

Appendix 4D
Interim Financial report
31st December 2012

Appendix 4D
Interim Financial Report 31 December 2012

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Results		<u>Change from 31 Dec 2011 (\$)</u>	<u>Change from 31 Dec 2011 (%)</u>	<u>31 Dec 2012 (\$)</u>
Total revenue	Up	475,615	2%	24,208,557
Profit before Interest, Tax, Depreciation and Amortisation (EBITDA)	Up	115,917	8.2%	1,529,303
Net profit for the period attributable to members (NPAT)	Down	34,594	5.1%	640,876

Net tangible asset backing per ordinary share	31 Dec 2012	31 Dec 2011
Net tangible asset backing per ordinary share	3.67c	5.38c

Dividends	Amount per security	Franked amount
Interim dividend FY13	Nil	-
Final dividend FY12	Nil	-

Details of entities over which control has been gained or lost during the period: Conducive Pty Ltd was acquired on 31st August, 2012

Contents

CORPORATE DIRECTORY	3
DIRECTORS' REPORT	4
STATEMENT OF COMPREHENSIVE INCOME	6
STATEMENT OF FINANCIAL POSITION	7
STATEMENT OF CASH FLOWS	8
STATEMENT OF CHANGES IN EQUITY	9
NOTES TO THE FINANCIAL STATEMENTS	10
1 BASIS OF PREPARATION OF HALF-YEAR REPORT	10
2 REVENUES.....	11
3 EXPENSES	11
4 INCOME TAX	11
5 CASH AND CASH EQUIVALENTS	13
6 RESERVES	14
7 INTANGIBLE ASSETS	15
8 CONTINGENT LIABILITIES	16
9 BUSINESS COMBINATIONS	17
10 SUBSEQUENT EVENTS	18
DIRECTORS' DECLARATION	19
AUDITOR'S INDEPENDENCE DECLARATION	20
INDEPENDENT REVIEW REPORT	21

CORPORATE DIRECTORY

Directors

Mel Ashton (Chairman)
Richard Bevan (Non-Executive Director)
John Bardwell (Non-Executive Director)
Russell Baskerville (Managing Director & CEO)

Registered Office

Level 13
Septimus Roe Square
256 Adelaide Terrace
PERTH WA 6000
Telephone No: +618 9223 1234
Fax No: +618 9223 1230

Company Number

A.C.N: 090 503 843

Country of Incorporation

Australia

Company Domicile and Legal Form

Empired Limited is the parent entity and an Australian Company limited by shares

Principal Place of Business

Perth

Level 13
Septimus Roe Square
256 Adelaide Terrace
PERTH WA 6000
Telephone No: +618 9223 1234
Fax No: +618 9223 1230

Company Secretary

Mark Waller

Legal Advisers

Jackson McDonald Lawyers
140 St Georges Terrace
PERTH WA 6000

Auditors

Grant Thornton Audit Pty Ltd
Level 1,
10 Kings Park Road
WEST PERTH WA 6005

Share Register

Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
Perth WA 6000

Melbourne

Level 5, 257 Collins Street
MELBOURNE VIC 3000
Telephone No: +613 8610 0700
Fax No: +613 8610 0701

Website www.empired.com

DIRECTORS' REPORT

The directors present their interim report together with the consolidated half year financial report of Empired Limited ("the Company") and its controlled entities, for the half-year ended 31 December 2012

Directors' Names

The names of the company's directors in office during the year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mel Ashton (Chairman)
Richard Bevan (Non-executive Director)
John Bardwell (Non-executive Director)
Russell Baskerville (Managing Director)

Review of Results & Operations

Revenue in the business for the half-year was \$24.2M (2011: \$23.7M) representing an increase of 2.1% on the same period in the preceding half-year.

Consolidated net profit after tax for the half-year was \$640,876 (2011: \$675,470).

On the 31st of August 2012 Empired Limited ("Empired") acquired 100% of the shares in Conducive Pty Ltd. Please refer to note 9 for further information.

Dividends

The directors of Empired Limited do not recommend the payment of a dividend and no dividend has been paid or declared since the commencement of the year.

Options

During the course of the half year no share options were granted under the Company's Employee and Executive Share Option Plans.

Performance Rights

During the course of the half year 600,000 performance rights were granted to Mr Russell Baskerville as approved at the Company's AGM on the 29th of November 2012.

Auditor's independence declaration to the directors of Empired Limited

The directors have received an Independence Declaration from Grant Thornton the auditors of Empired Limited and it is included in this Interim Financial Report.

DIRECTORS' REPORT (continued)

Indemnification of Officers and Directors

The Directors, Secretary and certain former directors of Empired Limited have been indemnified by the company in respect of their potential liability to third parties.

Signed in accordance with a resolution of directors.

A handwritten signature in black ink, appearing to read 'R. Baskerville', written in a cursive style.

Russell Baskerville
Managing Director
Perth, 27 February 2013

Statement of Comprehensive Income

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	<i>Consolidated 6 months to 31 December 2012 \$</i>	<i>Consolidated 6 months to 31 December 2011 \$</i>
Revenue	2	24,208,557	23,732,942
Cost of sales		<u>(17,664,361)</u>	<u>(17,888,386)</u>
Gross profit		6,544,196	5,844,556
Other Income	2	28,210	36,604
Legal expenses		(3,336)	(12,199)
Marketing expenses		(50,912)	(43,148)
Occupancy expenses		(590,686)	(595,179)
Employee expenses		(3,172,596)	(2,798,353)
Finance expenses		(246,716)	(133,718)
Amortisation expenses		(46,680)	(25,051)
Depreciation expenses		(465,612)	(268,115)
Other expenses	3	(863,056)	(1,017,589)
Acquisition transaction costs		<u>(322,024)</u>	<u>-</u>
Profit before income tax expense		810,788	987,808
Income tax expense	4	(169,912)	(312,338)
Profit after income tax expense for the half-year		<u>640,876</u>	<u>675,470</u>
Other comprehensive income		-	-
Other comprehensive income for the half-year		<u>-</u>	<u>-</u>
Total comprehensive income for the half-year		<u>640,876</u>	<u>675,470</u>
Earnings per share (cents per share):			
Basic earnings per share		1.05	1.43
Diluted earnings per share		0.94	1.22

The accompanying notes form part of this financial report.

Statement of Financial Position

AS AT 31 DECEMBER 2012

		<i>Consolidated</i>	<i>Consolidated</i>
	Notes	<i>31 December 2012</i>	<i>30 June 2012</i>
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,245,380	1,393,716
Trade and other receivables		7,083,011	9,765,075
Work In Progress		2,434,683	1,419,211
Other current assets		343,957	270,675
Total Current Assets		<u>11,107,031</u>	<u>12,848,677</u>
Non-Current Assets			
Property, plant and equipment		6,153,359	4,088,348
Intangible assets		11,740,644	4,170,958
Deferred tax asset	4	1,039,722	470,968
Total Non-current assets		<u>18,933,725</u>	<u>8,730,274</u>
TOTAL ASSETS		<u>30,040,756</u>	<u>21,578,951</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		4,863,048	7,094,317
Unearned Revenue		398,703	502,533
Financial liabilities		1,695,550	511,416
Provisions		1,068,936	1,054,363
Total Current Liabilities		<u>8,026,237</u>	<u>9,162,629</u>
Non-current Liabilities			
Financial liabilities		6,414,333	554,095
Provisions		196,523	95,346
Deferred tax liability	4	1,173,405	514,928
Total Non-current Liabilities		<u>7,784,261</u>	<u>1,164,369</u>
TOTAL LIABILITIES		<u>15,810,498</u>	<u>10,326,998</u>
NET ASSETS		<u>14,230,258</u>	<u>11,251,953</u>
EQUITY			
Issued capital		8,766,550	6,456,310
Share option reserves	6	434,524	407,336
Retained profits		5,029,184	4,388,307
TOTAL EQUITY		<u>14,230,258</u>	<u>11,251,953</u>

The accompanying notes form part of this financial report.

Statement of Cash Flows

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Note	<i>Consolidated 6 months to 31 December 2012</i> \$	<i>Consolidated 6 months to 31 December 2011</i> \$
Cash flows from operating activities			
Receipts from customers		25,771,318	20,446,727
Payments to suppliers and employees		(23,630,625)	(21,235,600)
Cash generated from operations		<u>2,140,693</u>	<u>(788,873)</u>
Borrowing costs		(204,725)	(118,366)
Income tax paid		(367,891)	(6,758)
Interest received		28,018	36,605
Net cash flows from/(used in) from operating activities		<u>1,596,095</u>	<u>(877,392)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,530,623)	(1,300,329)
Purchase of subsidiary, net of cash acquired		(3,361,823)	(119,824)
Net cash flows (used in) investing activities		<u>(5,892,446)</u>	<u>(1,420,153)</u>
Cash flows from financing activities			
Repayment of short term loans		(485,899)	(96,153)
Payment of capital raising costs		(19,760)	(6,600)
Proceeds from issue of shares		1,080,000	141,166
Payment of finance lease liabilities		(347,905)	(108,371)
Proceeds from borrowings		3,852,402	437,287
Net cash flows from financing activities		<u>4,078,838</u>	<u>367,329</u>
Net (decrease) in cash and cash equivalents		(217,513)	(1,930,216)
Cash and cash equivalents at beginning of period		1,393,717	1,385,530
Cash and cash equivalents at end of period	5	<u>1,176,204</u>	<u>(544,686)</u>

The accompanying notes form part of this financial report.

Statement of Changes in Equity

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Half Year Ended 31 December 2012

Note	Issued Capital \$	Retained Earnings \$	Option Reserve \$	Total Equity \$
CONSOLIDATED				
Balance at 1 July 2012	6,456,310	4,388,308	407,336	11,251,954
Total comprehensive income for the period	-	640,876	-	640,876
Cost of share-based payments	(19,760)	-	27,188	7,428
Options exercised	1,080,000	-	-	1,080,000
Issue of shares	1,250,000	-	-	1,250,000
Balance at 31 December 2012	8,766,550	5,029,184	434,524	14,230,258

Half Year Ended 31 December 2011

Note	Issued Capital \$	Retained Earnings \$	Option Reserve \$	Total Equity \$
CONSOLIDATED				
Balance at 1 July 2011	2,849,315	3,114,963	356,527	6,320,805
Total comprehensive income for the period	-	675,470	-	675,470
Cost of share-based payments	(6,600)	-	17,570	10,970
Options exercised	141,167	-	-	141,167
Balance at 31 December 2011	2,983,882	3,790,433	374,097	7,148,412

The accompanying notes form part of this financial report.

Notes to the Financial Statements

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

1 BASIS OF PREPARATION OF HALF-YEAR REPORT

This general purpose financial report for the interim half-year reporting period ended 31 December 2012 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by Empired Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting date except for the adoption of the following new and revised Accounting Standards.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Key Assumptions

- Impairment

Indicators of impairment were not identified and no impairment testing was performed.

- Segment Information

The Group adopted the AASB 8 'Operating Segments' with effect from 1 July 2009.

The Group has more than one reportable operating segment identified by and used by the Chief Executive Officer (chief operating decision maker) in assessing the performance and determining the allocation of resources. The Group however has aggregated the segments in accordance with the aggregation criteria of AASB 8. During the half-year the Group had reliance on one customer whose revenues represent 15% of the revenue of the Group.

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

2 REVENUES

	CONSOLIDATED 31 December 2012 \$	CONSOLIDATED 31 December 2011 \$
Sales Revenue		
Services	24,208,557	23,732,942
Other Revenue		
Interest	28,017	35,679
Other	193	925
	<u>28,210</u>	<u>36,604</u>
	<u>24,236,767</u>	<u>23,769,546</u>

3 EXPENSES

Profit before income tax includes the following specific expenses:

Insurance	86,073	78,592
Travel	218,296	196,220
Administration	281,057	417,354
Other	277,630	325,423
	<u>863,056</u>	<u>1,017,589</u>

4 INCOME TAX

	CONSOLIDATED 31 December 2012	CONSOLIDATED 31 December 2011
(a) Income tax expense/(benefit)		
<i>The major components of income tax are:</i>		
Current income tax charge	(486,935)	72,954
Deferred income tax relating to origination and reversal of temporary differences	660,126	248,398
Overprovision in respect of prior years	(3,279)	(9,014)
Income tax expense/ (benefit) reported in income statement	<u>169,912</u>	<u>312,338</u>
(b) Amounts charged or credited other than to income tax expense		
Capital raising transaction costs	2,843	-
	<u>2,843</u>	<u>-</u>

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

4 INCOME TAX (continued)

(c) Amounts charged or credited to Goodwill on acquisition

Deferred tax assets recognized on acquisition	72,526	-
	72,526	-

(d) Reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expenses calculated per the statutory income tax rate

	CONSOLIDATED 31 December 2012 \$	CONSOLIDATED 31 December 2011 \$
Profit before income tax	810,788	987,808
Prima facie tax on operating profit calculated at 30%	243,237	296,342
Add tax effect of:		
Non-deductible expenses	67,215	25,010
Prior year adjustment	-	(9,014)
R&D permanent benefit 10% rate differential	(137,261)	-
Share based payments	-	-
Prior year under/over provision	(3,279)	-
Income tax expense / (benefit)	169,912	312,338

(e) Recognised deferred tax assets and liabilities

Deferred income tax balances at 31 December 2012 relate to the following:

	CONSOLIDATED 31 December 2012 \$	CONSOLIDATED 30 June 2012 \$
<i>Deferred Tax Liabilities</i>		
Work in progress	730,405	425,763
Depreciation	-	-
Fixed assets	442,749	78,268
Prepayments	251	10,897
Gross deferred tax liabilities	1,173,405	514,928
<i>Deferred Tax Assets</i>		
Provisions	497,373	410,590
Borrowing costs	9,089	10,356
Tax Offsets	486,935	-
Equity raising costs	46,326	50,021
Gross deferred tax assets	1,039,723	470,967

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

4 INCOME TAX (continued)

(e) Tax consolidation

Effective 1 July 2002, for the purposes of income taxation, Empired Limited and its 100% subsidiaries formed a tax consolidated group. The head entity of the consolidated group is Empired Limited.

The head entity is responsible for tax liabilities of the group. Intra group transactions are ignored for tax purposes and there is a single return lodged on behalf of the group.

Empired Limited formally notified the Australian Taxation Office of its adoption of the tax consolidation regime upon lodgement of its 30 June 2003 consolidated tax return.

There was a tax funding agreement formalised at 30 June 2003. Under this tax funding agreement Empired Limited is responsible for the tax liabilities of the group.

5 CASH AND CASH EQUIVALENTS

Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash includes cash on hand and cash in banks. Cash at the end of the half year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	Note	31 December 2012	31 December 2011
Term Deposit	8	533,603	533,603
Cash Assets		711,777	636
		1,245,380	534,239
Bank Overdraft		(69,176)	(1,078,927)
Net cash and cash equivalents		1,176,204	(544,688)

The term deposits held are restricted by bank guarantees held by the Company in relation to its rental premises (note 8).

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

6 RESERVES

	CONSOLIDATED	
	31 December 2012	30 June 2012
	\$	\$
Option reserve	434,524	407,366
Share Options	No.	No.
<i>Movement in options on issue</i>		
Balance at beginning of period	7,024,671	6,761,103
Options expired/forfeited		
Purchaser options		-
Executive options	-	(500,001)
Employee options	(74,671)	(247,361)
Sales executive options	-	(200,000)
Options exercised		
Executive options	(3,400,000)	(39,070)
Employee options	(300,000)	-
Options granted		
Executive options	-	1,250,000
Sales executive options	-	-
Balance at end of period	3,250,000	7,024,671

No options have been granted during the period. The fair value of options granted are estimated as at the date of grant using the Black Scholes model, taking into account the terms and conditions upon which the options were granted.

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

7 INTANGIBLE ASSETS

	31 December 2012	30 June 2012
	\$	\$
<i>Goodwill</i>		
Cost	11,293,367	3,948,764
Accumulated impaired losses	-	-
Net carrying value	11,293,367	3,948,764
 <i>Other intangible assets</i>		
Cost	249,303	-
Amortisation	-	-
Net carrying value	249,303	-
 <i>Software</i>		
Cost	305,444	282,984
Amortisation	(110,970)	(64,290)
Accumulated impaired losses	-	-
Net carrying value	194,474	218,694
 <i>IP</i>		
Cost	3,500	3,500
Accumulated impaired losses	-	-
Net carrying value	3,500	3,500
Total intangibles	11,740,644	4,170,958

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

7 INTANGIBLE ASSETS (Continued)

	Goodwill	Other	Software	IP	Total
Year end 31 December 2012					
Balance at the beginning of the year	3,948,764	-	218,694	3,500	4,170,958
Additions	7,344,604	249,303	22,460	-	7,616,366
Disposals	-	-	-	-	-
Amortisation charge	-	-	(46,680)	-	(46,680)
Impairment losses	-	-	-	-	-
Closing value at 31 December 2012	11,293,367	249,303	194,474	3,500	11,740,644
Year end 30 June 2012					
Balance at the beginning of the year	3,948,764	-	26,185	3,500	3,978,449
Additions	-	-	256,799	-	256,799
Disposals	-	-	-	-	-
Amortisation charge	-	-	(64,290)	-	(64,290)
Impairment losses	-	-	-	-	-
Closing value at 30 June 2012	3,948,764	-	218,694	3,500	-

8 CONTINGENT LIABILITIES

The company has in place term deposit backed bank guarantees in relation to rental premises at 256 Adelaide Terrace, Perth and 257 Collins Street, Melbourne.

	CONSOLIDATED 31 December 2012 \$	CONSOLIDATED 31 December 2011 \$
Bank Guarantee	533,603	533,603

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

9 BUSINESS COMBINATIONS

On the 31st of August 2012 Empired Limited ("Empired") acquired 100% of the shares in Conducive Pty Ltd ("Conducive") for \$9,679,427. The purchase price is satisfied through the issue of 5 million fully paid ordinary Empired shares plus \$4.78 million in cash on completion. Total consideration includes two milestone cash payments of \$1.74 million and \$1.91 million that will be made on 31 July 2013 and 31 July 2014 respectively, subject to performance criteria being met.

Conducive is based in Western Australia and employs 54 staff. Conducive provides a broad range of Application and Consulting services to large corporate clients, with specialist skills in the energy and natural resources sectors. The acquisition of Conducive will enhance the Company's applications capability. It will also significantly expand the addressable market for multi-year Managed Services contracts. Further it enhances the Company's value proposition to existing clients, and allows for Conducive's customer base to access the Company's full suite of capability.

The acquisition of Conducive has impacted the consolidated accounts from 31 August 2012. The purchase agreement entitled Empired to the profits for the period 1 July 2012 to 31 August 2012. The profit for the period of \$336K is not recorded in the consolidated profit and loss, but has been taken into account within the calculation of net identifiable assets.

The acquisition had the following effect on the consolidated entity's assets and liabilities:

	Fair Value
	\$
Net tangible assets acquired	
Cash	1,415,604
Receivables	1,084,835
Work in progress	333,369
Other assets	43,570
Property, plant and equipment	76,965
Deferred tax assets	72,526
Trade and other payables	(356,821)
Employee liabilities	(307,457)
Provisions	(277,070)
	<u>2,085,521</u>
Other identifiable assets acquired	
Non-compete clause	6,839
Customer relationship	242,464
	<u>249,303</u>
Goodwill	7,344,604
Net assets acquired	<u>9,679,427</u>
Acquisition costs expensed to profit and loss	322,024
	Consolidated
	2012 \$
Cash used to acquire the business, net of cash acquired:	
Acquisition date fair value of total consideration	9,679,427
Less:	
Cash equivalents	(1,415,604)
Shares issued as consideration	(1,250,000)
Deferred payments	(3,652,000)
Net cash used	<u>3,361,823</u>

Notes to the Financial Statements (continued)

FOR THE HALF YEAR ENDED 31 DECEMBER 2012

10 SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial period 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 future financial years.

DIRECTORS' DECLARATION

In the opinion of the directors:

- (a) The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001* including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of performance for the half year ended on that date; and
 - (ii) complying with the disclosure requirements of Accounting Standard AASB134 Interim Financial Reporting .

- (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 directors made pursuant to section 303(5) of the Corporations Act 2001

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R. Baskerville', written in a cursive style.

Russell Baskerville
Managing Director
Perth, 27 February 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

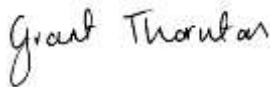
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**Auditor's Independence Declaration
To The Directors of Empired Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Empired Limited for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



C A Becker
Partner - Audit & Assurance

Perth, 27 February 2013

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Independent Auditor's Review Report To the Members of Empired Limited

We have reviewed the accompanying half-year financial report of Empired Limited (“Company”), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors’ declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year’s end or from time to time during the half-year.

Directors’ responsibility for the half-year financial report

The directors of Empired Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls 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 consolidated half-year financial report based on our review. We conducted our review in accordance with the 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 Empired Limited consolidated entity’s financial position as at 24 December 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 Empired 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.

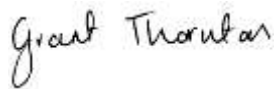
Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

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 Empired Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity 'financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



C A Becker
Partner - Audit & Assurance

Perth, 27 February 2013