U.S. Securities and Exchange Commission
Washington D.C. 20549

Amendment No. 1 to
Form 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1999

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

Commission File Number 33-70334-A

INTERNATIONAL ASSETS HOLDING CORPORATION
(Exact name of small business issuer as specified in its charter)

Delaware	59-2921318
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

250 Park Avenue South, Suite 200
Winter Park, FL 32789
(Address of principal executive offices)

(407) 629-1400
(Issuer's telephone number)

NA

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ].

The number of shares outstanding of Common Stock was 1,718,828 as of August 5, 1999.

Transitional small business disclosure format Yes [ ] No [X]

EXPLANITORY STATEMENT

This Amendment No. 1 to the Form 10-QSB for the quarterly period ended June 30, 1999 is being filed to amend Item 1 and Item 2 of Part I and Item 6 of Part II as described more fully in Note (1) to Condensed Consolidated Financial statements. The effect of this amendment is to increase previously reported net earnings for the third quarter ended June 30, 1999 by $37,501 or $.017 cents per diluted share.

This amended 10-QSB presents the restated earnings of the Company due to the reversal of a single non-cash compensation expense recognition related to the exercise of a nonqualified stock option. The original amount of this non-cash compensation expense recognition was $63,330. The presentation of income tax expense related to this expense recognition also required adjustment whereby the income tax expense was increased by $25,829. The reversal of this single expense recognition resulted in a $37,501 increase in reported net income ($63,330-$25,829) for the third quarter ended June 30, 1999 from net income of $1,379, or $.001 per diluted share, to $38,880, or $.018 per diluted share. The original expense recognition was recorded by the Company in relation to the exercise of a stock option that did not need this expense recognition according to the provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees".

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INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

Assets	RESTATED (Unaudited) June 30, 1999	September 30, 1998
Cash	$ 538,437	617,628
Cash deposits with clearing broker	3,945,869	2,424,486
Foreign currency	17,391	3,961
Receivable from clearing broker, net	0	791,753
Other receivables	53,990	63,523
Securities owned, at market value	3,175,504	2,014,734
Investment in Joint Venture	15,746	0
Income taxes receivable	53,874	67,398
Deferred income tax benefit	85,921	127,065
Property and equipment, at cost:		
Leasehold improvements	52,953	52,953
Furniture and equipment	962,618	902,719
	1,015,571	955,672
Less accumulated depreciation and amortization	(696,946)	(605,059)
Net property and equipment	318,625	350,613
Other assets, net of accumulated amortization of $138,007 in June 1999 and $118,504 in September 1998	108,847	98,920
Total assets	$ 8,314,204	6,560,081

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

Liabilities and Stockholders' Equity	RESTATED (Unaudited) June 30, 1999	September 30, 1998
Liabilities:		
Foreign currency sold, but not yet purchased	$ 32,487	7,206
Securities sold, but not yet purchased, at market value	1,089,262	290,403
Payable to clearing broker, net	47,196	0
Accounts payable	50,662	72,600
Accrued employee compensation and benefits	603,363	291,536
Accrued expenses	271,598	352,544
Payable to joint venture	13,333	0
Deferred income taxes	12,442	16,797
Other liabilities	119,000	117,845
Total liabilities	2,239,343	1,148,931
Stockholders' equity:		
Preferred stock, $.01 par value. Authorized 1,000,000 shares; issued and outstanding -0- shares	-	-
Common stock, $.01 par value. Authorized 3,000,000 shares; issued and outstanding 1,718,828 shares in June 1999 and 1,481,574 shares in September 1998	17,188	14,816
Additional paid-in capital	4,558,997	3,564,648
Retained earnings	1,498,676	1,831,686
Total stockholders'equity	6,074,861	5,411,150
Total liabilities and stockholders' equity	$ 8,314,204	6,560,081

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

For the Nine Months Ended June 30, 1999 and 1998

(Unaudited)

	RESTATED 1999	1998
Revenues:		
Commissions	$4,700,005	5,484,305
Net dealer inventory and investment gains	2,437,717	1,549,350
Management and investment advisory fees	63,171	57,241
Account maintenance fees	108,314	132,366
Interest and dividends	184,466	206,666
Loss from joint venture	(34,254)	0
Other	20,811	27,625
Total revenues	7,480,230	7,457,553
Expenses:		
Commissions and clearing fees	3,017,469	3,324,935
Employees compensation and benefits	2,034,267	1,516,033
Communications	197,391	257,373
Promotion	534,522	921,984
Occupancy and equipment rental	332,062	263,435
Interest	2,345	3,015
Professional fees	198,809	334,671
Insurance	124,695	154,817
Depreciation and amortization	111,390	134,278
Other operating expenses	302,804	588,572
Total expenses	6,855,754	7,499,113
Income (loss) before income taxes	624,476	(41,560)
Income tax expense	261,442	7,032
Net income (loss)	$ 363,034	(48,592)
Earnings (loss) per share:		
Basic	$ 0.22	(.03)
Diluted	$ 0.19	(.03)
Weighted average number of common shares outstanding:		
Basic	1,650,938	1,695,505
Diluted	1,948,964	1,695,505

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

For the Three Months Ended June 30, 1999 and 1998

(Unaudited)

	RESTATED 1999	1998
Revenues:		
Commissions	$1,594,474	1,627,252
Net dealer inventory and investment gains	648,958	404,010
Management and investment advisory fees	18,775	30,510
Account maintenance fees	46,139	65,443
Interest and dividends	75,719	68,947
Loss from joint venture	(16,711)	0
Other	5,916	12,154
Total revenues	2,373,270	2,208,316
Expenses:		
Commissions and clearing fees	975,596	1,044,104
Employees compensation and benefits	647,289	477,836
Communications	66,521	83,123
Promotion	205,782	255,898
Occupancy and equipment rental	116,479	97,291
Interest	1,249	490
Professional fees	85,316	67,133
Insurance	35,547	45,095
Depreciation and amortization	32,999	43,719
Other operating expenses	125,246	94,383
Total expenses	2,292,024	2,209,072
Income (loss) before income taxes	81,246	(756)
Income tax expense	42,366	7,312
Net income (loss)	$ 38,880	(8,068)
Earnings (loss) per share:		
Basic	$ 0.023	$ (0.005)
Diluted	$ 0.018	$ (0.005)
Weighted average number of common shares outstanding:		
Basic	1,700,980	1,681,002
Diluted	2,172,267	1,681,002

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

For the Nine Months Ended June 30, 1999 and 1998

(Unaudited)

	RESTATED 1999	1998
Cash flows from operating activities:		
Net income (loss)	$ 363,034	(48,592)
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization	111,390	134,278
Deferred income taxes	36,789	(36,405)
Non-cash compensation	30,271	0
Loss from joint venture	34,254	0
Tax benefit from exercise of nonqualified stock option	23,829	0
Cash provided by (used for) changes in:		
Receivable from clearing broker, net	791,753	260,430
Other receivables	9,533	(42,960)
Securities owned, at market value	(1,160,770)	(76,324)
Income tax receivable	13,524	0
Other assets	(29,430)	21,135
Securities sold, but not yet purchased, at market value	798,859	(292,517)
Payable to clearing broker, net	47,196	0
Accounts payable	(21,938)	(40,722)
Accrued employee compensation and benefits	311,827	(554,157)
Accrued expenses	(80,946)	(32,864)
Payable to joint venture	13,333	0
Other liabilities	1,155	9,579
Net cash provided by (used for) operating activities	1,293,663	(699,119)
Cash flows from investing activities:		
Investment in joint venture	(50,000)	0
Acquisition of property, equipment and other assets	(59,899)	(49,550)
Net cash used for investing activities	(109,899)	(49,550)

(Continued)

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows, Continued

For the Nine Months Ended June 30, 1999 and 1998

(Unaudited)

	RESTATED 1999	1998
Cash flows from financing activities:		
Exercise of stock options	259,473	0
Acquisition of common shares related to repurchase program	0	(30,609)
Acquisition of common shares related to terminated ESOP and RSP participants	(12,896)	(66,795)
Net cash provided by (used for) financing activities	246,577	(97,404)
Net increase (decrease) in cash and cash equivalents	1,430,341	(846,073)
Cash and cash equivalents at beginning of period	3,038,869	2,962,847
Cash and cash equivalents at end of period	$4,469,210	2,116,774
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 2,345	3,015
Income taxes paid	$ 187,300	75,399

Supplemental disclosure of noncash financing activities:
On March 26,1999, the Company issued 148,199 shares of common stock in conjunction with a ten percent stock dividend.
On January 20, 1998, the Company issued 140,648 shares of common stock in conjunction with a ten percent stock dividend.

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

June 30, 1999 and 1998

(1) Basis of Presentation

In connection with preparation of the Company's year end financial statements, management discovered that an adjustment to its third quarter ended June 30, 1999 Condensed Consolidated Financial Statements was required to present the restated earnings of the Company due to the reversal of a single non-cash compensation expense recognition related to the exercise of a nonqualified stock option. Accordingly, Amendment No. 1 to Form 10-QSB for the quarterly period ended June 30, 1999 is being filed. The original amount of this non-cash compensation expense recognition was $63,330. The presentation of income tax expense related to this expense recognition also required adjustment whereby the income tax expense was increased by $25,829. The reversal of this single expense recognition resulted in a $37,501 increase in reported net income ($63,330-$25,829) for the third quarter ended June 30, 1999 from net income of $1,379, or $.001 per diluted share, to $38,880, or $.018 per diluted share. The original expense recognition was recorded by the Company in relation to the exercise of a stock option that did not require this expense recognition according to the provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees."

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions and requirements of Form 10-QSB and, therefore, do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. In the opinion of Management, such financial statements reflect all adjustments (consisting of normal recurring items) necessary for a fair statement of the results of operations, cash flows and financial position for the interim periods presented. Operating results for the interim periods are not necessarily indicative of the results that may be expected for the full year. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ending September 30, 1998, filed on Form 10-KSB (SEC File Number 33-70334-A).

As used in this Form 10-QSB, the term "Company" refers, unless the context requires otherwise, to International Assets Holding Corporation and its six wholly owned subsidiaries; International Assets Advisory Corp. ("IAAC"), Global Assets Advisors, Inc.("GAA"), International Financial Products, Inc. ("IFP"), International Trader Association, Inc. now known as INTLTRADER.COM, INC. ("ITCI")(name change filed July 15, 1999), International Asset Management Corp. ("IAMC") and OffshoreTrader.com Ltd.("OTCL"): and a 50% interest in International Assets New York, LLC ("IANY") a joint venture. All significant intercompany balances and transactions have been eliminated in consolidation.

OTCL was incorporated on April 15, 1999 as a Bermuda exempted company and is 100% owned by International Assets Holding Corporation. OTCL was incorporated to explore global internet securities trading for non-U.S. citizens. In June 1999 OTCL was funded with a $25,000 share capital contribution from International Assets Holding Corporation. Exempted Bermuda companies, although resident in Bermuda, may only carry on business that is external to Bermuda. However, exempted Bermuda companies may trade with other exempted companies which reside in Bermuda.

(2) Reclassifications

Certain prior year amounts have been reclassified to conform to fiscal 1999 presentation. These changes had no impact on previously reported results of operations or stockholders' equity.

(3) Stock Dividend

On February 12, 1999 the Company's Board of Directors declared a 10% stock dividend for shareholders of record on March 5, 1999 and payable on March 26, 1999. The 10% stock dividend increased the Company's issued and outstanding common shares by 148,199 shares.

Earnings per common share, weighted average shares outstanding, and all stock option activity have been restated to reflect the 10% stock dividend

(4) Basic and Diluted Earnings (Loss) Per Share

Basic earnings (loss) per share for the nine months ended June 30, 1999 and 1998, have been computed by dividing net income (loss) by the weighted average number of common shares outstanding. Diluted earnings per share for the nine months ended June 30, 1999 has been computed by dividing net income by the weighted average number of common shares and dilutive potential common shares outstanding. Diluted loss per share for the nine months ended June 30, 1998 is the same as basic loss per share because of the anti-dilutive impact of the potential common shares, due to the net loss for the period.

Options to purchase 29,800 shares of common stock were excluded from the calculation of diluted earnings per share for the nine months ended June 30, 1999 because their exercise prices exceeded the average market price of common shares for the period. All options were excluded from the calculation of diluted loss per share for the nine months ended June 30, 1998, because their inclusion would have been antidilutive.

Basic earnings (loss) per share for the three months ended June 30, 1999 and 1998, have been computed by dividing net income (loss) by the weighted average number of common shares outstanding. Diluted earnings per share for the three months ended June 30, 1999 has been computed by dividing net income by the weighted average number of common shares and dilutive potential common shares outstanding. Diluted loss per share for the three months ended June 30, 1998 is the same as basic loss per share because of the anti-dilutive impact of the potential common shares, due to the net loss for the period.

No options to purchase shares of common stock were excluded from the calculation of diluted earnings per share for the three months ended June 30, 1999. All options were excluded from the calculation of diluted loss per share for the three months ended June 30, 1998, because their inclusion would have been antidilutive.

(5) Securities Owned and Securities Sold, But Not Yet Purchased Securities owned and Securities sold, but not yet purchased at June 30, 1999 and September 30, 1998 consist of trading and investment securities at quoted market values as follows:

	Owned	Sold, but not yet purchased
June 30, 1999:		
Obligations of U.S. Government	$ 264,711	-
Common stock and American Depository Receipts	2,201,496	1,067,060
Corporate and municipal bonds	214,787	-
Foreign government obligations	257,639	-
Unit investment trusts, mutual funds and other investments	236,871	22,202
Total	$ 3,175,504	1,089,262
September 30, 1998:		
Obligations of U.S. Government	$ 373,841	-
Common stock and American Depository Receipts	836,057	290,403
Corporate and municipal bonds	341,066	-
Foreign government obligations	26,713	-
Unit investment trusts, mutual funds and other investments	437,057	-
Total	$ 2,014,734	290,403

(6) Investment in Joint Venture

In October 1998, the Company made an initial $20,000 capital contribution to International Assets New York, LLC (IANY), a 50/50 joint venture with Lakeside Investments, LLC, an unrelated party. In February 1999, the Company made an additional $30,000 capital contribution to this joint venture. The Company has recorded this investment under the equity method of accounting. For the nine months and three months ended June 30, 1999 the Company has recorded a loss of $34,254 and $16,711, respectively, for 50% of the joint venture's loss for both periods. As of June 30, 1999 the Company has a payable to the joint venture of $13,333 related to joint venture cash outlays which were made on behalf of the Company.

(7) Leases

The Company occupies leased office space of approximately 13,815 square feet at 250 Park Avenue South, Winter Park, Florida. The expiration date of the office lease is May 31, 2001. The lease includes an option to renew for an additional three years at a rental rate determined by the landlord.

The Company is obligated under various noncancelable operating leases for the rental of its office facilities and certain office equipment. Rent expense associated with operating leases amounted to $255,134 and $204,925 for the nine months ended June 30, 1999, and 1998, respectively. The future minimum lease payments under noncancelable operating leases as of June 30, 1999 are as follows:

Fiscal Year (12 month period) Ending September 30,	
1999	346,900
2000	383,600
2001	289,700
2002	81,700
2003	50,500
Thereafter	3,300
Total future minimum lease payments	$1,155,700

The Company and Lakeside Investments, LLC, each executed a 100% guaranty for the joint venture office lease for IANY. Concurrently, the Company and Lakeside Investments, LLC executed indemnification agreements expressly agreeing to indemnify each other related to this lease guarantee in accordance with each parties proportionate ownership (50/50). This office lease is for a 38 month term from January 1, 1999 through February 28, 2002. The total rental commitment for IANY is $100,944 (Fiscal year ending: September 30, 1999, $19,628; September 30, 2000, $33,648; September 30, 2001, $33,648 and September 30, 2002, $14,020).

Notes to Condensed Consolidated Financial Statements, continued

(8) Stock Repurchase Program

The Board of Directors has authorized the Company to continue its repurchase of up to $500,000 in shares of the Company's common stock in the open market through the year ended September 30, 1999. The stock purchases may be made in the open market from time to time as market conditions permit. The Company is required to comply with Rule 10b-18 and Regulation M of the Securities and Exchange Commission which regulate the specific terms in which shares may be repurchased. Since the inception of the repurchase program on March 13, 1996 the Company has repurchased and retired a total of 39,193 shares (as adjusted for the 10% stock dividends) in the open market at a total cost of $129,233.

In addition to the Company's common stock repurchases in the open market, the Company has repurchased and retired an additional 104,580 shares (as adjusted for the 10% stock dividends) from terminated participants of the Company's Employee Stock Ownership Plan and Retirement Savings Plan for a total cost of $256,893.

In total the Company has repurchased 143,773 shares (as adjusted for the 10% stock dividends) for a total cost of $386,126 since March 13, 1996.

(9) Commitments and Contingent Liabilities

The Company is party to certain litigation as of June 30, 1999 which relates primarily to matters arising in the ordinary course of business. Management of the Company anticipates that the final resolution of these items will not have a material adverse effect on the Company's consolidated financial statements.

(10) Stock Option Plan

According to the terms of the Company's stock option plan the 10% stock dividend, declared by the Company's Board of Directors in March 1999, resulted in a corresponding 10% adjustment for all stock options issued prior to March 5, 1999. Previously issued option shares have been proportionally increased by 10% and the corresponding option exercise price has also been reduced by 10%. The total options authorized under this plan is also proportionally increased from 700,000 options to 770,000 options as a result of this stock dividend.

On June 4, 1999 one non-qualified stock option for 10,000 shares, with an exercise price of $7.25 per share was granted. The 10,000 share option granted on June 4, 1999 has a 10 year term and vests at 20% per year beginning one year from the date of grant.

Incentive Stock Options exercised during the quarter ended June 30, 1999:

Options Exercised	Date Exercised	Cash Proceeds	Exercise Price	Original Grant Date
1,100	April 6, 1999	$ 2,726.90	$2.479	March 7, 1996
7,000	April 13, 1999	$ 29,505.00	$4.215	January 23, 1993
13,200	April 14, 1999	$ 59,994.00	$4.545	August 12, 1994
46,200	April 15, 1999	$ 95,449.20	$2.066	December 28, 1995
5,000	April 26, 1999	$ 10,330.00	$2.066	December 28, 1995
5,000	June 17, 1999	$ 10,330.00	$2.066	December 28, 1995
77,500		$ 208,335.10		

Non-Qualified Options exercised during the quarter ended June 30, 1999:

Options Exercised	Date Exercised	Cash Proceeds	Exercise Price	Original Grant Date
8,250	April 12, 1999	$ 38,354.25	$4.649	May 13, 1994
2,750	May 13, 1999	$ 12,784.75	$4.649	May 13, 1994
11,000		$ 51,139.00		

According to the provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees" no non-cash compensation expense is required to be recorded for the exercise of the 11,000 shares of non-qualified stock options.

(11) ITCI Stock Option and Plan
The Board of Directors of ITCI, a wholly owned subsidiary of the Company, adopted a stock option plan ("ITCI Plan") retroactively as of December 1, 1998. The ITCI Plan is intended to constitute both an "incentive stock option" and a "plan" within the meaning of and qualifying under Section 422 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. The ITCI Plan permits the granting of 111 common shares (approximately 10% of the total common shares) of ITCI to a sole participant. The ITCI Plan expires on December 31, 2002. Retroactively, as of December 1, 1998 this one incentive stock option was granted to a sole participant. The purchase price of the 111 common shares is $98.95 per common share, being 100% of the fair market value per share of common stock as of December 1, 1998.

The right to exercise the options granted and purchase the option shares does not vest unless certain defined ITCI financial benchmarks are met. If the first of these financial benchmarks is met 55 option shares vest on September 30, 2000. If the second financial benchmark is met 56 option shares vest on September 30, 2001. Some defined partial vesting is allowed if the defined financial benchmarks are partially achieved.

(12) New Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133). SFAS 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, (collectively referred to as derivatives) and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS 133, as amended, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. The Company is currently reviewing SFAS 133, as amended, to see what impact, if any, it will have on the Company.

(13) Subsequent Events

On July 15, 1999 the Company's wholly owned subsidiary International Trader Association, Inc. filed an amendment to its Articles of Incorporation with the Florida Department of State which changed its name to INTLTRADER.COM, INC. (ITCI).

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this report.

Certain statements in this discussion may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks including, but not limited to, changes in general economic and business conditions, interest rate and securities market fluctuations, competition from within and from outside the investment brokerage industry, new products and services in the investment brokerage industry, changing trends in customer profiles, Year 2000 issues and changes in laws and regulation applicable to the Company. Although the Company believes that its expectations with respect to the forward-looking statements are based upon reasonable assumptions within the bounds of its knowledge of its business and operations, there can be no assurances that the actual results, performance or achievement of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

The Company's assets increased from $6,560,081 at September 30, 1998, to $8,314,204 at June 30, 1999, or an increase of $1,754,123. The Company's liabilities increased from $1,148,931 at September 30, 1998, to $2,239,343 at June 30, 1999, or an increase of $1,090,412. The increase in the net assets (assets less liabilities) of $663,711 resulted from net income of $363,034, cash proceeds of $259,473 from the exercise of stock options, $30,271 non-cash expense related to the exercise of a stock option that had a variable exercise provision and $23,829 for the tax benefit related to the exercise of a non-qualified stock option, net of the $12,896 cost of repurchased stock for the nine month period ended June 30, 1999.

The Company's condensed consolidated balance sheet at June 30, 1999, reflects a net payable to clearing broker, for trades which had not yet settled for cash, due to the costs of securities purchased exceeding the proceeds from the sale of securities.

Results of Operations:

The Company's principal activities, securities brokerage and the trading of and market-making in securities, are highly competitive and extremely volatile. The earnings of the Company are subject to wide fluctuations since many factors over which the Company has little or no control, particularly the overall volume of trading and the volatility and general level of market prices, may significantly affect its operations.

Nine Months Ended June 30, 1999, as Compared to
the Nine Months Ended June 30, 1998

The Company's revenues are derived primarily from commissions earned on the sale of securities and net dealer inventory and investment gains (trading income) in securities purchased or sold for the Company's account. For the nine months ended June 30, 1999 and 1998, 63% and 74%, respectively, of the Company's revenues were derived from commissions earned on the sale of securities, with 33% and 21%, respectively, of revenues coming from net dealer inventory and investment gains. Total revenues increased by $22,677, or .3% to $7,480,230 for the nine months ended June 30, 1999 from $7,457,553 for the same period in 1998. This increase was primarily attributable to a $888,367 increase in net dealer inventory and investment gains which was offset by a $784,300 decrease in commission revenues as well as net decreases in other revenue sources totaling $81,390.

Commission revenue decreased by $784,300, or 14% to $4,700,005 for the nine months ended June 30, 1999 from $5,484,305 for the same period in 1998. Revenues from commissions are affected by both retail trading volume and the dollar amount of retail trades. Based on the number of retail trades processed, 1999 volume decreased by 17% from 1998 levels. Partially offsetting this 17% decrease in volume is a 4% increase in the dollar average of retail trades for 1999 as compared with 1998.

The average number of account executives decreased from an average of 43 for the nine months ended June 30, 1998 to an average of 30 for the nine months ended June 30, 1999, or a decrease of 30%.

Net dealer inventory and investment gains increased by $888,367, or 57% to $2,437,717 for the nine months ended June 30, 1999 as compared to $1,549,350 for the same period in 1998. The increase in net dealer inventory and investment gains is primarily attributable to a $858,704 increase in wholesale trading income and a $223,552 increase in income generated from Company investment portfolio valuations in the nine months ended June 30, 1999 as compared to the same nine month period in 1998. The increase in wholesale trading is attributable to the ongoing development of new wholesale trading relationships by the Company as well as maintenance of existing wholesale relationships. Partially offsetting the significant increases in wholesale trading is a $209,082 decrease in retail equity trading income for the nine months ended June 30, 1999 as compared to the same period in 1998. The Company's retail trading department primarily concentrates on global securities which it believes are likely to be traded by the Company's retail clients. By focusing on these types of securities, retail trading income is more directly related to commission income and order flow.

Revenues from management and investment advisory fees increased by $5,930, or 10% to $63,171 for the nine months ended June 30, 1999 from $57,241 for the same period in 1998. The increase is primarily due to an increase in the dollar amount of fixed fee money under management.

Interest and dividend revenue decreased by $22,200, or 11% to $184,466 for the nine months ended June 30, 1999 from $206,666 in the same period in 1998. This decrease is primarily attributable to a lower average dollar amount of interest bearing investments held by the Company for the nine month period.

Loss from joint venture of $34,254 for the nine months ended June 30, 1999 represents the Company's 50% share of the operating loss from the activity of International Assets New York, LLC, a 50/50 joint venture with Lakeside Investments, LLC of New York which began its operations in December 1998.

The major expenses incurred by the Company relate to direct costs of its securities operations such as commissions and clearing fees (which includes commissions paid to account executives), employees compensation and benefits, communications and promotion expense. Total expenses decreased by $580,029, or 8% to $6,919,084 for the nine months ended June 30, 1999 from $7,499,113 in the same period ended June 30, 1998. This decrease is primarily attributable to decreases in commissions and clearing fees, communications, promotions, professional fees and other operating expenses.

Commissions and clearing fees decreased by $307,466, or 9% to $3,017,469 for the nine months ended June 30, 1999 from $3,324,935 in the same period in

1998. The decrease in commission expense is directly related to the 14% decrease in commission revenue and the related 30% decrease in the average number of account executives for the nine month period.

Employees compensation and benefits expense increased by $518,234, or 34% to $2,034,267 for the nine months ended June 30, 1999 from $1,516,033 for the same period in 1998. The increase in employees compensation and benefits expense is due to the creation of additional staff positions related to ITCI's start-up as well as IAAC's staffing needs, increases in performance based bonus expense and an increase in the accrual for retirement plan profit sharing expense. The increase in performance based bonus and retirement plan profit sharing expense is primarily based on the $624,476 income before income taxes incurred for the nine month period ended June 30, 1999 as compared to the $41,560 loss before income taxes for the same nine month period ended June 30, 1998. The increase in employees compensation and benefits for the nine month period ended June 30, 1999 also includes $30,271 of non-cash compensation expense related to the exercise of one non-qualified stock option that had a variable exercise provision. No non-cash compensation expense was reported for the same period in 1998.

Communications expense decreased by $59,982, or 23% to $197,391 for the nine months ended June 30, 1999 from $257,373 for the same period in 1998. This decrease is due to lower telephone, printing and postage expense related to the corresponding decrease in the average number of account executives from 43 for the nine months ended June 30, 1998 to 30 for the same period in 1999.

Promotion expense decreased by $387,462, or 42% to $534,522 for the nine months ended June 30, 1999 from $921,984 for the same period in 1998. This decrease is primarily due to the planned reduction of promotion expenditures for print media, including newsletter publication, lead generation and the related postage expense.

Occupancy and equipment rental expense increased by $68,627, or 26% to $332,062 for the nine months ended June 30, 1999 from $263,435 in the same period in 1998. This increase was primarily due to a negotiated, time specific rent adjustment realized during the five months from September 1997 through January 1998.

Professional fees decreased by $135,862, or 41% to $198,809 for the nine months ended June 30, 1999 from $334,671 in the same period in 1998. This decrease is primarily due to significantly higher legal fees incurred during the nine month period ended June 30, 1998 related to a closed 1998 NASD arbitration matter.

Other operating expenses decreased by $285,768, or 49% to $302,804 for the nine months ended June 30, 1999 from $588,572 in the same period in 1998. Approximately $100,000 of the decrease in other operating expenses represents the award in the closed arbitration matter which was incurred during the nine month period ended June 30, 1998 and an additional $100,000 of the decrease represents the partial reimbursement of the claimant's legal fees also awarded to the claimant in the same matter. Other operating expenses also included various other expenses that decreased from 1998 to 1999.

As a result of the above, the Company is reporting net income of $363,034 for the nine months ended June 30, 1999. This is compared to a net loss of $48,592 for the nine months ended June 30, 1998.

The Company's effective income tax rate was approximately 42% for the nine months ended June 30, 1999. The presence of income tax expense for the nine months ended June 30, 1998, given the loss before income taxes, is due to the amount of permanent tax differences exceeding the $41,560 loss before income taxes for the nine month period in 1998.

Three Months Ended June 30, 1999, as Compared to
the Three Months Ended June 30, 1998

For the three months ended June 30, 1999 and 1998, 67% and 74%, respectively, of the Company's revenues were derived from commissions earned on the sale of securities, with 27% and 18%, respectively, of revenues coming from net dealer inventory and investment gains. Total revenues increased by $164,954, or 7% to $2,373,270 for the three months ended June 30, 1999 from $2,208,316 for the same period in 1998. This increase was primarily attributable to a $244,948 increase in net dealer inventory and investment gains which was offset by a $32,778 decrease in commission revenues.

Commission revenue decreased by $32,778, or 2% to $1,594,474 for the three months ended June 30, 1999 from $1,627,252 for the same period in 1998. The decrease in commission revenue is related to the 9% decrease in ticket volume and largely offset by an 8% increase in the average dollar amount of trades during the three months ended June 30, 1999, as compared to the three months ended June 30, 1998. The average number of account executives decreased from an average of 38 for the three months ended June 30, 1998 to an average of 28 for the three months ended June 30, 1999, or a decrease of 26%.

Net dealer inventory and investment gains increased by $244,948, or 61% to $648,958 for the three months ended June 30, 1999 as compared to $404,010 for the same period in 1998. The increase in net dealer inventory and investment gains is primarily attributable to a $88,916 increase in wholesale trading income and a $109,365 increase in income generated from Company investment portfolio valuations in the three months ended June 30, 1999 as compared to the same three month period in 1998.

Revenues from management and investment advisory fees decreased by $11,735, or 38% to $18,775 for the three months ended June 30, 1999 from $30,510 for the same period in 1998. The decrease is due to decreases in unit investment trust supervisory fees as well as reduced client money management fees.

Interest and dividend revenue increased by $6,772, or 10% to $75,719 for the three months ended June 30, 1999 from $68,947 in the same period in 1998.

Loss from joint venture of $16,711 for the three months ended June 30, 1999 represents the Company's 50% share of the operating loss from the activity of International Assets New York, LLC, a 50/50 joint venture with Lakeside Investments, LLC of New York which began its operations in December 1998.

Total expenses increased by $146,282, or 7% to $2,355,354 for the three months ended June 30, 1999 from $2,209,072 in the same period ended June 30, 1998. This increase is primarily attributable to increases in employees compensation and benefits, occupancy and equipment rental, professional fees and other operating expenses. These expense increases were partially offset by decreases in commissions and clearing fees, communications and promotions.

Commissions and clearing fees decreased by $68,508, or 7% to $975,596 for the three months ended June 30, 1999 from $1,044,104 in the same period in 1998. The decrease in commission expense is directly related to the 2% decrease in commission revenue and the related 26% decrease in the average number of account executives for the three month period.

Employees compensation and benefits expense increased by $169,453, or 35% to $647,289 for the three months ended June 30, 1999 from $477,836 for the same period in 1998. The increase in employees compensation and benefits expense is due to the creation of additional staff positions related to ITCI's start-up as well as IAAC's staffing needs and an increase in the accrual for retirement plan profit sharing expense.

Communications expense decreased by $16,602, or 20% to $66,521 for the three months ended June 30, 1999 from $83,123 for the same period in 1998. This decrease is due to lower telephone, printing and postage expense related to the corresponding decrease in the average number of account executives from 38 for the three months ended June 30, 1998 to 28 for the same period in 1999.

Promotion expense decreased by $50,116, or 20% to $205,782 for the three months ended June 30, 1999 from $255,898 for the same period in 1998. This decrease is primarily due to the planned reduction of promotion expenditures for print media, including newsletter publication, lead generation and the related postage expense.

Occupancy and equipment rental expense increased by $19,188, or 20% to $116,479 for the three months ended June 30, 1999 from $97,291 in the same period in 1998.

Professional fees increased by $18,183, or 27% to $85,316 for the three months ended June 30, 1999 from $67,133 in the same period in 1998.

Other operating expenses increased by $30,863, or 33% to $125,246 for the three months ended June 30, 1999 from $94,383 in the same period in 1998.

As a result of the above, Company is reporting net income of $38,880 for the three months ended June 30, 1999 as compared to a net loss of $8,068 for the three month period ended June 30, 1998.

Income tax expense increased by $35,054 to $42,366 for the three months ended June 30, 1999 from $7,312 in the same period in 1998. The Company's effective income tax rate was approximately 52% for the three months ended June 30, 1999. For the three months ended June 30, 1998 the Company is reporting book income tax expense in excess of the regular expected tax rate due to the impact of permanent tax differences that occurs near breakeven operating activity.

Liquidity and Capital Resources

Substantial portions of the Company's assets are liquid. At June 30, 1999, approximately 91% of the Company's assets consisted of cash, cash equivalents and marketable securities. All assets are financed by the Company's equity capital, short-term borrowings from securities lending transactions and other payables.

The Company's wholly owned registered securities broker/dealer subsidiary IAAC is subject to the requirements of the SEC and the NASD relating to liquidity and net capital levels. At June 30, 1999, IAAC had net capital of approximately $2,741,000, which was approximately $2,609,000 in excess of its minimum net capital requirement at that date.

The Company's wholly owned registered securities broker subsidiary ITCI is also subject to the requirements of the SEC and the NASD relating to liquidity and net capital levels. ITCI has not yet commenced operations. The net capital requirement for ITCI is based on ITCI's planned status as an introducing securities broker. At June 30, 1999, ITCI had net capital of approximately $173,000, which was approximately $123,000 in excess of its minimum net capital requirement at that date.

In the opinion of management, the Company's existing capital and cash flow from operations will be adequate to meet the Company's capital needs for at least the next twelve months in light of known and reasonably estimated trends. The Company believes that it has the internal financial resources to implement the initial online trading of foreign and domestic securities activities and operations of ITCI without additional outside capital. However, at this time additional financing is being sought primarily for desired marketing efforts intended to generate potential online client and online securities transaction growth. Any additional financing will also support the required technology and staffing enhancements that would be required if the marketing efforts are successful in generating significant growth for ITCI. In conjunction with the Company's plans for ITCI, the Company has engaged PaineWebber as its exclusive financial advisor to arrange and negotiate a private placement of securities issued by the Company or to find a strategic partner. PaineWebber has been engaged to use its best efforts in connection with a private placement and does not have any obligation to purchase any securities issued by the Company or to provide financing of any kind to the Company.

Year 2000 Compliance

The securities industry is, to a significant extent, technologically driven and dependent. In addition to some internally utilized technological applications, the Company's businesses are materially dependant upon the performance of exchanges, market centers, counterparties, customers and vendors (collectively "the Company's material third parties") who, in turn, may be heavily reliant on technological applications. The securities industry is interdependent with each other, strengthened or weakened by the quality and performance of its attendant information and embedded technology.

The Company is aware that the Year 2000 provides potential problems with the programming code in existing computer systems. The Year 2000 problem is extensive and complex as virtually every computer operation will be affected to some degree by the change of the two digit year value to 00. The issue is whether computer systems will properly recognize date-sensitive information when the year changes to 2000. Systems that do not properly recognize such information could generate erroneous data or fail.

The failure or faulty performance of computer systems could potentially have a far ranging impact on the Company's business such as a diminution in its ability to (a) ascertain information vital to strategic decision making by both the Company and its customers; (b) perform interest rate and pricing calculations; (c) execute and settle proprietary and customer transactions; (d) undertake regulatory surveillance and risk management; (e) maintain accurate books and records and provide timely reports; (f) maintain appropriate internal financial operations and accounting; and (g) access credit facilities for both the Company and its customers.

Accordingly it is necessary for the Company, to the extent reasonably practicable, to identify the internal computer systems and software which are likely to have a critical impact on its operations, make an assessment of its Year 2000 readiness and modify or replace information and embedded technology as needed. Some of these critical internal data processing systems include the Company's internal Novel network, sales contact management software, general ledger accounting software, trading income calculation software and retail commission tracking programs. Assessment of these internal programs is primarily completed and final remediation is in process and largely completed. In addition, the Company has primarily completed a Year 2000 readiness assessment for the Company's material third parties.

Because the Company utilizes the services of Wexford Clearing Services Corporation ("Wexford") in its business, data processing system aspects of the Year 2000 problem related to securities clearing, custody of client securities, back office operations, cashiering and margin and credit will be addressed by Wexford (a wholly owned guaranteed subsidiary of Prudential Securities Incorporated "Prudential"). Although Wexford is the contracting party for the provision of these critical services, Wexford in fact delivers those services through the operations of Prudential, a leading registered broker and dealer. Consequently, it is the readiness of Prudential that is critical when assessing the Year 2000 compliance of the clearing and operations capacity of the Company's active broker-dealer subsidiaries. Prudential has been assessed, by internal industry standards established by the Securities Industry Association, to be within the top tier of Year 2000 readiness. During industry-wide testing conducted by the Securities Industry Association, in which Prudential took part, Prudential and other participants were able to input transactions and send them to the appropriate markets for execution, confirmation and clearance under simulated Year 2000 conditions.

Additionally, the Company has assessed the state of readiness of almost all known technologically oriented service vendors and believes, based on letters of certification, that the vast majority of these vendors are Year 2000 compliant with the remainder expected to be compliant before the end of August 1999. This determination does not mean that the vast majority of the Company's material third parties pose no Year 2000 risk to the Company. First, the Company is relying in large measure on these parties' assessments of their readiness. Second, there are several vendors, which account for a substantial portion of the Company's mission critical operations, which may be partially or largely, but not fully, Year 2000 compliant. Finally, certain critical third parties, such as exchanges, clearing houses, depositaries and other service vendors have no direct functional contact with the Company (as they operate directly with Wexford) but may impact the Company's operations.

During fiscal year 1997 the Company began the strategic review process as it relates to the Year 2000 process. The Board of Directors of the Company approved the Company's Year 2000 plan at its meeting on July 17, 1998. This plan includes all phases necessary and budgetary consideration for each fiscal year through the Year 2000.

The Year 2000 remediation plan and process includes (1) identification, modification and testing of non-compliant Year 2000 code; (2) identification, inventory, assessment and, if necessary, modification of internal ad hoc systems or applications that may be material to the Company's operations; (3) with the exception of counterparties and customers, documentation of the assessment of the readiness of the Company's material third parties; and (4) a timetable for completion of all year 2000 plans implementation steps for amendment to the plan as required. During the year ended September 30, 1998 the Company incurred approximately $76,000 of costs related to the Year 2000 problem. During the nine months ended June 30, 1999 the Company incurred approximately $87,000 in costs related to the Year 2000 problem. The Company has budgeted a total of $193,000 for Year

2000 related costs for the 20 month period from June 1998 through January 2000. These Year 2000 costs include both capital expenditures and period expenses. This Year 2000 budget will be funded from the working capital of the Company. Provided there is an absence of unanticipated critical events, the Company does not expect Year 2000 costs to have a material effect on its operating results, financial condition or cash flows.

As a contingency plan, the Company intends to have information systems personnel on site or on stand-by availability, from December 31, 1999 through January 2, 2000, on a 24-hour basis, to insure that any Year 2000 problems which may arise will be addressed and corrected immediately. The Company has been informed that Prudential intends to implement a similar contingency plan. The Company believes these measures will be sufficient because of the following reasons: (1) the Company has reviewed and modified, to the extent it can ascertain the problem, mission critical code and embedded technology (2) the Company has minimal internally generated systems and (3) the Company's vendors have represented that they are either currently Year 2000 compliant or will become so by the third quarter of 1999.

However, it is the Company's position there are no alternatives in the event the exchanges or other market centers fail to perform. In such event, the Company believes it is highly likely that the factors which may prevent a particular clearing firm from performing would similarly affect all other clearing firms, which would either preclude the availability of alternative clearing service providers or overwhelm the resources of surviving alternative clearing services providers. The Year 2000 presents a problem which is not likely to be susceptible to remediation at a future date if it is not fixed in advance.

The Company is cautiously optimistic about its current state of readiness and its ability to make any further necessary modifications to internal systems in time for the Year 2000. The Company also believes that its major third party service provider, Prudential/Wexford, has undertaken a systematic approach to the Year 2000 problem and will complete its plan which is designed to achieve a state of readiness. However, there are factors outside the control of the Company which make certainty impossible such as: (1) the inability to assess the readiness of market counterparties and customers; (2) the inability to achieve assurance as to any material third parties' representations of readiness; (3) the global exposure of material third parties to Year 2000 problems outside the United States which have a corresponding effect within the global securities markets and operations; and (4) the limitations in anticipating all aspects of a problem with which there is no prior historical experience. The presence of any or all of these and other factors may well have a material adverse effect on the Company's business, operating results, financial condition and cash flows.

PART II - OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a). Exhibits

(10.12)* The Company's Employment Agreement, entered into as of March 24, 1999, between the Company and Diego J. Veitia.

(10.13)* The Company's Employment Agreement, entered into as of March 24, 1999, between the Company and Jerome F. Miceli.

(11)** The Statements of Computation of Earnings Per Share are attached hereto as Exhibit 11.

(21)* Subsidiaries of the Registrant.

(27)** Broker-Dealers and Broker Dealer Holding Companies Financial Data Schedule BD is attached hereto as Exhibit 27.

* Previously filed with the SEC on August 12, 1999 on form 10-KSB, for the quarterly period ending June 30, 1999.

** Filed herewith.

b). Form 8-K

No reports were filed on Form 8-K during the nine months ended June 30, 1999.

Signatures

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTERNATIONAL ASSETS HOLDING CORPORATION

Date 12/20/99

/s/ Diego J. Veitia
Diego J. Veitia
Chairman and Chief Executive Officer

Date 12/20/99

/s/ Jonathan C. Hinz
Jonathan C. Hinz
Chief Financial Officer and Treasurer

INTERNATIONAL ASSETS HOLDING CORPORATION
STATEMENT OF COMPUTATION OF EARNINGS PER SHARE

For the Nine Months Ended June 30, 1999 and 1998

	RESTATED 1999	1998 (1)
Basic Earnings (Loss) Per Share		
Numerator:		
Net income (loss)	$ 363,034	$ (48,592)
Denominator:		
Weighted average number of common shares outstanding	1,650,938	1,695,505
Basic earnings (loss) per share	$ 0.22	$ (0.03)
Diluted Earnings (Loss) Per Share		
Numerator:		
Net income (loss)	$ 363,034	$ (48,592)
Denominator:		
Weighted average number of common shares outstanding	1,650,938	1,695,505
Weighted average number of net common shares that would be issued upon exercise of dilutive options assuming proceeds used to repurchase shares pursuant to the treasury stock method (2)	298,026	-
Weighted average number of common shares and dilutive potential common shares outstanding	1,948,964	1,695,505
Diluted earnings (loss) per share	$ 0.19	$ (0.03)

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(1) Diluted loss per share is the same as basic loss per share for 1998 because of the anti-dilutive impact of the dilutive potential common shares due to the net loss for 1998.

(2) The treasury stock method recognizes the use of proceeds that could be obtained upon exercise of options in computing diluted earnings per share. It assumes exercise of options as of the beginning of the period or when issued, if later, and that any proceeds would be used to purchase common stock at the average market price during the period.

INTERNATIONAL ASSETS HOLDING CORPORATION
STATEMENT OF COMPUTATION OF EARNINGS PER SHARE

For the Three Months Ended June 30, 1999 and 1998

	RESTATED 1999	1998 (1)
Basic Earnings (Loss) Per Share		
Numerator:		
Net income (loss)	$ 38,880	$ (8,068)
Denominator:		
Weighted average number of common shares outstanding	1,700,980	1,681,002
Basic earnings (loss) per share	$ 0.023	$ (0.005)
Diluted Earnings (Loss) Per Share		
Numerator:		
Net income (loss)	$ 38,880	$ (8,068)
Denominator:		
Weighted average number of common shares outstanding	1,700,980	1,681,002
Weighted average number of net common shares that would be issued upon exercise of dilutive options assuming proceeds used to repurchase shares pursuant to the treasury stock method (2)	471,287	-
Weighted average number of common shares and dilutive potential common shares outstanding	2,172,267	1,681,002
Diluted earnings (loss) per share	$ 0.018	$ (0.005)

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(1) Diluted loss per share is the same as basic loss per share for 1998 because of the anti-dilutive impact of the dilutive potential common shares due to the net loss for 1998.

(2) The treasury stock method recognizes the use of proceeds that could be obtained upon exercise of options in computing diluted earnings per share. It assumes exercise of options as of the beginning of the period or when issued, if later, and that any proceeds would be used to purchase common stock at the average market price during the period.

BD
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JUN-30-1999
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624,476
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