



STAMFORD COLLEGE BERHAD

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

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2009 - UNAUDITED

In thousands of RM	Note	Three months ended 30 June		Six months ended 30 June	
		2009	2008	2009	2008
Revenue	9	3,757	9,245	10,464	18,838
Operating expenses		(5,388)	(11,684)	(11,131)	(20,865)
Other operating income		1,825	843	3,745	1,711
Interest income		-	25	-	66
Finance costs		(40)	(8)	(64)	(16)
Profit/(loss) before tax		154	(1,579)	3,014	(266)
Income tax expense	19	-	-	(10)	(35)
Profit/(loss) for the period		154	(1,579)	3,004	(301)
Attributable to :					
Shareholders of the company		106	(1,525)	2,918	(300)
Minority interests		48	(54)	86	(1)
Profit/(loss) for the period		154	(1,579)	3,004	(301)
Basic profit/(loss) per share (sen)	28	0.27	(3.81)	7.30	(0.75)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



STAMFORD COLLEGE BERHAD

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CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2009

In thousands of RM	Note	Unaudited At 30 Jun 2009	Audited At 31 Dec 2008
ASSETS			
Non-current assets			
Property, plant and equipment	10	25,526	20,371
Amount due from Associates		62	61
Software development expenditure		866	833
Intangible assets		1,857	1,837
Land deposit		6,741	6,741
Deferred tax assets		1,427	1,437
Total non-current assets		<u>36,479</u>	<u>31,280</u>
Current assets			
Inventories		281	187
Trade and other receivables		5,433	4,041
Assets classified as held for sale		-	1,935
Current tax asset		98	102
Cash and cash equivalents		649	474
Total current assets		<u>6,461</u>	<u>6,739</u>
Total assets		<u>42,940</u>	<u>38,019</u>
EQUITY			
Share capital	7	40,000	40,000
Reserves		(19,004)	(21,922)
Total equity attributable to shareholders of the Company		<u>20,996</u>	<u>18,078</u>
Minority shareholders' interest		<u>109</u>	<u>23</u>
Total equity		<u>21,105</u>	<u>18,101</u>
LIABILITIES			
Non-current liabilities			
Borrowings	23	608	710
Obligations under finance lease		30	63
Total non-current liabilities		<u>638</u>	<u>773</u>
Current liabilities			
Trade and other payables		20,249	17,232
Borrowings	23	885	1,850
Obligations under finance lease		63	63
Total current liabilities		<u>21,197</u>	<u>19,145</u>
Total liabilities		<u>21,835</u>	<u>19,918</u>
Total equity and liabilities		<u>42,940</u>	<u>38,019</u>
Net Assets per Share (RM)		<u>0.52</u>	<u>0.45</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 SIX MONTHS ENDED 30 JUNE 2009 - 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 2008	40,000	121	(20,809)	(20,688)	19,312	115	19,427
Loss for the period	-	-	(300)	(300)	(300)	(1)	(301)
At 30 June 2008	40,000	121	(21,109)	(20,988)	19,012	114	19,126
At 1 January 2009	40,000	121	(22,043)	(21,922)	18,078	23	18,101
Profit for the period	-	-	2,918	2,918	2,918	86	3,004
At 30 June 2009	40,000	121	(19,125)	(19,004)	20,996	109	21,105

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR SIX MONTHS ENDED 30 JUNE 2009 - UNAUDITED

In thousands of RM	Six months ended 30 June 2009	Six months ended 30 June 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and receivables	14,366	16,158
Cash paid to suppliers and employees	(10,113)	(17,845)
Cash flows used in operations	4,253	(1,687)
Interest paid	(64)	(16)
Net cash generated from/(used in) operating activities	4,189	(1,703)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	-	66
Proceeds from disposal of property, plant and equipment	-	21
Proceeds from disposal of investment	2,800	-
Purchase of property, plant and equipment	(5,638)	(3,730)
Purchase of intangible assets	(75)	(58)
Investment in subsidiary	-	(36)
Net cash used in investing activities	(2,913)	(3,737)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of hire purchase and lease financing	(219)	(108)
Advance to associates	(1)	-
Net cash used in financing activities	(220)	(108)
Net increase/(decrease) in cash and cash equivalents	1,056	(5,548)
Cash and cash equivalents at 1 January	(1,069)	8,164
Cash and cash equivalents at 30 June	(13)	2,616
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash and bank balances	608	2,576
Deposits placed with licensed banks	41	40
	649	2,616
Bank Overdraft	(662)	-
	(13)	2,616

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008 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 2008 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 2008.

3. Auditors' report on preceding annual financial statements

The audited annual financial statements for the year ended 31 December 2008 were not subject to any qualification. However, the auditors have modified the report by adding an emphasis of matter paragraph to highlight that the financial statements have been prepared based on going concern assumption notwithstanding that the current liabilities appearing in the financial statement exceeded its current assets. This resulting financial position was mainly due to the acquisition of a new subsidiary company and capital expenditure incurred in the manufacturing facilities by new subsidiary company.

4. Seasonality of operations

The education segment of the Group's performance is seasonal. There were fewer courses being offered 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.

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. The Company has also embarked into a micro steel mill project through the acquisition of a subsidiary company, Sang Cahaya Sdn. Bhd. The micro steel mill is principally engaged in the manufacture of all kinds of steel products. The manufacturing activity has not commenced commercial production and does not have any rental income.

In thousands of RM For the six months ended	Education		Trading		Manufacturing		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008
Revenue from external customers	10,464	10,593	-	8,245	-	-	10,464	18,838
Segment result	3,501	318	-	159	-	-	3,501	477
Unallocated expenses							(423)	(793)
Interest Income							-	66
Finance Costs							(64)	(16)
Profit/(Loss) before tax							3,014	(266)

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 six months ended 30 June 2009, the Group acquired items of plant and equipment with a cost of RM5.638 million (Six months ended 30 June 2008 : RM3.868 million). No item of equipment were disposed of during the six months ended 30 June 2009 (Six months ended 30 June 2008 : RM5,854 resulting a gain on disposal of RM15,650).

(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 2008. 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

In the opinion of the Directors, no material events have arisen between the end of the reporting period and 25 August 2009, 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:-

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 Disposal was completed on 12 January 2009 and DSSB ceased to be an associate company of Stamford College Berhad as at that date.

Stamford College Berhad had on 2 December 2008 signed a Sale of Shares Agreement with Quill Lot 308 Sdn Bhd ("QUILL") for the disposal by Stamford College Berhad of 2,000,000 ordinary shares of RM1.00 each in the share capital of Quill-Stamford Lot 308 Sdn Bhd ("QSSB"), representing twenty percent (20%) of the total issued and paid up capital of QSSB to QUILL for a total cash consideration of RM4,800,000. The full purchase price was received on 13 February 2009.

13. Contingent Liabilities and Contingent Assets

As at date of this announcement, the company has contingent liabilities amounting to RM5,075,000 (RM3 million for foreign exchange line, RM2 million overdraft) in respect of corporate guarantees given to banks to secure general banking facilities and RM75,000 for the provision of services.

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 June 2009 is RM5,880,000.

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 second quarter decreased by RM5.488 million or 59% as compared to the corresponding quarter in the previous year. The decrease in revenue was due to the fact that there was no trading activity in the current quarter. (2008 second quarter: RM5.434million). Education segment recorded a decrease revenue of RM54,000 or 1.42% when compared to corresponding quarter in previous year.

Group profit before tax for the quarter was RM0.154 million compared to group loss before tax of RM1.579 million for the corresponding quarter in the previous year.

For the six months ended 30 June 2009, the Group recorded a profit before tax of RM3,014 million compared to RM0.266 million loss in the corresponding period in the previous year. The significant improvement in profit before tax was mainly due to more students were registered for degree programmes, more efficient use and deployment of resources through rationalization of centres and programmes, gain of RM0.824 million on disposal of 20% interest in an associate company, reversal of accruals overprovided and deposits forfeited.

16. Variation of results against preceding quarter

In thousands of RM	Current Quarter	Immediate Preceding Quarter	Variance
Revenue	<u>3,757</u>	<u>6,707</u>	<u>(2,950)</u>
(Loss)/profit before tax	<u>154</u>	<u>2,860</u>	<u>(2,706)</u>

Group revenue for the current quarter decreased by RM2.950 million compared to immediate preceding quarter. The decrease in revenue was mainly due to fewer intakes for the current quarter.

17. Current Year Prospects

The rationalization of centres and courses implemented in the beginning of 2008 and the relocation of centers in Kuala Lumpur to Petaling Jaya at the end of third quarter of 2008 had resulted in significant improvement in financial performance through cost savings. The rationalization exercise would continue to yield positive results for the year.

In sourcing for other degree and postgraduate courses from established foreign universities, Stamford College has obtained approval from University of East London to offer Master in Technology Management, Master in Computer Systems Engineering and a degree in Business Information Systems. Master in Business Administration of University of Ballarat, Australia is also currently offered at Stamford College.

The Stamford Online education portal launched on 3 September 2007 providing a platform for the development of full online courses, is continued to offer to students.

The diversification from the company's business has seen the establishment of a micro steel mill project located in the outskirts of Klang Valley. The plant is expected to be fully operational by the last quarter of 2009 instead of second quarter as reported previously.

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 June 2009	Six months ended 30 June 2009
Under provision of Malaysian income tax in prior year	-	-
Deferred tax	-	(10)
	-----	-----
	-	(10)
	====	====

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 June 2009.

22. Status of corporate proposals announced

There were no corporate proposals announced but not completed on 25 August 2009.

23. Borrowings

In thousands of RM	At 30 June 2009
<u>Current (unsecured)</u>	
Bank overdraft	662
Hire purchase liabilities	223
<u>Non-current (unsecured)</u>	
Hire purchase liabilities	608

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 27 to 29 October 2009. On the latter case, the Kuala Lumpur High Court had on 18 May 2009 allowed the plaintiff's claim but the quantum of claim had yet to be assessed. The Company had instructed its solicitors to file an application for stay of execution and to appeal against the Kuala Lumpur High Court's decision. The hearing of the application for stay of execution and the appeal against the Kuala Lumpur High Court's decision are pending.

The Kuala Lumpur Sessions court has ordered the Company and a subsidiary to pay to a former student RM36,920 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 5 cases of similar nature pending in court.

26. Dividend

The Board does not recommend any interim dividend for the financial Six months ended 30 June 2009 (30 June 2008 : Nil).

27. Profit Per Share

(a) Basic profit per share

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

(b) Fully diluted profit 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 August 2009.

BY ORDER OF THE BOARD

CHOW CHOOI YOONG

Company Secretary
MAICSA 0772574

25 August 2009