ACADEMIES AUSTRALASIA GROUP LIMITED

ACN 000 003 725
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03 February 2012

Company Announcements Office
Australian Stock Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

Via ASX Online

ANNOUNCEMENT

HALF-YEAR REPORT

In accordance with ASX Listing Rule 4.2A, attached are the following reports for the half-year ended 31 December 2011:

- Appendix 4D
- Financial Report (includes Directors' Report and Independent Review Report to Members)

This information should be read in conjunction with the Academies Australasia Group Limited Annual Report for the year ended 30 June 2011.

Notwithstanding a 14% increase in shares, from 41.3 million to 47.2 million, earnings per share rose by 23% from 2.6 cents to 3.2 cents.

The Board is particularly pleased with the performance of the education business. Profit increased by 51% in a challenging market.

Stephanie Noble
Company Secretary

For further information *call Christopher Campbell on +61 2 9224 5555*

Academies Australasia *has been operating for 103 years and listed on the Australian Securities Exchange for 34 years. The group's education business now comprises 9 separately licensed colleges operating from 9 locations in New South Wales and Victoria in Australia, and in Singapore. Over the years, Academies Australasia colleges have taught tens of thousands of students from 105 countries.*

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Rule 4.2A.3

Appendix 4D

Half Year Report

Half year information given to ASX under listing rule 4.2A

Introduced 1/1/2003.

ACADEMIES AUSTRALASIA GROUP
ABN: 95 000 003 725

1.	Half-year ended ('reporting period')	31-Dec-11
	Half-year ended ('previous corresponding period')	31-Dec-10

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

					$A'000
	Movements from previous corresponding period				
2.1	Revenues from ordinary activities	up	49%	to	16,936
2.2	Profit from ordinary activities after tax	up	41%	to	1,514
2.3	Net profit for the period attributable to owners of the parent entity	up	13%	to	1,225

3. **Explanation of items 2.1 to 2.3 above:**

3.1 Revenue from ordinary activities increased by 49% to $16,936,000 and operating profit before tax increased by 50% to $2,232,000

3.2 The contribution to profitability by the fasteners operations decreased by 51% from $635,000 to $314,000.

3.3 The contribution to profitability by the education operations was $2,591,000 compared to the $1,721,000 contributed in the previous year, an increase of 51%.

This half year report is to be read in conjunction with the most recent annual financial report.

4. Net tangible Assets

	Reporting period	Previous corresponding period
Net tangible asset backing per ordinary share	8.6 cents [a]	14.9 cents [b]

a. Based on 47,209,410 shares at 31 December 2011
b. Based on 41,340,562 shares at 31 December 2010

5. Gain or loss of control over entities

Not applicable.

6. Dividends

6.1 On 30th September 2011 the Company paid a fully franked dividend of two cents per share.
The payment amount was $944,188.

6.2 The directors have today declared a fully franked dividend of two cents per share. Based on the present issued capital 47,209,410 shares, the payment amount is $944,188.

Dividend Dates	
Ex Dividend	16-Feb-12
Record	22-Feb-12
Payment	19-Mar-12

7. Dividend reinvestment plans

No dividend reinvestment plans were in operation during the reporting period or the previous corresponding period.

8. Associates and joint venture entities

No member of the Group held an interest in, or participated in the results of, an associate or joint venture.

9. Foreign entities

The Group owns 100% of ACA Investment Holdings Pte. Limited in Singapore and 75% of the issued capital of Academies Australasia College Pte. Limited in Singapore.

Signed: ………………………………………… Date: 3 February 2012
Stephanie Noble
(Group Finance Manager)

ACADEMIES AUSTRALASIA GROUP LIMITED
ABN 93 000 003 725
AND CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT
31 DECEMBER 2011

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ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
DIRECTORS' REPORT
For the half-year ended 31 December 2011

Your directors submit the financial report of the economic entity for the half-year ended 31 December 2011.

Directors

The names of directors who held office during or since the end of the half-year are:

Neville Thomas Cleary

Christopher Elmore Campbell

Chiang Meng Heng

John Lewis Schlederer

Philip Carroll

Gabriela Del Carmen Rodriguez Naranjo (Alternate To Neville Thomas Cleary)

Bridget Mary Carroll (Alternate to Philip Carroll)

Review of Operations

A summary of the Statement of Financial Performance for the half-year ended 31 December 2011 is set out below:

	31.12.2011 $	31.12.2010 $
Total Revenue	16,936,000	11,400,000
Operating Profit Before Income Tax	2,232,000	1,491,000
Operating Profit After Income Tax	1,514,000	1,076,000

Revenue from ordinary activities increased by 49% to $16,936,000 and operating profit before tax increased by 50% to $2,232,000.

Education

The contribution to profitability by the education operations was $2,591,000 compared to the $1,721,000 contributed in the previous year, an increase of 51%. (See Note 2).

Fasteners

The contribution to profitability by the fasteners operations decreased by 51% from $635,000 to $314,000. (See Note 2).

Auditor's Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half year ended 31 December 2011 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors.

Neville Cleary	Christopher Campbell
Director	Director

Sydney
3 February 2012

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AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ACADEMIES AUSTRALASIA GROUP LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2011 there have been:

(a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

PILOT PARTNERS	MICHAEL TRAYNOR
Chartered Accountants	Partner

Level 5
175 Eagle Street
BRISBANE QLD 4000

3 Feb 2012

ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED INCOME STATEMENT

For the half-year ended 31 December 2011

	Note	Economic Entity 31.12.2011 $	31.12.2010 $
Revenue		16,936,043	11,399,734
Finance costs		(115,059)	(34,028)
Depreciation and amortisation expense		(360,900)	(184,534)
Cost of sales		(2,144,214)	(2,128,824)
Cost of services		(4,681,652)	(2,845,884)
Employee benefits expense		(3,680,333)	(2,484,806)
Insurance		(188,284)	(124,110)
Legal fees		(21,411)	(66,823)
Lease rental expense – operating leases		(1,777,749)	(1,104,637)
Other expenses		(1,734,924)	(934,731)
Profit before income tax		2,231,517	1,491,357
Income tax attributable		(717,108)	(415,656)
Profit for the period		1,514,409	1,075,701
Profit/(Loss) attributable to non-controlling interest		289,519	(10,733)
Profit attributable to members of the parent entity		1,224,890	1,086,434
		1,514,409	1,075,701
Earnings per share:			
Basic earnings per share (cents per share)	4	3.20	2.60

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED BALANCE SHEET
For the half-year ended 31 December 2011

	Economic Entity	
	31.12.2011	**30.06.2011**
	$	**$**
ASSETS		
Current Assets		
Cash and cash equivalents	3,816,318	3,572,936
Trade and other receivables	2,496,651	2,223,272
Inventories	3,689,401	3,094,041
Other current assets	568,505	783,917
Total Current Assets	10,570,875	9,674,166
Non-Current Assets		
Investments	277,986	154,951
Plant and equipment	3,405,970	3,501,536
Deferred tax assets	634,189	544,866
Intangible assets	9,913,105	9,396,459
Total Non-Current Assets	14,231,250	13,597,812
Total Assets	24,802,125	23,271,978
LIABILITIES		
Current Liabilities		
Trade and other payables	4,459,082	3,385,706
Current tax liabilities	1,193,349	1,325,051
Borrowings	705,814	724,638
Provisions	1,391,593	1,408,760
Total Current Liabilities	7,749,838	6,844,155
Non-Current Liabilities		
Borrowings	2,359,716	2,727,502
Provisions	701,577	283,035
Total Non-Current Liabilities	3,061,293	3,010,537
Total Liabilities	10,811,131	9,854,692
NET ASSETS	13,990,994	13,417,286
EQUITY		
Issued capital	17,737,622	17,737,622
Retained earnings	(4,747,158)	(5,027,860)
Asset Revaluation Reserve	432,939	432,939
Foreign Currency Translation Reserve	(5,459)	(8,000)
Non-Controlling Interest	573,050	282,585
TOTAL EQUITY	13,990,994	13,417,286

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED ABN 93 000 003 725
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the half-year ended 31 December 2011

	Note	Ordinary Shares $	Retained Profits $	Reserves $	Non - Controlling Interest $	Total $
Balance at 1.7.2010		14,564,836	(5,700,156)	445,049	(17,718)	9,292,011
Share capital Issue		3,172,786	-	-	-	3,172,786
Profit for the period		-	2,325,918	-	(69,944)	2,255,974
Prior period adjustment						
Asset Revaluation Reserve		-	-	(6,157)	-	(6,157)
Exchange differences on translating foreign operations		-	-	(13,953)	(2,541)	(16,494)
Acquisition of subsidiary		-	-	-	372,788	372,788
Dividend paid		-	(1,653,622)	-	-	(1,653,622)
Balance at 30.06.2011		17,737,622	(5,027,860)	424,939	282,585	13,417,286

	Note	Ordinary Shares $	Retained Profits $	Reserves $	Non - Controlling Interest $	Total $
Balance at 1.7.2011		17,737,622	(5,027,860)	424,939	282,585	13,417,286
Profit for the period			1,224,890		289,519	1,514,409
Exchange differences on translating foreign operations				2,541	946	3,487
Dividend paid	5		(944,188)			(944,188)
Balance at 31.12.2011		17,737,622	(4,747,158)	427,480	573,050	13,990,994

The accompanying notes form part of these financial statements.

ACADEMIES AUSTRALASIA GROUP LIMITED **ABN 93 000 003 725**
AND CONTROLLED ENTITIES
CONSOLIDATED CASH FLOW STATEMENT
For the half-year ended 31 December 2011

	Economic Entity	
	31.12.2011	**31.12.2010**
	$	**$**
Cash Flows From Operating Activities		
Receipts from customers	17,200,473	11,997,998
Payments to suppliers and employees	(14,111,449)	(10,246,890)
Interest received	25,214	37,856
Finance costs	(115,049)	(34,028)
Income taxes paid	(938,133)	(197,655)
Net cash provided by operating activities	2,061,056	1,557,281
Cash Flows From Investing Activities		
Proceeds from sale of plant & equipment	23,182	-
Purchase of non-current assets	(387,023)	(205,186)
Investment in subsidiary	-	(100,199)
Investment in other financial assets	(123,035)	-
Net cash used in investing activities	(486,876)	(305,385)
Cash Flows From Financing Activities		
Proceeds from borrowings	-	-
Dividends Paid	(944,188)	(826,811)
Repayment of borrowings	(386,610)	(10,840)
Net cash used in financing activities	(1,330,798)	(837,651)
Net increase in cash held	243,382	414,245
Cash at the beginning of period	3,572,936	2,410,166
Cash at the end of the period	3,816,318	2,824,411

The accompanying notes form part of these financial statements.

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*and AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting.*

The half-year financial report does not include full disclosures of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by Academies Australasia Group Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

(a) Significant Accounting Policies

The accounting policies applied by the consolidated entity in this consolidated half-year financial report are the same as those applied by the consolidated entity in its consolidated financial report for the year ended 30 June 2011.

In the current period, the consolidated entity has adopted all new and revised Standards and Interpretations issued by the Australia Accounting Standards Board that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2011. The adoption of these new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies.

(b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

The Financial Results for the Group for the period ended 31 December 2011 include a contribution from controlled entities which were acquired after 31 December 2010.

(c) Intangible Assets

On 24 November 2011, the Group entered into an agreement with a competitor to acquire the goodwill and other assets of certain operations of that competitor. The fair value of goodwill acquired has been calculated at $516,944 and has been reflected at this value. The liability for this amount has been provided for.

NOTE 2: SEGMENT REPORTING

	Fasteners		Education		Economic Entity	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	$	$	$	$	$	$
Revenue	3,921,778	4,130,754	12,683,432	7,026,975	16,605,210	11,157,729
Other revenue	661	882	315,003	220,824	315,664	221,706
Total segment revenue	3,922,439	4,131,636	12,998,435	7,247,799	16,920,874	11,379,435
Unallocated revenue					15,169	20,299
Total revenue from ordinary activities					16,936,043	11,399,734
Segment profit	314,136	634,953	2,590,670	1,721,147	2,904,806	2,356,100
Unallocated expenses net of unallocated revenue					(673,289)	(864,743)
Profit before income tax					2,231,517	1,491,357
Income tax attributable					(717,108)	(415,656)
Profit after income tax					1,514,409	1,075,701

NOTE 3: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 4: EARNINGS PER SHARE

The earnings per share have been calculated on the weighted average ordinary shares of 47,209,410 for the half-year ended December 2011. (2010: 41,340,562)

NOTE 5: DIVIDEND PAID

On 30 September 2011, the Company paid a fully franked dividend of two cents per share. The payment amount was $944,188.

NOTE 6: POST BALANCE DATE EVENTS

There are no matters or circumstances that have arisen since 31 December 2011 which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

DIRECTORS' DECLARATION

The directors of the company declare that, in the directors' opinion:

(a) the financial statements and notes, as set out on pages 4 to 9, are in accordance with the *Corporations Act 2001*; including complying with accounting standards and giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half year ended on that date.

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.

Neville Cleary	Christopher Campbell
Director	Director

Sydney
3 February 2012

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Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACADEMIES AUSTRALASIA GROUP LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Academies Australasia Group Limited (the company), which comprises the consolidated balance sheet as at 31 December 2011 and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration as set out on page 4 to 10.

Directors' responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and with the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 Australian Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2011 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 Academies Australasia Group 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 enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other 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*, provided to the directors of Academies Australasia Group Limited on 3 February 2012 would be in the same terms if provided to the directors as at the date of this auditor's review report.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ACADEMIES AUSTRALASIA GROUP 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 Academies Australasia Group Limited 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 31 December 2011 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PILOT PARTNERS
Chartered Accountants

MICHAEL TRAYNOR
Partner

Level 5
175 Eagle Street
BRISBANE QLD 4000

3 Feb 2012