



# STAMFORD COLLEGE BERHAD

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

## QUARTERLY REPORT FOR YEAR ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

In thousands of RM	Note	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
		Current quarter ended 31 Dec 2010	Comparative quarter ended 31 Dec 2009	Current year to date ended 31 Dec 2010	Preceding year to date ended 31 Dec 2009
<b>Revenue</b>	9	10,996	4,355	35,426	20,351
Operating expenses		(11,030)	(8,160)	(38,292)	(24,852)
Other operating income		936	1,477	4,033	6,946
Finance costs		(23)	(25)	(94)	(107)
<b>Profit/(Loss) before tax</b>	15	879	(2,353)	1,073	2,338
Income tax expense	19	(474)	-	(769)	(13)
<b>Profit/ (Loss) for the period</b>		405	(2,353)	304	2,325
<b>Attributable to :</b>					
Shareholders of the company		371	(2,405)	172	2,124
Non-controlling interest		34	52	132	201
<b>Profit/ (Loss) for the period</b>		405	(2,353)	304	2,325
<b>Basic profit/ (loss) per share (sen)</b>	27	0.93	(6.01)	0.43	5.31

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 YEAR ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	Current quarter ended	Comparative quarter ended	Current year to date ended	Preceding year to date ended
In thousands of RM	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
<b>Profit/(Loss) for the period</b>	405	(2,353)	304	2,325
Other comprehensive income				
<b>Total comprehensive income/ (loss) for the period , net of tax</b>	<u>405</u>	<u>(2,353)</u>	<u>304</u>	<u>2,325</u>
<b>Total comprehensive income/ (loss) attributable to :</b>				
Shareholders of the company	371	(2,405)	172	2,124
Non-controlling interest	34	52	132	201
<b>Profit/(Loss) for the period</b>	<u>405</u>	<u>(2,353)</u>	<u>304</u>	<u>2,325</u>

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 YEAR ENDED 31 DECEMBER 2010

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of RM	Note	Unaudited At 31 Dec 2010	Audited At 31 Dec 2009
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	20,440	20,554
Software development expenditure		391	866
Intangible assets	10	13,541	13,051
Amount due from Associates		62	62
<b>Total non-current assets</b>		<u>34,434</u>	<u>34,533</u>
<b>Current assets</b>			
Inventories		2,797	218
Trade and other receivables		4,704	4,708
Current tax asset		106	101
Cash and cash equivalents		532	3,490
<b>Total current assets</b>		<u>8,139</u>	<u>8,517</u>
<b>Total assets</b>		<u>42,573</u>	<u>43,050</u>
<b>EQUITY</b>			
Share capital	7	40,000	40,000
Reserves		(19,626)	(19,798)
<b>Total equity attributable to shareholders of the Company</b>		<u>20,374</u>	<u>20,202</u>
<b>Non-controlling interest</b>		<u>356</u>	<u>224</u>
<b>Total equity</b>		<u>20,730</u>	<u>20,426</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Payables and deposits *		2,887	2,601
Borrowings	23	116	116
Obligations under finance lease		237	358
<b>Total non-current liabilities</b>		<u>3,240</u>	<u>3,075</u>
<b>Current liabilities</b>			
Trade and other payables		12,807	13,211
Fees received in advance**		5,378	6,185
Borrowings	23	939	1,417
Obligations under finance lease		137	163
<b>Total current liabilities</b>		<u>19,261</u>	<u>20,976</u>
<b>Total liabilities</b>		<u>22,501</u>	<u>24,051</u>
<b>Total equity and liabilities</b>		<u>43,231</u>	<u>44,477</u>
Net Assets per Share (RM)		<u>0.51</u>	<u>0.51</u>

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 RM1.710 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. ( 2009 : RM1.313 million )

\*\*Security deposit and student bond amounting to RM1.177 million are reclassified as "Other Payables" and refundable 12 months later. ( 2009 : RM1.288m)

\*\*Fees received in advance will be recognised as revenue to the College when new semesters commence. ( 2009 : RM6.185m )



# STAMFORD COLLEGE BERHAD

(Company No. 194977-A)

(Incorporated in Malaysia)

## QUARTERLY REPORT FOR YEAR ENDED 31 DECEMBER 2010

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

In thousands of RM	I----- Attributable to shareholders of the Company -----I				Total	Non-controlling interest	Total equity
	Share capital	Non-distributable Share premium (a)	Accumulated losses (b)	Sub-total (a) + (b)			
At 1 January 2009	40,000	121	(22,043)	(21,922)	18,078	23	18,101
At 31 December 2009	40,000	121	(22,043)	(21,922)	18,078	23	18,101
At 1 January 2010	40,000	121	(19,919)	(19,798)	20,202	224	20,426
Profit for the period	-	-	172	172	172	132	304
At 31 December 2010	40,000	121	(19,747)	(19,626)	20,374	356	20,730

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 YEAR ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of RM	Current year to date ended 31 Dec 2010	Preceding year to date ended 31 Dec 2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers and receivables	25,199	30,469
Cash paid to suppliers and employees	(25,117)	(21,087)
Cash flows generated from/(used in) operations	82	9,382
Interest paid	(95)	(106)
Income taxes paid	(5)	(2)
Income taxes refund	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>(18)</b>	<b>9,274</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	-	7
Net of cash, disposal of investment in associate	-	3,913
Net of cash, disposal of subsidiaries	-	2,800
Purchase of property, plant and equipment	(1,077)	(1,336)
Purchase of intangible assets	(1,169)	(11,011)
<b>Net cash generated used in investing activities</b>	<b>(2,246)</b>	<b>(5,627)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of hire purchase and lease financing	(278)	(380)
<b>Net cash used in financing activities</b>	<b>(278)</b>	<b>(380)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,542)</b>	<b>3,267</b>
<b>Cash and cash equivalents at 1 January</b>	<b>2,198</b>	<b>(1,069)</b>
<b>Cash and cash equivalents at 31 December</b>	<b>(344)</b>	<b>2,198</b>
<b>Cash and cash equivalents at the end of the financial period comprise the following :</b>		
Cash and bank balances	532	3,490
Deposits placed with licensed banks	-	-
	532	3,490
Bank Overdraft	(876)	(1,292)
	(344)	2,198

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.



## STAMFORD COLLEGE BERHAD

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

### 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.



## STAMFORD COLLEGE BERHAD

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

### 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. The major courses offered during the quarter were Degree in Business, Engineering and Computing.

### 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.



**STAMFORD COLLEGE BERHAD**

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

**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.

<b>In thousands of RM For the year ended</b>	<b>Education</b>		<b>Manufacturing</b>		<b>Consolidated</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Revenue from external customers	21,412	20,351	13,954	-	35,366	20,351
Segment result	2,932	3,667	(293)	-	2,639	3,667
Unallocated expenses					(1,472)	(1,233)
Finance Costs					(94)	(106)
Profit before tax					1,073	2,338

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 2010, the Group acquired items of plant and equipment with a cost of RM1.147 million of which RM0.0694 million was finance through hire purchase (Year ended 31 Dec 2010 : RM1.336 million). No item of equipment were disposed during the year ended 31 Dec 2010 ( Year ended 31 Dec 2009 : RM5,157 ).

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 processes are 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.





**STAMFORD COLLEGE BERHAD**

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

**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 2011, 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 RM4,550,000 in respective of corporate guarantees given to banks to secure general banking facilities comprising of RM3 million for foreign exchange line and RM1.55 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 31 December 2010 is about RM1,000,000.



**STAMFORD COLLEGE BERHAD**

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

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

**15. Review of Performance**

For the quarter under review, the revenue for the Group was RM10.996 million as compared to RM4.355 million recorded in the corresponding quarter in the preceding year, representing an increase of RM6.641 million or 152.49%. The increase in revenue was mainly due to the manufacturing segment which has contributed revenue of RM5.053 million. The education has recorded a revenue of RM5.943 million representing an increase of RM1.588 million or 36.46% when compared to RM4.355 million in the corresponding quarter of previous year.

The profit before tax for the Group for the quarter under review was RM0.879 million as compared to the group's loss before tax of RM2.353 million for the corresponding quarter in the preceding year.

For the year ended 31 December 2010, the revenue for the Group was RM35.426 million as compared to RM20.351 million in the corresponding year. The manufacturing segment has contributed revenue of RM13.954 million. The education has recorded a revenue of RM21.412 million representing an increase of RM1.061 million or 5.21% over the corresponding year.

The profit before tax for the Group for the year was RM1.073 million compared to RM2.338 million in the corresponding year. The lower profit before tax was mainly due 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 amounted to RM1.82 million. In addition, software development expenditure of RM0.479 million was written off.

The manufacturing segment has incurred a loss of RM293,108 during the year. However, the cashflow had improved positively since October 2010.

**16. Variation of results against preceding quarter**

<b>In thousands of RM</b>	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	<b>Variance</b>
Revenue	<u>10,996</u>	<u>7,728</u>	<u>3,268</u>
Profit /(Loss)before tax	<u>879</u>	<u>(496)</u>	<u>1,375</u>

The Group's revenue for the current quarter increased by RM3.268 million compared to immediate preceding quarter. The increase in revenue was derived from both the education and manufacturing segments.



**STAMFORD COLLEGE BERHAD**

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

**17. Prospects for the next financial year ending 31 December 2011.**

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. Master in Business Administration of University of Ballarat , Australia is also currently offered at Stamford College.

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

The company has set up a micro steel mill project located in the outskirts of Klang Valley. The plant had commenced commercial production on 1 February 2010. The sales for the steel billets were RM13.954 million for the year 2010. Owing to the unexpected rescheduling of works by the contractor, the final section of the rolling mill is targeted to complete by the second quarter of 2011. The completion of the final section of the rolling mill will allow the production of the final steel bar products, which will contribute higher margins compared to intermediate steel billets. With the global economic recovery and the implementation of local infrastructure projects, trends bode well for the local steel market and thus steel product prices are expected to move upward.

**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**

<b>In thousands of RM</b>	<b>Three months ended 31 Dec 2010</b>	<b>Year ended 31 Dec 2010</b>
Under provision of Malaysian income tax in prior year	-	-
Deferred tax	(474)	(769)
	-----	-----
	(474)	(769)
	====	====

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.



**STAMFORD COLLEGE BERHAD**

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

**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 31 December 2010.

**22. Status of corporate proposals announced**

Save as disclosed below, there were no corporate proposals announced but not completed on 28 February 2011.

(a) On 4 March 2010, Public Investment Bank Berhad, on behalf of Stamford College Berhad (“SCB” or “the Company”), had announced that the Company proposes to undertake the following to regularise its financial condition under Paragraph 8.04 and PN 17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”):

(i) proposed reduction of the issued and paid-up share capital of SCB pursuant to Section 64 of the Companies Act, 1965 involving cancellation of RM0.50 of the par value of each existing ordinary share of RM1.00 each in SCB; and

(ii) proposed amendments to the memorandum and articles of association of SCB,

collectively referred to as the Proposed Regularisation Plan.

PIBB, on behalf of SCB, had submitted the Proposed Regularisation Plan to Bursa Securities on 5 March 2010 for approval.

The Proposed Regularisation Plan is subject to and conditional upon approvals being obtained from the following which are still outstanding to-date:

- (i) Bursa Securities for the Proposed Regularisation Plan;
- (ii) the shareholders of the Company at an extraordinary general meeting (“EGM”) to be convened for the Proposed Regularisation Plan;
- (iii) the High Court of Malaya for the Proposed Par Value Reduction; and
- (iv) any other relevant authorities or parties, if any.

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. In arriving at the aforesaid decision, the Listing Committee is of the view that the matters raised in the Appeal by the Company do not justify any reason to depart from the earlier decision to reject the Company’s Proposed Regularisation Plan.



**STAMFORD COLLEGE BERHAD**

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

On 18 October 2010, the Company received a Notice to show cause on the de-listing of securities of the Company from Bursa Securities whereby the Company has been accorded 5 market days from the date of the said notice, ie on or before 25 October 2010 to make written representations to 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.

On application by the Company, Bursa Securities had on 29 October 2010 approved an extension of time until 8 November 2010 for the Company to response to the Show Cause Notice.

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.

The Company had on 10 February 2011 meeting with Listing Committee to hear the de-listing proceedings against the Company. On 22 February 2011 the Company received a letter from Bursa Securities to allow the Company to submit a new Regularisation Plan within 3 months from the date of the letter.

- (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 was held on 2 December 2010. The shareholders had approved the proposed diversification.

**23. Borrowings**

**In thousands of RM**

**At 31 December  
2010**

Current (unsecured)

Bank Overdraft

876

Hire purchase liabilities

63

939

Non-current (unsecured)

Hire purchase liabilities

116

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.



**STAMFORD COLLEGE BERHAD**

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

**25. Material Litigation**

- (a) 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.
- (b) 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 ("University of Northumbria at Newcastle, now known as Northumbria University") 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 UNN.

**26. Dividend**

The Board does not recommend any interim dividend for the financial year ended 31 December 2010 (31 December 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.



**STAMFORD COLLEGE BERHAD**  
(Company No. 194977-A)  
(Incorporated in Malaysia)

**28. Realised and Unrealised Profits / (Losses)**

In compliance with Bursa Malaysia Securities Berhad (“Bursa Malaysia”) directive to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, requiring the disclosure and breakdown of the unappropriated profits and accumulated losses as at the reporting period, into realised and unrealised profit or losses and also to Bursa Malaysia issued guidance on the disclosure and the format required, the breakdown or retained profits of the Group as at the reporting date, into realised and unrealised profits pursuant to the directive, is as follows:-

<b>In thousands of RM</b>	<b>Year ended 31 Dec 2010</b>
Total accumulated profit / (losses) of Stamford College Berhad and its subsidiaries	
- Realised	(56,350)
- Unrealised	8,081
	-----
	(48,269)
Less : Consolidation adjustment	28,522
	-----
Total accumulated losses as per consolidated accounts	(19,747)

**29. 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 2011.

**BY ORDER OF THE BOARD**

**CHOW CHOOI YOONG**  
Company Secretary  
MAICSA 0772574

28 February 2011