

Appendix 4D

Half-year report

Rule 4.2A.3
Introduced 1/1/2003

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

1. Reporting period ("current period"):
Previous corresponding period

Half-Year ended 30 June 2012
Half-Year ended 30 June 2011

2. Results for announcement to the market

Revenue	Down	69%	to	\$A'000 4,099
(loss)/Profit from ordinary activities after tax attributable to members	Down	167%	to	(535)
Net (Loss) profit for the period attributable to members	Down	160%	to	(481)
		Amount per share cents		Franked amount per share cents
<i>Dividends</i>				
Final		Nil		N/A
Interim		Nil		N/A

Record date for determining entitlements to dividends: N/A

Brief explanation of figures 2:

The company made revenue of \$4,098,588.57 for the six months since 1 January 2012, which is 69% less than the same period of 2011. The Net Loss for the period attributable to members is (\$480,657.40) in compare with net profit of \$799,474.81 in the same period of 2011.

3. 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

	Current period	Previous corresponding period
	\$'000	\$'000
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
	-----	-----
Total	-	-
	=====	=====

4. 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

5. Net Tangible assets

	Current period	Previous corresponding period
	cents	cents
Net tangible asset backing per ordinary share	0.0006	0.0007
	=====	=====

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

<i>Control gained over entities</i>	Artemis Energy Solutions Pty Ltd
<i>Date control gained</i>	3/10/2011
<i>Control lost over entities</i>	N/A

7. Details of associates and joint venture entities

Octip Pty Ltd is jointly owned by Microgenix Australasia Pty Ltd (50%) and Techsuccess Pty Ltd.

8. 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:

AFT Corporation Ltd has established a Joint Venture company in Hong Kong called GA Renewable Energy Ltd in conjunction with Onejetong Elevator Ltd a subsidiary of Guangzhou GuangRi Group Ltd. AFT Corporation Ltd holds 49% of the company. AFT Corporation Ltd is continuing discussions on entering the solar and LED market in China.

9. Accounting standards

For foreign entities, set of accounting standards used in compiling report:

N/A

10. Auditors review report

None of the entities accounts are subject to audit dispute or qualification

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

- | | |
|---|---|
| <input type="checkbox"/> The accounts have been audited. | <input checked="" type="checkbox"/> The accounts have been subject to review. |
| <input 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. |

Sign here:



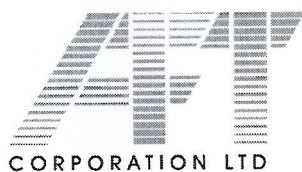
Date:

31/8/12

Company Secretary

Print name:

Maurice Watson



**AFT CORPORATION LTD
AND CONTROLLED ENTITIES**

ABN 33 004 701 062

INTERIM FINANCIAL REPORT

30 JUNE 2012

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

CONTENTS

Corporate Information	3
Director's Report	4
Auditor's Independence Declaration	6
Consolidated Statement of Comprehensive Income	7
Consolidated Statement of Financial Position.....	8
Consolidated Statement of Changes in Equity.....	9
Consolidated Statement of Cash flows	10
Notes to The Financial Statements	11
Director's Declaration	15
Independent Auditor's Review Report.....	16

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

CORPORATE INFORMATION

Directors:	Stone Wang – Executive Director John Zhang – Executive Director Neil Bourne – Non Executive Director
Secretary:	Maurice Watson
Registered Office:	Suite 104, Level 1, 6-12 Atchison Street St Leonards, NSW, 2065 Telephone: 1300 794 907
Auditors:	Hayes Knight (NSW) Pty Ltd Level 2, 115 Pitt St, Sydney, NSW, 2000
ASX Home Branch:	Australian Securities Exchange 2, The Esplanade Perth, WA, 6000
Bankers:	ANZ Banking Group Limited Cnr King & George Streets, Sydney NSW 2000 HSBC Bank Australia 28 Bridge Street, Sydney NSW 2000 National Australia Bank Level 15, Ernst & Young Building 680 George Street, Sydney NSW 2000
Share Registry:	Registries Limited Level 7, 207 Kent Street Sydney, NSW, 2000 Telephone: (02) 9290 9600, Facsimile: (02) 9279 0664
Solicitors:	Juris Bridge Suite 1104 level 11 265 Castlereagh Street Sydney, NSW, 2000

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

DIRECTORS' REPORT

The Board of Directors of AFT Corporation Ltd has pleasure in submitting its report in respect of the half-year ended 30 June 2012.

DIRECTORS

The names of the Directors in office during or since the end of the half-year are:

Name

Stone Wang
Executive
John Zhang
Executive
Neil Bourne
Non-Executive

All directors held office during or since the end of the half-year unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activity of the consolidated entity during the half-year was the marketing and sales of solar panel products by the subsidiary Artemis Building Systems Pty Ltd.

RESULTS

The consolidated loss of the group for the half-year ended 30 June 2012 amounted to (\$480,657).

REVIEW OF OPERATIONS

In the Australia market AFT has seen a significant drop on the sales of solar systems due to the change of the feed-in-tariff in the market markets of NSW, ACT and SA. The AFT Group has reported a first half loss of \$480,000 with total revenue for the six months down to \$4.1million; we have also revised downwards our revenue estimate for the full year to \$8million with a net loss for the year anticipated to be around \$1,000,000.

In response to weakness in the solar domestic sector, AFT is focusing on developing projects in the small and medium size commercial and public facilities solar solution sector (typical system size in the 10MW to 100MW) in regional Australia and China.

In Australia, AFT secured its first Australian commercial solar project under our solar leasing finance model in NSW, in July 2012 with more orders expected in the coming months from regional areas in NSW, Victoria and South Australia.

In China, AFT has formalized a partnership agreement with Onejectong Elevator Ltd through the formation of a joint venture company GA Renewable Energy Ltd in July 2012 to address the growing commercial solar PV sector regional China.

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**


Our partner Onejectong Elevator Ltd is a subsidiary of Guangri Group Ltd (GRG) that is registered in Hong Kong and listed on the Shanghai main board (list code: 600894). With principle business interests are in elevators, electrical components and environmental technology / services, GRG and its subsidiaries and operate 49 sales and engineering offices throughout regional China. The scale and potential of the China market for renewable energy and energy saving is substantial and continues to attract strong government support with programs such as the "golden sun" program - a 3 billion RMB initiative for 2012-13 to promote roof-top solar system on public facilities. With the major China-based solar manufacturers focusing their activities on the many utility sized opportunities, AFT's strategy in China is to focus exclusively on the underserved small and medium commercial/public facilities project sector.

Finally, on behalf of the management team, Mr. Wang would like to take this opportunity to express the appreciation to all the shareholders for their continue support of the AFT Group.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the half-year ended 30 June 2012 in accordance with s.307C of the Corporation Act 2001 is set out on Page 6 and forms part of this report.

This report is signed in accordance with a resolution of the Board of Directors.



**Stone Wang
Director**

SYDNEY, NSW
31 August 2012



Hayes Knight

Hayes Knight (NSW) Pty Ltd
Level 2, 115 Pitt St, Sydney NSW 2000
GPO Box 4565 Sydney NSW 2001
Tel +61 (0)2 9221 6666 **Fax** +61 (0)2 9221 6305
Email info@hayesknight.com.au
ABN 25 125 243 692

www.hayesknight.com.au

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of AFT Corporation Limited

As auditor for the review of AFT Corporation Limited for the half-year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Pran Rathod
Director Audit Services
Registered Company Auditor

Hayes Knight (NSW) Pty Ltd

Dated at Sydney 31 August 2012

Associated offices

Australia Melbourne Brisbane Adelaide Darwin Perth **New Zealand** Auckland Albany Parnell

An independent member of Morison International. Liability limited by a scheme approved under the Professional Standards Legislation

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2012**

		Consolidated	
	Notes	30 June 2012	30 June 2011
		\$	\$
Revenue	3	3,885,348	13,253,696
Other income	3	267,962	104,681
Raw materials/consumables used	3	(3,432,782)	(10,771,389)
Occupancy & administration expense		(41,990)	(52,029)
Audit & accounting fee		(96,949)	(39,485)
Finance cost		(13)	(769)
Salary & Wages		(338,058)	(296,457)
Directors' remuneration		(364,143)	(179,321)
Payment to directors for loan guarantee	3	-	(65,000)
Depreciation expense		(10,488)	(9,644)
Other expenses	3	(349,544)	(782,605)
(Loss) / Profit before income tax		(480,657)	1,161,678
Income tax expense		-	(362,203)
Profit for the period		(480,657)	799,475
Total comprehensive income for the period		(480,657)	799,475
Profit/ (Loss) attributable to:			
Members of the parent entity		<u>(480,657)</u>	<u>799,475</u>
Total comprehensive income/ (Loss) attributable to:			
Members of the parent entity		<u>(480,657)</u>	<u>799,475</u>
Earnings / (Loss) per share			
Basic earnings / (Loss) per share (cents)		(0.008)	0.013
Diluted earnings / (Loss) per share (cents)		(0.008)	0.013

The financial report should be read in conjunction with the accompanying notes.

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012**

	Consolidated	
	30 June 2012	30 Dec 2011
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	2,578,679	3,121,090
Trade and other current receivables	1,945,393	982,074
Inventories	526,381	879,212
Other Assets	145,263	4,036
TOTAL CURRENT ASSETS	<u>5,195,716</u>	<u>4,986,412</u>
NON-CURRENT ASSETS		
Property, plant and equipment	68,841	78,973
TOTAL NON-CURRENT ASSETS	<u>68,841</u>	<u>78,973</u>
TOTAL ASSETS	<u>5,264,557</u>	<u>5,065,385</u>
CURRENT LIABILITIES		
Trade and other payables	1,545,035	862,819
Borrowings	-	1,603
Current Tax Payable	-	-
Short term provisions	69,617	56,189
TOTAL CURRENT LIABILITIES	<u>1,614,652</u>	<u>920,611</u>
NON-CURRENT LIABILITIES		
Borrowings	-	14,209
Provisions	-	-
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>14,209</u>
TOTAL LIABILITIES	<u>1,614,653</u>	<u>934,820</u>
NET ASSETS	<u>3,649,905</u>	<u>4,130,565</u>
EQUITY		
Issued capital	103,126,740	103,126,740
Reserves	198,660	198,660
Accumulated losses	(99,675,495)	(99,194,835)
Equity Attributable to members of the parent group	<u>3,649,905</u>	<u>4,130,565</u>
TOTAL EQUITY	<u>3,649,905</u>	<u>4,130,565</u>

The financial report should be read in conjunction with the accompanying notes.

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2012**

	Issued Capital	Accumulated losses	Reserves Employee Equity Settled benefits reserve	Total equity
CONSOLIDATED ENTITY	\$	\$	\$	\$
At 1 January 2012	103,126,740	(99,194,838)	198,660	4,130,562
	-	-		-
Total comprehensive income for the period	-	(480,657)	-	(480,657)
At 30 June 2012	103,126,740	(99,675,495)	198,660	3,649,905

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2011**

	Issued Capital	Accumulated losses	Reserves Employee Equity Settled benefits reserve	Total equity
CONSOLIDATED ENTITY	\$	\$	\$	\$
At 1 January 2011	103,126,740	(100,165,690)	188,499	3,149,549
Share based payment reserve	-	-	9,300	9,300
Total comprehensive income for the period	-	799,475	-	799,475
At 30 June 2011	103,126,740	(99,316,215)	197,799	3,958,324

The financial report should be read in conjunction with the accompanying notes.

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2012**

	Consolidated	
	30 June 2012	30 June 2011
	\$	\$
Cash flows from operating activities		
Receipts from customers	3,529,326	12,212,406
Payments to suppliers, employees and others	(4,138,674)	(10,571,542)
Interest received	69,088	32,800
Interest paid	(13)	(769)
Net cash (used)/provided by operating activities	<u>(540,273)</u>	<u>1,672,895</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(535)	(4,696)
Net cash used in investing activities	<u>(535)</u>	<u>(4,696)</u>
Cash flows from financing activities		
Repayments of borrowings	(1,603)	(8,920)
Net cash used in financing activities	<u>(1,603)</u>	<u>(8,920)</u>
Net (decrease)/increase in cash and cash equivalents	(542,411)	1,659,279
Cash and cash equivalents at beginning of period	3,121,090	1,041,945
Cash and cash equivalents at end of period	<u><u>2,578,679</u></u>	<u><u>2,701,224</u></u>

The financial report should be read in conjunction with the accompanying notes.

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2012**

1. CORPORATE INFORMATION

The financial report of AFT Corporation Ltd (“the Company”) for the half-year ended 30 June 2012 was authorised for issue in accordance with a resolution of the directors on 31 August 2012. AFT Corporation Ltd is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

The principal activity of the Company is discussed in the Directors’ Report.

2. BASIS OF PREPARATION

The general purpose financial statements for the interim half-year reporting period ended 30 June 2012 have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian AASB 134 *Interim Financial Reporting* and Australian Accounting Interpretation and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards.

The interim financial report is intended to provide users with an update on the latest annual financial statements of AFT Corporation Ltd and its controlled entities. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2011, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim report as were applied in the most recent financial statements, unless otherwise stated.

This financial report is presented in Australian dollars.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(a) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of AFT Corporation Ltd and its subsidiaries as at 30 June 2012 (“the Group”).

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2012**

3. REVENUE AND EXPENSES

Specific items

(Loss)/Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance for the interim period:

	Consolidated	
	30 June 2012	30 June 2011
	\$	\$
<i>Revenue</i>		
Production trading revenue	3,885,348	13,253,696
	<hr/>	<hr/>
Total Revenue	3,885,348	13,253,696
	<hr/> <hr/>	<hr/> <hr/>
<i>Other income</i>		
Interest received	69,088	32,800
Government grant	142,889	53,910
Licence fee	1,263	15,130
Foreign exchange gain	54,722	2,841
	<hr/>	<hr/>
Total other income	267,962	104,681
	<hr/>	<hr/>
Total Income	4,153,310	13,358,377
	<hr/> <hr/>	<hr/> <hr/>
<i>Expenses</i>		
Cost of production goods traded	3,432,782	10,771,389
	<hr/>	<hr/>
Total COGS	3,432,782	10,771,389
	<hr/> <hr/>	<hr/> <hr/>
Consulting fees	-	1,172
Payment to directors in connection		
With providing bank guarantee	-	65,000
	<hr/> <hr/>	<hr/> <hr/>

**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2011**

4. BUSINESS COMBINATIONS

The parent entity set up Artemis Energy Solutions Pty Ltd (ACN 153410569) on 03 October 2011, a solar power system design and installation project Service Company. The group holds 100% of shares and the voting rights of Artemis Energy Solutions Pty Ltd. On 7th June 2012, Artemis Energy Solutions (Lismore) Pty Ltd (ACN 158863300) was incorporated for a proposed Lismore solar energy project. Artemis Energy Solutions Pty Ltd holds 70% shares of Artemis Energy Solutions (Lismore) Pty Ltd. The incorporation of these companies is part of the group's overall strategy to expand its business into related products.

5. RELATED PARTY TRANSACTIONS

During the half year, Artemis Building Systems Green Solutions purchased panels from Artemis Building Systems to conduct its installation works for the customers in Victoria and NSW. All other transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

6. OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

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.

During the period, the Group has temporarily ceased operations in the previous Licence segments.

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

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard.

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

	Solar panel PV business (\$)	Licence (\$)	Service(\$)	Total (\$)
6 months to 30 June 2012				
Revenue from external customers	4,152,047	1,263	-	4,153,310
Segment operating profit/(loss)	122,437	(603,013)	(81)	(480,657)
Total Assets	6,839,866	(1,575,580)	272	5,264,558
6 months to 30 June 2011				
Revenue from external customers	13,343,247	15,130	-	13,358,377
Segment operating profit/loss	1,466,274	(666,699)	(100)	799,475
Total Assets	7,138,852	7,208	865,521	8,011,581

7. CONTINGENT LIABILITIES

- At such time as the Company has funds available in excess of that required for it to obtain an admission to the Alternative Investment Market of the London Stock Exchange and above those sums required for the reasonable day to day running costs of AFT Corporation Ltd, a liability will crystallise to pay Philip Hall One Hundred and Fifty Thousand Pounds (£150,000) plus interest at the rate of 6% per annum from 31 August 2006 to the date of payment. As at 30 June 2012, the estimated interest liability is \$78,440. As it is contingent upon these conditions, this has not been included as a liability.
- The holding company has provided a guarantee of 1 million to supplier of goods to one of its subsidiaries.
- There are no other contingent liabilities as at 30 June 2012

8. SUBSEQUENT EVENTS

AFT Corporation ltd has established a Joint Venture company in Hong Kong called GA Renewable Energy Ltd in conjunction with Onejetong Elevator Ltd a subsidiary of Guangzhou GuangRi Group Ltd. AFT Corporation ltd holds 49% of the company. AFT Corporation Ltd is continuing discussions on entering the solar and LED market in China.

9. Other Payables

Included in other payables is an accrual for \$170,000 for underpayment of a director's salary and superannuation related to the years 2008 to 2012

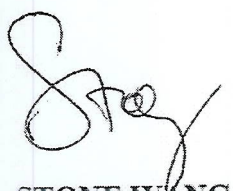
**AFT CORPORATION LTD
AND CONTROLLED ENTITIES
ABN 33 004 701 062**

DIRECTORS' DECLARATION

The directors of AFT Corporation Ltd declare that:

1. The financial statements and notes as set out on pages 7 to 14 are in accordance with the Corporation Act including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors.



STONE WANG
Director
31 August 2012



Hayes Knight

Hayes Knight (NSW) Pty Ltd
Level 2, 115 Pitt St, Sydney NSW 2000
GPO Box 4565 Sydney NSW 2001
Tel +61 (0)2 9221 6666 **Fax** +61 (0)2 9221 6305
Email info@hayesknight.com.au
ABN 25 125 243 692

www.hayesknight.com.au

**AFT Corporation Limited ABN 33 004 701 062 and Controlled Entities
Interim Financial Report**

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AFT CORPORATION LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of AFT Corporation Limited and Controlled Entities (the consolidated entity) which comprises the consolidated statement of financial position as at 30 June 2012, , the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the AFT Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquires, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of AFT Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Associated offices

Australia Melbourne Brisbane Adelaide Darwin Perth **New Zealand** Auckland Albany Parnell

An independent member of Morison International. Liability limited by a scheme approved under the Professional Standards Legislation



**AFT Corporation Limited ABN 33 004 701 062 and Controlled Entities
Interim Financial Report**

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE DIRECTORS OF AFT CORPORATION LIMITED

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of AFT Corporation Limited and Controlled Entities is not in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Pran Rathod
Director Audit Services
Registered Company Auditor

Hayes Knight (NSW) Pty Ltd

Dated at Sydney 31 August 2012