



## **NEWS RELEASE**

### **HARTFORD TURNS AROUND IN FY2005, RECORDS NET PROFIT OF S\$327,000**

- **Organisational restructuring completed**
- **Plans to develop college network in China, India and Southeast Asia**

#### **Results Highlights for FY2005:**

- Group turnover increased 17% from S\$5.4 million in FY2004 to S\$6.3 million in FY2005 due to increase in student enrolments and new courses offered
- Turnaround in net profit to S\$327,429 in FY2005, reversing losses of S\$770,346 in the previous year following completion of Hartford's reorganisation in the first half of financial year 2005

*Singapore, August 19, 2005* – Hartford Holdings Limited ("Hartford" or "the Group"), a quality education provider of business management programmes, today reported a 17% increase in turnover from S\$5.4 million to S\$6.3 million for the full year ended 30 June 2005 ("FY2005"). The increase was attributed to a higher level of student enrolments and new courses offered. In addition, Hartford's successful marketing and restructuring efforts resulted in the Group recording a net profit of S\$327,429 from a loss of S\$770,346 in the previous year.

Mr Chew Hua Seng, Executive Chairman of Hartford, said: "We are delighted to report that our reorganisation efforts are completed and have paid off, resulting in Hartford turning round this year. This set of results reaffirms that we are on the right track to achieve higher growth. With our ability to now leverage on Raffles Education Corporation's regional marketing network, we are confident of recruiting even more students to Hartford. "

For FY2005, the Group saw a 6% increase in personnel expenses as compared to FY2004, a result of an increase in lecturers' payroll, as well as other payroll costs connected with the organisational restructuring in the first half of FY2005.

Other operating expenses decreased 16% from S\$4.4 million in FY2004 to S\$3.7 million in FY2005 due mainly to the reduction in provisions for bad debts and legal and professional fees.

The Group's fixed assets increased by about S\$317,000 as compared to the prior financial year end, mainly due to the new institute in Mongolia which commenced operations in March 2005 and the re-location of our premises in Singapore to accommodate the institute's future expansion.

With the completion of the organisational restructuring in FY2005, the Group has streamlined its operations and achieved better cost efficiency. It has also improved its revenue sharing with its university partners. In addition, the Group has aligned its sales and marketing activities to increase its student intake by continually strengthening its existing sales infrastructure and leveraging on Raffles Education Corporation's marketing network to recruit regionally.

The Group has rolled out three new advanced diploma programmes in business to capture a wider base of students. The Group will continue to collaborate with renowned universities to offer other undergraduate and postgraduate courses that are of demand in the market.

“With the completion of our reorganising efforts, we expect to reap the benefits of a more efficient and focused organisation. At the same time, we also intend to expand our footprint in Asia by developing a college network in China, India and Southeast-Asia. The opening of our Hartford Institute Mongolia was the first step in executing this plan and we will aggressively exploring opportunities to add to our network.” said Mr Chew.

### **About Hartford**

Established in May 1999, Hartford Holdings Limited is a leading education provider of business management programmes. It has subsidiaries in Hong Kong, Malaysia, Mongolia and Singapore and has partnerships with five foreign universities, namely University of Leicester and University of Huddersfield in the United Kingdom; Central Queensland University and the University of Newcastle in Australia; and California State University-Hayward in the United States of America.

The Bachelor Degree offered by Hartford are:

Bachelor of Psychology

Bachelor of Bio-medical Sciences

Bachelor of IT with specialization in Bio-informatics

Bachelor of Multimedia Studies

Bachelor of Arts Honors in Entrepreneurship and Business

Bachelor of Business (Marketing)

For Masters Degree, Hartford offers the following courses:

Master in Business Administration

Master of Science in Finance

Master of Science in Marketing

Master of Aviation Management

Master of Nursing

Master of Marketing

Hartford also offers Doctorate programs such as Doctorate in Business Administration and Professional Doctorate.

In addition, Hartford offers Advanced Diploma in Business with specialization in Marketing, Retail Management, Banking & Finance and Wealth Management and also Advanced Diploma in Tourism and Hospitality Management, which are developed by Hartford's team of local and foreign academics from overseas universities, polytechnics as well as industry professionals.

Hartford is a subsidiary of Raffles Education Corporation - one of the leading creative design and management education groups in the Asia Pacific.

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