HELP INTERNATIONAL CORPORATION

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2011

	Note	Current Year Quarter 31/10/2011 RM'000	Preceding Year Quarter 31/10/2010 RM'000	Current Year-To-Date 31/10/2011 RM'000	Preceding Year-To-Date 31/10/2010 RM'000
Revenue		28,435	27,333	108,061	105,203
Other operating income		1,995	1,330	5,702	5,203
Other operating expenses		(24,887)	(20,440)	(92,208)	(82,909)
		5,543	8,223	21,555	27,497
Finance cost		(272)	(408)	(1,166)	(817)
Profit before taxation		5,271	7,815	20,389	26,680
Taxation	B(5)	(1,684)	(1,344)	(7,327)	(7,583)
Profit for the period		3,587	6,471	13,062	19,097
Other comprehensive income:					
Net gain on fair value changes on available-for-sale financial asset		337	-	337	-
Foreign currency translation		15	-	15	-
Other comprehensive income for the period, net of tax		352	-	352	-
Total comprehensive income for the period		3,939	6,471	13,414	19,097
Profit attributable to:					
Equity holders of the Company		3,587	6,471	13,062	19,097
Total comprehensive income attributable to:					
Equity holders of the Company		3,939	6,471	13,414	19,097
Earnings per share attributable to the equity holders of the Company (sen)					
Basic earnings per share	B(14)(a)	2.5	4.6	9.2	13.4
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

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2011

	Unaudited As at end of current quarter 31/10/2011 RM'000	Audited As at preceding financial year ended 31/10/2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	131,325	122,976
Intangible assets	3,874	3,576
Other investment	1,721	-
Deferred tax assets	-	30
	136,920	126,582
Current assets		
Trade receivables	4,461	4,012
Other receivables	5,673	5,715
Tax recoverable	1,682	1,739
Cash and cash equivalents	60,003	67,408
	71,819	78,874
TOTAL ASSETS	208,739	205,456
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	50,930	39,999
Fair value adjustment reserve	337	-
Foreign currency translation reserve	15	-
Total equity	124,675	113,392
Non-current liabilities		
Deferred tax liabilities	4,363	3,792
Other payable	18,000	27,000
	22,363	30,792
Current liabilities		
Fees received in advance	21,998	21,477
Other payables	39,703	38,969
Tax payable	-	826
	61,701	61,272
Total liabilities	84,064	92,064
TOTAL EQUITY AND LIABILITIES	208,739	205,456
Net Assets Per Share (RM)	0.88	0.80

(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 YEAR ENDED 31 OCTOBER 2011

	Attributable to Equity Holders of the Company					Total Equity
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Fair Value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	RM'000
Balance as at 1 November 2010	71,021	2,372	39,999	-	-	113,392
Total comprehensive income for the period	-	-	13,062	337	15	13,414
Dividends	-	-	(2,131)	-	-	(2,131)
Balance as at 31 October 2011	**71,021**	**2,372**	**50,930**	**337**	**15**	**124,675**
Balance as at 1 November 2009	44,388	2,533	49,532	-	-	96,453
Total comprehensive income for the period	-	-	19,097	-	-	19,097
Capitalisation for bonus issue	26,633	-	(26,633)	-	-	-
Bonus share issue cost	-	(161)	-	-	-	(161)
Dividends	-	-	(1,997)	-	-	(1,997)
Balance as at 31 October 2010	**71,021**	**2,372**	**39,999**	**-**	**-**	**113,392**

(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

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2011

	Current Year-To-Date 31/10/2011 RM'000	Preceding Year-To-Date 31/10/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	20,389	26,680
Adjustments for non cash items	7,557	5,122
Operating profit before working capital changes	27,946	31,802
Net change in current assets	(606)	(1,816)
Net change in current liabilities	1,255	1,732
Interest received	1,607	1,850
Interest paid	(1,166)	(817)
Taxes paid	(7,495)	(7,466)
Net cash generated from operating activities	21,541	25,285
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash outflow from disposal of subsidiary	-	(13)
Proceeds from disposal of property, plant, equipment and software	79	2
Purchase of property, plant, equipment and software	(16,525)	(33,923)
Payment for acquisition of property	(9,000)	(9,500)
Purchase of other investment	(1,384)	-
Net cash used in investing activities	(26,830)	(43,434)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of hire purchase creditors	-	(4)
Dividends paid	(2,131)	(1,997)
Payment of bonus issue expenses	-	(161)
Net cash used in financing activities	(2,131)	(2,162)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,420)	(20,311)
EFFECT OF EXCHANGE RATE CHANGES	15	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	67,408	87,719
CASH AND CASH EQUIVALENTS AT END OF YEAR	60,003	67,408

(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

(a) On 30 November 2011, the Group announced that HELP University College Sdn Bhd, a wholly-owned subsidiary company of the Company has received the Approval and Certificate of Registration of HELP University from the Ministry of Higher Education, Malaysia. HELP University College is now known as HELP University.

(b) On 19 December 2011, the Company entered into a Share Sale Agreement ("SSA") with Management Circle Group AG to dispose the Company's equity interest of 19.1% in Bridge2think AG, representing 20,523 ordinary shares of CHF1/- each for a cash consideration of Swiss Franc 516,359 (equivalent to RM1,721,540) ("Disposal").

The Disposal is pending the payment of sale consideration.

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:

(a) 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.

(b) Acquisition of 2 ordinary shares of RM1.00 each in HELP Education Services Sdn Bhd (“HESSB”) on 23 September 2011, resulting in HESSB becoming a wholly subsidiary of the Company.

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 October 2011 were as follows:-

	RM’000
Property, plant and equipment	
- Approved and contracted for	2,590

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

1. Review of Performance

	Fourth Quarter 31/10/2011 RM'000	Fourth Quarter 31/10/2010 RM'000	Year Ended 31/10/2011 RM'000	Year Ended 31/10/2010 RM'000
Revenue	28,435	27,333	108,061	105,203
Profit before taxation	5,271	7,815	20,389	26,680

For the fourth quarter under review, the Group recorded revenue and profit before taxation of RM28.4 million and RM5.3 million as compared to revenue of RM27.3 million and RM7.8 million respectively for the corresponding quarter last year. For the year ended 31 October 2011, the Group's revenue and profit before taxation were RM108.1 million and RM20.4 million as compared to revenue of RM105.2 million and profit before taxation of RM26.7 million respectively last year.

Our revenue grew marginally for the period under review because of various factors. The biggest impact for the marginal growth was the decrease in student numbers from China. It has become financially more affordable for students from China to study in the UK and the USA due to the strength of the Renminbi against the Pound and US Dollar. Relaxation in regulatory restrictions have also benefited students applying for places in the mentioned countries. The postponement in student intakes in our Vietnam centres due to the governmental review earlier in the year also impacted on our revenue.

Under the Ministry of Higher Education's advice, all twinning programmes are to be transferred from HELP University to HELP Academy. The change of institution requires a re-application of licenses to recruit foreign students and for local students to be eligible for Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN) loan. This has resulted in a delay for HELP Academy to recruit students into our twinning programmes.

As explained in the third quarter report, 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. This caused a follow on effect into the fourth quarter.

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 RM5.3 million for this quarter as compared to RM0.8 million recorded in the immediate preceding quarter in line with the seasonal fluctuations of the industry.

The profit for the immediate preceding quarter was also 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 has completed its recent capacity building phase with the move into the Fraser campus at Sungai Besi. The Group views this as a necessary move as it enables it to tap a new geographic area and also increase its capacity.

The upgrading of HELP University to university status 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 within the region during the past years and expect these developments to be well placed for our future growth. We have commenced programmes in Nepal and have increased recruitment drives in Vietnam and Indonesia as well. We are also studying potential intakes in Cambodia, Thailand and India.

With the investment in staff, facilities and the transitional period on student intakes, the Directors expect the financial performance of the Group to be satisfactory for the financial year 2012. 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.

The Group has a strong balance sheet and sufficient resources to expand its business.

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	1,596	7,239
Over provision of income tax in prior years	(513)	(513)
Deferred taxation	615	615
Over provision of deferred tax in prior years	(14)	(14)
	1,684	7,327

The effective tax rate of the Group is higher than the statutory tax rate due principally to increase in tax loss of a subsidiary and certain expenses that were not deductible for tax purposes.

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

Other than as disclosed in Note 9(b) of Part A, there are no corporate proposals announced but not completed as at 22 December 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	55,187	43,673
Unrealised losses	(4,257)	(3,674)
Retained earnings	50,930	39,999

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 October 2011.

12. Material Litigation

There were no material litigation as at 31 October 2011.

13. Dividends

The Board of Directors recommends a Final Dividend of 4% (2 sen per ordinary share of 50 sen each) less income tax of 25% for the financial year ended 31 October 2011 subject to the approval of the shareholders at the forthcoming Annual General Meeting payable on a date to be determined later.

The Final Dividend, if approved, will result in a total dividend declared of 2 sen on 142,041,600 ordinary shares of 50 sen each less 25% taxation, amounting to RM2,130,624 for the financial year ended 31 October 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 31/10/2011	**Preceding Year Quarter* 31/10/2010**	**Current Year-To-Date 31/10/2011**	**Preceding Year-To-Date* 31/10/2010**
Profit attributable to the equity holders of the Company (RM'000)	3,587	6,471	13,062	19,097
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)	2.5	4.6	9.2	13.4

* 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
22 December 2011