

## 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"):  
Year ended 31 December 2011  
Previous corresponding period Year ended 31 December 2010

2. Results for announcement to the market

				\$'000
2.1 Revenue	up	22%	to	17,211
2.2 Profit from ordinary activities after tax attributable to members	Down	3%	to	971
2.3 Net profit for the period attributable to members	Down	3%	to	971

		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 2011 increased slightly 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 2011 after income tax is a profit of \$970,855. (2010 profit: \$1,004,324). The first half year was very successful, however the closure of the solar feed-in-tariff in NSW and other States meant that in the second half year the company experienced a slowdown in sales.

**3. Consolidated statement of comprehensive income**  
For the year ended 31 December 2011

	2011	2010
	\$'000	\$'000
Revenue	17,211	14,136
Other Income	224	74
Raw Materials/Consumables Used	(14,165)	(11,197)
Occupancy & Administration Expense	(92)	(97)
Audit & Accounting Fees	(148)	(192)
Finance Costs	(1)	(3)
Salaries and Wages	(609)	(432)
Directors' Remuneration	(365)	(270)
Depreciation and Amortisation Expense	(20)	(18)
Impairment Expense	-	(50)
Other Expenses	(1,064)	(947)
	-----	-----
<b>Profit Before Income Tax</b>	<b>971</b>	<b>1,004</b>
Income Tax Expense	-	-
	-----	-----
<b>Profit for the year</b>	<b>971</b>	<b>1,004</b>
Other comprehensive income	-	-
	-----	-----
<b>Total comprehensive income for the year</b>	<b>971</b>	<b>1,004</b>
	-----	-----
Profit attributable to:		
Equity Holders of the parent company	971	1,004
Total comprehensive income attributable to:		
Equity Holders of the parent company	971	1,004
Earnings per share		
Basic and diluted earnings per share (cents)	0.0158	0.0163

4. Consolidated statement of financial position  
As at 31 December 2011

	2011	2010
	\$'000	\$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3,121	1,042
Trade and other receivables	986	1,328
Inventories	879	1,745
	-----	-----
<b>TOTAL CURRENT ASSETS</b>	<b>4,986</b>	<b>4,115</b>
	-----	-----
<b>NON-CURRENT ASSETS</b>		
Property, plant & equipment	79	89
Investment	-	-
Intangible assets	-	-
	-----	-----
<b>TOTAL NON CURRENT ASSETS</b>	<b>79</b>	<b>89</b>
	-----	-----
<b>TOTAL ASSETS</b>	<b>5,065</b>	<b>4,204</b>
	-----	-----
<b>CURRENT LIABILITIES</b>		
Trade and other payables	863	990
Provisions	70	38
Borrowings	-	18
	-----	-----
<b>TOTAL CURRENT LIABILITIES</b>	<b>933</b>	<b>1,046</b>
	-----	-----
<b>NON CURRENT LIABILITIES</b>		
Borrowings	2	2
Provisions	-	6
	-----	-----
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>2</b>	<b>8</b>
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>935</b>	<b>1,054</b>
	-----	-----
<b>NET ASSETS</b>	<b>4,130</b>	<b>3,150</b>
	=====	=====
<b>EQUITY</b>		
Issued capital	103,126	103,126
Other reserves	199	190
Accumulated losses	(99,195)	(100,166)
	-----	-----
<b>TOTAL EQUITY</b>	<b>4,130</b>	<b>3,150</b>
	=====	=====

**5. Consolidated statement of cash flows**  
For the year ended 31 December 2011

	2011	2010
	\$'000	\$'000
<b>Net cash flows from operating activities</b>		
Receipts from customers	19,490	15,467
Payments to suppliers & employees	(17,452)	(15,812)
Interest received	71	56
Interest paid	(1)	(3)
	-----	-----
Net cash provided by / (used in) operating activities	2,108	(292)
	-----	-----
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant & equipment	(10)	(9)
	-----	-----
Net cash used in investing activities	(10)	(9)
	-----	-----
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(19)	(17)
	-----	-----
Net cash used in financing activities	(19)	(17)
	-----	-----
Net increase /(decrease) in cash & cash equivalents	2,079	(318)
	-----	-----
Cash & cash equivalents at the beginning of the financial period	1,042	1,360
	-----	-----
Cash and cash equivalents at the end of the financial period	3,121	1,042
	=====	=====

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

*Reconciliation of cash & cash equivalents*

Cash on hand and at bank	3,121	1,042
	=====	=====

## 6. Dividends

<i>Amount per security</i>		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

## 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

	2011	2010
	\$'000	\$'000
Accumulated losses at beginning of financial period	(100,166)	(101,170)
Net profit attributable to members	971	1,004
	-----	-----
Accumulated losses at end of financial period	(99,195)	(100,166)
	=====	=====

## 9. Net Tangible assets

	2011	2010
	cents	cents
Net tangible asset backing per ordinary share	0.067	0.051
	=====	=====

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

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***Control gained over entities***

A new subsidiary, Artemis Energy Solutions Pty Ltd, was incorporated on 26 September 2011.

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

N/A

**12. 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***

	2011	2010
	cents	cents
Basic and diluted earnings per share	0.0158	0.0163
	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	6,148,528,012 =====	6,148,528,012 =====

**14.2 *Returns to shareholders***

N/A

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

During the 2011 year the company has continued its focus on the design and supply of solar photovoltaic cell panels for retail, commercial and wholesale markets. AFT Corporation Ltd through its subsidiary Artemis Building Systems (ABS) continues to have a strong national presence as reliable supplier of quality photovoltaic products and solutions. Plus ABS has strong technical skills in the area of glass curtain walls and facades that combine energy efficiency and a clean modern look for building exteriors.

In January 2011, the company obtained a debt factoring facility from the NAB of up to \$2.5 million. This facility was personally guaranteed by the directors. The facility was obtained to assist in funding further growth in the revenue of the company.

In the first half of the year to 30 June 2011 the company achieved revenues of \$13.3million and a net profit of \$799,000 after provision for income tax. This was significantly higher than the same period in 2010. The revenue in the first half of 2010 was \$4.9million. While the first half of the year was very successful, the closure of the feed-in-tariff in NSW and other states meant that in the second half of the year the company experienced a slow down in sales.

On 31 May 2011 the Company held their Annual General Meeting at which all the resolutions were passed

Also, in the early part of the 2011 year, the board and management of the company recognised the need to expand the company's product base because of the expected drop in the feeder tariffs by the NSW state government. Foreseeing the change in the market, the company continued to search for additional products that were compatible with its focus on energy saving solutions for businesses. As a result the company now also distributes a range of LED lighting and has made some initial sales of these products in the 4th quarter of 2011.

Sales from the LED lighting products are expected to continue to grow in 2012 and while they will not completely replace the loss of revenue from solar panels, they play a significant part in the foundations of the company's revenues.

In 2012 the company will continue to explore opportunities to rebuild revenue growth and improve shareholder value within the company's focus on energy saving products and services.

At the corporate level AFT continues with the objective to focus on growing the company's revenues but also keeping overhead and operational costs to a minimum, the company will continue to maintain small teams of employees in Sydney, Melbourne and China to undertake both business development and technical support in the areas of solar PV, BIPV and other energy saving products.

#### 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 and LED Business
- Licence Income
- Management services

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

	Solar panel PV & LED business \$'000		License \$'000		Management Service \$'000		Total \$'000	
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
<b>REVENUE</b>								
Revenue from external customers	17,211	14,136	-	-	-	-	17,211	14,136
Interest and Other income	193	31	31	39	-	-	224	70
Total Revenue	17,404	14,167	31	39	-	-	17,435	14,206
<b>RESULT</b>								
Segment operating profit/(loss)	2,138	2,389	(1,166)	(1,384)	(1)	(1)	(971)	(1,004)
Profit/(loss) before income tax	2,138	2,389	(1,166)	(1,384)	(1)	(1)	(971)	(1,004)
Income tax expenses	-	-	-	-	-	-	-	-
Profit/(loss) after income tax	2,138	2,389	(1,166)	(1,384)	(1)	(1)	(971)	(1,004)
<b>ASSETS</b>								
Segment Assets	4,141	3,299	924	898	-	7	5,065	4,204
Total Assets	4,141	3,299	924	898	-	7	5,065	4,204
<b>LIABILITIES</b>								
Segment Liabilities	702	730	233	292	-	32	935	1,054
Total Liabilities	702	730	233	292	-	32	935	1,054

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:

The accounts have been audited.

The accounts have been subject to review.

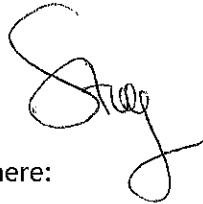
■ The accounts are in the process of being audited or subject to review.

The accounts have not yet been audited or reviewed.

16. Description of any likely audit dispute or qualification

N/A

Sign here:



Date:

29 / 02 / 2012

Company Director

Print name:

Stone Wang