

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

**FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2008
PROVIDED TO THE ASX UNDER LISTING RULE 4.3A**

Appendix 4E Preliminary Final Report

Name of entity

Hansen Technologies Limited and its Controlled Entities

ABN or equivalent company reference:

ABN: 90 090 996 455

1. Reporting period

Report for the financial year ended	30 June 2008
Previous corresponding period is the financial year ended	30 June 2007

2. Results for announcement to the market

	\$A'000		
Revenues from ordinary activities	down	1%	to 52,190
Revenues from continuing operations	up	20%	to 40,615
Profit from ordinary activities after tax attributable to members	up	367%	to 15,445
Net profit for the period attributable to members	up	367%	to 15,445
Dividends	Amount per security	Franked amount per security	
Final dividend for the year ended 30 June 2008	1¢	FULLY	
Final dividend for previous corresponding period	1¢	NIL	
Payment date for the final dividend for the year ended 30 June 2008	17 October 2008		
Interim dividend for the 2008 fiscal year	4¢	NIL	
Interim dividend for previous corresponding period	0¢	NIL	
Payment dates for the interim dividends	18 December 2007 & 19 March 2008		

A final dividend of 1 cent per share, fully franked, has been declared, bringing the total dividend for the year to 5 cents per share.

Please refer to the attached preliminary financial report for the year ended 30 June 2008 and the accompanying press release for more detail.

3. Income Statement

Refer to the attached statement

4. Balance Sheet

Refer to the attached statement

5. Statement of Cash Flows

Refer to the attached statement

6. Dividends

	Date of payment	Total amount of dividend
Final dividend – year ended 30 June 2007	8 October 2007	\$1,504,515
Interim 3 cent dividend – year ended 30 June 2008	18 December 2007	\$4,523,695
Interim 1 cent dividend – year ended 30 June 2008	19 March 2008	\$1,513,008
Final dividend – year ended 30 June 2008	17 October 2008	\$1,526,544

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year (interim)	4¢	0%	0¢
Current year (final)	1¢	30%	0¢
Previous year (final)	1¢	0%	0¢

Total dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
Ordinary securities	7,542	0
Total	7,542	0

7. 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

26 September 2008

8. Statement of retained earnings

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
Balance at the beginning of year	(13,491)	(16,798)
Net profit attributable to members of the parent entity	15,445	3,307
Total available for appropriation	1,954	(13,491)
Dividends paid	(7,542)	0
Balance at end of year	<u>(5,588)</u>	<u>(13,491)</u>

9. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	14.7 cents	9.0 cents

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

Loss of control of entities

Name of entities	Hansen Professional Services Pty Ltd
Date of loss of control	31 August 2007
Contribution to consolidated profit from ordinary activities after tax by the controlled entities to the date in the current period when control was lost	\$163,672
Profit from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period	\$1,034,700

Effective 31 August 2007 the company sold its wholly owned subsidiary, Hansen Professional Services Pty Ltd (HPS), incorporating the Hansen Group's NSW based IT outsourcing business, for a cash consideration of \$10.5 million. After allowing for previously unrecognised capital tax losses, all costs associated with the sale and related sale adjustments plus the tax cost base of HPS within Hansen's consolidated tax group, the sale of HPS generated an after tax profit for the Hansen Group of \$8.8 million. The sale of HPS completed the rationalisation of the Group's business structure started in the previous year.

11. The financial information provided in the Appendix 4E is based on the annual financial report (attached), which has been prepared in accordance with Australian accounting standards

12. Commentary on the results for the period.

Hansen Technologies Limited (ASX: HSN) today announces confirmation of a record profit and the continued growth in the underlying cash based strength of the Company.

The Directors have declared a 1 cent per share fully franked final dividend for the Fiscal year with the Ex Dividend date being Monday 22nd September, the Record Date being Friday 26th September, and payment on 17th October 2008.

Andrew Hansen said in announcing the record result: "I am pleased that we have again this year achieved strong organic operational growth with increased profitability while also delivering positive progress towards the strategic repositioning of our company.

Back in August 2007 we sold our NSW based outsourcing business to concentrate on our core business of delivering proprietary billing software solutions into the utility industries. This sale generated considerable cash resources which are now available to fund our strategic growth plans.

We are actively engaged in a campaign to execute on a growth via acquisition strategy and to this end we have recently engaged a senior manager to drive this initiative.

The final dividend announced today will bring the total dividend in respect to this fiscal year to 5 cents per share. When this is added to the 2 cents per share capital return made in June 2008 our shareholders will have received a distribution from Hansen over the past year amounting to \$10.6 million or 7 cents per share. Even after making this distribution to shareholders we continue to have cash on hand representing 13.3 cents per share.

The sale of our NSW outsourcing business has caused an understandable reduction in our Group's Operational revenue. However revenue growth from ongoing operations is strong and we have delivered an absolute year on year increase in all key financial measurements."

Highlights of the financial results for the year to 30 June 2008 include:

- **Total revenue of \$52.2 million**
- **Earnings before interest, tax, depreciation and amortisation (EBITDA) of \$20.1 million, being;**
 - **\$11.3 million from operations, a 26% increase on the previous year, plus**
 - **\$8.8 million profit on sale of the NSW outsourcing business.**
- **After tax profit of \$15.4 million or 10.1 cents per share,**
- **The Net Tangible Assets per share has risen 63% to 14.7 cents per share.**

<i>Results for the year to 30 June - Key Indicators</i>	2008 \$A million	2007 \$A million
Total revenue	52.2	52.9
EBITDA	20.1	8.9
Profit before tax	17.7	4.4
Income tax expense	(2.3)	(1.1)
Net profit after tax	15.4	3.3

To obtain a better gauge of the full extent of the improvement in performance of our Group this year it is appropriate to compare the results being reported with those for last year, after both periods are adjusted to exclude the impact of the NSW outsourcing business which was disposed of in August 2007. The analysis of our results for just the continuing operations reveals:

- **Revenue from continuing operations has increased 22% to \$39.1 million,**
- **EBITDA growth of \$4.3 million or 65%, with EBITDA as a % of revenue increasing to 27%,**
- **Earnings before interest and tax (EBIT) of \$7.2 million, is \$4.6 million or 177% up on the prior year, and**
- **Profit before tax is \$8.7 million, up 195% on the prior year.**

<i>Results for the year to 30 June adjusted to remove the contribution of the subsidiary sold in August 2007</i>	2008 \$A million	2007 \$A million
Operating revenue from continuing operations	39.1	32.1
EBITDA - continuing operations	10.9	6.6
Depreciation and amortisation	(3.7)	(4.0)
EBIT	7.2	2.6
Interest income	1.5	0.4
EBT	8.7	3.0

In commenting on the Company's direction and future objectives Andrew Hansen, CEO presented his thoughts as follows:

- Hansen is firmly focused on its core competencies of delivering billing solutions into the Energy and Telecommunications markets;
- We remain focused on those geographies and industries where deregulation and technology advances are mandating change to billing solutions;
- We continue with our underlying principle of maintaining ownership of the intellectual property in our proprietary software solutions;
- We have developed a base of annuity revenues which offer insulation against turbulence in market/industry conditions and currency fluctuations. We plan to continue to grow our foundation annuity revenue streams;
- We have as an objective to be at the forefront of new technologies affecting our areas of core competency, evidenced by our projects with;
 - Western Power in West Australia to enable billing on the HUB solution of up to 1 million interval meters, and
 - TESCO in the UK for advanced billing functionality in a mobile telecommunications billing solution.

- We have achieved profitability across all of our 3 geographic areas of focus, (Australian, United Kingdom and Japan) as well as our core industry markets (Energy and Telecommunications);
- We have an active campaign to identify and execute on a growth via acquisition strategy.

Our initiatives in the coming years include:

- Commercialising our investment in the HUB billing and customer care solution suite into the world wide trend for growth in the roll out of interval meters in the electricity and gas industries as well as our exciting new functionality for mobile telecommunication billing;
- Developing an indirect distributor model for commercialising these solutions into markets where direct selling by Hansen would be either inappropriate or beyond our short to medium term growth capabilities;
- Expand into geographic markets where demand for billing solutions is being driven by technology change or deregulation; and
- Identify and integrate appropriate acquisitions which are compatible with our existing core business.

This past year has delivered an outstanding financial result. Our key financial measurements, such as EBITDA as a % of revenue, are at the top end of expectations for our industry. It will be a challenge to improve on this in fiscal 2008/9 but that is most definitely our objective.

We have come a long way in the past 2 years. We now have a strong, geographically diverse, profitable and cash flow positive business targeted at markets undergoing substantive change for which we are well positioned to support.

We start the new fiscal year in excellent financial health, with a strong list of prospects and an aggressive strategic growth objective.

I continue to be excited about the future opportunities for our company.”

13. Audit of the financial report

The financial report is in the process of being audited.

14. The audit has not yet been completed

The financial report is not likely to be the subject of dispute or qualification.

Hansen Technologies Ltd and Controlled Entities
Consolidated Income Statement
For the Year Ended 30 June 2008

		Consolidated Entity	
		2008	2007
Note		\$'000	\$'000
	Revenue from continuing operations	39,084	32,138
	Other revenues	1,531	1,741
	Total revenue	40,615	33,879
	Employee expenses	(19,521)	(19,413)
	Depreciation and amortisation expenses	(3,697)	(3,996)
	Finance costs	(6)	234
	Operating lease rental expenses	(1,723)	(1,463)
	Contractor and consultant expenses	(1,359)	(1,147)
	Software licence expenses	(145)	(221)
	Hardware and software expenses	(2,609)	(2,545)
	Transportation expenses	(84)	(86)
	Travel expenses	(1,002)	(1,076)
	Data communication expenses	(254)	(257)
	Legal costs	(111)	(131)
	Other expenses	(1,413)	(811)
		(31,924)	(30,912)
	Profit before income tax	8,691	2,967
	Income tax expense	(2,176)	(696)
	Profit after income tax from continuing operations	6,515	2,271
	Profit from discontinued operations	164	1,035
	Profit on sale of business	8,766	0
	Profit after income tax from discontinued operations	8,930	1,035
	Profit for the year attributable to the members of the parent	15,445	3,306
	Basic earnings per share - cents per share	10.2	2.2
	Diluted earnings per share - cents per share	10.1	2.2

Hansen Technologies Ltd and Controlled Entities
Consolidated Balance Sheet
As at 30 June 2008

		Consolidated Entity	
		2008	2007
Note		\$'000	\$'000
Current Assets			
	Cash and cash equivalents	21,871	11,958
7	Trade receivables	5,576	8,422
8	Other current assets	967	1,441
	Total Current Assets	28,414	21,821
Non-Current Assets			
7	Trade receivables	145	153
9	Plant and equipment	3,325	4,182
10	Intangible assets	19,823	21,224
5	Deferred tax assets	-	1,597
	Total Non-Current Assets	23,293	27,156
	Total Assets	51,707	48,977
Current Liabilities			
11	Trade and other payables	3,403	4,866
12	Short-term borrowings	-	320
	Current tax payable	2,244	6
13	Short-term provisions	3,218	3,879
	Other current liabilities	453	3,115
	Total Current Liabilities	9,318	12,186
Non-Current Liabilities			
12	Long-term borrowings	-	61
5	Deferred tax liabilities	233	-
13	Long-term provisions	170	504
	Total Non-Current Liabilities	403	565
	Total Liabilities	9,721	12,751
	Net Assets	41,986	36,226
Equity			
14	Share capital	47,916	50,048
15(a)	Foreign currency translation reserve	(479)	(448)
15(b)	Options granted reserve	137	117
15(c)	Retained earnings (accumulated losses)	(5,588)	(13,491)
	Total Equity	41,986	36,226

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2008

		Consolidated Entity	
		2008	2007
Note		\$'000	\$'000
	Total Equity at the Beginning of the Year	36,226	32,827
	Exchange differences on translation of foreign operations	(31)	(23)
	Employee share options	20	26
	Net income (loss) recognised directly in equity	(11)	3
	Profit for the year	15,445	3,306
	Total recognised income and expense for the period	15,434	3,309
	Transactions with equity holders in their capacity as equity holders:		
	Employee share plan	130	90
	Options exercised	148	-
	Capital issued under dividend reinvestment plan	641	-
	Capital return paid	(3,051)	-
	Dividends paid	(7,542)	-
		(9,674)	90
	Total Equity at the End of the Year Attributable to Members of the Parent	41,986	36,226

Hansen Technologies Ltd and Controlled Entities
Consolidated Statement of Cash Flows
For the Year Ended 30 June 2008

		Consolidated Entity	
		2008	2007
Note		\$'000	\$'000
Cash flows from operating activities			
	Receipts from customers	45,736	52,840
	Payments to suppliers and employees	(33,520)	(45,208)
3	Interest received	1,467	371
	Borrowing costs	(6)	228
	Income tax paid	-	-
	Net cash provided by operating activities	13,677	8,231
Cash flows from investing activities			
	Proceeds from sale of plant and equipment	-	9
	Proceeds from sale of intellectual property	-	1,333
	Net proceeds from sale of subsidiary	9,942	-
	Payment for plant and equipment	(2,259)	(1,853)
	Payment for capitalised research and development	(1,694)	(1,963)
	Net cash provided by (used in) investing activities	5,989	(2,474)
Cash flows from financing activities			
14	Proceeds from share issue under Employee Share Plan	130	90
14	Payment of capital return	(3,051)	-
14	Proceeds from options exercised	148	-
	Dividends paid net of dividend re-investment	(6,900)	-
	Finance and hire purchase lease payments	(80)	(784)
	Net cash used in financing activities	(9,753)	(694)
	Net increase in cash and cash equivalents	9,913	5,063
	Cash and cash equivalents at beginning of year	11,958	6,895
	Cash and cash equivalents at end of the year	21,871	11,958

Notes to the Financial Statements
30 June 2008

1 Basis of preparation

This preliminary financial report has been prepared in accordance with the measurement and recognition criteria of the Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The following is a summary of material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Compliance with IFRS

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards. Compliance with Australian Equivalents of International Financial Reporting Standards ensures compliance with International Financial Reporting Standards (IFRS).

Historical Cost Convention

The financial report has been prepared under the historical cost convention.

(b) 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.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation.

(c) Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer. Revenue from the provision of services to customers 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).

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, and short term deposits with an original maturity of three months or less held at call with financial institutions.

(e) Plant and equipment

Cost and valuation

All classes of plant and equipment are stated at cost less depreciation.

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 rates applicable for each class of assets are:

	2008	2007
Plant and equipment:	8% to 40%	9% to 40%
Plant and equipment under finance lease:	8% to 40%	9% to 40%

(f) 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.

(g) 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.

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 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 of five years, 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.

(h) Impairment

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.

(i) Taxes

Current income tax expense or benefit 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 tax liabilities and the deferred tax assets arising in respect of tax losses, for the tax consolidated group. The tax consolidated group has entered into a tax funding 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.

(j) Employee benefits

Liabilities arising in respect of wages and salaries, annual leave, long service 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. 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.

(k) Financial instruments*Classification*

The group classifies its financial instruments in the following categories: loans and receivables and other financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and Receivables

Loans 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.

(l) 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.

(m) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(n) 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.

(o) New accounting standards and interpretations

A number of accounting standards and interpretations have been issued at the reporting date but are not yet effective. The directors have not yet assessed the impact of these standards or interpretations.

(p) Discontinued operations

On 31 August 2007 the Company sold its NSW outsourcing services subsidiary Hansen Professional Services Pty Ltd (HPS). The income statement for the current period reflects this sale by disclosing the 2 months trading results of HPS as a separate line under the description profit/(loss) from discontinued operations. Note 2 details the breakdown of HPS's trading results and its impact on cash flows for the current period.

2. Changes in the Composition of the Entity

On 30 August 2007 the Company announced the sale of its NSW outsourcing services subsidiary Hansen Professional Services Pty Ltd. The subsidiary was sold effective 31 August 2007 and is reported in this financial report as a discontinued operation. Note the sale of HPS has utilised capital tax losses not previously taken to account. As such, there is no tax effect on the sale.

Financial information relating to the discontinued operation for the period to the date of the disposal is set out below. Further information is set out in Note 18 - Segment Reporting.

Financial Performance and Cash Flow Information

Revenue	2,809	19,011
Expenses	2,574	17,531
Profit before income tax	235	1,480
Income tax expense	(71)	(445)
Profit after income tax of discontinued operations	164	1,035
Profit on sale of business after tax	8,766	-
Profit after income tax of discontinued operations	8,930	1,035

2008	2007
\$'000	\$'000
2,809	19,011
2,574	17,531
235	1,480
(71)	(445)
164	1,035
8,766	-
8,930	1,035

3. Revenue

Revenues from continuing operations

Revenue from sale of goods and services

Consolidated Entity		
2008	2007	
\$'000	\$'000	
39,084	32,138	
39,084	32,138	
Other income:		
<i>From operating activities</i>		
Interest – other parties	1,467	371
Sale of intellectual property	-	1,333
Other income	64	37
Total other revenues	1,531	1,741
Total revenue from ordinary activities	40,615	33,879

Total other revenues

Total revenue from ordinary activities

4. Profit from continuing operations

Consolidated Entity	
2008	2007
\$'000	\$'000

Profit from continuing operations before income tax has been determined after the following specific expenses:

<i>Employees benefits expense</i>		
Wages and salaries	17,503	17,783
Workers compensation costs	41	49
Superannuation costs	1,957	1,555
Share based payments	20	26
<i>Total employee benefits expense</i>	<u>19,521</u>	<u>19,413</u>
 <i>Depreciation of non-current assets</i>		
Plant and equipment	926	873
<i>Total depreciation of non-current assets</i>	<u>926</u>	<u>873</u>
 <i>Amortisation of non-current assets</i>		
Plant and equipment under finance lease	153	431
Research and development	2,618	2,692
<i>Total amortisation of non-current assets</i>	<u>2,771</u>	<u>3,123</u>
 <i>Finance costs expensed</i>		
Interest charges (reversal)	3	(236)
Finance charges paid or payable under finance leases	3	2
<i>Total finance costs expensed</i>	<u>6</u>	<u>(234)</u>
 <i>Operating lease rental expenses</i>		
Lease rental charges	1,723	1,463
<i>Total operating lease rental expenses</i>	<u>1,723</u>	<u>1,463</u>
 <i>Other expenses</i>		
Movement in provision for doubtful debts	(35)	27
Net foreign exchange losses	462	302
Net (profit) loss on disposal of plant and equipment	22	(6)
Other expenses	964	488
<i>Total other expenses</i>	<u>1,413</u>	<u>811</u>

5 Income tax

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
(a) The components of tax expense:		
Current tax	2,951	10
Deferred tax	(678)	962
Under provision in prior year	(26)	169
<i>Total Income tax expense</i>	<u>2,247</u>	<u>1,141</u>
(b) Income tax expense		
Prima facie income tax expense calculated at 30% (2007: 30%) on the profit from ordinary activities	5,308	1,334
<i>Tax effect of amounts which are not deductible in calculating taxable income</i>		
Non deductible write down of investment	(128)	-
Current year losses not brought to account	18	76
Capital losses absorbed not previously brought to account	(2,742)	(266)
Other non allowable items	1	24
Under / (over) provision in prior years	(26)	169
Research and development allowances	(184)	(196)
<i>Income tax expense</i>	<u>2,247</u>	<u>1,141</u>
Comprising:-		
Income tax expense for continuing operations	2,176	696
Income tax expense for discontinuing operations	71	445
	<u>2,247</u>	<u>1,141</u>
(c) Deferred tax relates to the following:		
<i>Deferred tax liabilities</i>		
Research and development expenditure capitalised	1,954	2,231
<i>Total deferred tax liabilities</i>	<u>1,954</u>	<u>2,231</u>
<i>Deferred tax assets</i>		
Employee benefits	970	1,185
Provisions	4	135
Other payables	673	572
Difference in depreciation and amortisation of plant and equipment for accounting and income tax purposes	4	1,193
Losses available for offset against future taxable income	-	733
Other	70	10
<i>Total deferred tax assets</i>	<u>1,721</u>	<u>3,828</u>
<i>Net deferred tax</i>	<u>(233)</u>	<u>1,597</u>
Deferred tax assets not brought to account, the benefits of which will only be realised if the condition for deductibility set out in Note 1(i) occur		
(d) Capital and income tax losses	2,824	4,476
	<u>2,824</u>	<u>4,476</u>

6 Distribution to Shareholders

Consolidated Entity	
2008	2007
\$'000	\$'000

2008

A one cent per share fully franked final dividend has been declared on 29 August 2008.

2007

A one cent per share unfranked final dividend was declared on 31 August 2007.

Dividends provided for or paid during the year

- 1 cent per share final dividend paid 8 October 2007	1,505	-
- 3 cent per share interim dividend paid 17 December 2007	4,524	-
- 1 cent per share interim dividend paid 19 March 2008	1,513	-
	<hr/>	
	7,542	-
	<hr/>	
 A 2 cent per share capital return was paid to shareholders on 27 June 2008	 3,051	 -
	<hr/>	

7 Receivables

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
Current		
Trade debtors	5,187	7,773
Less: Provision for doubtful debts	(13)	(47)
	<u>5,174</u>	<u>7,726</u>
Sundry debtors	402	696
	<u>5,576</u>	<u>8,422</u>
Non-current		
Term debtor	<u>145</u>	<u>153</u>
	<u>145</u>	<u>153</u>

The weighted average effective interest rate on the term debtor is 8.165% (2007: 6.33%) at 30 June 2008.

8 Other current assets

Current		
Prepayments	804	1,191
Accrued revenue	<u>163</u>	<u>250</u>
	<u>967</u>	<u>1,441</u>

9 Plant and equipment

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
Plant and equipment, at cost	9,572	20,096
<i>Accumulated depreciation</i>	(6,273)	(16,120)
	<u>3,299</u>	<u>3,976</u>
Plant and equipment under finance lease, at cost	3,566	3,762
<i>Accumulated amortisation</i>	(3,540)	(3,556)
	<u>26</u>	<u>206</u>
Total plant and equipment	<u>3,325</u>	<u>4,182</u>

Reconciliations

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current financial year.

Plant and equipment

Carrying amount at 1 July 2007	3,976	4,063
Additions	2,259	1,853
Disposals	(1,794)	(3)
Depreciation expense	(1,078)	(1,916)
Net foreign currency movements arising from foreign operation	(64)	(21)
Carrying amount at 30 June 2008	<u>3,299</u>	<u>3,976</u>

Plant and equipment under finance lease

Carrying amount at 1 July 2007	206	637
Disposals	(27)	-
Amortisation expense	(153)	(431)
Carrying amount at 30 June 2008	<u>26</u>	<u>206</u>

10 Intangibles

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
Goodwill, at cost	17,935	18,479
<i>Accumulated impairment</i>	(4,625)	(4,693)
	<u>13,310</u>	<u>13,786</u>
Software research and development, at cost	22,618	20,924
<i>Accumulated amortisation</i>	(16,105)	(13,486)
	<u>6,513</u>	<u>7,438</u>
Total intangible assets	<u>19,823</u>	<u>21,224</u>
Reconciliation of goodwill at cost		
Opening amount	18,479	18,479
Increase/(Decrease) due to sale/acquisition adjustments	(544)	-
Closing amount	<u>17,935</u>	<u>18,479</u>
Accumulated impairment at beginning of year	(4,693)	(4,693)
Impairment write back re sale of subsidiary	68	-
Accumulated impairment at end of year	<u>(4,625)</u>	<u>(4,693)</u>
Reconciliation of software research and development at cost		
Opening amount	20,924	18,961
Expenditure capitalised in current period	1,694	1,963
Closing amount	<u>22,618</u>	<u>20,924</u>
Accumulated amortisation at beginning of year	(13,487)	(10,795)
Current year charge	(2,618)	(2,692)
Accumulated amortisation at end of year	<u>(16,105)</u>	<u>(13,487)</u>

11 Payables**Current**

Trade payables

Other payables

Consolidated Entity	
2008	2007
\$'000	\$'000
1,200	1,547
2,203	3,319
<u>3,403</u>	<u>4,866</u>

12 Borrowings**Current***Secured*

Hire purchase liability

Finance lease liability

-	97
-	<u>223</u>
-	<u>320</u>

Non-current*Secured*

Finance lease liability

-	61
-	<u>61</u>

13 Provisions

	Consolidated Entity	
	2008	2007
	\$'000	\$'000
Current		
Employee benefits	3,063	3,728
Onerous lease	0	147
Unpresented dividends and capital return	155	4
	3,218	3,879
Non-current		
Employee benefits	170	220
Onerous lease	-	284
	170	504
(a) Aggregate employee benefits liability	3,233	3,948
(b) Number of employees at year end	194	262
Reconciliations		
Reconciliations of the carrying amounts of each class of provision, except for the employee benefits provision, are set out below:		
<i>Unpresented Dividends and Capital Return - current</i>		
Carrying amount at beginning of year	4	4
Provisions made during the year	151	-
Carrying amount at end of year	155	4
<i>Provisions Onerous Lease- current</i>		
Carrying amount at beginning of year	147	96
Provisions made during the year	-	51
Adjustments made due to sale of subsidiary	(147)	-
Carrying amount at end of year	-	147
<i>Provisions Onerous Lease- Non current</i>		
Carrying amount at beginning of year	284	242
Provisions made during the year	-	42
Adjustments made due to sale of subsidiary	(284)	-
Carrying amount at end of year	-	284

14 Contributed Equity**a) Issued and paid up capital**

Ordinary shares, fully paid

Consolidated Entity	
2008	2007
\$'000	\$'000

47,916

50,048

b) Movements in shares on issue

Balance at beginning of the financial year

50,048

49,958

Shares issued under Dividend Reinvestment Plan

641

-

Shares issued under Employee Share Plan

130

90

Options exercised

148

-

Capital Reduction *

(3,051)

-

Balance at end of the financial year

47,916

50,048

* In accordance with a resolution of shareholders the Company's contributed equity (issued and paid up share capital) was reduced by a 2 cents per share capital return paid to shareholders on 27 June 2008.

15 Reserves and retained profits

	Note	Consolidated Entity	
		2008	2007
		\$'000	\$'000
Foreign currency translation reserve	15 (a)	(479)	(448)
Options granted reserve	15 (b)	137	117
Retained earnings (accumulated losses)	15 (c)	(5,588)	(13,491)

(a) Foreign currency translation reserve

Movements in reserve

Balance at beginning of year	(448)	(425)
Movement during the year	(31)	(23)
Balance at end of year	(479)	(448)

(b) Options granted reserve

Movements in reserve

Balance at beginning of year	117	91
Movement during the year	20	26
Balance at end of year	137	117

(c) Retained earnings (accumulated losses)

Balance at the beginning of year	(13,491)	(16,798)
Dividends paid	(7,542)	-
Net profit attributable to members of Hansen Technologies Ltd	15,445	3,307
Balance at end of year	(5,588)	(13,491)

16 Earnings per share

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

Basic earnings - ordinary shares	15,445	3,306
Diluted earnings - ordinary shares	15,445	3,306

Weighted average number of ordinary shares used in calculating basic earnings per share:

	no. shares	no. shares
Number for basic earnings per share - ordinary shares	151,121,576	149,459,802
Number for diluted earnings per share - ordinary shares	152,320,374	151,383,282

	cents per share	cents per share
Basic earnings - cents per share	10.2	2.2
Diluted earnings - cents per share	10.1	2.2

17 Segment Information

Business Segments	Billing		IT Outsourcing		Other		Total Continuing Operations		Discontinued Operations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue												
External segment revenue	28,130	23,274	6,393	5,295	4,561	3,569	39,084	32,138	2,809	19,011	41,893	51,149
Other unallocated revenue							1,531	1,741	8,766	-	10,297	1,741
Total revenue							40,615	33,879	11,575	19,011	52,190	52,890
Result												
Segment result	9,687	4,933	2,555	1,260	1,791	1,805	14,033	7,998	9,001	1,480	23,034	9,478
Unallocated corporate expenses							(5,342)	(5,031)			(5,342)	(5,031)
Profit from ordinary activities before income tax							8,691	2,967	9,001	1,480	17,692	4,447
Income tax expense							(2,176)	(696)	(71)	(445)	(2,247)	(1,141)
Net profit							6,515	2,271	8,930	1,035	15,445	3,306
Depreciation and amortisation	3,202	3,347	51	213	172	269	3,425	3,829	152	1,043	3,577	4,872
Depreciation and amortisation - unallocated							272	167			272	167
							3,697	3,996	152	1,043	3,849	5,039
Segment result is inclusive of some individually significant items.												
Individually significant segment items												
Profit on sale of intellectual property	-	-	-	-	-	1,333	-	1,333	-	-	-	1,333
Profit on sale of subsidiary	-	-	-	-	-	-	-	-	8,766	-	8,766	-

Business Segments cont...

	Billing		IT Outsourcing		Other		Total Continuing Operations		Discontinued Operations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets												
Segment assets	16,801	14,381	1,325	1,042	1,090	1,090	19,216	16,513	-	6,002	19,216	22,515
Unallocated corporate assets							32,491	26,462			32,491	26,462
Consolidated total assets							51,707	42,975	-	6,002	51,707	48,977
Liabilities												
Segment liabilities	6,945	5,024	976	862	721	838	8,642	6,724	-	5,223	8,642	11,947
Unallocated corporate liabilities							1,079	804			1,079	804
Consolidated total liabilities							9,721	7,528	-	5,223	9,721	12,751
Acquisition of non-current assets	357	1,122	44	5	1,851	398	2,252	1,525	7	328	2,259	1,853

Geographical Segments

	Australia		USA		Europe		Other		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External segment revenue by location of customers	27,761	40,342	1,211	416	11,149	9,797	1,772	594	41,893	51,149
Segment assets by location of assets	47,472	44,213	56	20	4,034	4,623	145	121	51,707	48,977
Acquisition of non-current assets	2,053	1,245	-	-	206	608	-	-	2,259	1,853