STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
In thousands of RM	**Note**	**Current quarter ended 30 Sept 2010**	**Comparative quarter ended 30 Sept 2009**	**Current year to date ended 30 Sept 2010**	**Preceeding year to date ended 30 Sept 2009**
Revenue	9	7,728	5,532	24,430	15,996
Operating expenses		(9,135)	(5,561)	(27,262)	(16,692)
Other operating income		936	1,724	3,097	5,469
Interest income		-	-	-	-
Finance costs		(25)	(18)	(71)	(82)
Profit/(Loss) before tax	15	(496)	1,677	194	4,691
Income tax expense	19	(32)	(3)	(295)	(13)
Profit/ (Loss) for the period		(528)	1,674	(101)	4,678
Attributable to :					
Shareholders of the company		(536)	1,611	(199)	4,529
Non-controlling interest		8	63	98	149
Profit/ (Loss) for the period		(528)	1,674	(101)	4,678
Basic profit/ (loss) per share (sen)	27	(1.34)	4.03	(0.50)	11.32

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
In thousands of RM	**Current quarter ended**	**Comparative quarter ended**	**Current year to date ended**	**Preceeding year to date ended**
	30 Sept 2010	**30 Sept 2009**	**30 Sept 2010**	**30 Sept 2009**
Profit/(Loss) for the period	(528)	1,674	(101)	4,678
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income/ (loss) for the period , net of tax	(528)	1,674	(101)	4,678
Total comprehensive income/ (loss) attributable to :				
Shareholders of the company	(536)	1,611	(199)	4,529
Non-controlling interest	8	63	98	149
Profit/(Loss) for the period	(528)	1,674	(101)	4,678

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of RM	Note	Unaudited At 30 Sept 2010	Audited At 31 Dec 2009
ASSETS			
Non-current assets			
Property, plant and equipment	10	20,100	20,554
Software development expenditure		391	866
Intangible assets	10	13,718	13,051
Amount due from Associates		62	62
Deferred tax assets		1,132	1,427
Total non-current assets		35,403	35,960
Current assets			
Inventories		2,240	218
Trade and other receivables		5,844	4,708
Current tax asset		105	101
Cash and cash equivalents		951	3,490
Total current assets		9,140	8,517
Total assets		44,543	44,477
EQUITY			
Share capital	7	40,000	40,000
Reserves		(19,997)	(19,798)
Total equity attributable to shareholders of the Company		20,003	20,202
Non-controlling interest		322	224
Total equity		20,325	20,426
LIABILITIES			
Non-current liabilities			
Payables and deposits *		3,002	2,601
Borrowings	23	85	116
Obligations under finance lease		298	358
Total non-current liabilities		3,385	3,075
Current liabilities			
Trade and other payables		12,685	13,211
Fees received in advance**		6,938	6,185
Borrowings	23	1,110	1,417
Obligations under finance lease		100	163
Total current liabilities		20,833	20,976
Total liabilities		24,218	24,051
Total equity and liabilities		44,543	44,477
Net Assets per Share (RM)		0.50	0.51

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

* Education Fund of RM1.611 million has been reclassified from current liabilities to non current liabilities under "Other Payables" due to its long term and continuous nature. Revenue is recognised upon utilisation of the education fund by the beneficiary students. (Nine months ended 30 Sept 2009 : RM1.222 million)

*Security deposit and student bond amounting to RM1.391 million are reclassified as "Other Payables" and refundable 12 months later. (Nine months ended 30 Sept 2009 : RM1.118m)

**Fees received in advance will be recognised as revenue to the College when new semesters commence. (Nine months ended 30 Sept 2009 : RM7.026m)

STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

In thousands of RM	I---------------- Attributable to shareholders of the Company				-----------------I		
	Share capital	Non-distributable Share premium (a)	Accumulated losses (b)	Sub-total (a) + (b)	Total	Non-controlling interest	Total equity
At I January 2009	40,000	121	(22,043)	(21,922)	18,078	23	18,101
Profit for the period	-	-	4,529	4,529	4,529	149	4,678
At 30 September 2009	40,000	121	(17,514)	(17,393)	22,607	172	22,779
At 1 January 2010	40,000	121	(19,919)	(19,798)	20,202	224	20,426
Loss for the period	-	-	(199)	(199)	(199)	98	(101)
At 30 September 2010	40,000	121	(20,118)	(19,997)	20,003	322	20,325

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

STAMFORD COLLEGE BERHAD

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

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of RM	Current year to date ended 30 Sept 2010	Preceeding year to date ended 30 Sept 2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and receivables	19,883	23,671
Cash paid to suppliers and employees	(20,257)	(15,569)
Cash flows generated from/(used in) operations	(374)	8,102
Interest paid	(71)	(82)
Income taxes paid	(4)	(3)
Income taxes refund	-	-
Net cash generated from/(used in) operating activities	(449)	8,017
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	6
Net of cash, disposal of investment in associate	-	2,800
Purchase of property, plant and equipment	(465)	(9,512)
Purchase of intangible assets	(1,163)	(92)
Net cash generated used in investing activities	(1,628)	(6,798)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of hire purchase and lease financing	(222)	(305)
Net cash used in financing activities	(222)	(305)
Net increase/(decrease) in cash and cash equivalents	(2,299)	914
Cash and cash equivalents at 1 January	2,198	(1,069)
Cash and cash equivalents at 30 September	(101)	(155)

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

Cash and bank balances	951	545
Deposits placed with licensed banks	-	41
	951	586
Bank Overdraft	(1,052)	(741)
	(101)	(155)

The Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 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 should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

The significant accounting policies adopted are consistent with those of the audited financial statement for the year ended 31 December 2009, except the adoption of the following new Financial Reporting Standards (FRSs), Amendment to FRs and the Interpretations with effects from 1 January 2010. On 1 January 2010, the Group adopted the following FRSs :-

a) FRS 8 : Operating Segments
FRS 8 requires disclosure of information about Group's operating segments and replaced the requirement to determined primary (business) and secondary (geographical) reporting segments of the Group. The Group concluded that the operating segments determined in accordance with FRS 8 are the same as the business segments previously adopted. Adoption of FRS 8 did not have any effect on the financial position or performance of the Group.

b) FRS 101 : Presentation of Financial Statements
Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements.
With the adoption of the revised FRS 101, the components of the interim financial statements presented consist of a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.
The revised FRS 101 requires the Group to present all owner changes in equity and all non-owner changes be presented in either in one statement of comprehensive income or in two separate statements of income and comprehensive income. In addition, the standards require retrospective restatement of comparative statement of financial position as at beginning of the earliest comparative period.
The adoption of FRS 101 did not impact the financial position or results of the Group as the changes introduced are presentational in nature.

c) FRS 139 : Financial Instruments : Recognition and Measurement
The adoption of FRS 139 has resulted in changes to the accounting policies relating to recognition and measurement of financial instruments. A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognized initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition or issue of the financial instrument.

Borrowings
Prior to the adoption of FRS 139, transaction costs attributable to borrowings were expensed off as incurred. With the adoption of FRS 139, borrowings are now recognised initially at fair value, plus directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest rate method. As allowed under the transitional provisions of FRS 139, the Group has not applied the standard retrospectively.

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 2009.

3. Auditors' report on preceding annual financial statements

The audited annual financial statements for the year ended 31 December 2009 were not subject to any qualification.

4. Seasonality of operations

The education segment of the Group's performance is seasonal. Degree programmes were offered during the quarter under review.

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 quarter under review.

6. Changes in estimates

There were no changes in estimates that had a material effect in the quarter under review 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 quarter under review.

8. Dividends paid

No dividends were paid since the end of the preceding 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 micro steel mill has commenced commercial production on 1 February 2010.

In thousands of RM	**Education**		**Manufacturing**		**Consolidated**	
For nine months ended	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Revenue from external customers	15,529	15,996	8,901	-	24,430	15,996
Segment result	1,700	5,628	(367)	-	1,333	5,628
Unallocated expenses					(1,068)	(855)
Interest Income					-	-
Finance Costs					(71)	(82)
Profit before tax					194	4,691

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

(a) Acquisitions and disposals

During the nine months ended 30 September 2010, the Group acquired items of plant and equipment with a cost of RM0.465 million (Nine months ended 30 Sept 2009 : RM9.512 million). No item of equipment were disposed during the nine months ended 30 Sept 2010 (Nine months ended 30 Sept 2009 : RM Nil).

An additional development cost of RM1.062 million was incurred during the first quarter as defined under FRS 138 Intangible Assets. The development costs reflect the costs incurred in the training of skilled labour in relation to the design, development and implementation of a technically new production processes. The production technique is expected to generate the flow of future economic benefits into the company from the sale of products resulting from the use of the asset.

(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 2009. 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 29 November 2010, 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

There were no changes in the composition of the Group during the current quarter and the financial period to date.

13. Contingent Liabilities and Contingent Assets

As at date of this announcement, the company has contingent liabilities amounting to RM4,640,000 in respective of corporate guarantees given to banks to secure general banking facilities comprising of RM3 million for foreign exchange line and RM1.64 million overdraft facilities.

14. Capital Commitments

The capital commitment on the purchase of property, plant and equipment which was contracted but not provided for in the interim financial statements as at 30 September 2010 is about RM1,000,000.

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

15. Review of Performance

The revenue for the Group for the quarter under review was RM7.728 million as compared to RM5.532 million recorded in the corresponding quarter in the preceding year, representing an increase of RM2.196 million or 40%. The increase in revenue was mainly due to the manufacturing segment which has contributed revenue of RM3.465 million for the quarter under review. The education has recorded a revenue of RM4.263 million representing a decrease of RM1.269 million or 22.94% when compared to RM5.532 million in the corresponding quarter of previous year.

The loss before tax for the Group for the quarter under review was RM0.496 million as compared to the group's profit before tax of RM1.677 million for the corresponding quarter in the preceding year.

For the nine months ended 30 September 2010, the Group achieved a profit before tax of RM 0.194 million compared to RM4.691 million in the corresponding period in the previous year. The lower profit before tax was due mainly to the legal and professional fees for the legal proceeding against a franchise partner for wrongful termination of collaboration agreement and the upliftment of PN17 status. The legal and professional fee was amounted to RM0.99 million. In addition, software development expenditure of RM0.479 million was written off.

The manufacturing has incurred a loss of RM362,683 during the period under review. However, the cashflow had improved positively since October 2010.

16. Variation of results against preceding quarter

In thousands of RM	**Current Quarter**	**Immediate Preceding Quarter**	**Variance**
Revenue	7,728	6,962	766
Profit /(Loss)before tax	(496)	(1,652)	1,156

The Group's revenue for the current quarter increased by RM0.766 million compared to immediate preceding quarter. The increase in revenue was mainly due to degree programmes being offered in the quarter under review.

17. Current Year Prospects

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. First batch of students of Master in Technology Management had been enrolled in October 2010.

With more new courses at the undergraduate and Master levels, Stamford College hopes to capture new markets and new segments both locally and overseas.

The micro steel mill commenced commercial production on 1 February 2010 and achieved positive cashflow since October 2010.

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 Sept 2010	Nine months ended 30 Sept 2010
Under provision of Malaysian income tax in prior year	-	-
Deferred tax	(32)	(295)
	-----	-----
	(32)	(295)
	===	===

The increase in income tax expense is due to the utilisation of deferred tax asset against the taxable profit in the subsidiary companies.

20. Unquoted investments and properties

There was 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 investments in quoted shares as at 30 September 2010.

22. Status of corporate proposals announced

Save as disclosed below, there were no corporate proposals announced but not completed on 29 November 2010.

(a) On 26 July 2010, Bursa Securities had vide its letter rejected the Company's application in relation to the Proposed Regularisation Plan.

On 25 August 2010, the Company had submitted an appeal to Bursa Securities to reconsider its decision to reject the Proposed Regularisation Plan as well as made oral representation to Listing Committee on 30 September 2010 on the appeal. ("Appeal").

On 18 October 2010, Bursa Securities informed the Company that the Listing Committee has decided to dismiss the Appeal and affirm similar grounds of rejection as set out in Bursa Securities's letter dated 26 July 2010.

On 18 October 2010, the Company received a Notice to show cause on the de-listing of securities of the Company from Bursa Securities as to why its securities should not be removed from the Official List of Bursa Securities pursuant to paragraph 8.14C of the Listing Requirements.

The Company had on 8 November 2010 submitted to Bursa Securities its written representations on the notice to show cause on de-listing of the securities of the Company. The decision of Bursa Securities is still pending.

(b) On 4 March 2010, the Board of Directors of SCB had announced that the Company proposed to undertake a proposed diversification of the business SCB and its subsidiaries into manufacturing of low alloyed, alloyed and long steel products.("Proposed Diversification").

The Company had on 8 November 2010 issued a notice to shareholders for the convening of an Extraordinary General Meeting which will be held on 2 December 2010 to ratify the Proposed Diversification.

23. Borrowings

In thousands of RM	**At 30 September 2010**
Current (unsecured)	
Bank Overdraft	1,052
Hire purchase liabilities	58
	1,110
Non-current (unsecured)	
Hire purchase liabilities	85

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 in respect of advertising charges in which the Company denies liability. 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 appealed against the Kuala Lumpur High Court's decision. The appeal against the decision is pending. The hearing on the assessment of damages at the Kuala Lumpur High Court which was fixed on 23 August 2010 has been postponed until the disposal of the company's appeal to the Court of Appeal.

The Company had on 16 October 2009 submitted a request for arbitration to the International Chamber of Commerce International Court of Arbitration ("ICC") at its Asia Office in Hong Kong on a claim for the loss and damages suffered by the Company arising from the wrongful termination by UNN of the Agreements made between the Company and UNN which permits the Company to offer UNN's degree and master programmes.
The ICC had nominated the arbitrator on 7 December 2009. UNN filed its answer on 21 December 2009. The Arbitrator has drawn up the Terms of Reference as well as the Procedural Rules. The Company has filed its Detailed Statement of Claim and UNN has filed its Detailed Reply.

The Company's solicitors are of the opinion that the Company has a good chance of success in its claim against the franchise partner.

26. Dividend

The Board does not recommend any interim dividend for the financial nine months ended 30 September 2010 (30 September 2009 : Nil).

27. Profit Per Share

(a) Basic profit/(loss) per share

Basic profit/(loss) 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 29 November 2010.

BY ORDER OF THE BOARD

CHOW CHOOI YOONG
Company Secretary
MAICSA 0772574

29 November 2010