

## Appendix 4E

### Preliminary final report

Rule 4.3A  
Introduced 1/1/2003

Name of entity: AFT Corporation Limited  
ABN: 33 004 701 062

1. Reporting period ("current period"):  
Previous corresponding period
- Year ended 31 December 2010  
Year ended 31 December 2009

#### 2. Results for announcement to the market

2.1 Revenue	up	92%	to	\$'000 14,136
2.2 Profit/(Loss) from ordinary activities after tax attributable to members	up	340%	to	1,004
2.3 Net profit/(loss) for the period attributable to members	up	340%	to	1,004

		Amount per share cents	Franked amount per share cents
2.4 Dividends			
Final		Nil	N/A
Interim		Nil	N/A

- 2.5 Record date for determining entitlements to dividends: N/A

#### 2.6 Brief explanation of figures 2.1 & 2.4 (if necessary):

Revenue in 2010 increased strongly based on growth in the solar photovoltaic business as shown in the segment results in 14.4. The result for the financial period ended 31 December 2010 after income tax is a profit of \$1,004,324. (2009 loss: \$418,677). During 2010 the company return to profitability based on the activities of our Artemis Building Systems (ABS).

**3. Consolidated statement of comprehensive income**  
For the year ended 31 December 2009

	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	14,136	7,356
Other Income	74	35
Raw Materials/Consumables Used	(11,197)	(5,949)
Occupancy & Administration Expense	(97)	(62)
Audit & Accounting Fees	(192)	(165)
Finance Costs	(3)	(4)
Salaries and Wages	(432)	(309)
Directors' Remuneration	(270)	(346)
Depreciation and Amortisation Expense	(18)	(17)
Impairment Expense	(50)	(473)
Other Expenses	(947)	(485)
	-----	-----
<b>Profit/(Loss) Before Income Tax</b>	<b>1,004</b>	<b>(419)</b>
Income Tax Expense	-	-
	-----	-----
<b>Profit/(Loss) from continuing operations</b>	<b>1,004</b>	<b>(419)</b>
Profit from discontinued operations	-	-
	-----	-----
<b>Profit/(Loss) for the period</b>	<b>1,004</b>	<b>(419)</b>
	-----	-----
<b>Total comprehensive income for the period</b>	<b>1,004</b>	<b>(419)</b>
Loss attributable to:		
Equity Holders of the parent company	1,004	(419)
Total comprehensive income attributable to:		
Equity Holders of the parent company	1,004	(419)

4. Consolidated statement of financial position  
As at 31 December 2010

	2010	2009
	\$'000	\$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,042	1,360
Trade and other receivables	1,328	1,195
Inventories	1,745	89
	-----	-----
<b>TOTAL CURRENT ASSETS</b>	<b>4,115</b>	<b>2,644</b>
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<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	89	98
Investment	-	50
Intangible assets	-	-
	-----	-----
<b>TOTAL NON CURRENT ASSETS</b>	<b>89</b>	<b>148</b>
	-----	-----
<b>TOTAL ASSETS</b>	<b>4,204</b>	<b>2,792</b>
	-----	-----
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,034	680
Provisions	18	8
	-----	-----
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,052</b>	<b>688</b>
	-----	-----
<b>NON CURRENT LIABILITIES</b>		
Borrowings	2	20
	-----	-----
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>2</b>	<b>20</b>
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>1,054</b>	<b>708</b>
	-----	-----
<b>NET ASSETS</b>	<b>3,150</b>	<b>2,084</b>
	=====	=====
<b>EQUITY</b>		
Issued capital	103,126	103,126
Other reserves	190	128
Accumulated losses	(100,166)	(101,170)
	-----	-----
Parent interests	3,150	2,084
	-----	-----
<b>TOTAL EQUITY</b>	<b>3,150</b>	<b>2,084</b>
	=====	=====

**5. Consolidated statement of cash flows**  
For the year ended 31 December 2010

	2010	2009
	\$'000	\$'000
<b>Net cash flows from operating activities</b>		
Receipts from customers	15,463	6,916
Payments to suppliers & employees	(15,811)	(7,719)
Interest received	59	34
Interest paid	(3)	(4)
	-----	-----
Net cash used in operating activities	(292)	(773)
	-----	-----
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant & equipment	(9)	(4)
Loans to other entities	-	-
Proceeds from loans	-	-
Purchase of investments	-	(50)
	-----	-----
Net cash used in investing activities	(9)	(54)
	-----	-----
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	-
Proceeds from borrowings	(17)	-
	-----	-----
Net cash (used in)/provided by financing activities	(17)	-
	-----	-----
<b>Net (decrease) /increase in cash &amp; cash equivalents</b>	<b>(318)</b>	<b>(827)</b>
<b>Cash &amp; cash equivalents at the beginning of the financial period</b>	<b>1,360</b>	<b>2,187</b>
	-----	-----
<b>Cash and cash equivalents at the end of the financial period</b>	<b>1,042</b>	<b>1,360</b>
	=====	=====

***Notes to the condensed and consolidated statement of cash flows***

***Reconciliation of cash & cash equivalents***

Cash on hand and at bank	1,042	2,187
	=====	=====

## 6. Dividends

### *Amount per security*

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
		Cents	cents	cents
Final dividend	- current year	Nil	N/A	N/A
	- previous year	Nil	N/A	N/A
Interim dividend	- current year	Nil	N/A	N/A
	- previous year	Nil	N/A	N/A

### *Total Dividends on all securities for the year*

	2010	2009
	\$'000	\$'000
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
	-----	-----
Total	-	-
	=====	=====

## 7. Dividend reinvestment plans

The dividend reinvestment plans shown below are in operation:

None

Last date for receipt of election notices  
for the dividend reinvestment plan: N/A

## 8. Retained earnings

	2010	2009
	\$'000	\$'000
Accumulated losses at beginning of financial period	(101,170)	(100,751)
Net profit/(loss) attributable to members	1,004	(419)
	-----	-----
Accumulated losses at end of financial period	(100,166)	(101,170)
	=====	=====

**9. Net Tangible assets**

	2010	2009
	cents	cents
Net tangible asset backing per ordinary share	0.051	0.034
	=====	=====

**10. Details of entities over which control has been gained or lost**

***Control gained over entities***

Artemis Building Systems Green Solutions Pty Ltd was obtained 100% by AFT in 26 Feb 2010.

**11. Details of associates and joint venture entities**

N/A

**12. Any other significant information**

Details of any other significant information needed by an investor to make an informed assessment of the entity's financial performance and position:

N/A

**13. Accounting standards**

N/A

**14. Results for the period**

**14.1 *Earnings per security***

	2010	2009
	cents	cents
Basic Gain(loss)/earnings per share	0.0163	(0.0068)
Diluted earnings per share (if materially different)		

	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	6,148,528,012	6,171,477,795
	=====	=====

#### 14.2 *Returns to shareholders*

N/A

#### 14.3 *Significant features of operating performances*

The consolidated profit of the consolidated group amounted to a profit of \$1,004,324, after providing for income tax and eliminating minority equity interests. This represented an increase of \$1,433,948 on the results reported for the year ended 31 December 2009. The significant improvement was largely from the strong growth of solar photovoltaic (PV) business.

During 2010 the company return to profitability based on the activities of our Artemis Building Systems (ABS). ABS specialises in the design and supply of solar photovoltaic commercial, retail and wholesale solutions.

Recent changes in policy in NSW and the ongoing uncertainty over Federal policy combined with disruption in Queensland due the recent floods may have an adverse impact on our sales in the first half of 2011, however the long-term market outlook remains positive as the cost-performance of the underlying technology continues to improve and as the market begins accept and adopt a broader range of integrated photovoltaic solutions.

ABS is now established a strong national presence as a highly reliable supplier of quality photovoltaic products and solutions based on our robust supplier relationships and solid supply chain which enable us provide continuity in supply even during times of product shortage. ABS continues to build its reputation as an outstanding supplier based on the quality of our design and engineering solutions and on our responsive customer service.

In the first half year of 2010, we achieved total sales of \$4,915,840, with Net Profit After Tax of \$186,679. Tight supply in the global market for photovoltaic panels and inverters did have an impact in constraining sales growth during the period, with overall sales falling below budget, however based on our strong relationships with key suppliers, ABS was able to maintain supply and has consequently benefited from sustained growth in new customers and strong margins.

AFT continues to maintain small operational teams both in Guangzhou city in the People's Republic of China and in Sydney to undertake business development activities in the areas of solar PV, BIPV and curtain walls.

#### 14.4 Segment results

##### *Geographical segments*

The consolidated entity's business segments are located in Australia, with an Australian subsidiary managing the license of Intellectual Property for worldwide use on behalf of the parent company.

##### *Business segments*

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- The Solar Panel Photovoltaic Business
- Licence Income
- Management services

The revenues and profit/loss generated by each of the segment are summarised as follows:

	Solar panel PV business \$'000		License \$'000		Service \$'000		Total \$'000	
	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009	31 Dec 2010	31 Dec 2009
<b>REVENUE</b>								
Revenue from external customers	14,136	7,340	1	-	-	16	14,137	7,356
Interest and Other income	31	14	39	-	-	21	70	35
Total Revenue	14,167	7,354	40	-	-	37	14,207	7,391
<b>RESULT</b>								
Segment operating profit/(loss)	2,389	1,092	(1,384)	(423)	(1)	(1,088)	(1,004)	(419)
Profit/(loss) before income tax	2,389	1,092	(1,384)	(423)	(1)	(1,088)	(1,004)	(419)
Income tax expenses	-	-	-	-	-	-	-	-
Profit/(loss) after income tax	2,389	1,092	(1,384)	(423)	(1)	(1,088)	(1,004)	(419)

**ASSETS**

Segment Assets	3,299	1,505	898	-	7	1,287	4,204	2,792
Total Assets	3,299	1,505	898	-	7	1,287	4,204	2,792

**LIABILITIES**

Segment Liabilities	730	534	292	-	32	174	1,054	708
Total Liabilities	730	534	292	-	32	174	1,054	708

**14.5 Trends in performance**

N/A

**14.6 Any other factors which have affected the results in the period which are likely to affect the result in the future, including those where the effect could not be quantified:**

N/A

**15. This report is based on accounts to which one of the following applies:**

- |  |  |
|--|--|
| <input type="checkbox"/> The accounts have been audited.   | <input type="checkbox"/> The accounts have been subject to review.           |
| <input checked="" type="checkbox"/> The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> The accounts have not yet been audited or reviewed. |

**16. Description of any likely audit dispute or qualification**

N/A

Sign here:



Company Director

Date: 28 Feb, 2011

Print name: John Zhang