

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 30 APRIL 2012**

	Note	Current Year Quarter 30/4/2012 RM'000	Preceding Year Quarter 30/4/2011 RM'000	Current Year- To-Date 30/4/2012 RM'000	Preceding Year- To-Date 30/4/2011 RM'000
Revenue		34,732	31,368	61,582	55,666
Other operating income		1,851	1,834	3,018	2,805
Other operating expenses		(25,920)	(22,778)	(50,449)	(43,552)
		<u>10,663</u>	<u>10,424</u>	<u>14,151</u>	<u>14,919</u>
Interest expense		(210)	(263)	(482)	(621)
Profit before taxation	B(5)	<u>10,453</u>	<u>10,161</u>	<u>13,669</u>	<u>14,298</u>
Taxation	B(6)	(3,423)	(3,656)	(4,954)	(5,068)
Profit for the period		<u>7,030</u>	<u>6,505</u>	<u>8,715</u>	<u>9,230</u>
Other comprehensive income after tax:					
Transfer to profit or loss upon disposal of available-for-sale financial asset		-	-	(337)	-
Total comprehensive income for the period		<u>7,030</u>	<u>6,505</u>	<u>8,378</u>	<u>9,230</u>
Profit attributable to:					
Equity holders of the Company		<u>7,030</u>	<u>6,505</u>	<u>8,715</u>	<u>9,230</u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u>7,030</u>	<u>6,505</u>	<u>8,378</u>	<u>9,230</u>
Earnings per share attributable to the equity holders of the Company (sen)					
Basic earnings per share	B(12)(a)	4.9	4.6	6.1	6.5
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 2011)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2012

	Unaudited As at end of current quarter 30/4/2012 RM'000	Audited As at preceding financial year ended 31/10/2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	130,712	131,325
Intangible assets	4,040	3,874
Investment in a joint venture	150	- #
	<u>134,902</u>	<u>135,199</u>
Current assets		
Trade receivables	6,786	4,461
Other receivables	6,299	5,678
Tax recoverable	1,280	1,682
Cash and cash equivalents	56,828	60,003
	<u>71,193</u>	<u>71,824</u>
Asset classified as held for sale	-	1,721
	<u>71,193</u>	<u>73,545</u>
TOTAL ASSETS	<u>206,095</u>	<u>208,744</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	57,514	50,930
Fair value adjustment reserve	-	337
Foreign currency translation reserve	15	15
Total equity	<u>130,922</u>	<u>124,675</u>
Non-current liabilities		
Deferred tax liabilities	4,363	4,363
Other payable	11,900	18,000
	<u>16,263</u>	<u>22,363</u>
Current liabilities		
Fees received in advance	19,717	21,998
Other payables	36,371	39,708
Dividend payable	2,131	-
Tax payable	691	-
	<u>58,910</u>	<u>61,706</u>
Total liabilities	<u>75,173</u>	<u>84,069</u>
TOTAL EQUITY AND LIABILITIES	<u>206,095</u>	<u>208,744</u>
 Net Assets Per Share (RM)	 <u>0.92</u>	 <u>0.88</u>

Denotes RM1

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 October 2011)



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2012

	Attributable to Equity Holders of the Company					Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Fair Value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	
Balance as at 1 November 2011	71,021	2,372	50,930	337	15	124,675
Total comprehensive income for the period	-	-	8,715	(337)	-	8,378
Dividends	-	-	(2,131)	-	-	(2,131)
Balance as at 30 April 2012	71,021	2,372	57,514	-	15	130,922
Balance as at 1 November 2010	71,021	2,372	39,999	-	-	113,392
Total comprehensive income for the period	-	-	9,230	-	-	9,230
Dividends	-	-	(2,131)	-	-	(2,131)
Balance as at 30 April 2011	71,021	2,372	47,098	-	-	120,491

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2011)



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2012**

	Current Year- To-Date 30/4/2012 RM'000	Preceding Year- To-Date 30/4/2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,669	14,298
Adjustments for:		
Depreciation and amortisation	4,448	3,504
Interest income	(755)	(740)
Interest expense	482	621
Gain on disposal of available-for-sale financial asset	(327)	-
Other non cash items	(23)	7
Operating profit before working capital changes	<u>17,494</u>	<u>17,690</u>
Increase in receivables	(2,953)	(1,995)
Decrease in payables, including fees received in advance	<u>(6,100)</u>	<u>(8,029)</u>
Net cash generated from operations	8,441	7,666
Interest received	762	835
Interest paid	-	(358)
Taxes paid	(3,861)	(2,661)
Net cash generated from operating activities	<u>5,342</u>	<u>5,482</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Subscription of shares in joint venture company	(150)	-
Proceeds from disposal of available-for-sale financial asset	1,711	-
Proceeds from disposal of property, plant, equipment and software	29	2
Purchase of property, plant, equipment and software	(4,007)	(7,071)
Payment for acquisition of property	(6,100)	(9,000)
Purchase of other investment	-	(1,384)
Net cash used in investing activities	<u>(8,517)</u>	<u>(17,453)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,175)	(11,971)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	60,003	67,408
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>56,828</u>	<u>55,437</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 October 2011)

(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 2011 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 2011.

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 2011 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 2011:

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 1 : Limited Exemption from Comparative FRS 7 Disclosures for First Time Adopters	1 January 2011
Amendments to FRS 7 : Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 1 : Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
IC Interpretation 4 Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
Amendments to FRSs contained in the document entitled “Improvements to FRSs (2010)”	1 January 2011
Amendments to FRS101 : Presentation of Financial Statements	1 January 2011

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 121 : The Effects of Changes in Foreign Exchange Rates	1 January 2011
Amendments to FRS 128 : Investments in Associates	1 January 2011
Amendments to FRS 131 : Interests in Joint Ventures	1 January 2011
Amendments to FRS 132 : Financial Instruments: Presentation	1 January 2011
Amendments to FRS 134 : Interim Financial Reporting	1 January 2011
Amendments to FRS 139 : Financial Instruments: Recognition and Measurement	1 January 2011
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement	1 July 2011

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.

3. Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 October 2013. In presenting its first MFRS financial statements, the Group may be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments (if any) required on transition will be made, retrospectively, against opening retained earnings.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the period ended 30 April 2012 could be different if prepared under the MFRS Framework.

Nevertheless, the Group expects that there will not be any significant impact arising from the adoption of the MFRS Framework and that it will be in a position to fully comply with the requirements thereon for the financial year ending 31 October 2013.

4. 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.

5. Unusual Significant Items

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

6. 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.

7. 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.

8. Dividends Paid

There were no dividends paid during the current financial year-to-date.

9. Segmental Reporting

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

10. Material Subsequent Events

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

11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date.

12. Changes in Contingent Liabilities or Contingent Assets

A Writ of Summons was filed by Mr Roland Ramesh A/L Sandana Dass (trading as Seven Days Projects Solutions) ("7Days") and served on the Company's subsidiary, HELP University Sdn Bhd (formerly known as HELP University College Sdn Bhd) ("HU") for alleged default in payment of RM612,067 together with interest and costs to 7Days as a project contractor.

The Group is disputing the claims and intends to vigorously defend itself against the action.

However, as the outcome of these claims cannot be determined at this time, the Group has made no provision for these contingencies in the financial statements.

13. Commitments on Capital Expenditure

The amount of capital commitments not provided for in the interim financial statements as at 30 April 2012 were as follows:-

	RM'000
Property, plant and equipment	
- Approved and contracted for	<u>8,670</u>

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

1. Review of Performance

	Second Quarter 30/4/2012 RM'000	Second Quarter 30/4/2011 RM'000	Period Ended 30/4/2012 RM'000	Period Ended 30/4/2011 RM'000
Revenue	<u>34,732</u>	<u>31,368</u>	<u>61,582</u>	<u>55,666</u>
Profit before taxation	<u>10,453</u>	<u>10,161</u>	<u>13,669</u>	<u>14,298</u>

For the second quarter under review, the Group's revenue grew by 11% to RM34.7 million from RM31.4 million last year. Profit before taxation increased to RM10.5 million from RM10.2 million last year.

The growth in revenue and profit before tax were largely due to increase in student enrollment into the various campuses in Damansara and Fraser.

For the period ended 30 April 2012, the Group's revenue and profit before taxation were RM61.6 million and RM13.7 million as compared to revenue of RM55.7 million and profit before taxation of RM14.3 million respectively last year.

Profit before tax decreased marginally by 4% due to higher personnel costs and depreciation on campus facilities. The Group also incurred higher marketing costs to strengthen our presence following the upgrading of university status and the relocation of new campus in Fraser.

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

	Second Quarter 30/4/2012 RM'000	First Quarter 31/1/2012 RM'000	Increase RM'000
Profit before taxation	<u>10,453</u>	<u>3,216</u>	<u>7,237</u>

The Group recorded a profit before taxation of RM10.5 million for this quarter as compared to RM3.2 million recorded in the immediate preceding quarter in line with the seasonal fluctuations of the industry.

3. Commentary on Prospects

The education industry continues to be robust both domestically and internationally. In January 2012, HELP was awarded an approval by the Ministry of Education to establish an international school. The new school will be located at HELP's campus in Subang 2. HELP is optimistic that the new school will have a positive impact on the Group from 2013 onwards.

The upgrade to university status had a positive impact on student enrollment. The strong intakes have enabled the Group to register higher revenues for the period and will have a positive domino effect for the Group's prospects going into the subsequent intakes.

The Group will commence the construction of its flagship Subang 2 campus in this financial year and expects the construction to be completed in two years. Upon the completion, the Group will be able to double its current student capacity.

The current economic uncertainties have not dampened the growing demand for education in the international market especially in ASEAN. The Group continues to be a leading provider of quality education in Vietnam, Indonesia and Nepal. The Group continues to undergo active business development in ASEAN and selective countries in Asia.

The international market is growing and we remain a leading educational institution in Vietnam. The Group continues to undergo active business development in ASEAN and selective countries in Asia.

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 the past periods 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. Profit Before Taxation

Profit before taxation is arrived at after charging/(crediting):

	Current Year Quarter RM'000	Current Year-To-Date RM'000
Interest income	404	755
Depreciation and amortisation	2,244	4,448
Gain on disposal of unquoted investment	-	(327)
Loss on foreign exchange	<u>40</u>	<u>62</u>

There was no provision for and write off of receivables and inventories, impairment of assets and gain or loss on derivatives for the current quarter under review and financial period ended 30 April 2012.

6. Taxation

	Current Year Quarter RM'000	Current Year- To-Date RM'000
Current period income tax	<u>3,423</u>	<u>4,954</u>

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.

7. Corporate Proposals

(a) Status of Corporate Proposals

There are no corporate proposals announced but not completed as at 22 June 2012 (being the latest practical date).

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

There were no corporate proposals involving fund raising.

8. Realised and Unrealised Profits

	Current Year Quarter RM'000	As At End of Last Financial Year RM'000
Total retained earnings:		
Realised	89,870	83,156
Unrealised	<u>(4,392)</u>	<u>(4,257)</u>
	85,478	78,899
Less: Consolidation adjustments	<u>(27,964)</u>	<u>(27,969)</u>
Total retained earnings as per consolidated accounts	<u>57,514</u>	<u>50,930</u>

9. Group Borrowings and Debt Securities

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

10. Material Litigation

As disclosed in Paragraph 12 of Part A, on 7 May 2012, a Writ of Summons was served on HU for an alleged default in payment to 7Days as a project contractor.

HU has filed an application in Court for a stay of proceedings pending arbitration. The application is fixed for hearing on 27 June 2012.

11. Dividends

On 24 April 2012, the shareholders approved a final dividend in respect of the financial year ended 31 October 2011, of 4% less 25% taxation on 142,041,600 ordinary shares of RM0.50 each, amounting to a dividend payable of RM2,130,624 (1.5 sen net per ordinary share). The Company paid the dividend on 23 May 2012.

The Board of Directors does not recommend any dividend for the period ended 30 April 2012.

12. 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 number of ordinary shares in issue during the period.

	Current Year Quarter 30/4/2012	Preceding Year Quarter 30/4/2011	Current Year- To-Date 30/4/2012	Preceding Year- To-Date 30/4/2011
Profit attributable to the equity holders of the Company (RM'000)	7,030	6,505	8,715	9,230
Number of ordinary shares	142,042	142,042	142,042	142,042
Basic earnings per share (sen)	4.9	4.6	6.1	6.5

(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
26 June 2012