



HELP INTERNATIONAL CORPORATION BERHAD (Company No. 700568-H)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 JULY 2010**

	Note	Current Year Quarter 31/7/2010 RM'000	Preceding Year Quarter 31/7/2009 RM'000	Current Year- To-Date 31/7/2010 RM'000	Preceding Year- To-Date 31/7/2009 RM'000
Revenue		23,383	21,594	77,870	70,376
Other operating income		1,207	1,309	3,873	3,630
Other operating expenses		(19,189)	(18,637)	(62,469)	(59,535)
		5,401	4,266	19,274	14,471
Finance cost		(408)	(1)	(409)	(3)
Profit before taxation		4,993	4,265	18,865	14,468
Taxation	B(5)	(1,758)	(1,346)	(6,239)	(4,992)
Profit for the financial period		3,235	2,919	12,626	9,476
Attributable to:					
Equity holders of the Company		3,235	2,919	12,626	9,476
Earnings per share attributable to the equity holders of the Company (sen)					
Basic earnings per share		3.6	3.3	14.2	10.7
Fully diluted earnings per share		N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2009)

HELP INTERNATIONAL CORPORATION BERHAD (Company No. 700568-H)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2010

	Unaudited As at end of current quarter 31/7/2010 RM'000	Audited As at preceding financial year ended 31/10/2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	119,475	47,493
Intangible assets	3,594	3,560
	<u>123,069</u>	<u>51,053</u>
Current assets		
Trade receivables	4,018	3,279
Other receivables	8,764	7,098
Tax recoverable	80	849
Cash and cash equivalents	62,254	87,719
	<u>75,116</u>	<u>98,945</u>
TOTAL ASSETS	<u>198,185</u>	<u>149,998</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	44,388	44,388
Share premium	2,533	2,533
Retained earnings	60,162	49,533
Total equity	<u>107,083</u>	<u>96,454</u>
Non-current liabilities		
Deferred tax liabilities	3,580	3,580
Other payable	31,500	-
	<u>35,080</u>	<u>3,580</u>
Current liabilities		
Fees received in advance	18,230	20,331
Other payables	36,833	29,629
Hire purchase creditors	-	4
Tax payable	959	-
	<u>56,022</u>	<u>49,964</u>
Total liabilities	<u>91,102</u>	<u>53,544</u>
TOTAL EQUITY AND LIABILITIES	<u>198,185</u>	<u>149,998</u>
Net Assets Per Share (RM)	<u>1.21</u>	<u>1.09</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 October 2009)



HELP INTERNATIONAL CORPORATION BERHAD (Company No. 700568-H)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JULY 2010**

	<u>Attributable to Equity Holders of the Company</u>			Total
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Equity RM'000
Balance as at 1 November 2009	44,388	2,533	49,533	96,454
Profit for the financial period	-	-	12,626	12,626
Dividends paid	-	-	(1,997)	(1,997)
Balance as at 31 July 2010	44,388	2,533	60,162	107,083
Balance as at 1 November 2008	44,388	2,533	36,080	83,001
Profit for the financial period	-	-	9,476	9,476
Dividends paid	-	-	(1,997)	(1,997)
Balance as at 31 July 2009	44,388	2,533	43,559	90,480

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Financial Report for the year ended 31 October 2009)



HELP INTERNATIONAL CORPORATION BERHAD (Company No. 700568-H)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 JULY 2010**

	Current Year- To-Date 31/7/2010 RM'000	Preceding Year- To-Date 31/7/2009 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	18,865	14,468
Adjustments for non cash items	3,317	2,319
Operating profit before working capital changes	<u>22,182</u>	<u>16,787</u>
Net change in current assets	(4,550)	(2,752)
Net change in current liabilities	(4,305)	(9,051)
Interest received	1,570	1,299
Interest paid	(1)	(3)
Taxes paid	(4,511)	(3,613)
Net cash generated from operating activities	<u>10,385</u>	<u>2,667</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant, equipment and software	-	53
Purchase of property, plant, equipment and software	(33,849)	(2,271)
Net cash used in investing activities	<u>(33,849)</u>	<u>(2,218)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment to hire purchase creditors	(4)	(10)
Dividends paid	(1,997)	(1,997)
Net cash used in financing activities	<u>(2,001)</u>	<u>(2,007)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(25,465)	(1,558)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	87,719	74,005
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>62,254</u>	<u>72,447</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2009)

(A) EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention. The unaudited interim financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 October 2009 and the accompanying explanatory notes. These notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 October 2009.

2. Accounting Policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 October 2009.

3. Seasonal or Cyclical Factors

The Group recognises tuition fee income based on the number of teaching periods over the entire duration of the respective courses. The revenue and profit for first and third quarter of each financial year are usually lower due to summer period for courses from institutions in United Kingdom/United States and Australia.

4. Unusual Significant Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that had a material effect in the current quarter and year-to-date results.

6. Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial year-to-date.

7. Dividends Paid

On 27 May 2010, a first and final dividend of 6% (3 sen per ordinary share of 50 sen each) less 25% income tax, in respect of the financial year ended 31 October 2009 amounting to RM1,997,460 was paid.

8. Segmental Reporting

The Group is principally involved in education activities carried out in Malaysia and accordingly no segment reporting has been prepared.

9. Material Subsequent Events

- (i) Proposed bonus issue of 53,265,600 new ordinary shares of RM0.50 each in HELP International Corporation Berhad ("HIC") ("Bonus Shares") on the basis of three (3) Bonus Shares for every five (5) existing ordinary shares of RM0.50 each at part held in HIC ("Proposed Bonus Issue");
- (ii) Proposed increase in authorised share capital of HIC from RM50,000,000 comprising 100,000,000 shares to RM250,000,000 comprising 500,000,000 shares; and
- (iii) Proposed amendments to the Memorandum and Articles of Association of HIC

The above proposals have been approved by the shareholders of the Company on 15 September 2010.

On 15 September 2010, AmInvestment Bank Berhad (a member of AmInvestment Bank Group) had on behalf of HIC announced the entitlement date for the Proposed Bonus Issue to be on 5 October 2010 ("Entitlement Date"). The Bonus Shares will be listed, quoted and allotted after the Entitlement Date.

There were no other material events subsequent to the end of the current quarter.

10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date except for the following:

Further to the Joint Venture and Working Agreement dated 12 May 2010 executed between the Company and Asia Pacific Land Berhad (collectively referred to as the "JV Parties"), the JV Parties have jointly acquired a shelf company, Hexa Megan Sdn Bhd ("HMSB") on 30 June 2010 as the Joint Venture Company. The current issued and paid-up share capital of HMSB is RM2 comprising two (2) ordinary shares of RM1 each which is held equally by the JV Parties. The Joint Venture Company will be conducting and providing quality education in jurisdictions deemed viable across the whole spectrum of educational levels and fields in any country including Malaysia and China.

11. Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets of the Group since the last annual balance sheet date.

12. Commitments on Capital Expenditure

The amount of capital commitments not provided for in the interim financial statements as at 31 July 2010 were as follows:-

	RM'000
Approved and contracted for:	
Property, plant and equipment	321
Deposit for lease of space	<u>533</u>
	<u>854</u>
Approved and not contracted for:	
Property, plant and equipment	<u>8,203</u>
Total	<u>9,057</u>

(B) ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (PARAGRAPH 9.22 AND APPENDIX 9B)

1. Review of Performance

	Third Quarter 31/7/2010 RM'000	Third Quarter 31/7/2009 RM'000	Period Ended 31/7/2010 RM'000	Period Ended 31/7/2009 RM'000
Revenue	<u>23,383</u>	<u>21,594</u>	<u>77,870</u>	<u>70,376</u>
Profit before taxation	<u>4,993</u>	<u>4,265</u>	<u>18,865</u>	<u>14,468</u>

For the third quarter under review, the Group's revenue increased by 8% from RM21.5 million last year to RM23.3 million. The Group's profit before taxation grew by 17% from RM4.2 million last year to RM4.9 million.

For the period ended 31 July 2010, the Group's revenue increased by 10% from RM70.3 million last year to RM77.8 million. In line with the higher revenue achieved, the Group's profit before taxation for the period ended 31 July 2010 increased by 30% from RM14.4 million last year to RM18.8 million.

The improvement in profit was contributed by increase in revenue largely from our home-grown programmes and prudent cost management.

2. Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared to the Immediate Preceding Quarter

	Third Quarter 31/7/2010 RM'000	Second Quarter 30/4/2010 RM'000	Decrease RM'000
Profit before taxation	<u>4,993</u>	<u>10,110</u>	<u>5,117</u>

The Group recorded a profit before taxation of RM4.9 million for this quarter as compared to RM10.1 million recorded in the immediate preceding quarter in line with the quarterly cycle of the industry.

3. Commentary on Prospects

The education industry continues to be strong and shows good growth. Our home-grown courses continue to excel as enrollments increase. We are in the process of rolling out our E-Learning programmes to support our students overseas. We are looking into broadening our income base in the education and training sector abroad.

The Directors remain confident that the Group is fundamentally strong and expect the performance of the Group to be satisfactory for the financial year ending 31 October 2010.

4. Statement and Variance on Profit Forecast/Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document for the current financial period.

5. Taxation

	Current Year Quarter RM'000	Current Year- To-Date RM'000
Current period income tax	<u>1,758</u>	<u>6,239</u>

The effective tax rate of the Group is higher than the statutory tax rate due principally to certain expenses that were not deductible for tax purposes and tax losses of subsidiaries which were not available for Group relief.

6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments or properties during the current quarter and financial year-to-date.

7. Quoted Securities other than Securities in Existing Subsidiaries and Associated Companies

There were no investment in quoted securities as at the end of the reporting period.

8. Corporate Proposals

(a) Status of Corporate Proposals

- (i) Proposed bonus issue of 53,265,600 new ordinary shares of RM0.50 each in HELP International Corporation Berhad (“HIC”) (“Bonus Shares”) on the basis of three (3) Bonus Shares for every five (5) existing ordinary shares of RM0.50 each at part held in HIC (“Proposed Bonus Issue”);
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The above proposals have been approved by the shareholders of the Company on 15 September 2010.

On 15 September 2010, AmlInvestment Bank Berhad (a member of AmlInvestment Bank Group) had on behalf of HIC announced the entitlement date for the Proposed Bonus Issue to be on 5 October 2010 (“Entitlement Date”). The Bonus Shares will be listed, quoted and allotted after the Entitlement Date.

(b) Status of Utilisation of Proceeds Raised from Corporate Proposal

There were no corporate proposals involving fund raising.

9. Group Borrowings and Debt Securities

The Group did not have borrowings as at the end of the reporting period.

10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 31 July 2010.

11. Material Litigation

There were no material litigation as at 31 July 2010.

12. Dividends

The Board of Directors does not recommend any dividend for the period ended 31 July 2010.

13. Earnings Per Share Attributable to Equity Holders of the Company

(a) Basic Earnings Per Share

The basic earnings per share for the current financial year-to-date has been calculated based on the Group's profit for the current financial year-to-date attributable to the equity holders of the Company of RM12,626,000 and on the weighted average number of 88,776,000 ordinary shares in issue during the period.

(b) Fully Diluted Earnings Per Share

Fully diluted earnings per share were not computed as there were no potential ordinary shares to be issued as at the end of the reporting period.

BY ORDER OF THE BOARD

Chua Siew Chuan (MAICSA 0777689)
Elaine Wong Wei Syn (MAICSA 7048544)
Company Secretaries

Kuala Lumpur
23 September 2010