



### HELP International Corporation Berhad

**Target Price : RM1.83**  
**BUY**

**Stock Code**  
HELP/ 7236

**Bloomberg Ticker**  
HELP MK

**Current Price**  
RM1.56

**Listing**  
Second Board

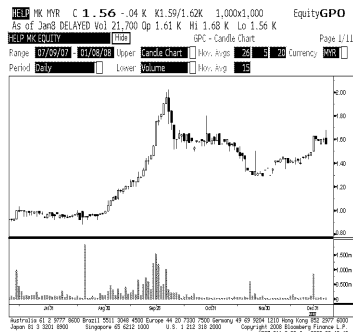
**Financial Year End** 31 Oct

**Number of Shares** 88.776m

**Market Cap** RM138.49m

**Major Shareholders**  
Selangor Property Berhad  
.....51.00%  
Dato' Dr. Zakaria Bin Ahmad  
.....14.51%

52WK High 10/05/07 RM2.02  
52Wk Low 05/21/07 RM0.80



### Quarterly review

	1Q07 (RM '000)	2Q07 (RM '000)	3Q07 (RM '000)	4Q07 (RM '000)
Revenue	13,368	18,623	12,150	17,560
Operating Expenses	(11,993)	(13,813)	(11,459)	(14,272)
Others Income	511	571	1,249	903
PBT	1,886	5,381	1,940	4,191
Tax	(627)	(1,736)	(637)	(742)
Net Profit	1,273	3,656	1,303	3,436
EPS (cents)*	1.43	4.12	1.47	3.87

\* Based on 88.776m shares

Margins (%)				
PBT	14.11	28.89	15.97	23.87
Net Profit	9.52	19.63	10.72	19.57

Growth (%)				
Revenue	-	39.31	(34.76)	44.53
PBT	-	185.31	(63.95)	116.03
Net Profit	-	187.20	(64.36)	163.70

For 4Q07, HELP recorded RM3.4m net profit on the back of RM17.6m revenue. The PBT and net profit margin for the quarter were 23.87% and 19.57% respectively. The performance for the quarter under review has improved compared to previous quarter. This was in tandem with the business operations that were affected by the seasonal factor.

### Forecast review

	FY07 RM ' 000	Forecast RM ' 000	%
Revenue	61,701	61,222	100.78
PBT	13,398	13,093	102.33
Net Profit	9,668	8,903	108.59
EPS (cents)*	10.89	10.03	108.57

\* Based on 88.776m shares

HELP posted RM61.7m revenue for FY07 which was slightly higher than its forecast of RM61.2m. It has surpassed its PBT and net profit forecast by 2.3% and 8.6% respectively.

## **Dividend**

HELP has proposed a gross dividend of 6% less 27% income tax. This translates to net dividend yield of 1.4% based on current price of RM1.56.

## **Achievements and Developments**

Recently, its students won twenty-six World Awards of perfect scores in the Edexcel London A-Level programme and twenty-six students were successfully admitted to the London School of Economics and Political Science. In addition, its Bachelor of Business (Accounting) Honours degree is the first accounting programme offered at a private university in Malaysia to be accredited by CPA Australia in addition to the recognition by UK's ACCA and ICAEW. Proven record of excellence and international recognition make HELP a preferred place for tertiary education.

In 2007, it has negotiated with universities in the UK, US, Australia and China in various collaboration programmes to gain wider access and stronger reach to the international markets. The acquisition of HELP ICT Sdn Bhd (formerly known as Sepang Education Centre Sdn Bhd) on 6<sup>th</sup> November provided access to the existing engineering, health science, IT programmes, etc. offered by HELP ICT.

## **Future**

Moving forward, HELP will be working with Edexcel International to start new centres in China and Indonesia in 2008 and later on in Africa. It also has identified Vietnam and Indonesia as the target markets to conduct its own programmes. In addition, it will offer new niche courses such as hospitality, tourism and event management which are highly in demand to serve the needs of Asia. Currently, HELP is negotiating with the potential partners from the UK, Australia and the US for the delivery of these programmes in Malaysia and Asia. Moreover, it is also planning a 25-acre residential campus as the core of its multi campus city university status.

## Recommendation

	2004 (RM' 000)	2005 (RM' 000)	2006 (RM' 000)	2007 (RM' 000)	2008F (RM' 000)
Revenue	44,936	48,003	53,506	61,701	67,871
PBT	8,305	10,027	11,975	13,398	14,932
Net Profit	5,691	6,555	8,031	9,668	10,859
EPS (cents)*	6.41	7.38	9.05	10.89	12.23

\* Based on 88.776m shares

Margins (%)					
PBT	18.48	20.89	22.38	21.71	22.00
Net Profit	12.66	13.66	15.01	15.67	16.00

HELP's financials remain strong with cash in hand of RM0.65 per share and zero-gearing position. Our target price of RM1.83 is based on forecast EPS of 12.23 sen and PER multiple of 15x. This translates to potential upside of 17.3%. Hence, we recommend a **BUY** on the stock.

The information contained in this report was prepared from data believed to be reliable but we have not independently verified such data and we do not make any representation or warranty as to the accuracy or completeness of the information. This report is not prepared with regards to any specific investment objective, emphasis or need of any person or party and is not to be construed as an offer, invitation, solicitation or recommendation to buy or sell any securities of the company or companies covered herein by this report. Opinions expressed are subject to change without notice. PM Securities Sdn Bhd and/or its directors and staff may have an interest in securities of the company or companies covered by this report and may earn brokerage for dealing in the securities mentioned herein. Any person/party acting upon this report do so at their own risk and PM Securities Sdn Bhd and/or its directors and/or staff do not accept any liability arising from use of this report.

Published and Printed by:

## PM Securities Sdn. Bhd. (66299-A)

A Participating Organisation of Bursa Malaysia Securities Berhad  
 Ground, Mezzanine & First Floor, Menara PMI, No: 2, Jalan Changkat Ceylon, 50200 Kuala Lumpur  
 General Line : 03-2146 3000, 03-2731 3000 Fax No : 03-2144 8082