid since the end of the previous financial year.

9. Segment reporting

The Company's primary format for reporting segment information is business segments. The Group is principally engaged in the provision of academic, tertiary and professional courses and trading of assorted steel products.

In thousands of RM	**Education**		**Trading**		**Consolidated**	
For the year ended	**2007**	**2006**	**2007**	**2006**	**2007**	**2006**
Revenue from external customers	16,884	18,602	8,435	4,232	25,319	22,834
Segment result	(3,723)	(3,942)	114	13	(3,609)	(3,929)
Unallocated expenses					(1,424)	(1,702)
Interest Income					97	8
Finance Costs					(75)	(168)
Share of profit/(loss) of associates					8	(214)
Loss before tax					(5,003)	(6,005)

The Group operates predominantly in Malaysia and accordingly, information by geographical location on the Group operations is not presented.

10. Property, plant and equipment

(a) Acquisitions and disposals

During the year ended 31 December 2007, the Group acquired items of plant and equipment with a cost of RM363,729 in which RM204,104 was financed through hire purchase (year ended 31 December 2006 : RM324,000). Item of equipment with a net book value of RM9,202 were disposed of during the year ended 31 December 2007 (year ended 31 December 2006 : RM70,000) resulting in a gain on disposal of RM55,586 (year ended 31 December 2006 : loss on disposal of RM36,000).

(b) Valuations of Property, Plant and Equipment

There were no revaluation of property, plant and equipment brought forward from the financial statements for the year ended 31 December 2006. The Group does not adopt a revaluation policy on its property, plant and equipment.

The carrying amounts of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(c) Valuation of Investment Property

The value of the investment property have been brought forward without amendment from the financial statement for year ended 31 December 2006.

11. Post balance sheet events

In the opinion of the Directors, no material events have arisen between the end of the reporting period and 28 February 2008, which is not earlier than 7 days from the date of issuance of this quarterly report, which will substantially affect the results of the Group.

12. Changes in the composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter and the financial period to date:-

On 18 January 2007, Stamford College Berhad ("SCB" or "the Company") disposed of 34,800 ordinary shares of RM1 each representing 30% of its equity interest in Pusat Tuisyen Bersatu Sdn Bhd ("PTBSB") to Dato' Haji Abdul Halim bin Haji Abdul Samad for a cash consideration of RM1 only.("Disposal").

The disposal had diluted SCB's equity interest in PTBSB from 100% to 70%, thereby rendering PTBSB to become a 70% owned subsidiary of SCB.

On 3 September 2007, SCB's proposed sale of 80% equity interest in Quill-Stamford Lot 308 Sdn Bhd (formerly known as Stamford College (Selangor) Sdn Bhd) to Quill Construction Sdn Bhd for a total consideration of RM16 million was completed. The disposal had diluted

SCB's equity interest in Quill-Stamford Lot 308 Sdn Bhd from 100% to 20%, thereby rendering Quill-Stamford Lot 308 Sdn Bhd to become a 20% associate company of SCB.

13. Contingent Liabilities and Contingent Assets

As at date of this announcement, the company has contingent liabilities amounting to RM5,070,000 in respect of corporate guarantees given to banks to secure general banking facilities for a subsidiary company.

14. Capital Commitments

The amount of commitment for the purchase of property, plant and equipment which was contracted but not provided for in the interim financial statements as at 31 December 2007 is RM6,146,745.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

15. Review of Performance

Group revenue for the fourth quarter increased by RM1.130 million or 21% as compared to the corresponding quarter in the previous year. The increase in revenue was mainly from the trading activities with an increase of RM4.210 million. (2006 : RM2.201 million). The education segment recorded a lower revenue as there were less courses conducted during the current quarter.

Group loss before tax for the quarter was RM3.813 million as compared to group loss before tax of RM3.554 million for the corresponding quarter in the previous year.

For the year ended 31 December 2007, the Group recorded a reduced loss before tax of RM5.003 million compared to a loss before tax of RM6.005 million in the year 2006.

The loss before tax for the previous year ended 31 December 2006 had been arrived after the reversal of provision for impairment loss in a center and the over provision of rental in another center which amounted to RM0.343 million and RM0.400 million respectively. The loss before tax prior to the reversal was RM6.748 million. The reversal of the impairment loss was reported under Note 5 Unusual items due to their nature, size or incidence of the second quarterly report to Bursa Malaysia in 2006.

The rationalization of centers in the form of merger and cessation of loss making center undertaken by the Group towards the end of last year had resulted in cost savings of RM2.471 million. The reduction of revenue due to cessation of loss making centers was RM1.136 million. Hence, there was an improvement in operational performance by RM1.335 million. This had effectively reduced the loss before tax by RM1.002 million compared to the loss before tax of RM6.005 million in the previous year ended 31 December 2006.

16. Variation of results against preceding quarter

In thousands of RM	Current Quarter	Immediate Preceding Quarter	Variance
Revenue	6,548	5,502	1,046
Profit/(Loss) before tax	(3,813)	967	(4,780)

Group revenue for the current quarter increased by RM1.046 million compared to immediate preceding quarter. The increase was mainly due to the revenue from trading activities RM4.210 million. (3 months ended 30 September 2007 : Nil).

A higher loss before tax was recorded in the current quarter as there were less courses conducted in the education segment. The revenue for the education segment in the current quarter was RM2.338 million (3 months ended 30 September 2007: RM5.413 million).

17. Prospects for the next financial year ending 31 December 2008

Despite the adverse financial position of the company continued in the year 2007, the rationalization of centres and courses implemented in the beginning of 2007 had resulted in significant cost savings as highlighted in Note 15 above which would contribute to better financial results in future years.

The planned introduction for a degree in accountancy from an Australian university is still ongoing. The degree in accountancy will take students to a professional qualification recognized by regulatory bodies. The degree that is being introduced will also offer a major in management. The new course will not only expand the range of degree courses already offered but will meet the growing demand for a professional qualification in accountancy. Whilst the discussions are still ongoing to start the Accountancy programme, Stamford is also looking into the development of other courses to be introduced in 2008.

The Stamford Online education portal was launched on 3 September 2007. It would now provide a platform for the development of full online courses. Initially, the College would be relying on established degree and postgraduate courses from foreign universities to compete with the main online providers in the country. Supporting this would be a range of third party products that support English language training and national schools curriculum that would be very useful for teachers and students. Our main advantage in the higher education would be in being able to offer better developed materials and a foreign qualification. The online system would also enhance part-time courses and improve enrolments. The online services would also help to promote traditional courses as students would now have access to a wider range of materials and learning aids.It is also planned for additional courses to be added onto the portal so that in the long term, the e-learning venture could be seen as a contributor to revenue.

We are seeing a steady flow of student registration for the established degree and postgraduate courses from foreign universities.

18. Variance on Forecast Profit/Shortfall in Profit Guarantee

Not applicable as the Group did not publish any profit forecast and profit guarantee.

19. Income tax expenses

In thousands of RM	Three months ended 31 December 2007	Year ended 31 December 2007
Under provision of Malaysian income tax in prior year	-	20
Deferred tax	(63)	97
	-----	-----
	(63)	117
	===	===

The tax expense for the year ended 31 December 2007 was due to under-provision of the previous year's tax payable in a subsidiary. The deferred tax was in respect of a reversal of temporary differences in a subsidiary company.

20. Unquoted investments and properties

Save as disclosed in note 12, there were no sale of unquoted investments and/or properties for the quarter under review.

21. Quoted Securities

There were no purchase and disposal of quoted securities for the quarter under review.

There were no investment in quoted shares at 31 December 2007.

22. Status of corporate proposals announced

There were no corporate proposals announced but not completed on 28 February 2008.

23. Borrowings

In thousands of RM	At 31 December 2007
Current (unsecured)	
Hire purchase liabilities	196
Non-current (unsecured)	
Hire purchase liabilities	255

The above borrowings are denominated in Ringgit Malaysia.

24. Off Balance Sheet Financial Instruments

As at the reporting date, the Group does not have any off balance sheet financial instruments.

25. Material Litigation

There is a pending suit for a disputed tenancy claim arising out of an early termination of the tenancy agreement for which provision has been made in the previous financial periods and another in respect of advertising charges in which the Company denies liability. The former case is fixed for trial on 2nd and 3rd December 2008. The court has fixed the trial on 17 and 18 March 2008 on the latter case.

The Kuala Lumpur Sessions Court has ordered the Company and a subsidiary to pay to a former student RM36,920.00 in damages plus cost and interest of 8% per annum from 25 October 2000 until full payment. Pursuant to the aforesaid order, the Company paid the sum of RM58,843.90 to the former student's solicitor. The Company's solicitors are of the opinion that there are no merits in the claim and the Company has appealed to the High Court against the said decision. The appeal is pending.

The Company's solicitors are also of the view that the aforesaid decision will not bind the court in determining the remaining 25 cases of similar nature pending in court.

Of the 25 cases, 4 cases against the Company were dismissed with costs. The former students in the 4 cases have appealed against the decision and the appeal is pending. In another case, the Court found in favour of a former student at a much lesser quantum of RM10,931.15. Both the Company and the former student is appealing against the decision and the appeal is also pending. 7 other cases against the Company were struck off of which 2 are now pending reinstatement application. The remaining 13 cases are still ongoing.

26. Dividend

The Board does not recommend any interim dividend for the financial period ended 31 December 2007 (31 December 2006 : Nil).

27. Loss Per Share

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders for the period by the number of ordinary shares in issue during the period.

(b) Fully diluted loss per share

Not applicable as the market value of SCB existing shares was lower than the exercise price of converting warrants to SCB ordinary shares and there is unlikely for the warrants holders to exercise the conversion.

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 February 2008.

BY ORDER OF THE BOARD

CHOW CHOOI YOONG
Company Secretary
MAICSA 0772574

28 February 2008