



STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 - UNAUDITED

In thousands of RM	Note	Three months ended 30 Sept		Nine months ended 30 Sept	
		2008	2007	2008	2007
Revenue	9	5,888	5,502	24,726	18,771
Operating expenses		(7,078)	(5,844)	(27,943)	(22,745)
Other operating income		1,164	1,272	2,875	2,806
Interest income		-	44	66	45
Finance costs		(18)	(7)	(34)	(67)
Share of profit/(loss) of associates		-	-	-	-
Profit /(Loss) before tax		(44)	967	(310)	(1,190)
Income tax expense	19	(1)	(84)	(36)	(180)
Profit/(Loss) for the period		(45)	883	(346)	(1,370)
Attributable to :					
Shareholders of the company		(42)	867	(342)	(1,332)
Minority interests		(3)	16	(4)	(38)
Profit/(Loss) for the period		(45)	883	(346)	(1,370)
Basic profit/(loss) per share (sen)	27	(0.11)	2.17	(0.86)	(3.33)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2008

In thousands of RM		Unaudited Note 30 September 2008	Audited At 31 Dec 2007
ASSETS			
Non-current assets			
Property, plant and equipment	10	13,960	3,426
Investment in associates		3,910	3,910
Amount due from Associates		46	89
Software development expenditure		833	833
Intangible assets		1,830	1,842
Land deposit		6,741	6,741
Deferred tax assets		1,399	1,434
Total non-current assets		<u>28,719</u>	<u>18,275</u>
Current assets			
Inventories		276	173
Trade and other receivables		10,859	6,326
Current tax asset		106	85
Cash and cash equivalents		622	8,164
Total current assets		<u>11,863</u>	<u>14,748</u>
Total assets		<u>40,582</u>	<u>33,023</u>
EQUITY			
Share capital	7	40,000	40,000
Reserves		(21,030)	(20,688)
Total equity attributable to shareholders of the Company		<u>18,970</u>	<u>19,312</u>
Minority shareholders' interest		111	115
Total equity		<u>19,081</u>	<u>19,427</u>
LIABILITIES			
Non-current liabilities			
Borrowings	23	163	261
Obligations under finance lease		81	77
Total non-current liabilities		<u>244</u>	<u>338</u>
Current liabilities			
Trade and other payables		20,228	13,108
Borrowings	23	969	106
Obligations under finance lease		60	44
Total current liabilities		<u>21,257</u>	<u>13,258</u>
Total liabilities		<u>21,501</u>	<u>13,596</u>
Total equity and liabilities		<u>40,582</u>	<u>33,023</u>
Net Assets per Share (RM)		<u>0.47</u>	<u>0.48</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



STAMFORD COLLEGE BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008 - UNAUDITED

In thousands of RM	I----- Attributable to shareholders of the Company -----I						Total equity
	Share capital	Non-distributable Share premium	Accumulated losses	Sub-total	Total	Minority interest	
At 1 January 2007	40,000	121	(15,910)	(15,789)	24,211	325	24,536
Loss for the period	-	-	(1,332)	(1,332)	(1,332)	(38)	(1,370)
At 30 Sept 2007	40,000	121	(17,242)	(17,121)	22,879	287	23,166
At 1 January 2008	40,000	121	(20,809)	(20,688)	19,312	115	19,427
Loss for the period	-	-	(342)	(342)	(342)	(4)	(346)
At 30 Sept 2008	40,000	121	(21,151)	(21,030)	18,970	111	19,081

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



STAMFORD COLLEGE BERHAD

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR NINE MONTHS ENDED 30 SEPTEMBER 2008 - UNAUDITED

In thousands of RM	Nine months ended 30 Sept 2008	Nine months ended 30 Sept 2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and receivables	23,174	21,630
Cash paid to suppliers and employees	(23,897)	(24,614)
Cash flows used in operations	(723)	(2,984)
Interest paid	(34)	(67)
Income taxes paid	(1)	-
Income taxes refund	-	-
Net cash used in operating activities	(758)	(3,051)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	66	45
Proceeds from disposal of investment in a subsidiary	-	16,000
Proceeds from disposal of property, plant and equipment	25	39
Purchase of property, plant and equipment	(7,410)	(143)
Purchase of intangible assets	(74)	-
Software development expenditure	-	(18)
Investment in subsidiary	(36)	-
Advance from sale of investment in subsidiary	-	-
Net cash (used in)/generated from investing activities	(7,429)	15,923
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of hire purchase and lease financing	(170)	(147)
Net cash used in financing activities	(170)	(147)
Net (decrease)/increase in cash and cash equivalents	(8,357)	12,725
Cash and cash equivalents at 1 January	8,164	(850)
Cash and cash equivalents at 30 Sept	(193)	11,875
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash and bank balances	582	8,189
Deposits placed with licensed banks	40	3,686
	622	11,875
Bank Overdraft	(815)	-
	(193)	11,875

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



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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 2007 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 2007 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 the year ended 31 December 2007.

3. Auditors' report on preceding annual financial statements

The audited annual financial statements for the year ended 31 December 2007 were not subject to any qualification.

4. Seasonality of operations

The education segment of the Group's performance is seasonal. Degree programmes with larger enrolment numbers were offered during the 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.

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.



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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 For the nine months ended	Education		Trading		Consolidated	
	2008	2007	2008	2007	2008	2007
Revenue from external customers	16,481	14,547	8,245	4,224	24,726	18,771
Segment result	705	(180)	184	23	889	(157)
Unallocated expenses					(1,231)	(1,011)
Interest Income					66	45
Finance Costs					(34)	(67)
Loss before tax					(310)	(1,190)

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 nine months ended 30 September 2008, the Group acquired items of plant and equipment with a cost of RM7.550 million of which RM140,000 was financed through hire purchase and finance lease (nine months ended 30 September 2007 : RM143,000). Included also in the property plant and equipment for the nine months ended 30 September 2008 is RM4.245 million cost of equipment arising from the acquisition of a subsidiary. Item of equipment with a net book value of RM29,356 were disposed of during the nine months ended 30 September 2008 (nine months ended 30 September 2007 : RM8,290) resulting in a loss on disposal of RM4,092 (nine months ended 30 September 2007 : gain on disposal of RM30,945). During the current quarter, property, plant and equipment with a net book value of RM481,918 had been written off due to relocation of centres from Kuala Lumpur to Petaling Jaya.



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(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 2007. 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.

11. Post balance sheet events

Save as disclosed below, in the opinion of the Directors, no material events have arisen between the end of the reporting period and 25 November 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.

Stamford Education Networks Sdn Bhd, (formerly known as Cyma College Sdn Bhd), (SEN) a wholly owned subsidiary of Stamford College Berhad, had on 7 November 2008, signed a Sale of Shares Agreement with Wawasan Education Foundation (WEF) for the disposal by SEN of 40,000 ordinary shares of RM1.00 each in the share capital of Distd Stamford Sdn Bhd, (DSSB), an associate company of Stamford College Berhad, representing twenty percent (20%) of the total paid up share capital of DSSB to WEF for a total consideration of RM470,400. The Proposed Disposal is now pending completion.

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 22 May 2008, SCB Industries Sdn Bhd, a 99.99% owned subsidiary of Stamford College Berhad, entered into a Sale and Purchase Agreement with the shareholders of Sang Cahaya Sdn Bhd ("Sang Cahaya") namely Norasmah binti Jupri and Azizah binti Abu to acquire 100% equity interest in Sang Cahaya.

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 30 September 2008 is RM6,146,745.



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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 third quarter increased by RM0.386 million or 7% as compared to the corresponding quarter in the previous year. The increase in revenue was from the education segment with increase in enrolment numbers.

Group loss before tax for the quarter was RM0.044 million compared to group profit before tax of RM0.967 million for the corresponding quarter in the previous year. Additional costs and the written off of assets arising from the relocation of centres in Kuala Lumpur to Petaling Jaya at the end of the quarter has attributed to the loss.

For the nine months ended 30 September 2008, the Group recorded significantly lower loss before tax of RM0.310 million compared to RM1.190 million loss in the corresponding period in the previous year. This was mainly due to the higher education segment revenue of RM1.934 million recorded for the nine months ended 30 September 2008.

The financial performance to date had shown a significant improvement compared to the corresponding period in the previous year. The encouraging performance was due largely to the increase in student enrolment numbers for the University of East London degree courses in Business, Marketing, Engineering and Computer Science. Niche courses such as Hospitality Education from the Educational Institute of the American Hotel and Lodging Association also continue to attract strong enrolment numbers. Aggressive marketing in the overseas market has also seen an increasing number of foreign students enrolled in the Stamford Colleges. In addition, the Stamford Online courses launched last year has also seen a steady flow of student registration for the established degree and postgraduate courses from foreign universities.

16. Variation of results against preceding quarter

In thousands of RM	Current Quarter	Immediate Preceding Quarter	Variance
Revenue	<u>5,888</u>	<u>9,245</u>	<u>(3,357)</u>
Loss before tax	<u>(44)</u>	<u>(1,579)</u>	<u>1,535</u>

Group revenue relating to education segment for the current quarter increased by RM2.077 million compared to immediate preceding quarter. The increase of education segment revenue was due to larger enrolment numbers for degree programmes in the quarter under review.

The lack of trading activity in the quarter under review as compared to RM5.434 million in the immediate preceding quarter has attributed to a decrease of total revenue of RM3.357 million in the quarter under review.



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17. Current Year Prospects

The rationalization of centers and courses that were introduced to consolidate the company's business in the previous year have yielded positive results as highlighted in Note 15. The rationalization is being supported by the introduction of short courses that will take graduates directly into employment.

At the same time, the Group is also actively sourcing for other degree and postgraduate courses from established foreign universities. These courses would substitute the planned degree in accountancy and management courses from Australia that was announced in earlier reports. Discussions with these foreign universities are in an advanced stage. There are also plans to bring about some diversification to the company's business.

The Board is optimistic that the current year prospects will be positive with the consolidation of the company's business in place and with the imminent introduction of more courses in the current year.

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 30 September 2008	Nine months ended 30 September 2008
Under provision of Malaysian income tax in prior year	-	-
Deferred tax	(1)	(36)
	-----	-----
	(1)	(36)
	====	====

The deferred tax was in respect of a reversal of temporary differences in a subsidiary company.

20. Unquoted investments and properties

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 30 September 2008.



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22. Status of corporate proposals announced

There were no corporate proposals announced but not completed on 25 November 2008.

23. Borrowings

In thousands of RM	At 30 September 2008
<u>Current (unsecured)</u>	
Bank Overdraft	815
Hire purchase liabilities	154
<u>Non-current (unsecured)</u>	
Hire purchase liabilities	163

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 30th January 2009 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 RM58,844 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, 6 cases against the Company were dismissed with costs. The former students in the 6 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. Both the Company and the former student is appealing against the decision and the appeal is also pending. 10 other cases against the Company were struck out, of which, we were to close 7 files and the other 3 is now pending reinstated. The remaining 8 cases are still ongoing.



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26. Dividend

The Board does not recommend any interim dividend for the financial period ended 30 September 2008 (30 September 2007 : 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 25 November 2008.

BY ORDER OF THE BOARD

CHOW CHOOI YOONG

Company Secretary
MAICSA 0772574

25 November 2008