

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

**HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2005
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A**

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2005.

Appendix 4D

Half Year Report for the six months to 31 December 2005

Name of entity

Hansen Technologies Ltd and its Controlled Entities

ABN or equivalent company reference:	ABN: 90 090 996 455
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1. Reporting period

Report for the half year ended	31 December 2005
	The previous corresponding periods are the financial year ended 30 June 2005 and the half year ended 31 December 2004.

2. Results for announcement to the market

Revenues from ordinary activities	down	15%	to	24,331
Profit (loss) from ordinary activities after tax attributable to members	down	213%	to	(776)
Net profit (loss) for the period attributable to members	down	213%	to	(776)
Dividends		Amount per security		Franked amount per security
Interim dividend		0¢		0¢
Previous corresponding period – Interim Dividend		1¢		0.12¢
Record date for determining entitlements to the dividend		N/A		
<p>Brief explanation of any of the figures reported above necessary to enable the figures to be understood:</p> <p>As forecast at the AGM the operating performance for the first half of this year reflects the investment necessary to complete the current batch of new strategic HUB software projects. The consequential earnings before interest, income tax, depreciation and amortisation, (EBITDA) for the 6 months to December 2005 of \$1.27 million was \$1.4 million less than the corresponding period last year. No interim Dividend has been declared in respect of this first half year.</p> <p>With these key HUB projects approaching completion, the strong pipeline of new opportunities offers the expectation of a strong operating performance in the second half of this year. We are forecasting a cash flow positive second half for this year, with a full year EBITDA of in excess of \$3 million. Depending upon the timing of the commencement of new HUB projects the opportunity exists for an even better second half result.</p>				

3. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	6.0 cents	5.4 cents

4. Details of entities over which control has been gained or lost during the period:

There has been no change in the entities controlled within the consolidated group during the reporting period.

5. Dividend

	Date of payment	Total amount of dividend
Total dividend – year ended 30 June 2005	18 th March 2005	\$ 1,142,790

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year	0¢	0¢	N/A
Previous year	1.0¢	0.12¢	N/A

Total dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
Ordinary securities (<i>each class separately</i>)	0	1,142
Preference securities (<i>each class separately</i>)	0	0
Other equity instruments (<i>each class separately</i>)	0	0
Total	0	1,142

6. 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

N/A

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

December 2005 represents the first time adoption of the Australian equivalent of the International Financial Reporting Standards (IFRS). Note 11 of the accompanying Financial Report and the Condensed Financial Statements explains the impact of adopting IFRS. Notes 8, 9 and 10 show the adjustments necessary to prior period's Financial Reports to bring them in line with the International Financial Reporting Standards.

8. Independent review of the financial report

The financial report has been independently reviewed. The financial report is not subject to a qualified independent review statement.

HANSEN TECHNOLOGIES LTD
ABN 90 090 996 455
AND CONTROLLED ENTITIES
FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2005

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2005.

HANSEN TECHNOLOGIES LTD AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2005

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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 2005 and independent review report thereon. This financial report has been prepared in accordance with Australian Equivalents of International Financial Reporting 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 Kenneth Hansen	Chairman since 2000
Mr Geoff Tomlinson	Director since 2000
Mr Andrew Hansen	Managing Director since 2000
Mr Bruce Adams	Director since 2000

* Note: Mr Tomlinson has submitted his resignation as a director with affect from 1 March 2006

Review of Operations

As forecast at the 2005 AGM the operating performance for the first half of this year reflects the investment necessary to complete the current batch of new strategic HUB software projects. The consequential earnings before interest, tax, depreciation and amortisation, (EBITDA) for the 6 months to December 2005 of \$1.27 million is \$1.4 million less than the corresponding period last year

No interim Dividend has been declared in respect of this first half year

With these key HUB projects approaching completion, the strong pipeline of new opportunities offers the expectation of a stronger operating performance in the second hal of this year. We are forecasting a cash flow positive second half for this year with a full year EBITDA of in excess of \$3 million. Depending upon the timing of the commencement of new HUB projects the opportunity exists for an even better second half result

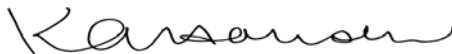
Auditor's Declaration

A copy of the auditor's declaration in relation to the review for the half-year is provided with this report.

Rounding of amounts to the nearest thousand dollars

The amounts contained in the report and in the financial report have been rounded to the nearest thousand (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:



Kenneth Hansen
Director



Andrew Hansen
Director

Dated at Melbourne this 24th day of February 2006.

Auditor's Independence Declaration

To the Directors of Hansen Technologies Ltd.

In relation to the half-year independent review for the six months to 31 December 2005, 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

Dated at Melbourne this 24th day of February 2006.



Pitcher Partners
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Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Income Statement
For the Half Year Ended 31 December 2005

	Consolidated	
	Dec-05	Dec-04
	\$'000	\$'000
Revenue from rendering of services	23,446	27,525
Other revenues	885	967
Total revenue	24,331	28,492
Employee expenses	(12,937)	(15,023)
Depreciation and amortisation expenses	(2,508)	(2,469)
Impairment of non-current assets	0	(20)
Finance costs	(118)	(143)
Operating lease rental expenses	(1,682)	(2,952)
Contractor and consultant expenses	(1,872)	(775)
Software licence expenses	(131)	(270)
Hardware and software expenses	(2,479)	(2,650)
Transportation expenses	(93)	(362)
Travel expenses	(477)	(550)
Data communication expenses	(1,597)	(1,486)
Legal, settlement and liquidation costs	(22)	(6)
Other expenses	(1,679)	(1,520)
	(25,595)	(28,226)
Profit (loss) before income tax	(1,264)	266
Income tax benefit	488	420
Profit (loss) from continuing operations	(776)	686
Profit (loss) for the half-year	(776)	686
Profit (loss) attributable to the members of the parent	(776)	686
Basic earnings / (loss) per share	(\$0.006)	\$0.006
Diluted earnings / (loss) per share	(\$0.006)	\$0.006

Hansen Technologies Ltd and Controlled Entities
Condensed Consolidated Balance Sheet
As at 31 December 2005

	Consolidated	
	Dec-05	Jun-05
	\$'000	\$'000
Current Assets		
Cash and cash equivalents	3,736	887
Trade receivables	6,933	5,471
Other current assets	2,605	2,763
Total Current Assets	13,274	9,121
Non-Current Assets		
Receivables	0	893
Plant and equipment	5,763	6,746
Intangible assets	22,341	21,479
Deferred tax assets	6,087	5,011
Other non-current assets	1,070	35
Total Non-Current Assets	35,261	34,164
Total Assets	48,535	43,285
Current Liabilities		
Trade and other payables	3,964	4,670
Short-term borrowings	985	962
Short-term provisions	4,304	4,247
Other current liabilities	3,507	3,160
Total Current Liabilities	12,760	13,039
Non-Current Liabilities		
Long-term borrowings	676	1,177
Deferred tax liabilities	3,273	2,699
Long-term provisions	574	621
Total Non-Current Liabilities	4,523	4,497
Total Liabilities	17,283	17,536
Net Assets	31,252	25,749
Equity		
Share capital	49,861	43,452
Foreign currency translation reserve	(376)	(226)
Options granted reserve	66	46
Retained earnings (accumulated losses)	(18,299)	(17,523)
Total Equity	31,252	25,749

**Hansen Technologies Ltd and Controlled Entities
 Condensed Consolidated Statement of Changes in Equity
 For the Half Year Ended 31 December 2005**

	Consolidated	
	Dec-05	Dec-04
	\$'000	\$'000
Total Equity at the Beginning of the Half-Year	25,749	28,775
Exchange differences on translation of foreign operations:	(150)	234
Net income (loss) recognised directly in equity	(150)	234
Profit (loss) for the half-year	(776)	686
Total recognised income and expense for the period	(926)	920
Transactions with equity holders in their capacity as equity holders:		
Contributions	6,409	732
Options granted	20	17
Dividends provided for or paid	0	(1,120)
	6,429	(371)
Total Equity at the End of the Half-Year	31,252	29,324
Attributable to:		
Members of the parent	31,252	29,324

**Hansen Technologies Ltd and Controlled Entities
 Condensed Consolidated Statement of Cash Flows
 For the Half Year Ended 31 December 2005**

	Consolidated	
	Dec-05	Dec-04
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers	24,837	28,443
Payments to suppliers and employees	(25,480)	(26,842)
Interest received	92	169
Borrowing costs	(118)	(143)
Income tax paid	0	(46)
Net cash provided by (used in) operating activities	(669)	1,581
Cash flows from investing activities		
Proceeds from sale of plant and equipment	12	15
Proceeds from sale of intellectual property	0	558
Payment for plant and equipment	(353)	(1,478)
Payment for controlled entities (net of cash acquired)	0	(223)
Payment for:		
Capitalised research and development	(2,061)	(1,000)
Net cash used in investing activities	(2,402)	(2,128)
Cash flows from financing activities		
Proceeds from share issue	6,396	0
Proceeds from borrowings	0	493
Dividends paid net of dividend re-investment	0	(388)
Finance and hire purchase lease payments	(477)	(334)
Net cash provided by (used in) financing activities	5,919	(229)
Net increase/(decrease) in cash and cash equivalents	2,849	(776)
Cash and cash equivalents at beginning of half-year	887	3,623
Cash and cash equivalents at end of the half-year	3,736	2,847

Notes to the Half-Year Financial Statements
31 December 2005

1 Basis of Preparation of the Half-Year Financial Report

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

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 financial report be read in conjunction with the financial report for the year ended 30 June 2005 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*.

With the exception of the changes required for the first time adoption of AIFRS, as explained below, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(a) Introduction of AIFRS

This is the first financial report of Hansen Technologies Ltd prepared in accordance with Australian Equivalents of International Financial Reporting Standards (AIFRS). Until 30 June 2005 the financial reports of Hansen Technologies Ltd were prepared in accordance with the previous Australian Generally Accepted Accounting Principles (AGAAP). There are certain differences between accounting policies under AIFRS and AGAAP and where applicable the comparative figures have been restated to reflect these adjustments. A summary of the significant accounting policies under AIFRS is provided below. Reconciliations of equity and operating profit/loss between AGAAP and AIFRS are provided under notes 8 to 11.

The 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.

2 Summary of significant accounting policies under AIFRS

(a) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity and of all entities, which Hansen Technologies Ltd controlled from time to time during the year and at balance date.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies, which may exist. All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation.

(b) Revenue recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

All revenue is stated net of the amount of goods and services tax (GST)

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, deposits held at call with financial institutions and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(d) Plant and equipment

Cost and valuation

All classes of plant and equipment are measured at cost

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. Refer to note 2(g)

Depreciation

The depreciable amounts of all fixed assets are depreciated on a straight-line basis over their estimated useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives for each class of assets are:

	2005	2004
Plant and equipment:	9% to 40%	9% to 40%
Leased plant and equipment:	9% to 40%	9% to 40%

(e) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Leases

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to entities within the consolidated entity are classified as finance leases. Finance leases are capitalised, recording at the inception of the lease an asset and liability equal to the present value of the minimum lease payments, and disclosed as plant and equipment under lease

Leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Lease payments are allocated between interest expense and reduction of the lease liability. The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the Income Statement

Operating Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred

(f) Intangibles

Goodwill

Goodwill on consolidation represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired entities at the date of acquisition.

Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. (Refer also to note 11 regarding first-time adoption of AIFRS).

Research and Development

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when it is expected beyond reasonable doubt that future benefits will exceed the deferred costs. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using a straight-line method to allocate the cost over a period during which the related benefits are expected to be realised, once commercial production is commenced. Other development expenditure is recognised as an expense when incurred.

(g) Impairment of assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(h) Taxes

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognized for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred tax asset or liability is recognised in relation to temporary differences arising from the initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. Deferred tax assets are recognised for temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax Consolidation

The parent entity and its controlled entities have formed an income tax consolidated group under the tax consolidation legislation. The parent entity is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. The tax consolidated group has also entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group

(i) Employee benefits

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date

Share-based payments

The group operates an employee share option plan and an employee share scheme. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options at grant date. Under the transitional arrangements for first-time adoption of AIFRS, no expense has been recognised for options granted before 7 November 2002 and/or vested before 1 January 2005. For options granted after 7 November 2002 and vesting after 1 January 2005 the fair value of options at grant date is determined using a Black-Scholes option pricing model, and is recognised as an employee expense over the period during which the employees become entitled to the option.

Any discount to market value for shares issued to employees under the employee share scheme is recognised as an expense when the employees become entitled to the shares.

(j) Financial instruments

Classification

The group classifies its financial instruments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates the designation at each reporting date

Loans and Receivables

Loan and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Financial Liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(k) Foreign currencies

Functional and presentation currency

The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

Resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

Group Companies

The financial statements of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- All resulting exchange differences are recognised as a separate component of equity

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the balance sheet.

(l) Comparatives

In accordance with the first-time adoption of AIFRS, comparative information has been reclassified where appropriate through retrospective application of AIFRS to the previous year results so as to achieve consistency with current year disclosures

(m) 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

3 Subsequent Events

There were no material events subsequent to the period ending 31 December 2005.

4 Significant Items

Revenue:

Sale of intellectual property

Expense:

Provision for surplus lease space

Total significant items

Consolidated	
Dec-05	Dec-04
\$'000	\$'000
0	558
0	(572)
0	(14)

5 Dividends

Ordinary shares

Dividends provided for or paid during the half-year

Consolidated	
Dec-05	Dec-04
\$	\$
148,625,440	114,278,991
0	1,120,186

6 Segment Reporting

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

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 covering facilities management, systems and operations support, network services, call centre services, telehousing and business continuity support.

Other : Represents software and service provision in the areas of call centre productivity software, superannuation administration and asset management.

Segment revenue

Billing

IT Outsourcing

Other

Unallocated revenue

Total revenue

Segment results

Billing

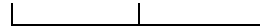
IT Outsourcing

Other

Unallocated revenue less unallocated expenses

Profit (loss) before income tax

Consolidated	
Dec-05	Dec-04
\$'000	\$'000
10,041	13,511
11,382	12,979
2,023	1,035
23,446	27,525
886	967
24,332	28,492
(224)	1,686
1,013	1,366
188	588
(2,241)	(3,374)
(1,264)	266



7 Contingent Liabilities

There were no contingent liabilities disclosed in the financial report as at 30 June 2005 .
 There has been no change in the contingent liability position since then.

First-Adoption of AIFRS - Reconciliation of Equity Reported Under AGAAP to 8 Equity Under AIFRS

(a) At the transition to AIFRS - 1 July 2004

	AGAAP	Adj	AIFRS
	\$'000	\$'000	\$'000
Current Assets			
Cash and cash equivalents	3,623	0	3,623
Trade receivables	5,275	0	5,275
Other current assets	1,817	0	1,817
Total Current Assets	10,715	0	10,715
Non-Current Assets			
Receivables	1,179	0	1,179
Plant and equipment	6,819	0	6,819
Intangible assets	23,147	0	23,147
Deferred tax assets	3,054	0	3,054
Other non-current assets	155	0	155
Total Non-Current Assets	34,354	0	34,354
Total Assets	45,069	0	45,069
Current Liabilities			
Trade and other payables	4,943	0	4,943
Short-term borrowings	556	0	556
Current tax payable	51	0	51
Short-term provisions	4,013	0	4,013
Other current liabilities	3,438	0	3,438
Total Current Liabilities	13,001	0	13,001
Non-Current Liabilities			
Payables	300	0	300
Long-term borrowings	893	0	893
Deferred tax liabilities	1,947	0	1,947
Long-term provisions	153	0	153
Total Non-Current Liabilities	3,293	0	3,293
Total Liabilities	16,294	0	16,294
Net Assets	28,775	0	28,775
Equity			
Share capital	96,158	0	96,158
Foreign currency translation reserve	(478)	0	(478)
Options granted reserve	0	13	13
Retained earnings (accumulated losses)	(66,905)	(13)	(66,918)
Total Equity	28,775	0	28,775

(b) At the end of the last half-year reporting period under AGAAP - 31 December 2004

	AGAAP	Adj	AIFRS
	\$'000	\$'000	\$'000
Current Assets			
Cash and cash equivalents	2,847	0	2,847
Trade receivables	7,978	0	7,978
Other current assets	2,210	0	2,210
Total Current Assets	13,035	0	13,035
Non-Current Assets			
Plant and equipment	6,807	0	6,807
Intangible assets	22,600	525	23,125
Deferred tax assets	3,660	0	3,660
Other non-current assets	1,097	0	1,097
Total Non-Current Assets	34,164	525	34,689
Total Assets	47,199	525	47,724
Current Liabilities			
Trade and other payables	5,490	0	5,490
Short-term borrowings	694	0	694
Current tax payable	150	0	150
Short-term provisions	4,330	0	4,330
Other current liabilities	4,204	0	4,204
Total Current Liabilities	14,868	0	14,868
Non-Current Liabilities			
Long-term borrowings	929	0	929
Deferred tax liabilities	1,990	0	1,990
Long-term provisions	613	0	613
Total Non-Current Liabilities	3,532	0	3,532
Total Liabilities	18,400	0	18,400
Net Assets	28,799	525	29,324
Equity			
Share capital	42,559	0	42,559
Foreign currency translation reserve	(471)	227	(244)
Options granted reserve	0	29	29
Retained earnings (accumulated losses)	(13,289)	269	(13,020)
Total Equity	28,799	525	29,324

(c) At the end of the last annual reporting period under AGAAP - 30 June 2005

	AGAAP	Adj	AIFRS
	\$'000	\$'000	\$'000
Current Assets			
Cash and cash equivalents	887	0	887
Trade receivables	5,471	0	5,471
Other current assets	2,763	0	2,763
Total Current Assets	9,121	0	9,121
Non-Current Assets			
Receivables	893	0	893
Plant and equipment	6,746	0	6,746
Intangible assets	20,429	1,050	21,479
Deferred tax assets	5,011	0	5,011
Other non-current assets	35	0	35
Total Non-Current Assets	33,114	1,050	34,164
Total Assets	42,235	1,050	43,285
Current Liabilities			
Trade and other payables	4,670	0	4,670
Short-term borrowings	962	0	962
Short-term provisions	4,247	0	4,247
Other current liabilities	3,160	0	3,160
Total Current Liabilities	13,039	0	13,039
Non-Current Liabilities			
Long-term borrowings	1,177	0	1,177
Deferred tax liabilities	2,699	0	2,699
Long-term provisions	621	0	621
Total Non-Current Liabilities	4,497	0	4,497
Total Liabilities	17,536	0	17,536
Net Assets	24,699	1,050	25,749
Equity			
Share capital	43,452	0	43,452
Foreign currency translation reserve	(480)	254	(226)
Options granted reserve	0	46	46
Retained earnings (accumulated losses)	(18,273)	750	(17,523)
Total Equity	24,699	1,050	25,749

**First-Adoption of AIFRS - Reconciliation of Profit Reported Under AGAAP to Profit
 9 Under AIFRS**

(a) Reconciliation of profit for the half-year ended 31 December 2004

	AGAAP \$'000	Adj \$'000	AIFRS \$'000
Revenue from rendering of services	27,525	0	27,525
Other revenues	967	0	967
Total revenue	28,492	0	28,492
Employee expenses	(15,006)	(17)	(15,023)
Depreciation and amortisation expenses	(2,994)	525	(2,469)
Impairment of non-current assets	(20)	0	(20)
Finance costs	(143)	0	(143)
Operating lease rental expenses	(2,952)	0	(2,952)
Contractor and consultant expenses	(775)	0	(775)
Software licence expenses	(270)	0	(270)
Hardware and software expenses	(2,650)	0	(2,650)
Transportation expenses	(362)	0	(362)
Travel expenses	(550)	0	(550)
Data communication expenses	(1,486)	0	(1,486)
Legal, settlement and liquidation costs	(6)	0	(6)
Other expenses	(1,293)	(227)	(1,520)
	(28,507)	281	(28,226)
Profit (loss) before income tax	(15)	281	266
Income tax benefit	420	0	420
Profit from continuing operations	405	281	686
Profit for the half-year	405	281	686
Profit attributable to the members of the parent	405	281	686
Basic earnings per share	\$0.004		\$0.006
Diluted earnings per share	\$0.004		\$0.006

(b) Reconciliation of profit for the year ended 30 June 2005

	AGAAP \$'000	Adj \$'000	AIFRS \$'000
Revenue from rendering of services	51,840	0	51,840
Other revenues	1,946	0	1,946
Total revenue	53,786	0	53,786
Employee expenses	(30,797)	(34)	(30,831)
Depreciation and amortisation expenses	(5,968)	1,050	(4,918)
Impairment of non-current assets	(3,640)	0	(3,640)
Finance costs	(281)	0	(281)
Operating lease rental expenses	(4,954)	0	(4,954)
Contractor and consultant expenses	(1,864)	0	(1,864)
Software licence expenses	(719)	0	(719)
Hardware and software expenses	(4,409)	0	(4,409)
Transportation expenses	(587)	0	(587)
Travel expenses	(1,183)	0	(1,183)
Data communication expenses	(3,099)	0	(3,099)
Legal, settlement and liquidation costs	(40)	0	(40)
Other expenses	(897)	(254)	(1,151)
	(58,438)	762	(57,676)
Profit (loss) before income tax	(4,652)	762	(3,890)
Income tax benefit	1,216	0	1,216
Profit (loss) from continuing operations	(3,436)	762	(2,674)
Profit (loss) for the half-year	(3,436)	762	(2,674)
Profit (loss) attributable to the members of the parent	(3,436)	762	(2,674)
Basic earnings / (loss) per share	(\$0.030)		(\$0.023)
Diluted earnings / (loss) per share	(\$0.030)		(\$0.023)

**First-Adoption of AIFRS - Reconciliation of Cash Flow Statement for the Year
10 Ended 30 June 2005 as Reported Under AGAAP to Cash Flows Under AIFRS**

The adoption of AIFRS has not resulted in any material adjustments to the cash flow statement.

**First Adoption of AIFRS - Explanation of Changes in Accounting Policy Arising on
11 First Time Adoption of AIFRS**

(i) Share based payments

Under AASB 2 Share Based Payments, the company is required to determine the fair value of equity settled transactions and recognise an expense in the Income Statement

On first-time adoption of AIFRS retained earnings at 1 July 2004 and reported results for the half-year to 31 December 2004 have been adjusted for all share-based payments granted after 7 November 2002, which did not vest prior to 1 January 2005.

(ii) Goodwill

Goodwill on consolidation has been recalculated to derecognise intangible assets acquired that do not meet the identifiability criteria under AIFRS, and to recognise deferred tax liabilities at the acquisition date under the balance-sheet method

In accordance with AASB 1, amortisation of goodwill ceases on first-time adoption of AIFRS at 1 July 2004. The carrying amount of goodwill as previously reported under AGAAP at 30 June 2004 is subject to impairment testing from that date.

On adoption of AIFRS, reported results for the half-year to 31 December 2004 have been adjusted for amortisation charges from 1 July 2004. Amortisation charges prior to 30 June 2004 may not be reversed under the first-time adoption provisions.

(iii) Impairment of assets

Under AIFRS the recoverable amount test under the previous AGAAP is replaced by impairment testing whereby the recoverable amount is determined as the higher of fair value less costs to sell and value in use. Value in use incorporates the use of discounted cash flows.

(iv) Effects of changes in foreign exchange rates

The parent entity has foreign subsidiary whose operations were previously considered to be integrated with the parent entity. On first-time adoption of AIFRS new rules apply for translation of the foreign subsidiaries results included in the consolidated financial statements as described in note 2 (k) above.

On first-time adoption of AIFRS, retained earnings at 1 July 2004 and reported results for the half-year to 31 December 2004 have been adjusted for changes to the foreign currency translation rules.

(v) Plant and equipment

In accordance with AASB 1, on first-time adoption of AIFRS the entity has elected to use the previous AGAAP revaluation of property, plant and equipment at 30 June 2004, being its fair value at the date of transition to AIFRS, as its deemed cost.

Hansen Technologies Ltd
Directors Declaration

The directors declare that the financial statements and notes set out on pages 5 to 17 in accordance with the *Corporations Act 2001*:

(a) Comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*, and

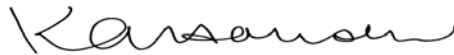
(a) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2005 and of its performance as represented by the results of its operations and its cash flows, for the half-year ended on that date

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.

Dated at Melbourne this 24th day of February 2006.

Signed in accordance with a resolution of the Directors:



Kenneth Hansen
Director



Andrew Hansen
Director

**Independent Review Report
To the Members of Hansen Technologies Ltd**

Scope

We have reviewed the condensed consolidated financial report of Hansen Technologies Ltd for the half-year ended 31 December 2005 as set out on pages 5 to 17. The directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the entity to lodge the financial report with the Australian Securities and Investments Commission

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion

Statement

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 is not in accordance with:

(a) the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and

(b) other mandatory professional reporting requirements in Australia

Dated at Melbourne this 24th day of February 2006.



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