



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2013**

	Note	Current Year Quarter 30/4/2013 RM'000	Preceding Year Quarter 30/4/2012 RM'000	Current Year- To-Date 30/4/2013 RM'000	Preceding Year- To-Date 30/4/2012 RM'000
Revenue		33,712	34,732	62,396	61,582
Other operating income		1,729	1,851	2,588	3,018
Other operating expenses		(27,801)	(25,920)	(53,738)	(50,449)
		<u>7,640</u>	<u>10,663</u>	<u>11,246</u>	<u>14,151</u>
Interest expense		(175)	(210)	(356)	(482)
Share of results of jointly controlled entity		5	-	(12)	-
Profit before taxation	B(5)	<u>7,470</u>	<u>10,453</u>	<u>10,878</u>	<u>13,669</u>
Taxation	B(6)	(2,398)	(3,423)	(3,940)	(4,954)
Profit for the period		<u>5,072</u>	<u>7,030</u>	<u>6,938</u>	<u>8,715</u>
Other comprehensive income:					
Transfer to profit or loss upon disposal of available-for-sale financial asset		-	-	-	(337)
Other comprehensive income for the period, net of tax		<u>-</u>	<u>-</u>	<u>-</u>	<u>(337)</u>
Total comprehensive income for the period		<u>5,072</u>	<u>7,030</u>	<u>6,938</u>	<u>8,378</u>
Profit attributable to:					
Equity holders of the Company		<u>5,072</u>	<u>7,030</u>	<u>6,938</u>	<u>8,715</u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u>5,072</u>	<u>7,030</u>	<u>6,938</u>	<u>8,378</u>
Earnings per share attributable to the equity holders of the Company (sen)					
Basic earnings per share	B(12)(a)	3.6	4.9	4.9	6.1
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 accompanying explanatory notes attached to these interim financial statements and the Annual Financial Report for the year ended 31 October 2012)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2013

	30/4/2013	31/10/2012	1/11/2011
	Unaudited	Audited	Audited
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	144,391	133,341	131,325
Intangible assets	5,012	5,408	3,874
Investment in jointly controlled entity	135	147	- #
	<u>149,538</u>	<u>138,896</u>	<u>135,199</u>
Current assets			
Trade receivables	7,071	4,619	4,461
Other receivables	6,357	5,596	5,678
Tax recoverable	899	438	1,682
Cash and cash equivalents	56,710	63,295	60,003
	<u>71,037</u>	<u>73,948</u>	<u>71,824</u>
Asset classified as held for sale	-	-	1,721
	<u>71,037</u>	<u>73,948</u>	<u>73,545</u>
TOTAL ASSETS	<u>220,575</u>	<u>212,844</u>	<u>208,744</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	71,021	71,021	71,021
Share premium	2,372	2,372	2,372
Retained earnings	67,124	62,317	50,930
Fair value adjustment reserve	-	-	337
Foreign currency translation reserve	13	14	15
Total equity	<u>140,530</u>	<u>135,724</u>	<u>124,675</u>
Non-current liabilities			
Deferred tax liabilities	5,045	5,045	4,363
Other payable	9,000	9,000	18,000
	<u>14,045</u>	<u>14,045</u>	<u>22,363</u>
Current liabilities			
Fees received in advance	19,750	25,150	21,998
Other payables	42,731	37,803	39,708
Dividend payable	2,131	-	-
Tax payable	1,388	122	-
	<u>66,000</u>	<u>63,075</u>	<u>61,706</u>
Total liabilities	<u>80,045</u>	<u>77,120</u>	<u>84,069</u>
TOTAL EQUITY AND LIABILITIES	<u>220,575</u>	<u>212,844</u>	<u>208,744</u>
Net Assets Per Share (RM)	<u>0.99</u>	<u>0.96</u>	<u>0.88</u>

Denotes RM1

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements and the Annual Financial Report for the year ended 31 October 2012)



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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2013

	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 2012	71,021	2,372	62,317	-	14	135,724
Total comprehensive income for the period	-	-	6,938	-	(1)	6,937
Dividends	-	-	(2,131)	-	-	(2,131)
Balance as at 30 April 2013	71,021	2,372	67,124	-	13	140,530
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

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements and the Annual Financial Report for the year ended 31 October 2012)



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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2013**

	Current Year- To-Date 30/4/2013 RM'000	Preceding Year- To-Date 30/4/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	10,878	13,669
Adjustments for:		
Depreciation and amortisation	4,829	4,448
Interest income	(692)	(755)
Interest expense	356	482
Gain on disposal of available-for-sale financial asset	-	(327)
Share of results of jointly controlled entity	12	-
Other non cash items	12	(23)
Operating profit before working capital changes	<u>15,395</u>	<u>17,494</u>
Increase in receivables	(3,226)	(2,953)
Decrease in payables, including fees received in advance	<u>(828)</u>	<u>(6,100)</u>
Net cash generated from operations	11,341	8,441
Interest received	705	762
Taxes paid	(3,135)	(3,861)
Net cash generated from operating activities	<u>8,911</u>	<u>5,342</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Subscription of shares in a jointly controlled entity	-	(150)
Net proceeds from disposal of available-for-sale financial asset	-	1,711
Proceeds from disposal of property, plant, equipment and software	-	29
Purchase of property, plant, equipment and software	(15,495)	(4,007)
Installment payment for acquisition of property	-	(6,100)
Net cash used in investing activities	<u>(15,495)</u>	<u>(8,517)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,584)	(3,175)
EFFECT OF EXCHANGE RATE CHANGES	(1)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>63,295</u>	<u>60,003</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>56,710</u>	<u>56,828</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements and the Annual Financial Report for the year ended 31 October 2012)

(A) SELECTED EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 April 2013, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 October 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS"). These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 October 2012.

The condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 October 2013. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The explanatory notes attached to these condensed consolidated interim financial statements 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 2012.

2. Significant Accounting Policies

The audited financial statements of the Group for the year ended 31 October 2012 were prepared in accordance with FRS. Except for certain differences, the requirements under FRS and MFRS are similar. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements of the Group for the year ended 31 October 2012.

The adoption of MFRS 1 does not have significant impact on the reported financial position, financial performance and cash flows of the Group and hence, no reconciliations from FRS to MFRS were prepared.

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 the assets, liabilities, equity, net income or cash flows for 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 have 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

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

8. Segmental Reporting

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

9. Material Subsequent Events

There were no material events subsequent to the end of the current quarter and up to 25 June 2013.

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.

11. Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or assets of the Group for the current quarter and financial period ended 30 April 2013.

12. Commitments on Capital Expenditure

The capital commitments incurred by the Group as at 30 April 2013 include the following amount approved and contracted for:-

	RM'000
Property, plant and equipment	<u>27,301</u>

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

1. Review of Performance

	Second Quarter 30/4/2013 RM'000	Second Quarter 30/4/2012 RM'000	Period Ended 30/4/2013 RM'000	Period Ended 30/4/2012 RM'000
Revenue	<u>33,712</u>	<u>34,732</u>	<u>62,396</u>	<u>61,582</u>
Profit before tax	<u>7,470</u>	<u>10,453</u>	<u>10,878</u>	<u>13,669</u>

For the second quarter under review, the Group recorded a revenue of RM33.7 million as compared to RM34.7 million last year. Profit before tax was RM7.5 million as compared to RM10.5 million recorded last year.

For the six months ended 30 April 2013, the Group's revenue and profit before taxation were RM62.4 million and RM10.9 million as compared to revenue of RM61.6 million and profit before taxation of RM13.7 million respectively last year.

The decrease in revenue and profit before tax were largely due to a decrease in classes conducted and increase in operating expenses. During this period, a number of holidays and festive periods saw a smaller number of classes conducted. The Group also saw a smaller number of international student enrollments for the quarter as the implementation of new visa policies continue to cause uncertainty in the education industry.

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

	Second Quarter 30/4/2013 RM'000	First Quarter 31/1/2013 RM'000	Increase RM'000
Profit before tax	<u>7,470</u>	<u>3,408</u>	<u>4,062</u>

The Group recorded a profit before tax of RM7.5 million for this quarter as compared to RM3.4 million recorded in the immediate preceding quarter in line with the seasonal fluctuations of the industry.

3. Commentary on Prospects

The Group continues to enjoy a strong reputation for its quality education and this has enabled it to attract quality students into its various programmes at the three campuses. Management is continuously evaluating new opportunities to enhance the Group's presence in the region, increase its student numbers and to be more efficient in managing the campuses. This would enable management to streamline the Group and reduce its operating expenses in the future.

HELP International School ("HIS") will be starting its inaugural intake in January 2014. Recruitment for the January 2014 intake continues to show a positive trend.

The education industry has experienced some headwinds in the last one to two years throughout the region but demand is still strong across the industry. Innovation remains key to being competitive in the industry and HELP is collaborating with its partners to create new markets to expand into.

The Directors expect the financial performance of the Group to be satisfactory for the financial year 2013. 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	(373)	(692)
Depreciation and amortisation	2,434	4,829
Loss on foreign exchange	<u>220</u>	<u>95</u>

There was no provision for and write off of receivables, gain or loss on disposal of properties and impairment of assets for the current quarter under review and financial period ended 30 April 2013.

6. Taxation

	Current Year Quarter RM'000	Current Year- To-Date RM'000
Current period income tax	<u>2,398</u>	<u>3,940</u>

The effective tax rate of the Group is higher than the statutory tax rate due principally to 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.

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

There are 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	100,282	95,418
Unrealised	<u>(5,185)</u>	<u>(5,140)</u>
	95,097	90,278
Less: Consolidation adjustments	<u>(27,973)</u>	<u>(27,961)</u>
Total retained earnings as per consolidated accounts	<u>67,124</u>	<u>62,317</u>

9. Group Borrowings and Debt Securities

The Group has no borrowings as at the end of the reporting period.

10. Material Litigation

As disclosed in the previous quarterly report, on 7 May 2012, a Writ of Summons was served on HELP University Sdn Bhd ("HU") for the alleged default in payment of RM612,067 together with interest and costs to Seven Days Projects Solutions as the project contractor.

HU has filed an application in Court for a stay of proceedings pending arbitration. The said application was allowed with cost of RM750 against the Plaintiff on 27 June 2012. As such, the said suit has been stayed pending the commencement of arbitration proceedings by the Plaintiff. To date we are not aware of any such proceedings commenced by the Plaintiff.

11. Dividends

On 23 April 2013, the shareholders approved a final dividend in respect of the financial year ended 31 October 2012, 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 22 May 2013.

The Board of Directors does not recommend any dividend for the period ended 30 April 2013.

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 30/4/2013	Preceding Year Quarter 30/4/2012	Current Year- To-Date 30/4/2013	Preceding Year- To-Date 30/4/2012
Profit attributable to the equity holders of the Company (RM'000)	5,072	7,030	6,938	8,715
Number of ordinary shares	142,042	142,042	142,042	142,042
Basic earnings per share (sen)	3.6	4.9	4.9	6.1

(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)
Cheng Chia Ping (MAICSA 1032514)
Company Secretaries

Kuala Lumpur
27 June 2013