

Barrack Rodos & Bacine Announces Reinstatement of Jury Verdict for Apollo Group, Inc. Investor Class by Ninth Circuit Court of Appeals

June 23, 2010 – In a memorandum and order issued today, the United States Court of Appeals for the Ninth Circuit ordered the reinstatement of the jury verdict entered on January 16, 2008 in favor of a class of investors who purchased common stock of Apollo Group, Inc. (APOL). The jury verdict had been entered against Apollo, the parent company of the University of Phoenix, and two former Apollo executives, based on claims that they fraudulently misled investors about a U.S. Department of Education review report concerning Apollo’s student recruitment policies.

The Court of Appeals reversed the district court, which had overturned the jury verdict, and found that Apollo is not entitled to a new trial. The Court of Appeals further determined that, contrary to defendants’ argument, there is no basis for reducing the damages of \$5.55 per share awarded by the jury, which defendants had estimated could amount to as much as \$280 million. The Court instructed the district court to enter a judgment in accordance with the jury verdict.

The Court of Appeals decision constitutes a stunning victory for the Policemen’s Annuity and Benefit Fund of Chicago (the “PABF”), which led the prosecution of the case, and its counsel, Barrack Rodos & Bacine, which has its primary offices in Philadelphia, Pennsylvania and San Diego, California. The case was brought on behalf of purchasers of Apollo stock during the period from February 27, 2004 to September 14, 2004. The jury had entered a unanimous verdict in favor of the PABF. The decision of the Court of Appeals to reinstate the plaintiff’s jury verdict appears to be the only time such an appellate decision has been made since passage of the Private Securities Litigation Reform Act in 1995.

According to Stephen Basser, who served as the firm’s primary trial counsel in the case: “This is a great victory for shareholder rights in America. The PABF should be commended for stepping up and taking an active role as lead plaintiff to prosecute this important case, seeing it through to a successful jury verdict, and persevering through the appeal.”

Leonard Barrack, the senior partner of Barrack Rodos & Bacine, stated: “We brought this case to protect the interests of investors. As we thanked the jury over two years ago for their close attention to the evidence in the case, and for keeping their eyes on the real story of what happened at this company, we are pleased that the Court of Appeals gave our appeal the consideration it deserved and reinstated the jury verdict in favor of Apollo shareholders.”

John Gallagher, the Executive Director of the PABF, further commented: “On behalf of my Board of Trustees, our fund membership and our fellow class members, we are delighted to have served as the lead plaintiff for this case, to have achieved this marvelous recovery for the class, and to see it upheld now by the Court of Appeals. We hope and trust that the jury verdict, and its affirmance by the Court of Appeals, will ensure that public companies increase the accuracy, reliability and timeliness of reporting critical information to the market. As we earlier noted, disclosure is a major component of public market efficiency, and the reinstatement of the jury verdict marks an important step in that direction.”

He continued: “I want to again congratulate and thank Stephen Basser, Jeffrey Barrack, Sam Ward and the trial team from Barrack, Rodos & Bacine, and their esteemed Arizona-based counsel, Greg Fairbourn and Frank Balint, Kathryn Jann and the team from Bonnett, Fairbourn, Friedman and Balint, on winning this victory for the class. I also want to again thank our annuitants who appeared in court, pension board representative Jim Maloney, as well as the jurors for their efforts in this case. The jurors should take great comfort in knowing that they were fair, impartial and correct in rendering this verdict in favor of investors who were defrauded into purchasing Apollo stock at the prices they did.”

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Persons with questions concerning the verdict, the appeals court decision, or the case in general, may contact the attorneys for the Policemen’s Annuity and Benefit Fund of Chicago – Barrack, Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, PA 19103, (215) 963-0600, www.barrack.com – who served as lead counsel for the class.