



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JULY 2011**

	Note	Current Year Quarter 31/7/2011 RM'000	Preceding Year Quarter 31/7/2010 RM'000	Current Year- To-Date 31/7/2011 RM'000	Preceding Year- To-Date 31/7/2010 RM'000
Revenue		23,960	23,383	79,626	77,870
Other operating income		902	1,207	3,707	3,873
Other operating expenses		(23,769)	(19,189)	(67,321)	(62,469)
		<u>1,093</u>	<u>5,401</u>	<u>16,012</u>	<u>19,274</u>
Finance cost		(273)	(408)	(894)	(409)
Profit before taxation		820	4,993	15,118	18,865
Taxation	B(5)	(575)	(1,758)	(5,643)	(6,239)
Profit for the financial period, representing total comprehensive income		<u>245</u>	<u>3,235</u>	<u>9,475</u>	<u>12,626</u>
Attributable to:					
Equity holders of the Company		<u>245</u>	<u>3,235</u>	<u>9,475</u>	<u>12,626</u>
Earnings per share attributable to the equity holders of the Company (sen)					
Basic earnings per share	B(14)(a)	0.2	2.3	6.7	8.9
Fully diluted earnings per share		N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 October 2010)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2011

	Unaudited As at end of current quarter 31/7/2011 RM'000	Audited As at preceding financial year ended 31/10/2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	129,964	122,976
Intangible assets	3,918	3,576
Other investment	1,384	-
Deferred tax assets	30	30
	<u>135,296</u>	<u>126,582</u>
Current assets		
Trade receivables	3,900	4,012
Other receivables	7,054	5,715
Tax recoverable	603	1,739
Cash and cash equivalents	54,388	67,408
	<u>65,945</u>	<u>78,874</u>
TOTAL ASSETS	<u>201,241</u>	<u>205,456</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	71,021	71,021
Share premium	2,372	2,372
Retained earnings	47,343	39,999
Total equity	<u>120,736</u>	<u>113,392</u>
Non-current liabilities		
Deferred tax liabilities	3,792	3,792
Other payable	18,000	27,000
	<u>21,792</u>	<u>30,792</u>
Current liabilities		
Fees received in advance	18,754	21,477
Other payables	39,154	38,969
Tax payable	805	826
	<u>58,713</u>	<u>61,272</u>
Total liabilities	<u>80,505</u>	<u>92,064</u>
TOTAL EQUITY AND LIABILITIES	<u>201,241</u>	<u>205,456</u>
 Net Assets Per Share (RM)	 <u>0.85</u>	 <u>0.80</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 October 2010)



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JULY 2011**

	<u>Attributable to Equity Holders of the Company</u>			<u>Total</u>
	<u>Share Capital RM'000</u>	<u>Share Premium RM'000</u>	<u>Retained Earnings RM'000</u>	<u>Equity RM'000</u>
Balance as at 1 November 2010	71,021	2,372	39,999	113,392
Total comprehensive income for the financial period	-	-	9,475	9,475
Dividends	-	-	(2,131)	(2,131)
Balance as at 31 July 2011	71,021	2,372	47,343	120,736
Balance as at 1 November 2009	44,388	2,533	49,532	96,453
Total comprehensive income for the financial period	-	-	12,626	12,626
Dividends	-	-	(1,997)	(1,997)
Balance as at 31 July 2010	44,388	2,533	60,161	107,082

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2010)



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JULY 2011**

	Current Year- To-Date 31/7/2011 RM'000	Preceding Year- To-Date 31/7/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,118	18,865
Adjustments for non cash items	5,433	3,317
Operating profit before working capital changes	20,551	22,182
Net change in current assets	(1,347)	(4,550)
Net change in current liabilities	(3,074)	(4,305)
Interest received	1,231	1,570
Interest paid	(358)	(1)
Taxes paid	(4,528)	(4,511)
Net cash generated from operating activities	<u>12,475</u>	<u>10,385</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant, equipment and software	2	-
Purchase of property, plant, equipment and software	(12,982)	(24,349)
Payment for acquisition of property	(9,000)	(9,500)
Purchase of other investment	(1,384)	-
Net cash used in investing activities	<u>(23,364)</u>	<u>(33,849)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of hire purchase creditors	-	(4)
Dividends paid	(2,131)	(1,997)
Net cash used in financing activities	<u>(2,131)</u>	<u>(2,001)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,020)	(25,465)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	67,408	87,719
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>54,388</u>	<u>62,254</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 October 2010)

(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 2010 and the accompanying explanatory notes. These notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 October 2010.

2. Significant 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 2010 except for the mandatory adoption of the following Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations that are effective for the financial periods beginning on or after 1 November 2010:

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 101: Presentation of Financial Statements	1 January 2010
FRS 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statement: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132 Financial Instruments: Presentation	1 January 2010

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
Amendments to FRS 132 Financial Instruments: Presentation	1 March 2010
FRS 1: First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3: Business Combinations	1 July 2010
FRS 127: Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 2: Share-based Payment	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138: Intangible Assets	1 July 2010
IC Interpretation 12: Service Concession Arrangements	1 July 2010
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17: Distributions of Non-cash Assets to Owners	1 July 2010
Amendments IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010

Other than the application of FRS 101 and FRS 139, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(a) FRS 101: Presentation of Financial Statements

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as a single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 was adopted retrospectively by the Group.

(b) FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 November 2010 in accordance with the transitional provisions. The adoption of FRS 139 does not result in any significant effect on the Group's opening balance of retained earnings and financial performance for the financial period.

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 the prior financial year 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 2011, a first and final dividend of 4% (2 sen per ordinary share of 50 sen each) less 25% income tax, in respect of the financial year ended 31 October 2010 amounting to RM2,130,624 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

On 6 September 2011, the Group announced that HELP University College Sdn Bhd., a wholly-owned subsidiary company of the Company has been officially invited by the Ministry of Higher Education, Malaysia for HELP University College ("HUC") to be upgraded to full-fledged university status.

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 other than the incorporation of a wholly-owned subsidiary in New South Wales, Australia under the name of ELM Institute of Higher Education Pty Ltd ("ELM Institute") with a paid-up capital of AUD\$100,000.

11. Changes in Contingent Liabilities or Contingent Assets

There are no material contingent liabilities or contingent assets.

12. Commitments on Capital Expenditure

The amount of capital commitments not provided for in the interim financial statements as at 31 July 2011 were as follows:-

	RM'000
Property, plant and equipment	
- Approved and contracted for	<u>1,829</u>

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

1. Review of Performance

	Third Quarter 31/7/2011 RM'000	Third Quarter 31/7/2010 RM'000	Period Ended 31/7/2011 RM'000	Period Ended 31/7/2010 RM'000
Revenue	<u>23,960</u>	<u>23,383</u>	<u>79,626</u>	<u>77,870</u>
Profit before taxation	<u>820</u>	<u>4,993</u>	<u>15,118</u>	<u>18,865</u>

For the third quarter under review, the Group recorded revenue and profit before taxation of RM23.9 million and RM0.8 million as compared to revenue of RM23.3 million and RM4.9 million respectively for the corresponding quarter last year. For the period ended 31 July 2011, the Group's revenue and profit before taxation were RM79.6 million and RM15.1 million as compared to revenue of RM77.8 million and profit before taxation of RM18.8 million respectively last year.

Our revenue grew marginally for the period under review because of a decrease in enrollment in our franchised programmes in Vietnam. The Vietnamese government had conducted a quality review exercise earlier this year and this had cause a postponement in our student intakes at centres in Hanoi and Ho Chi Minh City. Additionally, due to changes in the volatile currency markets, many Chinese students have opted to pursue their education directly in the USA and the UK because of the weak US dollar and Sterling Pound. We see this as a continuing trend for the near future.

Recruitment of new students at our local colleges HELP Academy and HELP College of Arts and Technology ("HCAT") were also affected by delays in obtaining the relevant licenses and approvals for operations.

Under the Ministry of Education's advice, all twinning programmes are to be transferred from HELP University to HELP Academy. This transitional period also created a delay in recruiting students into our twinning programmes.

To satisfy the Ministry of Higher Education's requirement for upgrade to full university status, the Group had to recruit more faculty with doctorate degrees to cover a wider spectrum of courses to be offered at the university.

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

The Group recorded a profit before taxation of RM0.8 million for this quarter as compared to RM10.1 million recorded in the immediate preceding quarter in line with the seasonal fluctuations of the industry.

The profit for the period has also been affected by a one-off relocation cost of HCAT from Klang to Sungei Besi.

3. Commentary on Prospects

The education industry both domestically and internationally continues to expand. The HELP Group is currently undergoing its capacity building phase to better prepare it for its next stage of growth when the new integrated campus is completed. The upgrading of HELP as a university will further strengthen our position in the market and we are confident that the strategies put in place for further growth will be rewarding for the Group.

We have undertaken numerous business development exercises into newer markets during the past half year and expect these developments be well placed for our future growth.

With the investment in staff, facilities and the transitional period on student intakes, the Directors expect financial performance of the Group to be satisfactory for the financial year 2011. The Directors remain confident that the Group is fundamentally strong and the initiatives taken during this capacity building phase will prepare us to position HELP as a Global Education provider of quality education.

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>575</u>	<u>5,643</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 increase in tax loss of a subsidiary.

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

There are no corporate proposals announced but not completed as at 26 September 2011 (being the latest practical date).

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

There were no corporate proposals involving fund raising.

9. Realised and Unrealised Profits

	Current Year Quarter RM'000	As At End of Last Financial Year RM'000
Realised earnings	51,083	43,673
Unrealised losses	<u>(3,740)</u>	<u>(3,674)</u>
Retained earnings	<u>47,343</u>	<u>39,999</u>

10. Group Borrowings and Debt Securities

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

11. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 31 July 2011.

12. Material Litigation

There were no material litigation as at 31 July 2011.

13. Dividends

The Board of Directors does not recommend any dividend for the period ended 31 July 2011.

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

(a) Basic Earnings Per Share

The basic earnings per share has been calculated by dividing the Group's profit for the period attributable to the equity holders of the Company on the weighted average number of ordinary shares in issue during the period.

	Current Year Quarter 31/7/2011	Preceding Year Quarter* 31/7/2010	Current Year- To-Date 31/7/2011	Preceding Year- To-Date* 31/7/2010
Profit attributable to the equity holders of the Company (RM'000)	245	3,235	9,475	12,626
Number of ordinary shares at beginning of the period ('000)	142,042	88,776	142,042	88,776
Ordinary shares issued pursuant to bonus issue	-	53,266	-	53,266
Number of ordinary shares	142,042	142,042	142,042	142,042
Basic earnings per share (sen)	0.2	2.3	6.7	8.9

* Restated to take into account the issuance of bonus shares in the financial year ended 31 October 2010.

(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
28 September 2011