

**HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES**

**HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3**

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2013.

Appendix 4D

Half Year Report for the six months to 31 December 2013

Hansen Technologies Ltd and its Controlled Entities
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ABN: 90 090 996 455

1. Reporting period

Report for the half year ended:	31 December 2013
Previous corresponding periods:	Financial year ended 30 June 2013 Half-year ended 31 December 2012

2. Results for announcement to the market

		\$A'000	
Revenues from ordinary activities	Up	54% to	41,247
Net profit after tax attributable to members	Up	88% to	7,238
	Amount per security	Franked amount per security	
Interim Dividend Declared			
Interim dividend for the 2014 fiscal year		3¢	2.5¢
Interim dividend for previous corresponding period		3¢	2¢
Record date for determining entitlements to the dividend	11 March 2014		
Previous Final Dividend Paid			
Final dividend for the year ended 30 June 2013		3¢	3¢
Final dividend for previous corresponding period		3¢	3¢

The Group operating result for the half year to 31 December 2013 was:

- Operating revenue of \$41.2 million
- EBITDA of \$11.2 million
- Net Profit after tax of \$7.2 million
- Earnings per share of 4.5 cents, up 2.1 cents per share or 88% from the 2.4 cents per share in the previous corresponding period

The Directors of Hansen have declared a consistent 3 cents per share interim dividend with:

- 2.5 cents per share fully franked
- 0.5 cents per share unfranked
- a record date of 11 March 2014
- payment on 28 March 2014
- the conduit foreign income component of this interim dividend is Nil
- the application price for shares issued in accordance with the Company's Dividend Reinvestment Plan will be the full undiscounted value

Results from Operations for the half-year ended 31 December

	Prior year 2012/13 \$A million	Current fiscal year 2013/14 \$A million	Variance
Operating revenue	26.8	41.2	up 54%
EBITDA	6.4	11.2	up 75%
Profit before tax	5.4	9.1	up 69%
Income tax expense	(1.6)	(1.9)	up 19%
Net profit after tax	3.8	7.2	up 89%
Earnings per share	2.4 cents	4.5 cents	up 88%

We are pleased to be announcing a strong performance for the first half of this year, establishing the foundation for a solid performance for the full fiscal year. This result includes the operating performance of the businesses acquired in the second half of last year and so a level of growth in the overall performance compared with the previous corresponding period was expected and predictable.

More importantly this half year's result represents a solid level of growth and improved operating performance over the immediately preceding half year to 30 June 2013, being a period which already incorporated the recently acquired ICC pay TV business as well as 4 months of the Utilisoft business.

	Immediately preceding half-year \$A million	Current fiscal year 2013/14 \$A million	
	Half year to June 2013	Half year to December 2013	Variance
Operating revenue	37.0	41.2	up 11%
EBITDA	9.3	11.2	up 19%
Profit before tax	7.2	9.1	up 26%
Income tax expense	(1.9)	(1.9)	-
Net profit after tax	5.3	7.2	up 36%
Earnings per share	3.3 cents	4.5 cents	up 36%

Organically Hansen is also doing well with existing customer relationships being consolidated and enhanced and new geographic markets being explored. Our push into the USA market continues and we are confident we will continue to see new opportunities coming our way as a result. Throughout the first half of this year we have also enjoyed the benefits of a lower Australian dollar compared with the previous corresponding period.

The success of the recent acquisitions and the speed with which we have been able to integrate these operations provides continued encouragement for us to keep on pursuing the acquisition of complementary software businesses as a means to growing and expanding our operations.

Off the back of the strong performance in the first half of the year we are optimistic that we will be able to deliver a similar performance in the second half of the year resulting in annual Revenues of around \$82 million for the full year. We will continue to target a 25% plus EBITDA return.

NOTE: Shareholders wishing to participate in the Dividend Reinvestment Plan need to have lodged the required DRP Notice with the Company's Share Registry by no later than 5.00pm on the record date, 11 March 2014.

3. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	11.1 cents	16.9 cents

4. Dividends

	Date of payment	Total amount of dividend
Three cent final dividend – year ended 30 June 2013	30 September 2013	\$4,807,488
Three cent interim dividend - half-year ended 31 December 2013	28 March 2014	\$4,817,174

Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign sourced dividend
Total dividend paid: Previous year (final)	3¢	100%	0¢
Previous year (interim)	3¢	66%	0¢

Total dividend on all securities paid during the half-year

	December 2013 \$A'000	December 2012 \$A'000
Ordinary securities	4,808	4,759
Total	4,808	4,759

5. Details of dividend or distribution reinvestment plans in operation are described below:

A Dividend Reinvestment Plan has been established to provide shareholders with the opportunity to reinvest dividends in new shares rather than receiving cash. The directors may alter, suspend or terminate the terms of the Dividend Reinvestment Plan at any time.

The last date(s) for receipt of election notices for participation in the dividend or distribution reinvestment plan

11 March 2014

6. The financial information provided in the Appendix 4D is based on the half year condensed financial report (attached).

7. Independent review of the financial report

The financial report has been independently reviewed. The financial report is not subject to a modified independent auditors review report.

HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2013

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2013.

HANSEN TECHNOLOGIES LTD AND CONTROLLED ENTITIES

FINANCIAL REPORT FOR THE HALF-YEAR ENDED

31 DECEMBER 2013

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Directors Report

The directors present their report together with the condensed financial report of the consolidated entity consisting of Hansen Technologies Ltd and the entities it controlled, for the half-year ended 31 December 2013 and independent review report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Directors Names

The names of the directors in office at any time during or since the end of the half-year are:

Name	Period of Directorship
Mr David Trude	Chairman since 2011
Mr Andrew Hansen	Managing Director since 2000
Mr Bruce Adams	Director since 2000
Mr Peter Berry	Director since 2012
Mr David Osborne	Director since 2006
Ms Melinda Osborne	Director since 2012

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of Operations

The consolidated profit of the group for the half-year after providing for income tax amounted to \$7,237,963 representing an 88% increase on the \$3,841,442 in the previous corresponding period.

The group operating result for the half year to 31 December 2013 comprised:

- Operating revenue of \$41.2 million, a 54% increase over the previous corresponding period
- EBITDA of \$11.2 million, up 75% on the previous corresponding period

The directors of Hansen have declared a consistent 3 cents per share interim dividend with 2.5 cents per share fully franked and 0.5 cents per share unfranked.

The strong performance in the first half of this year establishes the foundation for a solid performance for the full fiscal year. This result includes the operating performance of the businesses acquired in the second half of last year and so a level of growth in the overall performance compared with the previous corresponding period was expected and predictable.

More importantly this half year's result represents a solid level of growth and improved operating performance over the immediately preceding half year to 30 June 2013, being a period which already incorporated the recently acquired ICC pay TV business as well as 4 months of the Utilisoft business.

Organically Hansen is also doing well with existing customer relationships being consolidated and enhanced and new geographic markets being explored. Our push into the USA market continues and we are confident we will continue to see new opportunities coming our way as a result. Throughout the first half of this year we have also enjoyed the benefits of a lower Australian dollar compared with the previous corresponding period.

The success of the recent acquisitions and the speed with which we have been able to integrate these operations provides continued encouragement for us to keep on pursuing the acquisition of complementary software businesses as a means to growing and expanding our operations.

Off the back of the strong performance in the first half of the year we are optimistic that we will be able to deliver a similar performance in the second half of the year resulting in annual revenues of around \$82 million for the full year. We will continue to target a 25% plus EBITDA return.

Significant Changes in the State of Affairs

There have been no significant changes in the company's state of affairs during the half-year.

Auditor's Declaration

A copy of the auditor's declaration as required under section 307C of the *Corporation Act 2001* in relation to the review for the half-year is provided with this report.

Rounding of Amounts to Nearest Thousand Dollars

The amounts contained in the report and in the financial report have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors:



David Trude
Director



Andrew Hansen
Director

Dated this 27th day of February 2014

Auditor's Independence Declaration

To the Directors of Hansen Technologies Ltd.

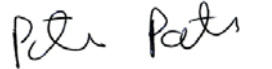
In relation to the independent review for the half-year ended 31 December 2013, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*.
- (ii) No contraventions of any applicable code of professional conduct.



S WHITCHURCH
Partner

27 February 2014



PITCHER PARTNERS
Melbourne

Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Statement of Comprehensive Income
For the Half Year Ended 31 December 2013

	Half-year to Dec	
	2013	2012
	\$'000	\$'000
Revenue from ongoing operations	41,247	26,798
Net foreign currency movements	333	(85)
Other revenues	243	546
Total revenue	41,823	27,259
Employee expenses	(22,859)	(14,327)
Amortisation expense	(1,359)	(784)
Depreciation expense	(745)	(727)
Property and operating rental expenses	(2,110)	(1,403)
Contractor and consultant expenses	(843)	(397)
Software licence expenses	(197)	(220)
Hardware and software expenses	(1,405)	(1,999)
Travel expenses	(1,047)	(657)
Communication expenses	(354)	(266)
Professional expenses	(423)	(338)
Other expenses	(1,340)	(748)
Total expenses	(32,682)	(21,866)
Profit before income tax expense	9,141	5,393
Income tax expense	(1,903)	(1,552)
Profit after income tax from ongoing operations	7,238	3,841
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit and loss</i>		
Movement in carrying value of foreign entities due to currency translation	820	91
Other comprehensive income for the half-year	820	91
Total comprehensive income attributable to members of the parent	8,058	3,932
Basic earnings (cents) per share for ongoing operations	4.5	2.4
Total basic earnings (cents) per share	4.5	2.4
Diluted earnings (cents) per share for ongoing operations	4.4	2.4
Total diluted earnings (cents) per share	4.4	2.4

Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Statement of Financial Position
As at 31 December 2013

	Dec-13	Jun-13
	\$'000	\$'000
Current Assets		
Cash and cash equivalents	14,150	9,653
Receivables	12,361	14,671
Other current assets	3,136	2,164
Total Current Assets	29,647	26,488
Non-Current Assets		
Plant, equipment & leasehold improvements	4,385	4,699
Intangible assets	46,305	45,654
Deferred tax assets	821	823
Total Non-Current Assets	51,511	51,176
Total Assets	81,158	77,664
Current Liabilities		
Payables	4,595	5,489
Current tax payable	1,060	1,116
Provisions	6,802	6,649
Unearned income	4,607	4,367
Total Current Liabilities	17,064	17,621
Non-Current Liabilities		
Provisions	177	176
Total Non-Current Liabilities	177	176
Total Liabilities	17,241	17,797
Net Assets	63,917	59,867
Equity		
Share capital	44,348	43,650
Foreign currency translation reserve	(628)	(1,448)
Options granted reserve	625	523
Retained earnings	19,572	17,142
Total Equity	63,917	59,867

Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Statement of Changes in Equity
For the Half Year Ended 31 December 2013

Consolidated**Balance as at 1 July 2013**

Profit for the half-year

Movement in carrying value of foreign entities due to currency translation

Total comprehensive income for the half-year**Transactions with owners in their capacity as owners:**

Options exercised

Employee share options

Capital issued under dividend reinvestment plan

Dividends paid

Total transactions with owners in their capacity as owners**Balance as at 31 December 2013**

Half-year to Dec			
Contributed Equity	Reserves	Retained Earnings	Total Equity
\$'000	\$'000	\$'000	\$'000
43,650	(925)	17,142	59,867
-	-	7,238	7,238
-	820	-	820
-	820	7,238	8,058
337	-	-	337
-	102	-	102
361	-	-	361
-	-	(4,808)	(4,808)
698	102	(4,808)	(4,008)
44,348	(3)	19,572	63,917

Consolidated**Balance as at 1 July 2012**

Profit for the half-year

Movement in carrying value of foreign entities due to currency translation

Total comprehensive income for the half-year**Transactions with owners in their capacity as owners:**

Options exercised

Employee share options

Capital issued under dividend reinvestment plan

Dividends paid

Total transactions with owners in their capacity as owners**Balance as at 31 December 2012**

Half-year to Dec			
Contributed Equity	Reserves	Retained Earnings	Total Equity
\$'000	\$'000	\$'000	\$'000
42,579	(2,692)	17,540	57,427
-	-	3,841	3,841
-	91	-	91
-	91	3,841	3,932
231	-	-	231
-	80	-	80
349	-	-	349
-	-	(4,759)	(4,759)
580	80	(4,759)	(4,099)
43,159	(2,521)	16,622	57,260

**Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Statement of Cash Flows
For the Half Year Ended 31 December 2013**

	Half-year to Dec	
	2013	2012
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	46,777	30,799
Payments to suppliers and employees	(34,280)	(23,807)
Interest received	89	495
Income tax paid	(1,960)	(2,849)
Net cash provided by operating activities	10,626	4,638
Cash flows from investing activities		
Payment for plant and equipment	(422)	(150)
Payment for capitalised research and development	(1,598)	(1,023)
Net cash used in investing activities	(2,020)	(1,173)
Cash flows from financing activities		
Proceeds from options exercised	337	165
Dividends paid net of dividend re-investment	(4,446)	(4,344)
Net cash used in financing activities	(4,109)	(4,179)
Net increase / (decrease) in cash and cash equivalents	4,497	(714)
Cash and cash equivalents at beginning of half-year	9,653	23,967
Cash and cash equivalents at end of the half-year	14,150	23,253

**Hansen Technologies Ltd and Controlled Entities
Notes to the Half-Year Financial Statements
31 December 2013**

1 Basis of Preparation of the Half-Year Financial Report

This half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2013 and any public announcements made by Hansen Technologies Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

The half-year financial report was authorised for issue by the directors as at the date of the directors' report.

(a) Basis of preparation

This half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2013 and the corresponding half-year.

(b) Summary of the significant accounting policies

Due to new or revised accounting standards which became operative for the annual reporting period commencing 1 January 2013, Hansen Technologies Ltd has changed some of its accounting policies as described below.

(i) AASB 10 Consolidated Financial Statements

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and of all entities the parent controls.

Under AASB 10, the group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entities to affect the amount of its returns.

The group has applied AASB 10 retrospectively in accordance with the transition provisions. The group has determined that AASB 10 has no impact on the composition of the consolidated group. Therefore, no adjustments to any of the carrying amounts are required.

(c) Rounding amounts

The company is of a kind referred to in ASIC Class Order CO 98/0100 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

2 Dividends

Dividends paid during the half-year:

- 3 cent final dividend paid 30 September 2013
- 3 cent final dividend paid 28 September 2012

Half-year to Dec	
2013	2012
\$'000	\$'000
4,808	4,759
4,808	4,759

Dividends declared after the reporting period and not recognised:

- 3 cent interim dividend (2.5 cents fully franked, 0.5 cents unfranked)
- 3 cent interim dividend (2 cents fully franked, 1 cent unfranked)

4,817	4,772
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3 Segment Information

a) Description of segments

Inter-segment pricing is determined on an arm's length basis. Segment revenue and results derive from items directly attributable to a segment or those that can be allocated on a reasonable basis.

Business Segments

The consolidated entity comprises the following main business segments, based on the consolidated entity's management reporting system:

Billing : Represents the sale of billing applications and the provision of consulting services in regard to billing systems.

IT Outsourcing : Represents the provision of various IT outsourced services including facilities management, systems and operations support, network services and business continuity support.

Other : Represents software and service provision in superannuation administration.

b) Segment information

Half-year 2013

Segment revenue

Total segment revenue

Segment revenue from external source

Segment result

Total segment result

Segment result from external source

Half-year to Dec 2013			
Billing	IT		Total
	Outsourcing	Other	
\$'000	\$'000	\$'000	\$'000
35,550	3,705	1,992	41,247
35,550	3,705	1,992	41,247
7,911	1,606	658	10,175
7,911	1,606	658	10,175

Half-year 2012

Segment revenue

Total segment revenue

Segment revenue from external source

Segment result

Total segment result

Segment result from external source

Half-year to Dec 2012			
Billing	IT		Total
	Outsourcing	Other	
\$'000	\$'000	\$'000	\$'000
20,458	4,590	1,750	26,798
20,458	4,590	1,750	26,798
3,480	1,804	630	5,914
3,480	1,804	630	5,914

The total assets and liabilities of the consolidated entity are not disaggregated on a business segment basis within the management reporting system.

(i) Reconciliation of segment result from the external source to the consolidated statement of comprehensive income

Segment result from external source	
Net interest	89
Depreciation & amortisation	(647)
Realised / Unrealised FX	333
Other	(809)
Profit before income tax	

Half-year to Dec	
2013	2012
\$'000	\$'000
10,175	5,914
89	495
(647)	(436)
333	(85)
(809)	(495)
9,141	5,393

4 Borrowings

The Group has a \$10 million debt facility with a third party bank, available for draw down. Since its inception the facility has been unutilised.

Loan facility	
Amount utilised	
Unused loan facility	

Half-year to Dec	
2013	2012
\$'000	\$'000
10,000	-
-	-
10,000	-

5 Contributed capital

Number of ordinary shares on issue

Half-year to Dec	
2013	2012
No.	No.
160,572,453	159,057,313

Movement in ordinary shares on issue

Beginning of the half-year	
Dividend re-investment plan	
Options exercised	
End of the half-year	

159,634,602	158,072,120
322,851	415,193
615,000	570,000
160,572,453	159,057,313

6 Taxation

The income tax expense has been determined after bringing to account \$522K of tax effect benefit derived from historical operating losses not previously recognised as a deferred tax asset. Refer to note 6(f) of the financial statements in the 30 June 2013 Annual Report for further detail of deferred tax assets not brought to account.

7 Contingent Liabilities

There have been no changes in contingent liabilities since 30 June 2013.

8 Subsequent Events

The Directors of Hansen have declared a 3 cent interim dividend, being 2.5 cents per share fully franked and 0.5c per share unfranked, payable to shareholders as of the record date of 11 March 2014, with payment to follow on 28 March 2014.

There were no other material events subsequent to the period ending 31 December 2013 that have significantly affected or may significantly affect the consolidated entity.

**Hansen Technologies Ltd
Directors Declaration**

The directors declare that the financial statements and notes set out on pages 6 to 13 in accordance with the *Corporations Act 2001* :

- (a) Comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* , and other mandatory professional reporting requirements; and
- (b) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2013 and of its performance for the half-year ended on that date.

In the directors' opinion there are reasonable grounds to believe that Hansen Technologies Ltd will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



**David Trude
Director**

**Melbourne
27 February 2014**



**Andrew Hansen
Director**

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF HANSEN TECHNOLOGIES LTD

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Hansen Technologies Ltd and controlled entities, which comprises the condensed consolidated statement of financial position as at 31 December 2013, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed 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 of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the half-year.

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 and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and 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 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 31 December 2013 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 Hansen Technologies Ltd and controlled entities, 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*.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF HANSEN TECHNOLOGIES LTD**

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 Hansen Technologies Ltd 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 31 December 2013 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*.



S WHITCHURCH
Partner

27 February 2014



PITCHER PARTNERS
Melbourne